

# South Staffordshire Retail Centres Study



**South  
Staffordshire  
Council**



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TOWN PLANNING AND  
DEVELOPMENT CONSULTANCY

**April 2021**

**R**eeves  
etail

Planning Consultancy

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## 1.0 INTRODUCTION AND BRIEF

### a. What the Study aims to achieve

- 1.1 Alsop Verrill (AV) and Reeves Retail Planning Consultancy (RRPC) were appointed by South Staffordshire District Council ('SSDC') in November 2019 to prepare its Retail Centres Study ('RCS') to provide an evidence base to help inform the preparation of the new South Staffordshire Local Plan ('SSLP') and to help officers to undertake a review of the relevant policies contained within the South Staffordshire Local Plan and provide the Council with a sound evidence base to inform the policy approach to retail and leisure uses for the Local Plan review (programmed for submission by the end of 2022).
- 1.2 A Retail Centres Study that is fully compliant with the National Planning Policy Framework and the National Planning Policy Guidance on ensuring the vitality of towncentres must:
  - ❖ consider the current health of the District's centres;
  - ❖ identify the need and capacity for further retail and leisure uses; and
  - ❖ propose clear policy recommendations for a positive centres strategy having regard to future locations for growth.
- 1.3 People need all sorts of different shops and services for their everyday and longer-term needs. In basic terms, this is food and other sustenance ('convenience' goods) and things to wear and do things with, such as clothes, furniture, tools, books and electrical goods ('comparison' goods). The larger the centre, the higher the order in the retail hierarchy, the more likely it will be that there are comparison goods sold, rather than convenience goods. Centres of all sizes accommodate different service uses to different extents, such as banks, estate agents, hairdressers, cafes, restaurants and pubs.
- 1.4 Much has changed since our appointment, and there have been significant events affecting the country as a whole. The coronavirus COVID-19 crisis more or less brought the country to a standstill for several months on two occasions. The COVID-19 pandemic is one of the biggest peacetime shocks to our economy: its fallout cannot yet be ascertained. Its actual and possible consequences are discussed in chapter 3 on Retail and Town Centre Trends below.

### b. How the Study was undertaken

- 1.5 The draft study is based on new primary data, namely:
- A joint South Staffordshire and Black Country Household Survey undertaken by NEMS Market Research during June/July 2019. The survey collected information on current shopping behaviour for food and non-food purchases, as well as information on how the town, district and local centres are used;
  - Health checks for the 17 Village Centres and 10 Neighbourhood Centres of the District, detailed physical inspections and desk-top research; and
  - A telephone survey of managers and owners of shops and services throughout the District.
- 1.6 National trends on retailing and the changes being experienced in town centres, the food and beverage sector and other town centre uses have also been considered to assess the quantitative and qualitative capacity for additional convenience and comparison provision in South Staffordshire and to provide commentary on the current health of the centres.

### c. South Staffs Context

- 1.7 South Staffordshire is almost unique as a local authority area – it has no towns, its largest settlement (they are all 'villages', reflecting the rural character that affects much of it) has a population a little over 14,000, it is adjoined by the West Midlands conurbation to its east; it is only about 20 miles (32 km) north to south as the crow flies at its longest, and about 10 miles (16 km) east to west at its widest, yet those four points have Stafford, Dudley, Walsall and Wolverhampton postcodes.

## 2.0 PLANNING POLICY FRAMEWORK

### a. Introduction

- 2.1 The planning policy framework for our work on the preparation of this draft Retail Centres Study is contained within policies and provisions formulated at local and national level.

### b. Local Planning Policy

- 2.2 The Core Strategy DPD is part of the South Staffordshire Local Plan and was adopted on the 11th December 2012. The Local Plan is presently the subject of a review and is programmed for submission by the end of 2022.

- 2.3 The Core Strategy has six themes: Environmental Quality, Housing, Economic Vibrancy, Community Safety, Health and Wellbeing and Children and Young People. The theme relevant to this Study is Economic Vibrancy. There are three **Strategic Objectives** related to Economic Vibrancy:

*To support the growth of a vibrant, prosperous and sustainable local economy; sustain, improve and enhance the vitality and viability of village centres and promote South Staffordshire as a tourist destination. [11]*

*To support thriving and sustainable communities by ensuring that local people enjoy access to jobs and key services such as social, health care, education, open space and recreation, cultural and other facilities. [12]*

*To reduce the need to travel, to secure improvements to public transport infrastructure and services and make it safer and easier for the community to travel to jobs and key services by sustainable forms of transport, such as public transport, walking and cycling. [13]*

- 2.4 The relevant Policy within the ambit of Economic Vibrancy is **Core Policy 8: Hierarchy of Centres**

*Development proposals for retail, office and cultural facilities will be focused within the centres of the Main Service Villages and Local Service Villages.*



The Council will encourage and support proposals that sustain, improve and enhance the vitality and viability of centres. The centres hierarchy for South Staffordshire is set out below.

Hierarchy	Location
Village Centres – providing shops and services serving the village and surrounding rural areas (13)	<ul style="list-style-type: none"> <li>• Bilbrook – Duck Lane, Bilbrook Road</li> <li>• Brewood – Market Place</li> <li>• Codsall – The Square, Station Road</li> <li>• Coven – Brewood Road</li> <li>• Cheslyn Hay – High Street</li> <li>• Great Wyrley – Quinton Court</li> <li>• Kinver – High Street</li> <li>• Pattingham – The Square</li> <li>• Penkridge – Market Street</li> <li>• Perton – Anders Square</li> <li>• Swindon – High Street</li> <li>• Wheaton Aston – High Street</li> <li>• Wombourne – High Street</li> </ul>
Neighbourhood Centres – smaller groups of shops and services meeting some of the day to day shopping needs of local residents. (11)	<ul style="list-style-type: none"> <li>• Cheslyn Hay - Glenthorne Drive</li> <li>• Codsall - Birches Bridge</li> <li>• Featherstone - The Avenue</li> <li>• Great Wyrley - Tower View Road: Walsall Road</li> <li>• Kinver - Potters Cross</li> <li>• Penkridge - Boscomoor Shopping Centre</li> <li>• Wombourne - Bull Lane: Common Road: Giggetty Lane: Planks Lane</li> </ul>

## Village Centres

Encouragement will be given to appropriate uses, activities and investment in village centres that will sustain or enhance their character, attractiveness, and conservation heritage and lead to the centres becoming more vibrant and economically successful and preserve a range of services appropriate to the centre. The priority will be to retain existing class A1 retail uses. Office (A2) uses should be located within village centres.

Development proposals for appropriate non-retail uses in village centres, including leisure, recreation, cultural facilities, educational, community facilities and residential development, will be supported where they will not create a concentration of non-shopping uses and result in unacceptable change in the retail character of the immediate area or have an adverse effect on the vitality and viability of the centre.



*Proposals for retail development outside existing village centres should accord with the sequential approach set out in national planning policy in order to protect the vitality and viability of those centres and proposals should be consistent with other local planning policies.*

### **Neighbourhood Centres**

*Neighbourhood centres providing local shopping, service and community facilities to meet the day to day needs of local communities will be protected and enhanced. Small scale retail development to serve the neighbourhood centres will be supported*

### **Development Proposals**

*Proposals should be appropriate in scale and type to the roles of the centres, respect the character of the environment and the local distinctiveness of the centre and assist in maintaining its existing retail, cultural and community function. Proposals should be of a high quality of design and be consistent with the adopted Village Design Guide Supplementary Planning Document (or subsequent revisions), the NPPF and be informed by other local design documents. Proposals should be accessible by a choice of means of transport including walking, cycling and public transport.*

*The Council will seek to deliver more attractive public spaces and streetscapes in village centres to support existing retailers and attract visitors to these centres.*

*Development proposals should be consistent with other local planning policies.*

*Delivery and Monitoring is through the Development Management process and Village Centre enhancements*

## **2.5 Additionally, *Core Policy 10: Sustainable Community Facilities and Services***

*The Council will support proposals and activities that protect, retain or enhance existing community facilities and services or lead to the provision of additional facilities that improve the wellbeing and cohesion of local communities and ensure that communities are sustainable.*

*The Council will support the co-location of facilities (shared use of buildings) where it would enhance the provision of services within local communities and involve the most efficient and sustainable use of land.*

*Proposals involving the loss of community facilities and services including the sole or last remaining facilities and land in community use such as community/village halls, village shops, convenience stores, post offices, schools, nurseries, places of worship, health services, police services, libraries, public houses, sport and recreation and cultural facilities will not be supported.*

*In preparing the Site Allocations DPD, the Council may allocate land to provide community facilities where there is evidence of need through engagement with local communities.*

*Development proposals should be consistent with other local planning policies.*

### **c. National Planning Policy and Guidance**

- 2.6 In undertaking the review of existing centres and the capacity assessment for new shopping and leisure floorspace it is important that it is done in a way that is both robust and consistent with the requirements set out in National Planning Policy and supporting Guidance, in order that any subsequent updated Local Plan policies are sound.
- 2.7 The latest version of national policy is set out in the National Planning Policy Framework (NPPF) as updated in February 2019, whilst the Planning Practice Guidance (PPG) was updated in July 2019.
- 2.8 The NPPF requires that all policies should be underpinned by relevant and up-to-date evidence, which should be adequate and proportionate and take into account relevant market signals [paragraph 31].
- 2.9 The PPG includes a list of indicators that may be relevant in assessing the health of town centres and planning for their future (Paragraph 006). No other specific guidance on what is required of an evidence base is provided, but it is clear that for town centre policies to be able to meet the requirements of paragraph 85 of the NPPF, the evidence base must inform the understanding of:

- How the existing network and hierarchy of centres interact, their respective roles and their individual characters, strengths and weaknesses;
- What the current mix of uses is within a centre, where they are located and how they may change in the future;
- How changes in the retail and leisure sectors nationally may affect the centres; and
- How any quantitative capacity for additional retail provision is influenced by a consideration of qualitative factors.

2.10 In line with town centre policy, this is likely to mean a study focuses on retail need and provision, but other main town centre uses as defined in Annex 2 to the NPPF 'Glossary', are also important for town centre vitality and viability.

## 3.0 RETAIL AND TOWN CENTRE TRENDS

### a. Introduction

- 3.1 Town centres have always been dynamic multi-functional places that have developed in response to the evolving needs of their catchment area, and whilst many often interpret 'town centre' as meaning 'shopping' this is rarely, if ever, the case in practice.
- 3.2 This is important when considering the role of town centres and their health and vitality, both now and in the future, as the most successful centres are those that offer a wide range of goods and services to meet the needs of both the resident population and visitors to the area.
- 3.3 This means town centres, regardless of size, are about activity not just buildings and spaces and temporary uses (whether regular such as weekly markets or one-off events) are important.
- 3.4 This is not to say that the retail offer in a town centre is not important, as it remains a major occupier of space and generator of regular footfall. Rather, as retailing changes, the importance of other town centre uses is growing in both real and relative terms.
- 3.5 These trends are considered in more detail below, with particular regard being given to those of most relevance to the centres of South Staffordshire, which are generally smaller and more orientated to serving a distinct and usually localised catchment area. As a result, there is a greater reliance on independent businesses and convenience, with the types of food and non-food goods sold generally being the more regularly purchased (or very specialist) items, rather than the higher order goods sold in the larger stores and centres.
- 3.6 However, it is important to recognise that retail and town centre trends and issues will continue to change and evolve and sometimes unexpected events will occur, such as the Covid-19 pandemic currently being experienced. It is, therefore, important that these trends are monitored throughout the plan period, to ensure that the policy response remains appropriate.<sup>1</sup>

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<sup>1</sup> Useful sources include: (i) <https://thegreatbritishhighstreet.co.uk/research-reports> ;

## b. Position in 2012

- 3.7 The Core Strategy which sets out the hierarchy of centres and retail related policy requirements (Core Policy 8) was adopted in 2012 and based on a retail evidence base that predates that period.
- 3.8 A SWOT analysis of the local retail in villages was included within the Employment Land Study undertaken in 2013 and this informed the subsequent decision not to identify any further retail areas in the Site Allocations Document which was adopted in 2018. However, there has been no detailed review of retail needs and policies during this period which has seen considerable changes in the sector.
- 3.9 In 2012 town centres were still experiencing the after effects of the economic recession which had led to higher levels of retail vacancy and longer void periods. A number of household names had disappeared and others were restructuring their store portfolios resulting in the planned closure of weaker branches. The loss of many independent traders was also noted.
- 3.10 In the initial period after the recession it was anticipated that as economic growth improved, the retail sector would also return to its previous position, although it was recognised that some changes, such as the problems faced by HMV and Blockbuster reflected separate technological changes. The impact of out of centre retail development was also acknowledged as a structural, rather than a cyclical change.
- 3.11 However, the general conclusion was that the demand for new retail floorspace would return as available expenditure increased and that emerging local plans should make provision for such growth over the plan period.

## c. Position in early 2021

- 3.12 The period since 2012 has confirmed that a number of the trends witnessed at that time, were not just the result of the economic recession but represented permanent changes in the way people shop. The on-going threats to individual retailers and to the UK's town and city centres continue to be the subject of much study and debate

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(ii) [https://www.revocommunity.org/content\\_hub/](https://www.revocommunity.org/content_hub/); (iii) <https://www.placemanagement.org/about/> ;  
(iv) <https://www.centreforcities.org/> ; (v) <https://www.atcm.org/> ;  
(vi) <https://www.localdatacompany.com/insights/reports>

and the challenges facing high streets and town centres are widely recognised, as is their importance in our society.

- 3.13 This includes recognition by national government, most recently through the launch of the 'Future High Streets Fund' and 'High Streets Task Force' initiatives, which are intended to help local high streets evolve and adapt to the changes they face.
- 3.14 The 'Call for Proposals' for the former notes that changes have always affected high streets and that in the past they have proved resilient, constantly adapting to meet changing demands [page 7]. However, the speed of change has increased dramatically over recent decades and many centres are now struggling to transform in response to the structural changes they are experiencing. These include the unprecedented growth of online shopping, which has increased from 1% of total retail sales in 2000 to almost a fifth of all retail sales in October 2018.
- 3.15 Many of these findings are mirrored in the Eleventh Report of Session by the Housing, Communities and Local Government Committee (HCLGC) in their February 2019 report on 'High streets and town centres in 2030'.
- 3.16 This report starts by noting that the six months during which their inquiry took place appeared to be the most turbulent for the high street so far [page 7], with high profile closure announcements including those by Marks & Spencer and Debenhams.
- 3.17 The report also notes the loss of 70,000 retail jobs during 2018 [page 7] and recognises that the retail property market has changed [page 6]. The growth of online shopping has resulted in store closures, persistently empty shops and declining footfall in town centres [page 9], but the effect of out-of-town retail is also recognised [page 9], with developments of the 1980s and 1990s now being established centres / retail hubs, in their own right.
- 3.18 The wider effects of the decline in physical shopping are also noted, with 34 medium and large retailers having gone into administration in the period 2008 – 2018, 8 of these in 2018 (24%). This has affected 12,997 stores and 178,576 employees [page 10].

3.19 As a result, the HCLGC concludes that a tipping point has been reached [page 11] and this has brought to the fore several systemic issues which were less evident when high street retail was enjoying success:

- *there is too much retail space as a result of:*
  - *expanded provision in town centres;*
  - *individual stores being too big for current retailer needs; and*
  - *competition between areas [page 11]*
- *fragmented property ownership makes a co-ordinated response difficult (page 12); and*
- *retailers face high fixed costs including business rates and rent (page 13), which equally affect the hospitality sector.*

3.20 The report concludes that for high streets and town centres to thrive in the future, they need to adapt, including a shift away from retail focused activities [page 6] and back towards a more varied mix of civic and community functions [page 9].

3.21 In practice there have been a considerable range of factors affecting town centres and many of the trends seen to date are expected to continue for the foreseeable future:

- *Growth in the amount and range of retail goods and service purchases being made online and a corresponding fall in footfall within centres;*

*Food and grocery development concentrated on smaller, convenience store and 'discounter' outlets to reflect changing consumer shopping patterns. This is seeing greater emphasis on more regular, 'top-up' shopping trips rather than the previous pattern of a single large 'weekly' shop. There is also less loyalty to a single retailer, with the discounters in particular benefitting from regular, if not weekly shopping trips from an increasing number of customers;*

- *Comparison retailers rationalising their physical store portfolios both in and out of centre;*



- *Those retailers seeking to expand are often in the discount / value sector and are seeking cheaper, larger units for the sale of a mix of products, often including some bulky goods;*
- *Continued demise of many well-known and established retail companies;*
- *Increased spend on eating out and socialising, although in different types of venue to the traditional 'public house' including experiential leisure venues such as Bounce (table tennis) and Flight Club (darts); and*
- *Increased demand in some retail service sectors, such as tattoo parlours and nail and beauty parlours, where the physical presence of the customer is required.*

3.22 However, the events of 2020 have caused a degree of divergence from some expected trends including a move away from the recent emphasis on more regular, 'top-up' food shopping trips and back towards the previous pattern of a single large 'weekly' shop.

3.23 There is also considerable uncertainty over the impact of Covid-19 restrictions on the food and drink and leisure sectors, although the desire to undertake such activities appears to be high.

3.24 These changes will not be reflected physically on many high streets yet, but the most recently available data from the Local Data Company (LDC) and PcW published in November 2020 considers changes up to August 2020, within the larger centres in Great Britain. Relatively few of the locations will be directly comparable to the South Staffordshire centres but the trends identified are likely to be relevant, given that these centres operate within a wider retail context.

3.25 The key findings of the report are as follows:

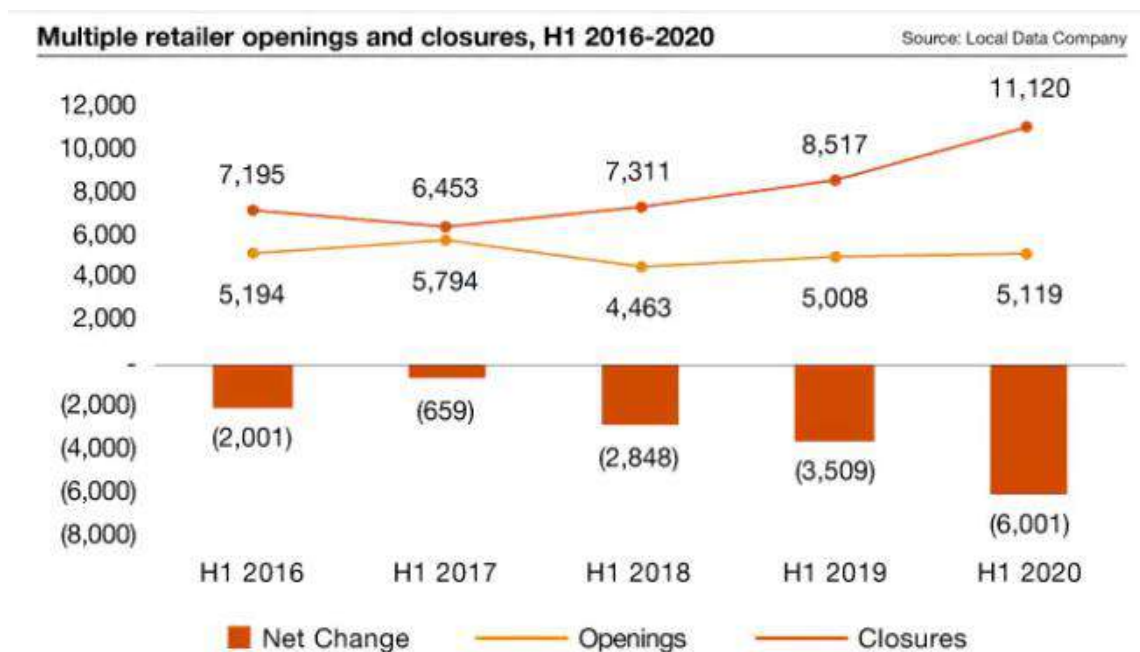
1. There has been an acceleration in the migration of expenditure ('spend') online, which in August 2020 accounted for 28.1% of total spend compared with 19.7% in August 2019;

2. There have been further challenges in the re-letting of units closed due to CVA<sup>2</sup>s and administrations. This is affecting all retail locations including retail parks;
  3. Independent retailers have been more resilient, with the decline in independents in the convenience, comparison, service and leisure sectors being lower (net - 0.54%) than for multiples (net - 2.77%);
  4. There have been some green shoots for opportunistic retailers, who have been able to expand into newly vacated properties; and
  5. The leisure industry is facing its toughest ever year.
- 3.26 These findings are unsurprising, but the more detailed analysis in the report may provide an insight into what may be expected in the South Staffordshire centres in the near future:
- The biggest shift to online sales was seen in the department store sector (+11.4% Year on Year change), followed by textile, clothing and footwear stores (+10.4%). This has contributed to recent and proposed closures by retailers including John Lewis and Debenhams. This is unlikely to directly affect the centres in South Staffordshire, but may reduce the attraction of some competing centres and reduce expenditure outflow – although we would expect much of this to be spent online instead;
  - Vacancy rates in the first quarter of 2020 increased at the fastest rate since LDC records began in 2013. Retail rates rose to 14.2% and leisure vacancy rates to 10.1% giving an overall rate of 13.0%;
  - Persistent vacancies continue to be a problem. Overall, 4.6% of units have been vacant for less than a year, 3.1% for between 1 and 2 years, 1.6% for 2 to 3 years and 4.0% for more than 3 years. In shopping centres these figures increase to 8.0%, 3.8%, 2.0% and 5.0% respectively;

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<sup>2</sup> Company voluntary arrangement ('CVA') is a procedure that allows a company to settle debts by paying only a proportion of the amount that it owes to creditors.

- Closures exceeded openings by 7,834 in H1<sup>3</sup> 2020, the highest rate for a H1 period since 2014. This was primarily the result of closures in the national multiple sector where there was a net loss of 6,001 units, as openings remained relatively constant (see **Figure 1**);



**Figure 1: Store Closures and Openings First Half 2020**

Source: PWC website - <https://www.pwc.co.uk/industries/retail-consumer/insights/store-openings-and-closures.html>

- The comparison sector saw the greatest decline (-4,975 units). This continues the trend since 2014 but represents a more than doubling of the net closures from 2019. The leisure and service sectors also declined at a faster rate when compared with H1 2019, whilst the decline in the convenience sector was marginally lower than in H1 2019;
- Sectors seeing growth included barbers (+430 units), beauty salons (+308) and nail salons (+129). A number of other sectors saw big Year-on-Year increases, directly benefitting from the pandemic (eg plumbers merchants; domestic appliances; fast food takeaways and grocers). Going forward LDC anticipate increased demand from the health and fitness sector, despite the challenges faced by gyms and leisure centres in recent months;

<sup>3</sup> H1 refers to the first half of the business year

- **The biggest decline in units** has been in the betting sector, with a net loss of 780 units (867 closures) due to legislative changes in 2019. Other sectors in decline include mobile phones (-586 units) primarily as a result of the closure of standalone Carphone Warehouse units and their replacement with outlets within PC World / Currys stores, fashion shops (-371) and womens' clothing outlets (-232), estate agents (-326) and electrical goods (-322). There was also a loss of 207 chemists as independents have struggled with rising prices of wholesale medicines;
- **The independent sector has been more resilient than the national multiples.** The independent service retail sector was the only sector to see net growth, albeit marginal, and this was solely due to the growth in hairdressers and health and beauty. The decline in the independent leisure and convenience sectors was small (-0.1% and -0.2% respectively). In contrast multiples saw a decline of -1.7% in the convenience sector, -2.4% in leisure and -1.9% in services. The biggest decline was in the comparison sector (-2.0% for independents and -4.2% for multiples). LDC however caution there may be a time lag in the impact of Covid on the independent sector; and
- **Retail parks are experiencing similar problems to town centres,** with retail and leisure units vacated because of CVAs and company administrations proving difficult to re-let. The net change of -2.0% H1 2018 – H1 2020 was only exceeded in shopping centres (-3.2%) which also tend to rely on the national multiples. The equivalent decline for High Streets was -1.4% and standalone -1.1%. As a result, vacancy rates at retail parks are now 8.8% compared with 15.6% in shopping centres and 12.5% in high streets. Persistent vacancy has also doubled since H1 2019 across the 2 to 3 year threshold and 1.8% have now been vacant for more than 3 years.

3.27 For the centres and retail destinations in South Staffordshire, the recent changes are likely to mean continuing decline in the demand from comparison retailers for space, even in the larger centres and an even greater reliance on independent retail and service businesses.

- 3.28 Surplus retail space may be taken up by retail service or leisure operators including food & beverage outlets in the larger centres but not all vacant space is likely to be suitable for such uses, either because of its size, location and/or layout, or the costs involved in converting it.
- 3.29 Similarly not all space will be suitable for conversion to residential uses, although this may be an option in the smaller or more peripheral parts of the larger centres.
- 3.30 There is also likely to be limited demand for new convenience stores in the South Staffordshire area, given the current provision both within and close to the South Staffordshire borders and the recent commitment at Wombourne. The geography of the district also discourages new investment as linkages means any identified needs are unlikely to be served from a single location.
- 3.31 However, existing convenience businesses in the local centres and specialist independent businesses are likely to benefit from the trend towards more 'local' shopping.
- 3.32 Similarly those comparison businesses operating in local centres are likely to be meeting identified local needs and could potentially benefit from the closure/ rationalisation programmes of some of the national chains, and from more lower-order / day-to-day comparison spend as visits to the larger shopping centres and stores are replaced by online shopping for key items.
- 3.33 However, all these businesses will be facing the same problems as those in the larger centres, in terms of competition from the internet and increasing business costs (including the above inflation increases being seen in the national minimum / living wage, as well as increasing rates and utility costs (where applicable)). There is also a potential issue for some centres where bank rationalisation plans may lead to the closure of the only financial business in a centre.
- 3.34 It is also the case that in the smaller centres the ability to generate a sufficiently large customer base will be a challenge for the more specialist retail and other businesses, reducing the number of potential occupiers for those units that do become vacant.

- 3.35 In some places within the UK this is being addressed by businesses diversifying their offer, either by increasing the range of goods sold or by providing a complementary offer. One of the more common examples of the latter is the inclusion of a café or coffee shop within an existing retail unit, but elsewhere, this has seen changes such as hairdressers diversifying their offer to include a nail or beauty salon and even a travel agent selling luggage.

#### **d. Leisure Use / Food and Beverage Uses**

- 3.36 Up until recently the decline in the retail offer in town centres has been at least partially offset by increased demand for space from the food and beverage (F&B) sector but pressure on this sector has also become apparent since 2016 and it is clear that this sector alone cannot 'save' our town centres.
- 3.37 This is illustrated by a Price Waterhouse Copper ('PwC') report on Store Openings and Closures which looked at the changes seen in the sector during 2018. This showed that in addition to the 107 pub and bar closures within the top 500 centres in Britain, a total of 317 chain restaurants disappeared during the year, with Italian and pizza chains faring the worst. This was the result of a number of high-profile closures, such as by Prezzo, Carluccio's and Jamie's Italian.
- 3.38 Other closures have included Chimichanga and Byron, with the result that 2018 was the first year since PwC monitoring began in 2008 that the number of restaurant chains declined.
- 3.39 Looking ahead, the report notes consumers are becoming more cautious with their expenditure; there are ongoing cost challenges in the sector and there is over-capacity in a number of traditional high-footfall locations. Combined with the new opportunities for home delivery, the report concludes that this sector is likely to continue to face market disruption.
- 3.40 This is reflected in the updated PwC Insight Report 2019 which highlights a net decline of 103 restaurants during the first 6 months of 2019 (153 closures and 50 openings) and a net decline of 96 pubs / bars (167 closures and 71 openings). However, two of the sectors seeing the greatest growth were 'food to go' and takeaways, both of which saw 76 new openings.

3.41 A 2018 report by Revo and DAC Beachcroft on the 'Evolution of the leisure experience: looking forward', also notes that, whilst the role of leisure and in particular food and beverage ('F&B') in the retail environment has evolved significantly in recent years, there is contradictory information on the sector's performance and its possible future [page 3].

3.42 The report sought to provide an insight into the current state of the market and future developments in the leisure sector. In relation to F&B, it noted that:

- *Spending on retail, F&B and non-food leisure is continuing to grow year-on-year;*
- *Restaurants, cafes and takeaways have seen the sharpest increase in the numbers of units since 2010, with restaurant units in occupation having increased by 70% and cafes and takeaways by over 50%;*
- *1,500 restaurants opened in the UK between October 2016 and October 2017 (a 4% increase year-on-year), with branded restaurants increasing by 55% in the period 2008 – 2018;*
- *Some sectors within F&B are facing a number of challenges, including increasing sourcing, operating and property costs, staff shortages, particularly of chefs, and economic uncertainty [page 18];*
- *The early part of 2018 saw a number of restaurant operators falling into economic difficulties with resulting store closures and company restructuring. This appears to be partially related to market saturation in specific locations. For instance, smaller towns where dining out is restricted mainly to weekends, cannot support a number of operators. However, it is also due to the way some companies have managed their expansion [page 15];*

*The introduction of food delivery services such as Deliveroo and Just Eat are having a significant impact on the restaurant sector [page 34]. However, whilst some businesses are benefitting from this expanded exposure to customers, a number of problems have been identified going forward that will affect future growth. These include cannibalisation of existing custom, costs, demand for kitchen space in peak times, the quality of the dining experience in restaurants as deliveries take priority and lack of transparency with feedback [page 35]; and*



- *Going forward, the growth in household spending on eating out is expected to slow. Overall spending is still less than before the recession [page 16] and the number of meals out per month has declined from 10 to 9, meaning there are fewer available visits to support businesses [page 28]. However, overall market capacity is increasing:*
- *there is still demand for units in prime locations [page 19]; but*
- *there are different types of retail and leisure journeys and in many cases the F&B sector relies on the relationship between retail and leisure [page 24], meaning it is not necessarily a draw in its own right / in isolation.*

3.43 Whether these conclusions remain valid after the events of 2020 remains to be seen. Continued growth in the 'food to go' and takeaways sector would be expected to continue, although the location of purchases may change as a result to changes to working practices. More generally however, it is difficult to predict how the sector will develop once Covid-19 restrictions are lifted, given the considerable financial impacts that has already been suffered and the uncertainty over how consumers will behave in the future.

3.44 It seems likely however, that the demand for space for food and drink uses will vary, with smaller centres again likely to lose out to the major centres and locations with other draws. Further, the geography of South Staffordshire means trade inflows are likely to be limited and thus businesses will rely on a relatively small local catchment area. This will restrict the number of potential businesses that will be attracted to the area and the potential for growth in the centres is likely to be limited.

3.45 More hybrid uses providing a day and evening offer combining a coffee shop, bar, restaurant and / or takeaway are also more likely to be required to be commercially viable.

### **e. Other Town Centre Uses**

3.46 Other town centre uses include those historically associated with town centres such as employment, public / civic and cultural facilities and the traditional evening / night-time economy activities such as nightclubs, as well as emerging sectors such as health and fitness activities and new types of leisure activity.

- 3.47 However, the demand for such uses in South Staffordshire centres is likely to be limited.

## **f. Conclusions on Trends**

- 3.48 Town centres and our traditional high streets have always been dynamic, adapting and evolving to meet the emerging needs of their customer base, but the significant and fast-moving structural changes seen since the economic recession have resulted in a significant decline in the demand for retail floorspace.
- 3.49 The result has been increased vacancies and under-utilised retail space, and with demand expected to continue to decline in all but the largest centres, it is clear that the majority of town centres are over-spaced in terms of their retail provision and many to a significant extent. There is also on-going competition from existing out of centre locations which have also experienced vacancies and so are also competing to attract the limited number of new businesses seeking retail floorspace or space for other town centre uses.
- 3.50 However, as the HCLGC notes, high streets and town centres will survive and thrive if they adapt. This means decreasing the reliance on retail uses and increasing the other uses represented in the centre, so that social interactions replace financial transactions. In some cases, alternative town centre uses may be able to occupy the existing retail space successfully, but, after rapid expansion during the last decade, the food and beverage sector is itself facing challenges.
- 3.51 As a result, the likelihood of such businesses being able to take up sufficient space to offset the demise in retail is low in all but a few locations (these being mainly the higher order centres or those historic centres with significant additional tourist draw).
- 3.52 There is, therefore, a need to re-purpose or re-develop retail floorspace which is no longer capable of meeting retailer and shopper requirements, either because it is poorly configured to meet modern and future occupier requirements or is poorly located. At the same time other uses that meet the needs of the catchment population need to be encouraged into centres.

- 3.53 The future of vital and viable town centres will rely on widening the overall offer and appeal, reducing the size of the shopping area and increasing the resident population to support the businesses that remain.

### **g. Coronavirus COVID-19**

- 3.54 The coronavirus COVID-19 crisis more or less brought the country to a standstill for several months, and this had a profound effect on people's activities and economic life. This meant that the majority of shops had to close, as well as services and other workplaces. We don't yet know what the long-term implications of this is for our town centres and the shops and services that feature in them, but we do know that many retail businesses have had to lay off many staff, sometimes temporarily, often permanently. This will play a part in shaping how we shop and how retailers operate, as part of the continuing evolution of town centre life.
- 3.55 The consequences of the COVID-19 pandemic are more likely to be felt in the centres of our larger towns and cities. This has been accompanied by people using shops and services in their local area as much as possible, reluctant to go into the centre of town to carry out shopping, because of their concern about exposure to the virus. The centres of cities are looking very vulnerable, potentially offering opportunities for local centres to enhance their offer and consolidate their positions.
- 3.56 What has also happened is the loss of tens of thousands of retail jobs, with Selfridges, the Arcadia Group and Pizza Express some of the well-known businesses affected. Covid-19 has also brought about a further shift in the market towards on-line retailing.
- 3.57 It is probable, we believe, that operators of large retail superstores – food and non-food alike – will seek to share space with other operators as they have less need for physical space for their own operations. Examples include Next providing space for Virgin Holidays and Mamas and Papas and Asda partnering with The Entertainer.
- 3.58 There will be inevitable changes in many businesses as a direct result of this pandemic. Online sales have already increased significantly faster than anticipated and the retail market will change materially, primarily with the non-food market where more people will buy on line and this will eventually affect rents on the high street.
- 3.59 Major retailers will reduce the need for a high street presence.

## h. Use Classes Order with effect 1st September 2020

- 3.60 In a letter to MPs at the end of June 2020, Housing Secretary Robert Jenrick said that he intended "to simplify the current system of use classes in England" with the introduction of a "broad" new use class as part of a package of measures to revitalise town centres, in response to the malaise described above and heightened this year by the coronavirus Covid-19 pandemic.

*New regulations will give greater freedom for buildings and land in our town centres to change use without planning permission and create new homes from the regeneration of vacant and redundant buildings.*

*Under the new rules, existing commercial properties, including newly vacant shops, can be converted into residential housing more easily, in a move to kick start the construction industry and speed up rebuilding. The changes include:*

*More types of commercial premises having total flexibility to be repurposed through reform of the Use Classes Order. A building used for retail, for instance, would be able to be permanently used as a café or office without requiring a planning application and local authority approval. Pubs, libraries, village shops and other types of uses essential to the lifeblood of communities will not be covered by these flexibilities.*

*A wider range of commercial buildings will be allowed to change to residential use without the need for a planning application.*

- 3.61 The new Use Classes Order came into use on the 1st September 2020 and is intended to allow greater freedom and flexibility in the overall makeup of our town centres.
- 3.62 We welcome the changes as a whole, we now have a Use Classes Order that better reflects the myriad changes to the way businesses operate and the way that people shop. Most people now shop in supermarkets and on the Internet and Covid-19 has accelerated the latter in particular. This means a much reduced demand for 'town centre' floorspace for Retail Class A1 use.

- 3.63 The changes significantly simplify the order for town centre uses. They are summarised at **Appendix 1**. Objectively, this will bring to an end the practice of some local planning authorities to require a certain proportion of frontage or units within a parade as Retail A1, sometimes with the outcome that applications for viable sensible town centre uses would not be supported.
- 3.64 The changes should encourage and facilitate a wider range of uses within centres, which in turn could even make the remaining retail businesses more viable through the introduction of a greater mix of people into town centres.
- 3.65 The changes will undoubtedly stimulate further change in the composition of our town centres. They should reduce some of the more negative aspects we have seen in many lower order centres in recent years, in particular streets full of shops units to let, and provide flexibility for these units to be developed with other uses.
- 3.66 They also provide the ability to provide start-up business units in central locations close to public transport which could be vital in encouraging sustainable growth in South Staffordshire's villages.
- 3.67 The F.2 use (small stores selling essential goods in relatively isolated locations) is intended to ensure that some local shopping provision remains. However, it relies on this being the only store for at least 1km, which would suggest that the Use Class of a shop could change if something else opens / closes in another location. The only benefit may be that a community shop could be run from a community hall or meeting place without the need to obtain planning permission.
- 3.68 The effect on out of centre space also has to be considered, as it is likely that much of that will now be more flexible in terms of its use too – for instance some B1 uses could go to retail and existing retail units will also benefit from being able to change their offer to other Class E uses Where such uses require larger units and / or on-site car parking, town centres will therefore be competing with these locations to attract potential occupiers.

## 4.0 QUANTITATIVE CAPACITY ASSESSMENT

### a. Introduction

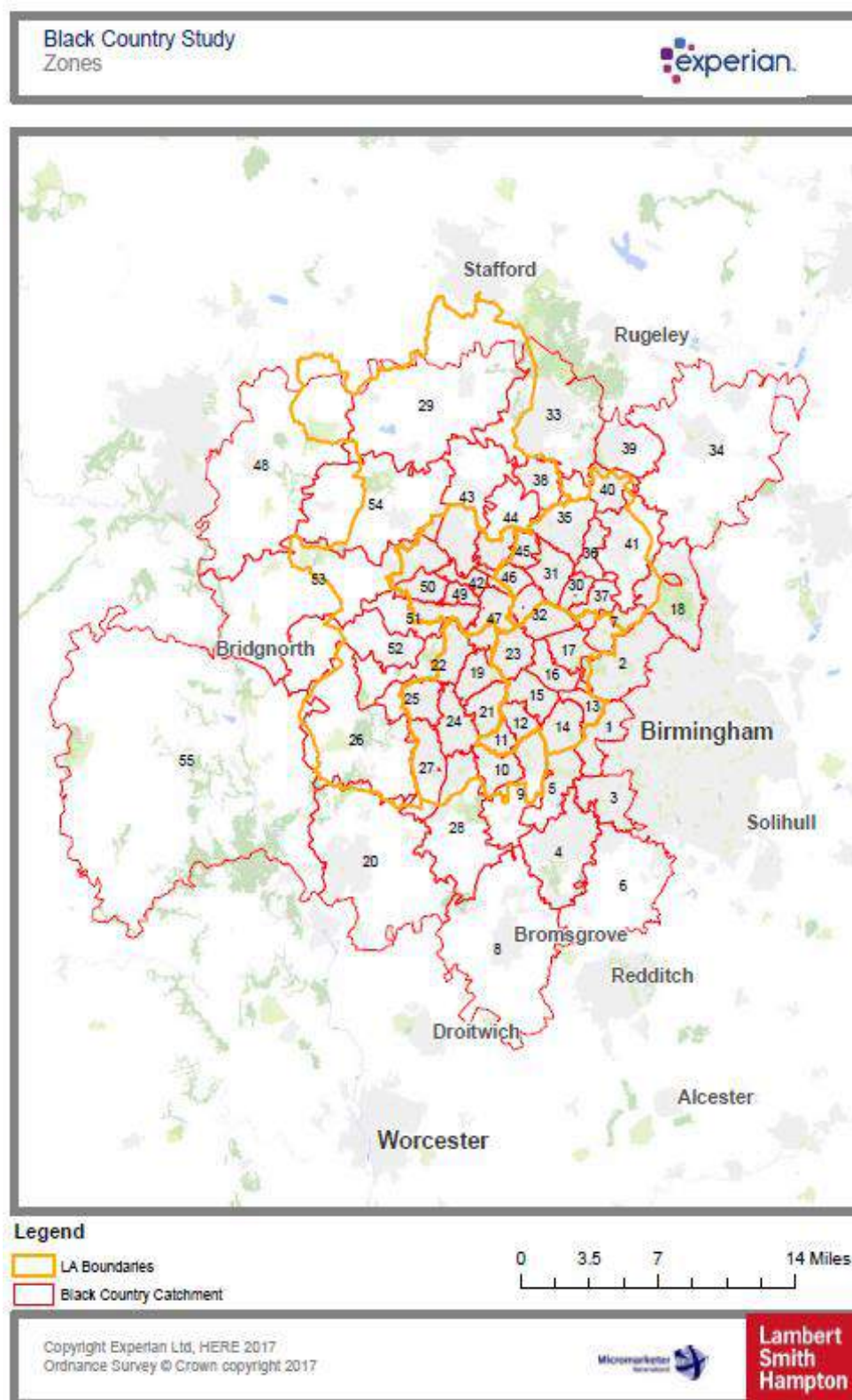
- 4.1 This chapter sets out the methodology and full results for the retail capacity assessment that has been prepared for the District of South Staffordshire. The approach adopted follows standard good practice and utilises the results from the Black Country Household Survey which was undertaken by NEMS in June and July 2019 as part of the retail study prepared by LSH. The tables referred to are all included in the Appendices with some reproduced within the text where helpful. Specifically:
- The results of the NEMS Household Survey for residents of South Staffordshire are contained in an annex separate to the Retail Centres Study; and
  - The Retail Capacity Analysis is **Appendix 2**. References in the subsequent text to Table A3.1, Table A3.2, Table A3.3 etc apply to tables in **Appendix 2**.

### b. Survey Area and Base Data

- 4.2 South Staffordshire Council was one of a number of authorities that commissioned a household survey of shopping patterns in 2019. The survey was undertaken by NEMS Market Research and 6,076 completed interviews with individuals obtained. It was commissioned by Lambert Smith Hampton ('LSH'), who also obtained population and expenditure data for these zones from Experian. The 2019 Survey covered an extensive area of 55 zones as set out in **Figure 2** overleaf.
- 4.3 The results of this survey and the Experian data has been made available to RRPC / AV and form the basis of this capacity analysis.
- 4.4 For the purposes of this study a more localised catchment area has been used to better reflect the extent of South Staffordshire District Study Area shown at **Figure 3** on page 27. It comprises the following LSH zones:
- Zone 22 (Postcode Sectors – DY3 1; DY3 2; DY3 3; DY3 4)
  - Zone 26 (Postcode Sectors – DY7 5; DY 7 6)
  - Zone 29 (Postcode Sectors – ST19 5; ST19 9)
  - Zone 38 (Postcode Sectors – WS6 6; WS6 7)
  - Zone 43 (Postcode Sectors – WV10 0; WV10 6; WV10 7; WV10 8; WV10 9)
  - Zone 44 (Postcode Sectors – WV11 1; WV11 2; WV11 3)
  - Zone 51 (Postcode Sectors – WV4 4; WV4 5; WV4 6)
  - Zone 52 (Postcode Sectors – WV5 0; WV5 7; WV5 8; WV5 9)
  - Zone 53 (Postcode Sectors – WV6 7; WV15 5)
  - Zone 54 (Postcode Sectors – WV7 3; WV8 1; WV8 2; WV9 5)



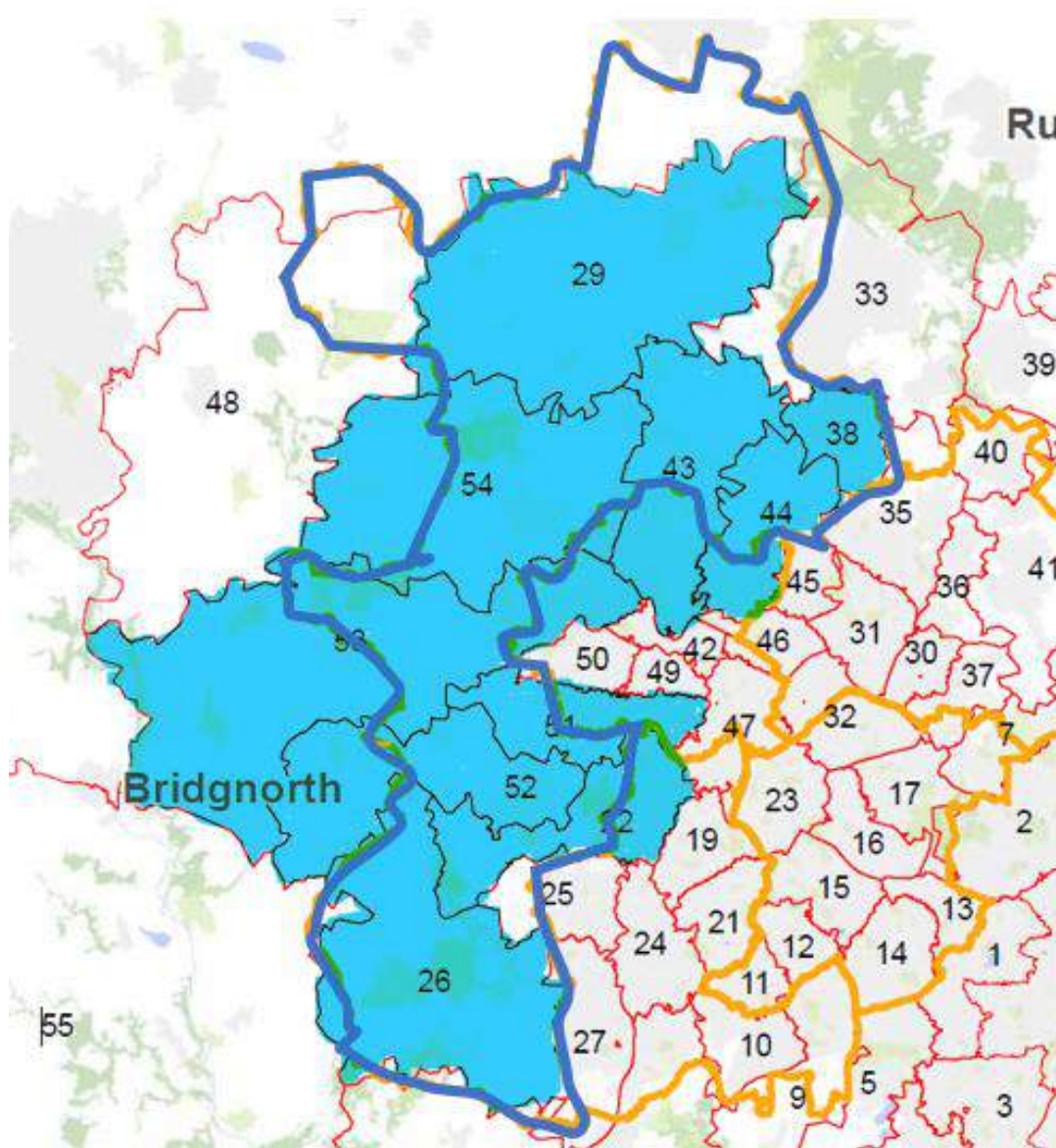
Figure 2: Black Country Household Survey – Study Area and Zones



(source: Lambert Smith Hampton)



**Figure 3: South Staffordshire Study Area**  
(source: Lambert Smith Hampton)



4.5 For ease of reference these zone numbers are maintained throughout this assessment.

### c. Population

4.6 Base line 2017 population levels for the 10 zones have been obtained from Experian. Projected population levels for the end of the plan period (2037) and the intervening years of 2020, 2025, 2030 and 2035 have been obtained from the same source and are shown by the **Table A3.1** overleaf.

Population	Zone 22	Zone 26	Zone 29	Zone 38	Zone 43	Zone 44	Zone 51	Zone 52	Zone 53	Zone 54	Total
2011 Census	33,730	8,300	14,751	18,183	56,394	34,571	35,122	15,883	17,135	29,977	264,046
2017	35,153	8,293	15,437	18,749	61,300	36,017	34,885	16,177	17,943	30,359	274,313
2020	35,843	8,405	15,673	19,025	63,053	36,869	35,696	16,411	18,295	30,892	280,162
2025	36,347	8,481	15,914	19,316	64,951	37,593	36,637	16,605	18,758	31,494	286,096
2030	36,730	8,553	16,129	19,619	66,838	38,300	37,348	16,823	19,123	32,015	291,478
2035	36,994	8,600	16,272	19,968	68,727	38,981	38,035	17,003	19,466	32,419	296,465
2037	37,064	8,581	16,291	20,076	69,563	39,189	38,357	17,063	19,635	32,552	298,371

Source: **Table A3.1, Appendix 2**

- 4.7 This indicates a growth in population of 13% across the Study Area between 2011 and 2037.

Population	Increase by Period	Cumulative increase from 2011	Increase by Period (%)	Cumulative increase from 2011 (%)
2011 Census				
2017	10,267	10,267	3.9%	3.9%
2020	5,849	16,116	2.1%	6.1%
2025	5,934	22,050	2.1%	8.4%
2030	5,382	27,432	1.9%	10.4%
2035	4,987	32,419	1.7%	12.3%
2037	1,906	34,325	0.6%	13.0%

Source: **Table A3.1, Appendix 2**

- 4.8 However, these projections, which are based on ONS data, are based on past trends rather than future planning policy and therefore may not correspond exactly with what is forecast as a result of emerging housing and employment policies.
- 4.9 It is also the case that the distribution of the population increase in the above figures is based on previous patterns of growth, rather than where new housing may be proposed in the future. However, significant differences between the ONS-based projected population trends and emerging planning policy (in the thousands) would be required for this to alter the overall findings of this base level analysis.

#### d. Available Expenditure

- 4.10 Available expenditure per head has also been obtained from Experian for both convenience and comparison goods by zone, with the latter provided for the key categories of goods asked about in the household survey.
- 4.11 Convenience goods expenditure per head is set out in **Table A3.2, Appendix 2** with the 2017 base figure adjusted to remove spend made through 'Special Forms of Trading' (SFT) in line with the national average as estimated by Experian (Experian Retail Planner Briefing Note 18) ('ERPBN18').
- 4.12 Experian estimates that in 2017, 11.6% of available convenience expenditure is spent in locations other than retail shops, although this decreases to 3.5% once allowance is made for those orders made online but fulfilled through stores.
- 4.13 The household survey findings suggest internet and other non-store based shopping is lower in both the South Staffordshire and Black Country Study Areas, with 6.0% and 5.1% of respondents respectively indicating they use the internet for their main food shopping.
- 4.14 However, there is no evidence that the proportion of SFT from non-store-based outlets is any different to the average (or that it will differ in the future) and thus the Experian assumptions have been used in this assessment.
- 4.15 The available per head forecasts for future years is also based on Experian projections (ERPBN18, Figure 6) and are also shown in **Table A3.2**. The resulting available convenience expenditure by zone is set out in **Table A3.3**.
- 4.16 This shows that overall there is expected to be an increase in available convenience spend of around £47.71m in the period from 2017 to 2037 and by £35.30m in the period to 2030. This is solely due to the expected increases in population in the Study Area as convenience expenditure per head in stores is expected to remain relatively stable over the plan period based on the ERPBN18 assumptions (**Table A3.2**), with the uplift seen in 2020 subsequently offset by increasing SFT.
- 4.17 The equivalent comparison goods expenditure analysis is set out in **Tables A3.4 and A3.5**.

- 4.18 This indicates that expenditure on comparison goods will experience a considerably greater increase over the plan period, as a result of both the forecast population growth in the area and increasing available comparison expenditure.
- 4.19 Based on the most recent ERPBN18 again suggests that comparison expenditure increase by £213.16m by 2030 and £430.11m by 2037.
- 4.20 Any expenditure forecasts for more than 5 years ahead must be treated with considerable caution given the forecast level of increase relies heavily on the assumptions made regarding the percentage uplift in expenditure per head per annum. Even a small change in such an assumption can have a considerable effect on the forecast over an extended period given the compound effects. However, it remains the case that both convenience and comparison spend will increase substantially in South Staffordshire over the plan period.

### **e. Convenience Market Share**

- 4.21 To estimate how much of this increased spend is likely to be available to support outlets in the South Staffordshire area, the next stage of the analysis is to estimate the current market shares for convenience outlets both inside and outside the Study Area, using the results from the household survey (Q01, Q07, Q10 & Q12).
- 4.22 These questions provide information on the most frequently used outlets for main food shopping (Q01) and top-up shopping (Q10), as well as main and top-up destinations used on a less frequent basis (Q07 & Q12).
- 4.23 The information relevant to South Staffordshire has been extracted from the Black Country household survey results and summarised to identify the most frequently used destinations within the Study Area. The results are presented in the attached Tables A3.6 – A3.9, with each comprising of two related tables:
- Tables A3.6A – A3.9A comprise the summarised results from the household survey; and
  - Tables A3.6B – A3.9B comprise the same data but with market shares adjusted to exclude SFT and null responses.

4.24 The overall market shares for the convenience destinations have then been calculated by combining the responses to the four 'convenience' questions, with the weight given to each question informed by the responses to the expenditure questions in the household survey [Q09 and Q14], which are summarised in **Table A3.10**. Each question is informed by the responses to the expenditure questions in the household survey (Q09 and Q14), which are summarised in **Table A3.10**, replicated below:

	Main Food Shopping			Top-Up Food Shopping		
	Number of Respondents	Cumulative Responses	Cumulative Responses (%) exc null responses	Number of Respondents	Cumulative Responses	Cumulative Responses (%) exc null responses
Don't do	0	0	0.0%	286	286	33.6%
£1 - £10	6	6	0.7%	206	492	57.9%
£11 - £20	25	31	3.8%	215	707	83.2%
£21 - £30	62	93	11.3%	94	801	94.2%
£31 - £40	70	163	19.8%	17	818	96.2%
£41 - £50	104	267	32.4%	19	837	98.5%
£51 - £60	107	374	45.3%	5	842	99.1%
£61 - £70	104	478	57.9%	2	844	99.3%
£71 - £80	96	574	69.6%	1	845	99.4%
£81 - £90	51	625	75.8%	2	847	99.6%
£91 - £100	103	728	88.2%	2	849	99.9%
£101 - £110	14	742	89.9%	0	849	99.9%
£111 - £120	23	765	92.7%	0	849	99.9%
£121 - £130	7	772	93.6%	0	849	99.9%
£131 - £140	6	778	94.3%	0	849	99.9%
£141 - £150	25	803	97.3%	1	850	100.0%
£151 - £160	3	806	97.7%	0	850	100.0%
£161 - £170	3	809	98.1%	0	850	100.0%
£171 - £180	5	814	98.7%	0	850	100.0%
£181 - £190	0	814	98.7%	0	850	100.0%
£191 - £200	9	823	99.8%	0	850	100.0%
£201 - £210	0	823	99.8%	0	850	100.0%
£211 - £220	0	823	99.8%	0	850	100.0%
£221 - £230	0	823	99.8%	0	850	100.0%
£231 - £240	0	823	99.8%	0	850	100.0%
£241 - £250	1	824	99.9%	0	850	100.0%
£251+	1	825	100.0%	0	850	100.0%
(Don't know / varies)	158	983		131	981	
(Refused)	16	999		18	999	
Total	999			999		

Source: **Table A3.10, Appendix 2**

4.25 This indicates that the mean spend on main food shopping is around £65 per week and top-up spend is less than £10. The split between main and top-up spend is therefore in the region of 85%:15%.

4.26 The responses to Q07 indicate that approximately a third of shoppers do not use an alternative main food shopping destination (36.3%) and 58.3% do not use an alternative top-up shopping location (Q12). However, the survey does not ask about the frequency of use of these alternative destinations compared with the main ones.

4.27 As a result, the expenditure split between the main and alternative main-food and top-up shopping destinations cannot be derived from the survey and, therefore, we have used our judgement to apportion the relative weight between the various responses. Consequently, we assume that 1 in 4 visits is made to the alternative location for both main food and top-up shopping, resulting in the following weightings for the four questions:

- Main Food shopping destination (Q01) = 65%;
- Other Main Food shopping destination (Q07) = 20%;
- Top-Up shopping destination (Q10) = 11%; and
- Other Top-Up shopping destination (Q12) = 4%

4.28 The overall market shares for total convenience spend are then set out in **Table A3.11**.

4.29 This shows the limited amount of convenience spend that is retained within South Staffordshire. In Zones 22, 43, 44 and 51 over 90% of trade goes to stores outside the district boundary, with retention highest in Zones 52 and 53 reflecting the provision of food-based superstores in Perton and Wombourne.

## f. Convenience Turnover by Location

4.30 The resulting turnover for the individual locations based on these 2019 market shares, is then provided in Table AX.12A – A3.12.F for the years 2017, 2020, 2025, 2030, 2035 and 2037.

4.31 This represents the turnover to these stores and locations coming from within the Study Area.

4.32 A few of the larger stores will also attract a proportion of their trade from outside the Study Area, with the draw to two Sainsbury's stores at Perton and Wombourne being the most significant. However, whilst this may be relevant in understanding the draw of the stores and associated centres (and is considered elsewhere in the main report), it is not a consideration with respect to the future retail capacity in the area, as it would not be appropriate to plan for additional retail capacity based on future trade inflows. Not only is this likely to be contrary to sustainable shopping patterns,



but such trade will always be vulnerable to other store developments outside the South Staffordshire area but closer to where current customers are travelling from.

### **g. Convenience Capacity**

- 4.33 The final stage of the process is to use this information to estimate how convenience capacity may change in the future and the effect this will have on the need for retail floorspace.
- 4.34 For the baseline analysis this has been done assuming a 'constant market share' approach, meaning that it is assumed that there will be no change in the proportion of trade centres and retail outlets in South Staffordshire attract in the future compared to what they are achieving now.
- 4.35 This is considered to be a reasonable assumption for this level of analysis given the size of the Study Area. Any under- or over-trading at an individual store is likely to be balanced out by higher / lower spend elsewhere within the Study Area and the overall market share would not be affected significantly.
- 4.36 Given the expected increases in population and available expenditure (as set out in Tables A3.1 – A3.3) it would be expected that there would be a need for additional retail provision in the area in the future, if nothing else were to change. However, as well as increasing spend on SFT, it is also appropriate to make an allowance for existing businesses to improve their performance (sales efficiency improvements).
- 4.37 The latter is particularly important in the current economic climate, as existing retailers need to improve their turnover in real terms (i.e. excluding inflation) to maintain profitability at a time when business costs are increasing. Further, there is considerable potential for them to do so, as many retailers have seen their sales densities (turnover per sq m of space) fall significantly since the 2008 / 09 recession.
- 4.38 Experian considers that there is some potential for the improved performance of existing retail floorspace but, estimating that, with no change in floorspace, retail businesses could achieve annual improvements in efficiencies of between 0.3% and 0.7% per annum for convenience goods (ERPBN18, Figure 3a) once the short-term changes due to COVID-19 have been accounted for.



4.39 These figures are lower than previously suggested by Experian as they conclude that the medium-term forecasts for sales densities will be lowered by the reduced growth in retail spending (ERPBN18, page 15). Budgetary challenges from rising costs and tight margins will therefore remain a key factor underpinning floorspace efficiencies over the coming years.

4.40 The resulting convenience capacity assessment for South Staffordshire is set out in **Table A3.13** to **Appendix 2** and is replicated below.

		2017	2020	2025	2030	2035	2037
Total Available Convenience Expenditure in Study Area (£m)	(a)	£560.37	£576.02	£589.02	£595.67	£603.75	£608.08
Current Market share of Convenience destinations in study area	(b)	14.4%	14.4%	14.4%	14.4%	14.4%	14.4%
Available Convenience Expenditure for destinations in study area	(c)	£80.90	£83.16	£85.03	£85.99	£87.16	£87.78
Change in available spend to study area destinations (cumulative from 2018)	(d)		£2.26	£4.14	£5.10	£6.26	£6.89
Turnover of Convenience destinations (assuming no change in provision or sales efficiencies)	(e)	£80.90	£80.90	£80.90	£80.90	£80.90	£80.90
Turnover of Convenience destinations (allowing for changes in sales efficiencies)	(f)	£80.90	£83.56	£80.83	£82.05	£83.29	£83.79
<b>Residual Convenience spend to support new convenience floorspace (cumulative) (£m)</b>	<b>(g)</b>		<b>-£0.40</b>	<b>£4.20</b>	<b>£3.94</b>	<b>£3.87</b>	<b>£4.00</b>
Benchmark Sales density for Convenience Floorspace (£ per sqm)	(h)		£9,806	£9,482	£9,736	£9,736	£9,736
<b>Amount of new convenience floorspace required (cumulative) (sqm net)</b>	<b>(j)</b>		<b>-41</b>	<b>443</b>	<b>405</b>	<b>398</b>	<b>411</b>

Source: **Table A3.13, Appendix 2**

4.41 This suggests that there is capacity for additional convenience floorspace provision arises in the short-term, ie to 2020. After that, there will be potential to support around 400 sqm net of new floorspace up to 2037.

4.42 This capacity assessment does not make provision for known commitments in the District, i.e. developments with planning permission which are expected to come forward during the plan period. These commitments comprise the two units permitted at the Wombourne Enterprise Park, Bridgnorth Road, Wombourne (Application ref: 20/00312/FUL) for which planning permission was granted on 16th September 2020.

4.43 The scheme is described as including a Lidl foodstore and a second retail unit with the latter intended for food or non-food sales. There is no condition on the permission that restricts the use of either unit, nor on the amount of retail floorspace that can be provided.

- 4.44 Taking the assumptions set out in the Retail Assessment (RA) that accompanied the application however, the scheme could comprise:
- A Lidl foodstore of 2,193 sqm gross and a second foodstore of 955 sqm gross; or
  - A Lidl foodstore of 2,193 sqm gross and a non-food unit of 955 sqm gross.
- 4.45 The RA assumes that the Lidl will have a net sales area of 1,410 sqm, of which 80% (1,128 sqm) will be used for the sale of convenience goods and 282 sqm for the sale of comparison goods. The second store is assumed to have a net sales area of 690 sqm.
- 4.46 The committed development will, therefore, provide between 1,128 sqm and 1,818 sqm net of convenience floorspace, which is considerably in excess of the 400 sqm for which the quantitative needs assessment indicates there is capacity.
- 4.47 In practice, the development of a discounter in Wombourne has the potential to improve the amount of convenience expenditure that can be retained in South Staffordshire, and thus the market share could be expected to improve. However, as set out in the RA, at least half the £13.5m convenience turnover is likely to come from existing South Staffordshire businesses and therefore the improvement in trade retention will be limited, with £6.5m (the possible uplift in retention) equating to an approximate 1% uplift in market share.
- 4.48 Allowing for this level of improvement and the minimum uplift in convenience floorspace (ie assuming the second unit is developed for non-food retail), the changes to retail capacity are as set out in **Table A3.14** and reproduced overleaf.

		2017	2020	2025	2030	2035	2037
Total Available Convenience Expenditure in Study Area (£m)	(a)	£560.37	£576.02	£589.02	£595.67	£603.75	£608.08
Current Market share of Convenience destinations in study area	(b)	14.4%	14.4%	15.4%	15.4%	15.4%	15.4%
Available Convenience Expenditure for destinations in study area	(c)	£80.90	£83.16	£90.92	£91.95	£93.20	£93.86
Change in available spend to study area destinations (cumulative from 2018)	(d)		£2.26	£10.03	£11.05	£12.30	£12.97
Turnover of Convenience destinations (assuming no change in provision or sales efficiencies)	(e)	£80.90	£80.90	£80.90	£80.90	£80.90	£80.90
Turnover of Convenience destinations (allowing for changes in sales efficiencies)	(f)	£80.90	£83.56	£80.83	£82.05	£83.29	£83.79
Residual Convenience spend to support new convenience floorspace (cumulative) (£m)	(g)		-£0.40	£10.09	£9.90	£9.91	£10.08
Committed Developments (Wombourne Business Park - minimum development)	(h)	£0.00	£0.00	£13.50	£13.70	£13.91	£13.99
Benchmark Sales density for Convenience Floorspace (£ per sqm)	(i)		£9,387	£9,535	£9,857	£9,857	£9,857
Amount of new convenience floorspace required (cumulative) (sqm net)	(j)		-43	-357	-386	-406	-397

Source: **Table A3.14, Appendix 2**

4.49 This shows that the development of a Lidl on the committed Wombourne site will more than meet the emerging convenience capacity needs of South Staffordshire during the plan period to 2037.

## h. Comparison Market Share

4.50 To derive the current market shares for comparison outlets requires a two stage process. The first is to derive the market shares for the individual comparison goods categories, based on the responses to the household survey questions Q22 and Q24 – Q31.

4.51 As with the convenience goods, the responses from the survey have first been summarised and the results are presented in Tables A3.15 – A3.23. Again, two versions of each tables are provided with:

- Table A3.XA being an extract from the original household survey results; and
- Table A3.XB being the same information but with market shares rebased to 100% after null responses and those using SFT have been removed.

4.52 These tables indicate that a very high proportion of comparison expenditure is currently spent outside of the South Staffordshire area, with the highest retention (22%) seen in relation to the purchase of personal care items (Q30). Less than 1% of the Study Area spend on clothing and footwear is retained (Q22) with all other goods spend being limited to around 5% and 10% in the case of Books / Stationery.

- 4.53 The second stage has been to seek to derive an overall comparison goods market share for each South Staffordshire location, based on actual expenditure on the different types of comparison goods. This has been done by first assigning the household survey questions as set out in Table A3.24 to the comparison expenditure categories for which Experian provides data. The Experian expenditure data by zone for each category (also shown in Table A3.24) has then been used to calculate the relative weight that should be given to the various comparison goods types, with the results set out in **Table A3.25**.
- 4.54 The small 'Other' category of goods which relates to 10% of non-durable household goods, has been excluded as such items are more likely to be purchased as part of a convenience shopping trip.
- 4.55 The results show that clothing and footwear is the largest single area of comparison spend attracting between 26% and 30% of all comparison expenditure within the South Staffordshire zones. In comparison spending on items such as DIY and garden products, CDs / DVDs / Vinyls / Blu-rays and Books / Stationery each make up less than 5% of total comparison spend.

### i. Comparison Turnover by Location

- 4.56 The resulting turnover for the individual locations based on these market shares is then provided in Tables A3.26A – A3.26F for the years 2017, 2020, 2025, 2030, 2035 and 2037.
- 4.57 This represents the comparison turnover to these stores and locations coming from within the Study Area. It is considered unlikely that significant levels of inflow can be expected to the South Staffordshire centres, given the limited comparison offer. However, for the reasons given above, any such inflows are not considered relevant to the assessment of comparison capacity.

### j. Comparison Capacity Assessment

- 4.58 The final stage of the process is to use this information to estimate how comparison capacity may change in the future and the effect this will have on the need for retail floorspace.

- 4.59 The baseline analysis has been undertaken assuming a 'constant market share' approach, meaning that it is assumed that there will be no change in the proportion of trade attracted by retail centres and outlets in South Staffordshire in the future compared to what they are achieving now.
- 4.60 This is considered to be a reasonable assumption for this level of analysis given the size of the Study Area. Any under- or over-trading in any individual store or centre is likely to be balanced out by higher / lower spend elsewhere within the Study Area and the overall market share would not be affected.
- 4.61 As with convenience capacity, it would be expected that there would be a need for additional retail provision in the area during the plan period, given the forecast growth in both population and available comparison spend, assuming nothing else were to change (Tables A31 – A3.5). However, as well as increasing spend on SFT, it is also appropriate to make an allowance for existing businesses to improve their performance (sales efficiency improvements).
- 4.62 The latter is particularly important at the moment as existing comparison retailers need to improve their turnover in real terms (ie excluding inflation) to maintain profitability at a time when business costs are increasing. Further, there is considerable potential to do so, as many retailers have seen their sales densities (turnover per sqm of space) fall since the 2008 / 09 recession.
- 4.63 Experian considers that the improved performance of existing retail floorspace will be a key factor in determining the need for new retail floorspace provision in the future, estimating that, with no change in floorspace, retail businesses could achieve annual improvements in efficiencies of between 2.6% and 3.4% per annum for comparison goods (ERPBN 18, Figure 3b), once the short-term changes due to Covid-19 have been accounted for.
- 4.64 When allowance is made for the expected reduction in comparison floorspace in the future, these rates increase to a minimum of 2.6% per annum improvement.
- 4.65 These figures are not dissimilar to the expected growth rates forecast for comparison expenditure and therefore the potential for improvements in the performance of existing stores is limited. , This is reflected in the comparison capacity assessment for South Staffordshire, which is set out in **Table A3.27** and replicated overleaf.

- 4.66 This suggests that there was capacity for an additional 1,691 sqm of comparison floorspace in 2020, but this is primarily due to the temporary change in shopping patterns due to Covid-1. Once comparison shopping returns to more typical patterns, the capacity to support additional floorspace in South Staffordshire is very limited. This is because the expected growth in available comparison expenditure within South Staffordshire will primarily be used to support the improved performance of existing stores, as operators seek to improve the profitability rather than fund further expansion.

		2017	2020	2025	2030	2035	2037
Total Available Comparison Expenditure in Study Area	(a)	£763.20	£848.64	£862.75	£976.37	£1,124.71	£1,193.31
Current Market share of Comparison destinations in study area	(b)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Available Comparison Expenditure for destinations in study area	(c)	£37.82	£42.05	£42.75	£48.38	£55.73	£59.13
Change in available spend to study area destinations (cumulative)	(d)		£4.23	£4.93	£10.56	£17.91	£21.31
Turnover of Comparison destinations (assuming no change in provision or sales efficiencies)	(e)	£37.82	£37.82	£37.82	£37.82	£37.82	£37.82
Turnover of Comparison destinations (allowing for changes in sales efficiencies)	(f)	£37.82	£34.53	£41.88	£48.03	£55.41	£58.67
<b>Residual Comparison spend to support new comparison floorspace (cumulative)</b>	<b>(g)</b>		<b>£7.52</b>	<b>£0.88</b>	<b>£0.35</b>	<b>£0.32</b>	<b>£0.46</b>
Benchmark Sales density for Comparison Floorspace (£ per sqm)	(h)		£4,450	£5,410	£6,971	£6,971	£6,971
<b>Amount of new comparison floorspace required (cumulative) (sqm net)</b>	<b>(i)</b>		<b>1,691</b>	<b>162</b>	<b>50</b>	<b>46</b>	<b>66</b>

Source: **Table A3.27, Appendix 2**

- 4.67 This capacity assessment does not make provision for known commitments in the District, ie developments with planning permission which are expected to come forward during the plan period. These commitments comprise the two units permitted at the Wombourne Enterprise Park described at paragraphs 4.42 to 4.45 above.
- 4.68 Taking the assumptions set out in the Retail Assessment (RA) that accompanied the application however, the second scenario identified at paragraph 4.44 above could comprise:
- A Lidl foodstore of 2,193 sqm gross and a non-food unit of 955 sqm gross.
- 4.69 The RA assumes that the Lidl will have a net sales area of 1,410 sqm, of which 20% (282 sqm) will be used for the sale of comparison goods. The second store is assumed to have a net sales area of 690 sqm.

- 4.70 The committed development will therefore provide between 282 sqm and 972 sqm net of comparison floorspace, which is considerably in excess of the 66 sqm for which the quantitative needs assessment indicates there is capacity by 2037.
- 4.71 Further, it is very unlikely that this development will alter the existing market shares for retained trade within South Staffordshire and it would, therefore, be expected that, if this development proceeds as anticipated, the increase in comparison floorspace will be offset by reductions in offer elsewhere.



## 5.0 RETAIL OFFER AND SHOPPING PATTERNS IN SOUTH STAFFORDSHIRE

### a. Background

- 5.1 The explanatory text to Core Policy 8 sets things out well.

*Village centres in South Staffordshire act as the main focus for local shopping activity and also perform a valuable function of providing jobs, services and facilities for local people and meeting the needs of the local community. The larger villages also act within localities as a local hub for small villages in the surrounding rural areas. [9.24]*

*There are no towns or major retail centres in South Staffordshire. The village centres of Bilbrook, Brewood, Cheslyn Hay, Codsall, Great Wyrley, Kinver, Penkridge, Perton and Wombourne act as district centres providing a range of shops and services. There are also neighbourhood centres within residential areas containing smaller clusters of shops and services meeting the day-to-day needs of local residents. Some smaller rural communities also have small village shops providing basic goods. [9.25]*

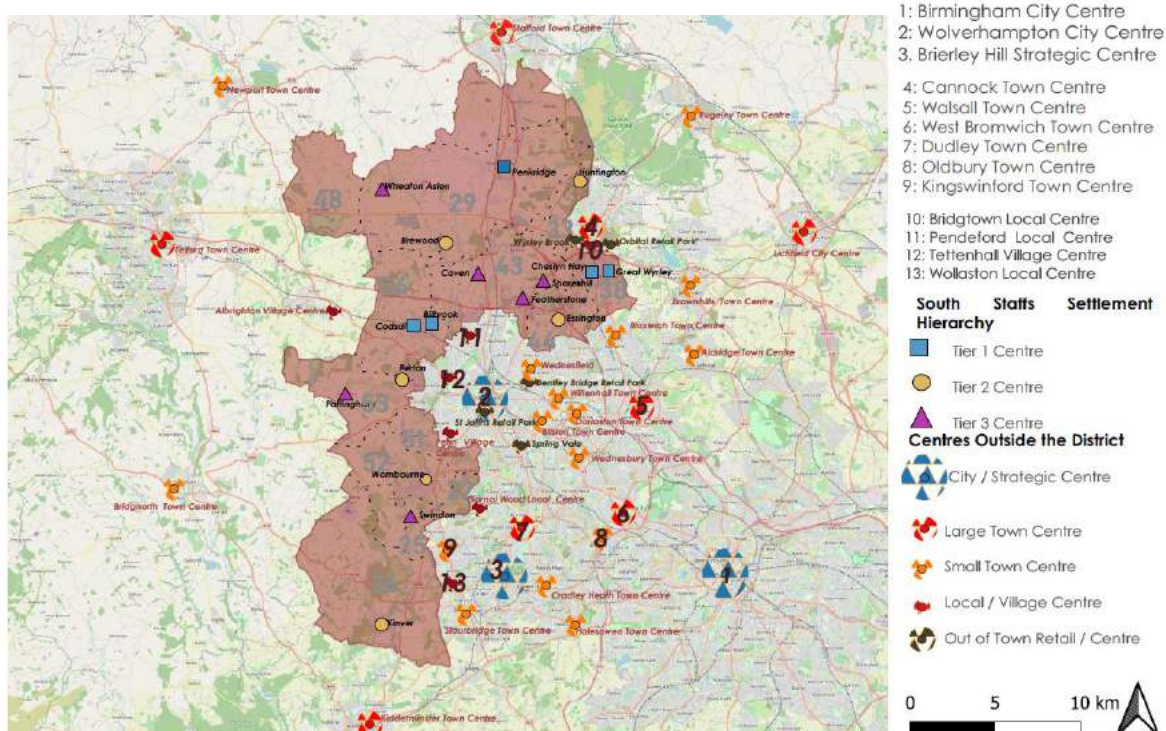
### b. Retail Provision

- 5.2 The nature of centres in South Staffordshire is, in our experience, unique for any local planning authority with which we are familiar: there are no towns, hence no town centre, and even the largest centre (Wombourne) has fewer than 100 properties in commercial use. This owes a lot to the rural nature of much of the District, whilst the eastern edges of it relate quite closely to those parts of the Black Country beyond, and which contain much larger settlements and much bigger shopping facilities. Each of the District's 27 Village and Neighbourhood Centres, their composition and characteristics are considered in **chapter 6.0**.
- 5.3 It is therefore, likely in this scenario that much of the shopping will be done outside the District – and this has been demonstrated through the empirical research carried out on behalf of South Staffordshire District Council and the Black Country Authorities in the form of the NEMS Household Survey of June and July 2019, as discussed above.

### c. Where South Staffs People Shop: Household Survey Data

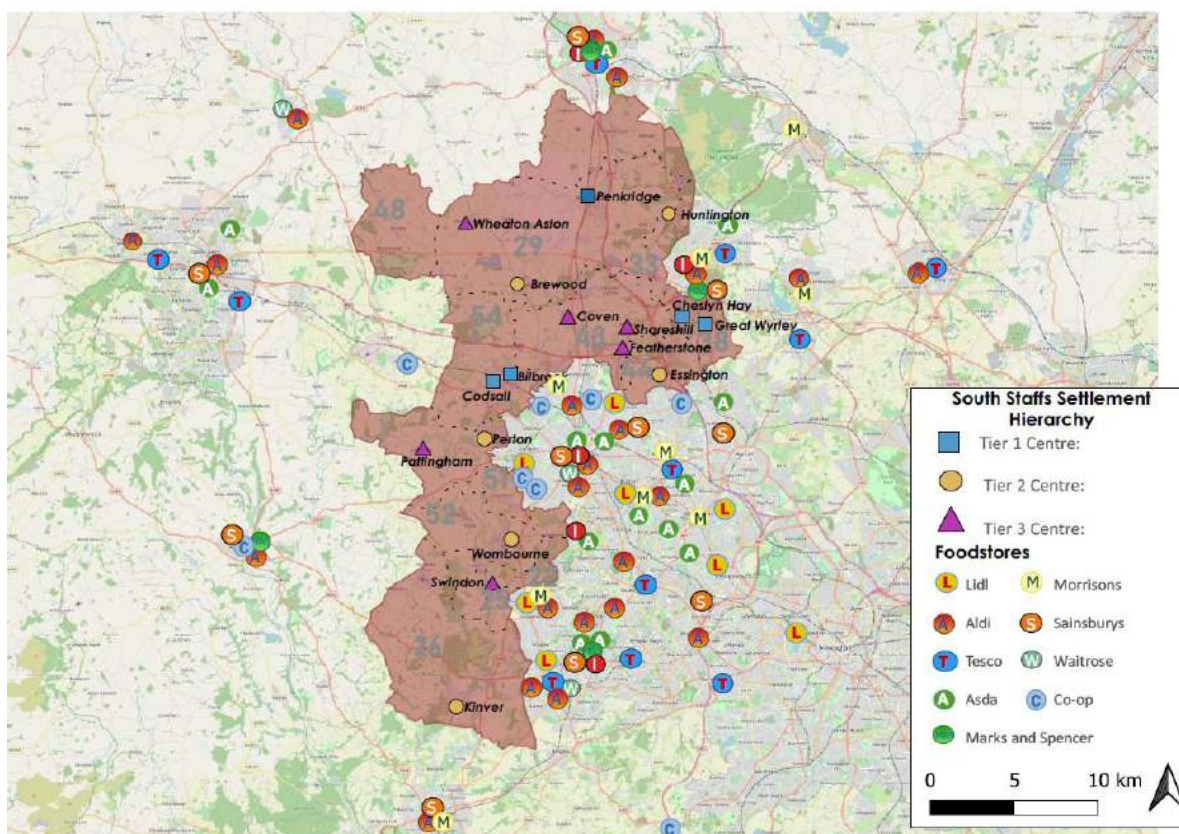
- 5.4 The urban geography of the area makes retention of shopping expenditure difficult in most parts of the District given the proximity of Cannock and the wider Wolverhampton / Greater Birmingham metropolis and their large range of shops, stores and shopping centres. Connectivity between the different parts of South Staffordshire also limit the potential turnover of the existing centres. For example, both Great Wyrley / Cheslyn Hay and Essington have only one road each between them and the rest of the District and Huntington is accessed by only two roads.
- 5.5 A wider related issue is that the District lacks a main north - south route south of the M54, with the routes between Codsall and Wombourne and then Wombourne and Kinver convoluted. However, this ensures that a reasonable proportion of expenditure generated by South Staffordshire residents will remain local whilst making it difficult for the villages to attract custom from beyond this local base.
- 5.6 The resulting shopping patterns and provision is illustrated in the following maps and graphs, based on a detailed analysis of those parts of the Household Survey that relate to South Staffordshire. The first, **Map 1** shows Retail Centres outside the District. The 'Strategic Centre' and all Town Centres, Local / District / Village Centres and Retail Parks featured within the NEMS Household Survey data for South Staffordshire residents and / or closest to South Staffordshire are shown.

**Map 1: Location of Retail Centres outside the District**



- 5.7 Large foodstores outside the District available to its residents are shown at **Map 2**.

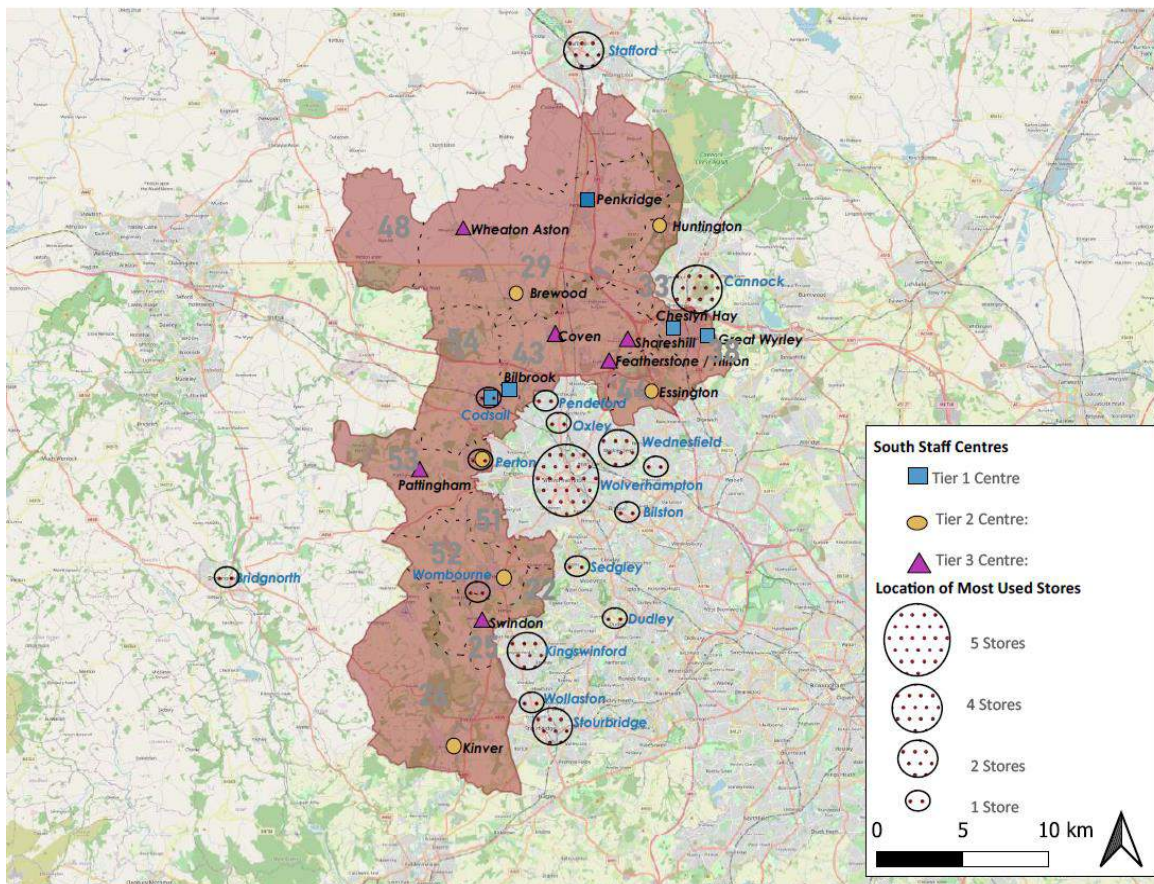
**Map 2: Location of Foodstores outside the District**



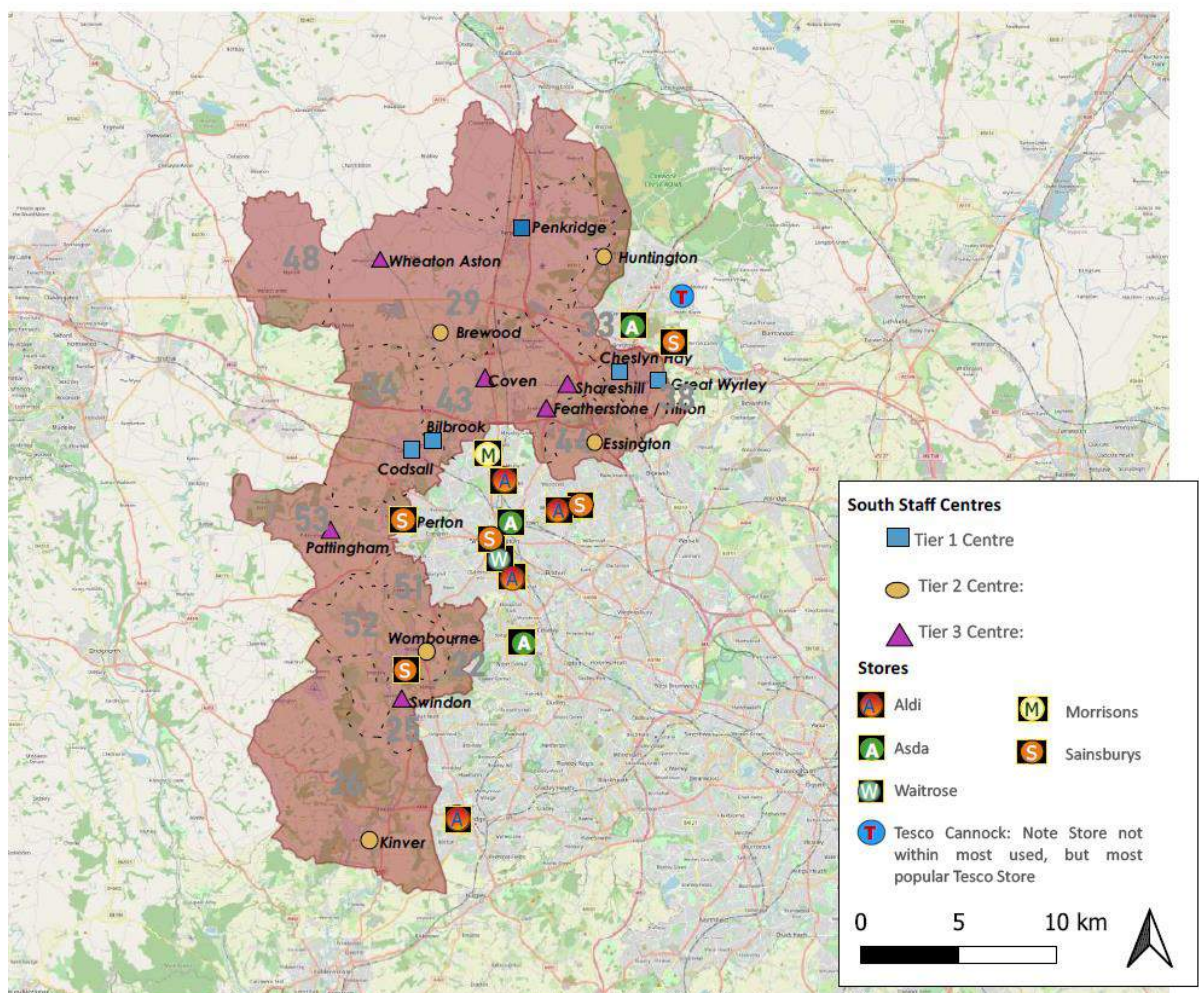
- 5.8 The various tables, graphs and maps reproduced within the main body of the text or as **Appendices** show the principal characteristics of where people from different parts of the District and the District as a whole carry out their 'weekly shop' (the occasion when they buy most of the food and drink and household goods they need). References to 'most used main food stores' in this report mean those individual stores regularly used by at least 5% of respondents to the NEMS Household Survey living in South Staffordshire.
- 5.9 **Appendix 3** presents a table, a graph and a map illustrating the Stores most used for Main Food Shopping by Zone, Location and Operator.
- 5.10 The following maps show Stores most used for Main Food Shopping by Location (**Map 3**) and Operator (**Map 4**).



**Map 3: Location of Stores Used by Most Shoppers**



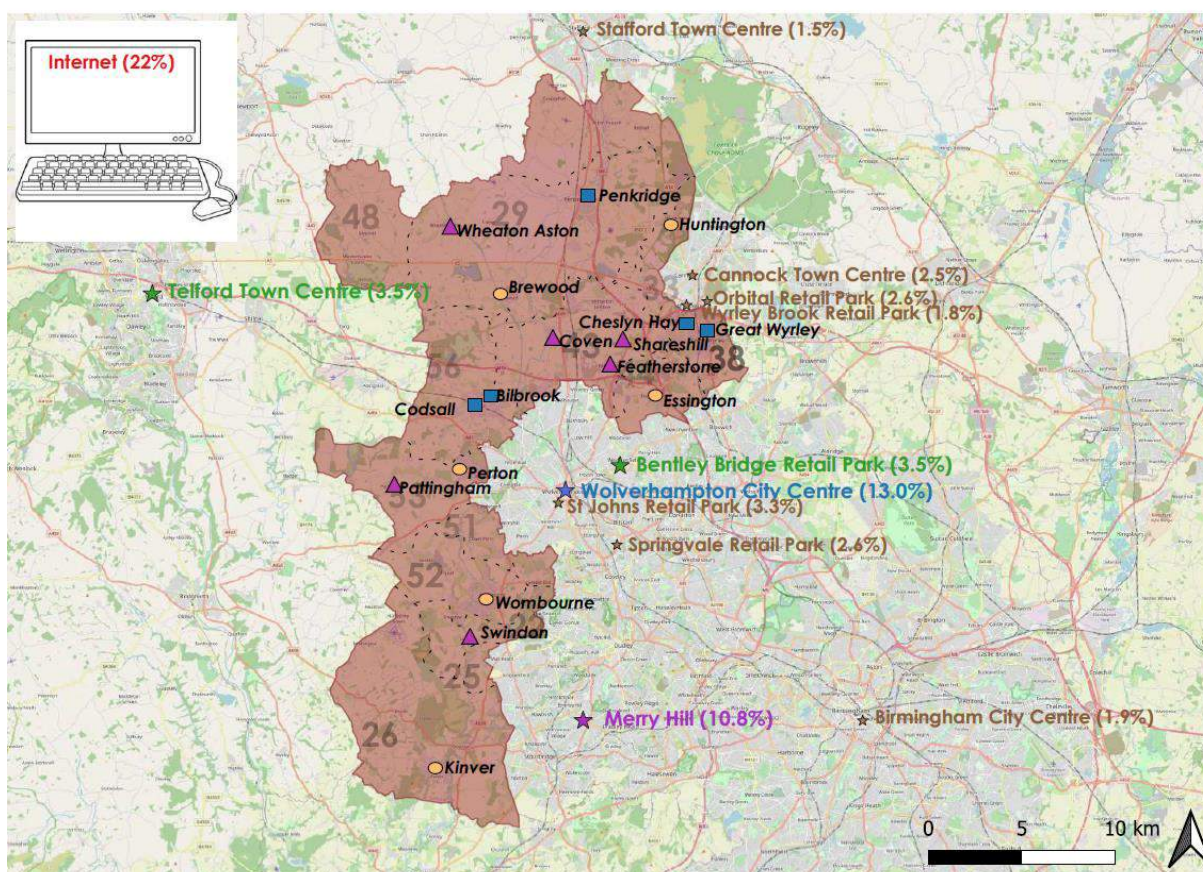
**Map 4: Most Used Stores**





- 5.11 It is evident from this written and graphic material that shopping patterns in the District are strongly influenced by the location of larger district and major shopping centres adjoining South Staffordshire particularly those in the Black Country such as Wolverhampton and Dudley. Higher order shopping needs are often catered for in towns and cities adjoining the District.
- 5.12 **Map 5** summarises where South Staffordshire people do most of their shopping for comparison goods. Appendices show where they do most of their shopping for six broad classes of comparison goods. The importance of Wolverhampton city centre, Merry Hill, retail parks and the internet is very evident.

**Map 5: Where South Staffordshire Residents do most of their Shopping for all Comparison Goods**



- 5.13 Maps showing where and how South Staffordshire residents shops for 6 broad categories of comparison goods shopping feature as **Appendices 4 to 9**. The information about comparison goods shopping is summarised for each settlement at **Appendix 10**.

## 6.0 VILLAGE AND NEIGHBOURHOOD CENTRE HEALTH CHECKS

### a. Retail Provision

- 6.1 The nature of centres in South Staffordshire is notable in that there are no towns, and hence no town centres. Even the largest centre (Wombourne) has fewer than 100 properties in commercial use. This owes a lot to the rural nature of much of the District, whilst the eastern edges of it relate quite closely to those parts of the Black Country beyond, and which contain much larger settlements and much bigger shopping facilities. Each of the District's 27 Village and Neighbourhood Centres, their composition and characteristics are considered in this chapter of the Retail Centres Study.
- 6.2 It is, therefore, likely in this scenario that much of the shopping will be done outside the District – and this has been demonstrated through the empirical research carried out in the form of the NEMS Household Survey in 2019.
- 6.3 **Appendix 10** summarises data from the NEMS Market Research household survey and describes where residents of the 17 villages do their shopping, both for convenience goods (essentially food) and comparison goods (non-food). The page for each village confirms the Zone in which it is situated.

### b. Surveys and Composition of Village and Neighbourhood Centres

- 6.4 We have observed South Staffordshire's centres before the virus, soon after its effects began to be felt, and also after the first lockdown measures started to be relaxed. From these observations, and from the survey of business owners and managers that we have been carrying out on an ongoing basis, it seems that the centres of South Staffordshire have, by and large, survived the worst of the first wave of the Coronavirus crisis throughout Spring and Summer 2020. We believe there is opportunity for them to emerge stronger.
- 6.5 The surveys of Village and Neighbourhood Centres were undertaken at different times for logistical reasons, and also to enable a view of different parts of the District at different times. This will mean, as a consequence, that a property recorded on the Appendices might show a particular use but be different now. For example in Codsall, one property at the north end of Station Road was empty at the time of our

detailed survey, at the time being 'under offer', and since the survey has opened as a kitchen design shop.

- 6.6 The various assessments of the Village and Neighbourhood Centres are shown in the **Appendices** as detailed below. It is not considered necessary, including for the sake of brevity, to replicate the detail contained within the **Appendices** about each centre. We have provided brief statements about each with recommendations for change / improvements in the final chapter of the Study.

### Appendices 11 Village Centre Analysis

#### a. Settlement Hierarchy Tier 1 Settlements

- ❖ Snapshot Health Checks
- ❖ SWOT Analysis
- ❖ Village Centre Surveys

#### b. Settlement Hierarchy Tier 2 Settlements

- ❖ Snapshot Health Checks
- ❖ SWOT Analysis
- ❖ Village Centre Surveys

#### c. Settlement Hierarchy Tier 3 Settlements

- ❖ Snapshot Health Checks
- ❖ SWOT Analysis
- ❖ Village Centre Surveys

### Appendix 12: Composition of Village Centres by Use Class

#### Neighbourhood Centres

### Appendix 13: Neighbourhood Centre Surveys

### Appendix 14 Composition of Neighbourhood Centres by Use Class

#### All Centres

### Appendix 15: Composition Totals by Centre Type



## c. Indicators of Retail Health

6.7 There are numerous indicators of 'retail health' and each centre is assessed against them in the 'snapshots health checks' that form the first part of **Appendix 11** a, b and c. It should be noted that each snapshot health check refers under 'diversity of uses' to 'see centre survey below'. The centre surveys follow Table 2 SWOT Analysis for each centre. We consider some of the indicators below, either because they are most important or are sometimes misunderstood.

6.8 The following symbols denote the grade assessed for each indicator in the Snapshot Health Check for each centre:

- ✓ **Good**
- **Neutral**
- ❖ **Not Good**

### i. Composition and Diversity

6.9 We consider it good if a centre has as wide a range of different business types<sup>4</sup> as possible. 'Good' retail health measured against this factor can apply to a very small centre of 4 properties with 4 different business types as well as the more obvious case of a larger centre of 70 properties with 43 different business types.

6.10 It is notable that the overall proportion of comparison goods shops is highest for the Tier 2 Village Centres. This is largely explained by the fact there are more shops selling comparison goods in Wombourne than there are in any other village. This reflects the fact that it is the largest centre, and it is also the village with the biggest population.

6.11 Some centres are interspersed with houses, which can be a positive attribute. However, in Cheslyn Hay in particular, it greatly interferes with the coherence of the place as a 'town centre'. To a lesser extent, this also applies to Kinver, Wombourne and Penkridge, but with all of those, the centres are readily identifiable.

6.12 Our estimates of Convenience and Comparison Floorspace in South Staffordshire are set out at **Appendix 16**.

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<sup>4</sup> These are mainly the 'main town centre uses' as defined in Annex 2 to the NPPF 'Glossary'. The term is applicable to 'village centres' as well

## ii. Multiple Retailers

- 6.13 Many retail assessments and retail studies assume that shops and services operated by national multiples is a sign of retail health. This can be true, but in our view, the lack of national multiples can be seen as a positive, not only because of the way that retail and shopping has continued to change, as described in **chapter 3.0** above, but because of the additional flexibility independent retailers can provide, as evidenced by recent Covid-19 events.
- 6.14 Multiples often look to close branches in smaller centres when things get tough, as we have seen over the last few years, for example with bank closures in Codsall, Penkridge and Wombourne and this trend is continuing as we can observe from the national media. Independent retailers, on the other hand, will want to do all that they can to survive. The survey of business owners and managers that we have conducted as part of the research for this study (see **sub-section 6d** below) shows that whilst Covid-19 has made things very difficult for a lot of the retailers (by which we mean those that run shops and/or services), for others it has presented an opportunity to serve people that otherwise would have shopped in larger centres outside the district. This experience has been replicated around country.
- 6.15 We, therefore, consider it 'good', whilst other analysts might be 'concerned' that there isn't a higher representation by national and regional multiples in South Staffordshire's centres. Notwithstanding the many acknowledged benefits of multiple retailers, in centres of this size, independents have some distinct advantages:
- ❖ Being locally owned and operated, they are likely to have more than a vested interest in the town centre doing well;
  - ❖ Henceforth, they are less likely to move out when company operations are being reviewed, especially in difficult economic times; and
  - ❖ The heterogeneity of facades, fascias and interiors adds to the individuality of the town centre and the sense of place. Many larger 'town centres', sadly, are too 'Anywheresville'.

### iii. Vacant Units

- 6.16 There is an increasing amount of concern about the number and proportion of properties once used for retailing, the various causes being described at **chapter 3.0**. 'Retail Gazette' recorded on the 31st July 2020:

*Overall shop vacancy rates in the UK rises to 12.4%, up from 12.2%*

*Shopping centre vacancy went from 14.1% to 14.3%, high streets 12.3% to 12.4%, and retail parks 8.2% to 8.3%*

*The coronavirus lockdown was a driving factor behind the "modest" increases*

- 6.17 It will be noted that there is a relatively low overall vacancy rate in the South Staffordshire village centres of about 4.6% (21 of 452 units). Vacancy rates are slightly lower in the neighbourhood centres (3.4% overall). This is significantly lower than national average. Despite this positive finding, some of those units that are vacant have been on the market for some time (between 1 and 2 years). Wombourne has the highest number of vacant units (5) and the highest proportion of all properties (5.6%).
- 6.18 The South Staffordshire vacancy rate reflects the fact that the centres are, by and large, in a very good state of health, possibly explained by them all, to a greater or lesser extent, having a localised function, with many independent businesses, which apparently are supported well by local people.

### iv. Charity Shops

- 6.19 Charity shops generate a fair amount of discussion in connection with the health of town centres. Our personal view is that they are very useful, in that they provide a wide variety of goods, almost always 'comparison goods<sup>5</sup>', that people need at reasonable prices, and also provide an outlet for the further use of products, that would otherwise be thrown away into landfill. In our view, it is better that space is filled with this valuable type of use than remains empty.

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<sup>5</sup> In Appendices 11a, the numbers of charity shops are recorded separately to shops that sell new comparison goods

- 6.20 They also provide social intercourse as well as usually unpaid work for volunteers: the activity is good for health and well-being. Their fundamental purpose being supporting charities, e.g. sick children, care for the elderly, hospices amongst many.

#### **d. Telephone Survey of Business Owners and Managers**

##### **i. Explanation**

- 6.21 This part of our work for South Staffordshire District Council took much longer to complete than anticipated due to the consequences of the Covid-19 pandemic. However, we achieved 77 completed interviews with owners and managers of businesses across the District's Village and Neighbourhood Centres, about 14.5% of all businesses in the Centres. Some valuable information was obtained and which augmented our other research profitably. The survey is described in full at **Appendix 17**, with the following components:

- a. Assessment
- b. Questionnaire
- c. Redacted Report of Responses
- d. Map showing the Locations of Respondents

- 6.22 How a business promotes itself is important, particularly in today's extraordinary circumstances. When researching whether or not businesses have an internet presence in order to get to know a little about the business before calling to see if they would participate in the survey, we noticed that some have a dedicated website, but more of them use 'Facebook'. This is particularly prevalent with independent shops.

##### **ii. Overview of Results**

- 6.23 A number of business owners and managers that we spoke to commented that their centre could be better 'advertised'. What they meant by this is that, pertaining to the centres not on main roads (which is most of them) with lots of passing traffic, that they felt that people were just not aware of the centres.

- 6.24 Therefore it is our strong recommendation that 'village shops' be given directional arrows and distance markings, erected in appropriate locations, for all village and neighbourhood centres.
- 6.25 A number of other people interviewed said that they welcomed and looked forward to more housing development, as they saw this as a source of extra trade to sustain and enhance their businesses.
- 6.26 It was interesting that very few respondents mentioned that 'charity shops' were in any way a problem.
- 6.27 Most of the businesses surveyed acknowledged the effects of the Covid-19 pandemic on their recent economic progress, noting a sharp downturn during lockdown (end of March to late July/early August 2020). Furthermore, many shopkeepers noted that business hadn't picked up significantly when they re-opened (not including hairdressers and beauty salons, most of whom enjoyed a surge in custom).
- 6.28 Cafes were also seen as key to businesses picking up. Shopkeepers were looking forward to when cafés could re-open, as it gave visitors further incentive to stay in the centre and shop. In light of this, many struggling businesses may have since benefitted from cafes reopening, particularly those establishments taking advantage of the UK government's 'Eat Out to Help Out' scheme in August and September 2020.
- 6.29 Many business owners and managers expressed serious concerns about a second wave. If the pandemic was to return and be of similar or greater impact as its forebear. Several said they had concerns about their surviving and were worried that they might have to close for good. Interestingly an overwhelming majority of businesses were happy with the financial support they were given by the UK government.
- 6.30 The outcomes of the Survey of Business Owners and Managers are interesting and tally with the impression of the general health of centres that our on-the-ground inspections and desk-top research and analysis have shown.

## 7.0 FINDINGS AND RECOMMENDATIONS

### a. Introduction

- 7.1 This chapter draws together findings from the different elements of research used to inform the Retail Centres Study and from them make recommendations to the Council as local planning authority in regard to strategic and specific application. Many recommendations provide the basis for policy which we consider ought to be implemented at the earliest appropriate time, i.e. when the Local Plan Review has attained substantial weight in its own right. Other recommendations vary in importance. To this end, their implementation is indicated as either high, medium or low priority.
- 7.2 Our recommendations make a distinction between the more strategic proposals and those that are more centre-specific. **Figure 4** below indicates the main strategic policy recommendations which it is suggested should be used to inform the review of the retail policies in the local plan. A number of centre specific recommendations have been identified and are included at the end of this chapter.

**Figure 4: Indicators of Policy and Priority Levels**

Recommendation		Priority
1	Trend-based predictions indicate no need for additional retail floorspace allocations. However, additional retail provision may be justified in areas experiencing high levels of future residential growth.	High Medium Low
2	Amendments to the Retail Hierarchy to include a new / additional top tier, and tier re-categorisation of some centres.	High
3	Managing Change – Balancing flexibility with retention of traditional village centre role	High
4	Measures to maintain the vitality and viability of village centres.	High

5	Include a policy to promote sequential assessment of retail proposals.	High
6	Lower impact test threshold for assessing proposed retail developments.	High
7	Ongoing monitoring of health of village and neighbourhood centres.	Medium
8	Implement a range of centre specific measures to support vitality and viability and to improve the public realm.	Mixed

**Figure 4: Indicators of Policy and Priority Levels**

### **b. Retail Capacity**

- 7.3 This study has been undertaken at a time when many town centres and traditional high streets nationally are struggling to evolve quickly enough to adapt to the significant and fast-moving structural changes that have been seen in the retail sector since the economic recession, and which have been compounded by Covid-19. These include changes in shopping habits, the demise of many traditional retailers, ongoing competition from out of centre retailers and the growing use of online shopping for an increasing range of retail goods and some services.
- 7.4 This has resulted in a significant decline in the demand for retail floorspace in all centres and increasing vacancies. This trend is not expected to be reversed in the foreseeable future, with limited demand from new occupiers in all but the largest centres.
- 7.5 This is reflected in the findings of the quantitative retail capacity assessment for South Staffordshire which forecasts limited or no quantitative capacity for new retail floorspace during the Plan period to 2037. This is based on the assumption that current village centres and the out of centre provision at Wombourne (Sainsbury's) maintain their current market shares (as evidenced by the 2019 household survey) and expected population growth based on past trends.



- 7.6 This, purely quantitative assessment suggests that there is already more than sufficient retail comparison floorspace within South Staffordshire to meet identified needs during the plan period (see **Figure 5** below).
- 7.7 For convenience floorspace, the quantitative assessment suggests a positive floorspace requirement, i.e. there is a need for additional provision in the area, but it is also extremely limited (see **Figure 6** below). However, this will be more than met by the recently consented scheme at the Wombourne Business Park (see **Figure 7** below).

Comparison Floorspace Requirements (Constant Market share, Base, excluding commitments)	2017	2020	2025	2030	2035	2037
Amount of new Comparison floorspace required (cumulative) (sq m net)		<b>1,691</b>	<b>162</b>	<b>50</b>	<b>46</b>	<b>66</b>

**Figure 5: Comparison Floorspace Requirements: Constant Market Share**

Convenience Floorspace Requirements (Constant Market Share, Base excluding commitments)	2017	2020	2025	2030	2035	2037
Amount of new Convenience floorspace required (cumulative) (sq m net)		<b>-41</b>	<b>443</b>	<b>05</b>	<b>398</b>	<b>411</b>

**Figure 6: Convenience Floorspace Requirements: Constant Market Share**

Convenience Floorspace Requirements (Convenience Retention, with commitments and associated improvement in market share)	2017	2020	2025	2030	2035	2037
Amount of new Convenience floorspace required (cumulative) (sq m net)		<b>-43</b>	<b>-357</b>	<b>-386</b>	<b>406</b>	<b>-397</b>

**Figure 7: Convenience Floorspace Requirements: Convenience Retention**

- 7.8 The results of the quantitative capacity assessment are consistent with national trends. Vacancy rates are currently very low throughout the District, but business closures might be anticipated as a consequence of Covid-19 in the coming months. There is also no indication of any unmet qualitative need in the area, as evidenced by possible overtrading.

- 7.9 As a result, the quantitative need for additional retail provision in the short – medium term (5- 10 years) is limited to a small convenience requirement, which will be more than met by the recently consented scheme. Beyond that, whilst all capacity forecasts need to be treated with a degree of caution, and increasingly so as the forecast period increases, there is nothing to indicate that any significant capacity will emerge in the South Staffordshire area during the Plan period, although some additional local need may arise from higher population growth in areas with significant housing allocations.
- 7.10 South Staffordshire may have to accommodate some of the housing need arising from urban local authorities in the Black Country. The overall level of provision is unlikely to have any material effect on the quantitative capacity for either convenience or comparison goods floorspace.
- 7.11 Improved local provision of shops and services would reduce reliance on facilities outside the District, often entailing travel by car, and produce sustainability benefits for the local economy, in accordance with local objectives and national policy. These are elements of 'qualitative need'. The local planning authority should, therefore, encourage and facilitate appropriate retail and other development, subject to its acceptability in respect of sequential and retail impact assessment.
- 7.12 However, 'the market' as shown in **chapter 3.0** has the dominant role. It would not be realistic to expect multiple retailers to come in to South Staffordshire now, after the economic crash of 2008-2012 and now because of coronavirus Covid-19 and the way this has further drastically altered the way people shop and retailers sell.

**1. Retail Capacity and Qualitative Need: Recommendation**

- ❖ **Trend based predictions indicate no need for additional retail floorspace allocations. However additional retail provision may be justified in areas experiencing high levels of future residential growth.**

## c. Planning Policies and Mechanisms to protect, enhance and promote South Staffordshire's Centres: Strategic

### i. Scene Setting

- 7.13 A review of the health of the seventeen Village Centres and ten Neighbourhood Centres has been undertaken; informed by detailed site visits, a telephone survey of managers and owners of shops and services throughout the District carried out by Alsop Verrill between March and August 2020, the joint South Staffordshire and Black Country Household Survey carried out by NEMS Market Research on behalf of the Black Country local planning authorities and South Staffordshire District Council in June and July 2019, and by national and other published data about settlements that feature in the health check assessments of each Centre.
- 7.14 The extensive NEMS survey and our subsequent analysis of the data relating to South Staffordshire, demonstrated that there is a very high leakage of expenditure on convenience goods and an even higher one of comparison goods expenditure to shopping facilities outside the District. The special characteristics of the District - the rural nature and dispersed settlement pattern and the close proximity of numerous higher order centres outside its boundaries – means that the policy direction should be towards maintaining and enhancing the centres that there are, with a recognition that there is little scope for the provision of new retail floorspace and none for a new 'centre'. Rather, it is appropriate that the District is able to respond positively and imaginatively to the changes that always affect 'town centres' of all sizes, and which as **chapter 3.0** showed, will be more dramatic and consequential than ever before.
- 7.15 South Staffordshire's centres appear healthy as evidenced from our detailed inspections with, in general, good ranges and depths of facilities, dependent upon size, low vacancy rates and attractive physical environments in most cases. The telephone survey of business owners and managers produced generally positive feedback. It also resulted in the identification or confirmation of some issues which could help the Council and its partners promote / enhance centres.

- 7.16 Examination of national retail trends suggest the future for the high street is increasingly uncertain owing to structural changes, online retailing and the impact of Covid-19. It may be the case that smaller centres such as those within the district may prove more resilient than the medium scale centres which tend to have higher representation of chain store retailers. National policy response appears to be to foster greater diversity and flexibility as highlighted by the creation of the E Use Class.
- 7.17 The Council has some ability as local planning authority to provide a local planning response that facilitates appropriate and beneficial change. The starting point for this is the consideration of policy tools and other mechanisms such as reviewing / amending the retail hierarchy, after which consideration can be made of tools for use within and relative to the centres within it.

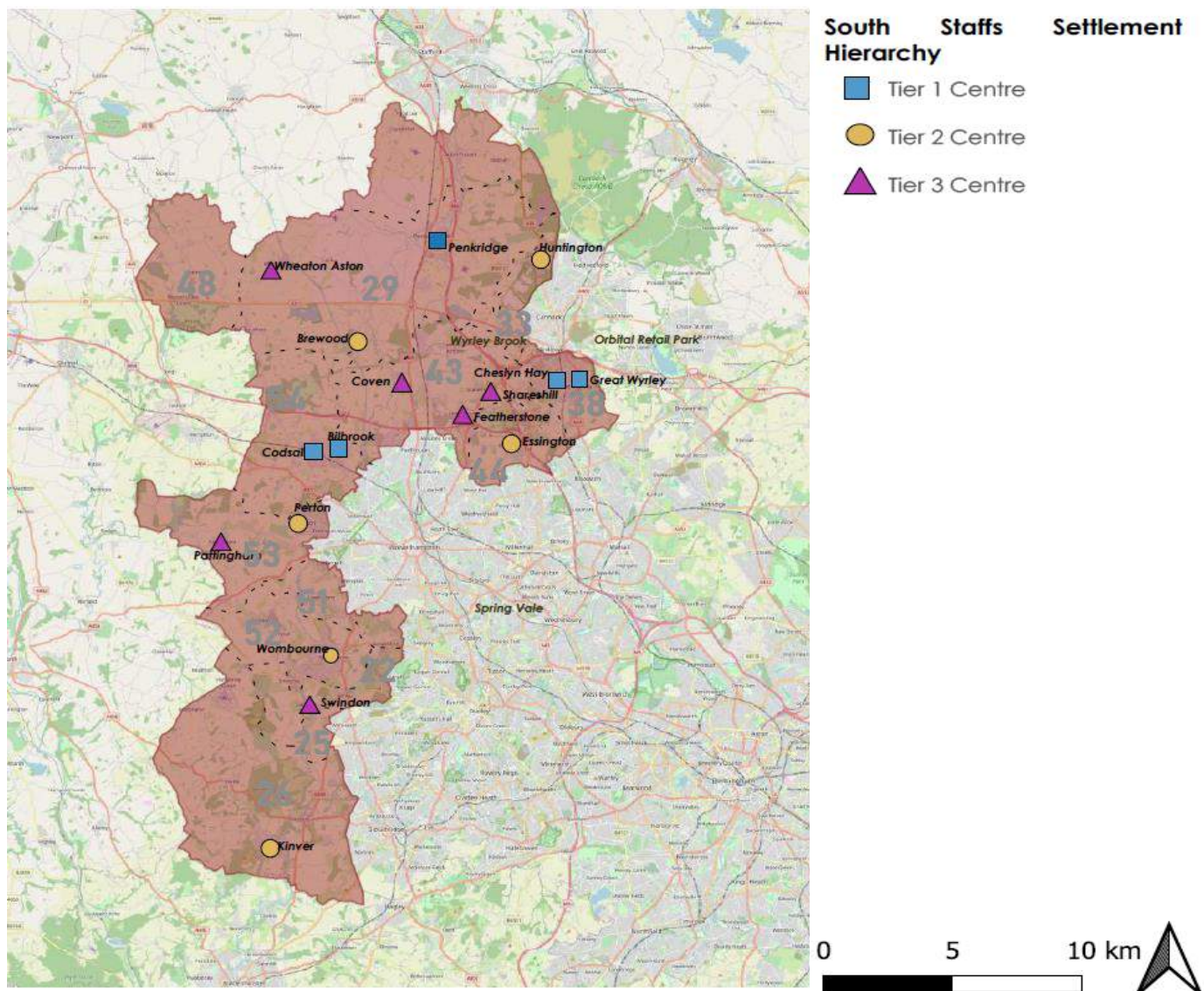
## ii. Retail Hierarchy

- 7.18 South Staffordshire has a Settlement Hierarchy arranged in five Tiers, as identified at paragraph 2.4 above. It was established as a tool to assist the decision-making process in terms of allocating housing growth. The highest rated villages have the best access to shops, services, education and employment either locally or connected to wider facilities via public transport. **Map 6** overleaf shows the villages in the top three tiers and their position in the settlement hierarchy.





Map 6: Existing South Staffordshire Settlement Hierarchy



7.19 It does not necessarily follow that settlements in the higher Tiers always have populations higher than settlements in the lower Tiers. **Figure 8** below shows this with reference to 2019 estimated populations.

Settlement	2019 ONS estimates	Tier
WOMBOURNE	14,283	2
GREAT WYRLEY	11,294	1
PERTON	10,543	2
PENKRIDGE	7,993	1
CODSALL	7,962	1
CHESLYN HAY	7,173	1
FEATHERSTONE	6,875	3
ESSINGTON	5,217	2
HUNTINGTON	4,946	2
BILBROOK	4,813	1
KINVER	4,762	2
BREWOD	2,677	2
COVEN	2,616	3
WHEATON ASTON	2,005	3
PATTINGHAM	1,762	3
SWINDON	1,138	3
SHARESHILL	784	3

**Figure 8: The Settlement Hierarchy and 2019 Estimated Populations**

7.20 **Tier 1 Settlements** typically have food stores (superstores, supermarkets and neighbourhood convenience stores) and a wider range of services and facilities than other villages, a range of education establishments, access to a train station and good access to employment and wider facilities outside the village via public transport.

7.21 **Tier 2 Settlements** typically have a food store and a range of services and facilities and education establishments, but the level of provision will typically be less than Tier 1 villages. These villages do not have access to rail stations and have lesser levels of employment access than Tier 1 villages. There is still a degree of access to services outside the village via public transport.

- 7.22 **Settlements within Tier 3** typically have a small food store (e.g. a village store / general store) but generally have far fewer educational facilities in comparison to Tier 1 and 2 villages and generally have less of a range of services and facilities within the village compared to Tier 1 and 2 villages. These villages have a degree of access to services and facilities outside the village via public transport.
- 7.23 The retail hierarchy identified through this Retail Centres Study is different to the settlement hierarchy. It reflects the roles of the various centres in meeting the retail and service/community needs of the residents of South Staffordshire.
- 7.24 The evidence gathered to produce this Retail Centres Study shows clearly that, broadly-speaking, even with the lack of reach of most of them ('catchment areas'), centres appear relatively strong with no indication of decline/die-back.
- 7.25 The strategic policy response should be to seek to promote the retention/enhancement of the existing centres, trying to balance a move towards greater flexibility whilst not undermining the integrity of the retail services and community facilities which underpin the traditional role of South Staffordshire centres.
- 7.26 Consequently, we recommend that adjustments be made to the Retail Hierarchy. This entails the creation of a new top tier of 'larger villages' and minor adjustments of centres between the new second and third tiers recommended.
- 7.27 Penkridge and Wombourne have the largest centres with the greatest number and range of main town centre uses. They also have quite significant shopping facilities outside their village centres. Codsall is not as large, but it has the most up to date supermarket of reasonable size. The Sainsbury's superstore occupies an out-of-centre location in Wombourne and will be joined in the near future by a Lidl deep discount store. Each of these has a larger convenience store presence, as well as comparison goods shops and community services that serve the needs of the wider settlement and its hinterland.



- 7.28 These three centres have been, and can be expected to continue to be, the main foci of interest by the market in seeking new opportunities for investment. We recommend that these three centres, in the north, south and centre of the District, form a new top tier in the Retail Hierarchy where the emphasis on their enhancement and growth is prioritised over other Centres.
- 7.29 The other Village Centres in the existing retail hierarchy continue to perform the function expected of them and so should be assigned to the second tier. Birches Bridge should be elevated to the second tier because of its range and width of facilities in one central place, its supermarket and the amount of employment in the vicinity which helps stimulate its vitality and vibrancy, including the local authority's headquarters. Bilbrook, Duck Lane, would more appropriately be designated as a Neighbourhood Centre because of its limited range and reach and the proximity of Birches Bridge which is a stronger centre.
- 7.30 Essington, Huntington, Shareshill, Swindon and Wheaton Aston should move to the third as the limited range and small scale of their facilities is consistent with existing Neighbourhood Centres and which provide for the day-to-day needs convenience goods and some services for a very localised area, with the focus on top-up shopping.
- 7.31 Recommendations about the retail hierarchy are summarised overleaf.



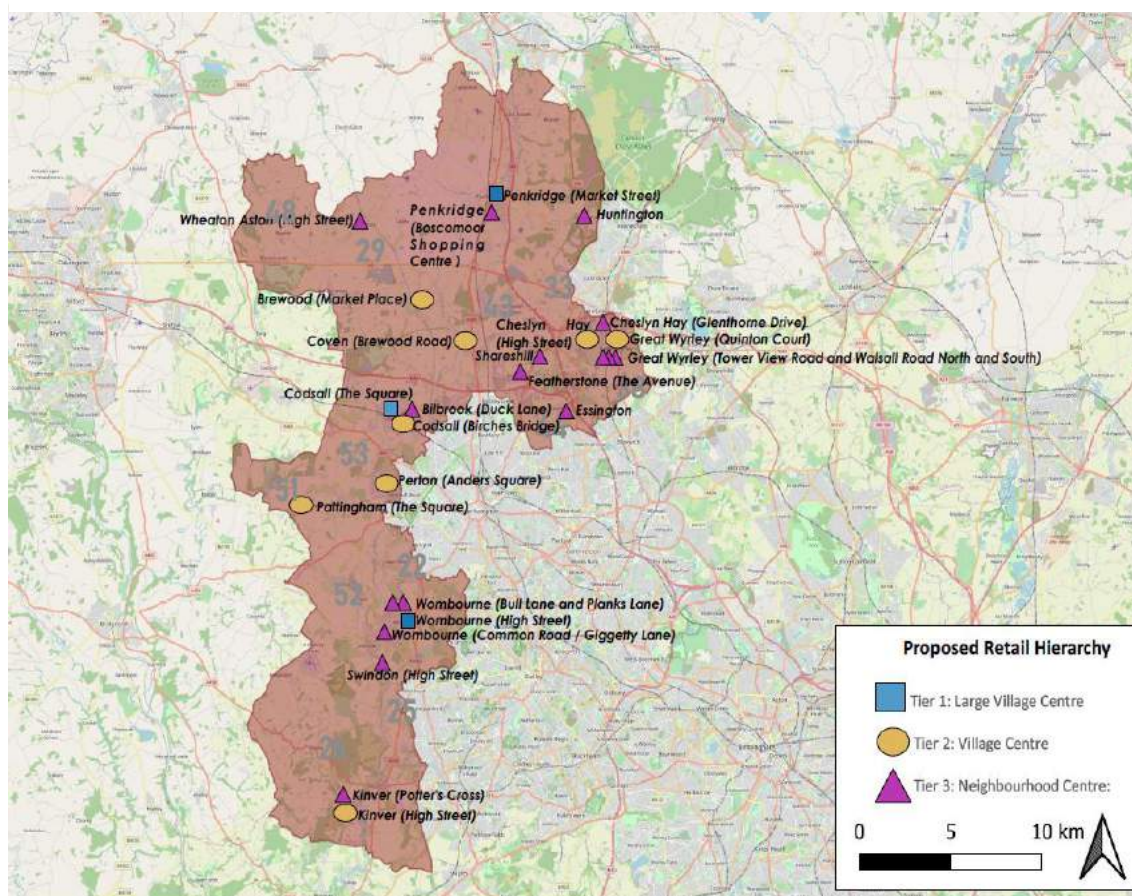
## 2. Retail Hierarchy: Recommendations

- ❖ **Adjustments should be made to the existing Retail Hierarchy in order to protect, enhance and promote the existing centres. It is proposed that:**
  - **A new top tier of the Retail Hierarchy is created for Large Village Centres. This should comprise; Codsall (The Square, Station Road), Penkridge (Market Street) and Wombourne (High Street).**
  - **Codsall (Birches Bridge) should be elevated into the second tier as a Village Centre.**
  - **Bilbrook (Duck Lane), Essington (Hill Street), Huntington (Stafford Road), Shareshill (Church Road), Swindon (High Street), and Wheaton Aston (High Street) should move into the third tier as Neighbourhood Centres.**
  - **The Common Road and Giggetty Lane Neighbourhood Centres in Wombourne should be combined into one.**
  - **A new Neighbourhood Centre should be designated at Walsall Road (North), Great Wyrley and the existing Neighbourhood Centre be re-named as 'Walsall Road South'**

<b>Centre</b>	<b>Existing Hierarchy</b>	<b>Proposed Hierarchy</b>
Codsall (The Square, Station Road)	Village Centre	Large Village Centre
Penkridge (Market Street)	Village Centre	Large Village Centre
Wombourne (High Street)	Village Centre	Large Village Centre
Brewood (Market Place)	Village Centre	Village Centre
Coven (Brewood Road)	Village Centre	Village Centre
Cheslyn Hay (High Street)	Village Centre	Village Centre
Great Wyrley (Quinton Court)	Village Centre	Village Centre
Kinver (High Street)	Village Centre	Village Centre
Pattingham (The Square)	Village Centre	Village Centre
Perton (Anders Square)	Village Centre	Village Centre
Codsall (Birches Bridge)	Neighbourhood Centre	Village Centre
Bilbrook (Duck Lane, Bilbrook Road)	Village Centre	Neighbourhood Centre
Essington (Hill Street)	Village Centre	Neighbourhood Centre
Featherstone (The Avenue)	Village Centre	Neighbourhood Centre
Huntington (Stafford Road)	Village Centre	Neighbourhood Centre
Shareshill (Church Road)	Village Centre	Neighbourhood Centre
Swindon (High Street)	Village Centre	Neighbourhood Centre
Wheaton Aston (High Street)	Village Centre	Neighbourhood Centre
Cheslyn Hay (Glenthorne Drive)	Neighbourhood Centre	Neighbourhood Centre
Great Wyrley (Tower View Road, Walsall Road))	Neighbourhood Centres	Neighbourhood Centres
Great Wyrley (Walsall Road North)	not designated	Neighbourhood Centre
Kinver (Potters Cross)	Neighbourhood Centre	Neighbourhood Centre
Penkridge (Boscomoor Shopping Centre)	Neighbourhood Centre	Neighbourhood Centre
Wombourne (1.Bull Lane, 2.Common Road, 3.Giggetty Lane, 4.Planks Lane)	Neighbourhood Centres	Neighbourhood Centres 2. and 3. Combine to form Blakeley centre

7.32 The Retail Hierarchy, as recommended, is shown by **Map 7** below.

**Map 7: Locations of Centres in the South Staffordshire Proposed Retail Hierarchy**



7.33 The new Use Classes Order took effect on the 1st September 2020 and was introduced to provide greater flexibility to businesses, by reducing the need to apply for planning permission for changes of use (see **Appendix 1**). Broadly speaking, we support the new Use Class E and the light touch to managing change that it brings.

7.34 An important policy goal for South Staffordshire will be to balance a move towards greater flexibility whilst not undermining the integrity of the retail services and community facilities that underpin the traditional role of the Centres.

7.35 Maintaining the retail offer will be a key determinant in the long-term health of the District's centres and attracting new uses and occupiers to those units that become vacant in the future will be important to the maintenance of a healthy centre.



- 7.36 Potential future occupiers are likely to feature a wide range of uses, as provided for by Use Class E of the new Use Classes Order. The decline in the requirement of retail floorspace described extensively above and the range and extent of competing locations outside the District in close proximity means that restrictive measures aimed at protecting the retail functions of South Staffordshire's centres, such as designating retail frontages, would not be appropriate where they might be in a stronger, more self-contained retail market.
- 7.37 Given Use Class E also applies to out-of-centre retail and former B1 properties, potential occupiers may also consider these locations and those in neighbouring town centres. If these can be occupied without the need for planning permission then it is important that no additional barriers are imposed in South Staffordshire's centres where development would be preferred.
- 7.38 Most centres in South Staffordshire appear to be in very good retail health and have a number of strengths and potential to increase their non-retail offer. The majority of Village (and some Neighbourhood) boundaries as currently defined are extensive, reflecting their historic role and development. This has the benefit of providing opportunities for future redevelopment within the centres.
- 7.39 The need, therefore, is for the District's Centres to be able to be flexible to respond to particular circumstances, such as an identified local need or opportunity to support a regeneration scheme.
- 7.40 However, an important part of the local planning authority's role in managing change will be effective monitoring of change in the District's Centres and taking action if it appears that the composition of a particular centre appears to have changed so much that its function as a retail and service centre has been undermined. This will apply particularly to the Larger Village Centres and Village Centres. A framework for monitoring is recommended at **sub-section 7d**.
- 7.41 The local planning authority has open to it introducing Article 4 Directions to the main parts of any Centre considered to be at risk. These would seek to limit the changes of use that could be made without applying for the grant of planning permission.

### 3. Managing Change: Recommendation

- ❖ **Change in the District's Centres will largely occur organically through the mechanism of the Use Class Order that came into effect on 1st September 2020. The local planning authority should:**
  - ✓ **monitor change through regular surveys and liaison with Parish and Village Councils and other interested parties.**
  - ✓ **adopt Article 4 Directions for the main part of any Larger Village Centre, or Village Centre considered to be at risk.**
  - ✓ **maintain a schedule of vacant premises and publish details on its website so as to encourage and assist start-up businesses and other investment.**

#### **iv. Other Main Town Centre Uses**

- 7.42 Sustainability considerations and the interlinkages of different uses to ensure a thriving local retail and service economy are very important. This is clearly recognised by the recent changes introduced and proposed by central Government for the planning system. In this regard, we recommend an overarching policy adapted from the Plymouth and South West Devon Joint Local Plan, 2019.
- 7.43 The quantitative capacity for other town centre uses is difficult to assess, given the wide variety of other uses that the term can be applied to and the lack of reliable data to indicate what may be an appropriate level of provision in a particular centre or area. However, there are many uses that are or could be accommodated in the South Staffordshire village and neighbourhood centres and where available expenditure locally is significant. This includes the food and beverage sector, but also services such as hairdressing salons and sports and leisure activities. This is exactly why the Government introduced Class E.
- 7.44 With leisure spend overall expected to increase slightly (perhaps around 1% per annum) throughout the Plan period, it is clear that the role of leisure and retail services within town centres will continue to be important, particularly given that the majority of services require a physical presence at the business location.

- 7.45 There is a need to re-purpose the retail floorspace in South Staffordshire's centres which is no longer capable of meeting retailer and shopper requirements, to meet the needs of the new occupiers and uses that are emerging, provided this is in accordance with the other policies of the Plan and would not undermine wider objectives. The future vitality and viability of the Village and Neighbourhood Centres will rely on widening their overall offer and appeal, in some cases reducing the size of the shopping area and increasing the resident population to support the businesses that remain. The Use Classes Order that came into effect on the 1st September 2020 and the National Planning Policy Framework ('NPPF') (including at paragraph 85f) recognise that residential and other development often play an important role in ensuring the vitality of centres when situated on appropriate sites and in appropriate premises.

#### 4. Maintaining the Vitality and Viability of the Village Centres:

##### Recommendation

- ❖ **A Local Plan policy should be adopted to maintain the vitality and viability of the Village Centres that promotes the provision of homes, jobs, services and community infrastructure sufficient to enable the villages to continue to play their important role as local service centres for their surrounding areas. This will be achieved through:**
  - ✓ **Delivering an appropriate level and mix of new homes that responds positively to local housing needs and improves long-term sustainability.**
  - ✓ **Enabling local employment opportunities that can support a thriving rural economy.**
  - ✓ **Sustaining and where possible improving the range of services and amenities available, including sustainable transport links to other settlements, and supporting the provision of new services where needs arise.**
  - ✓ **Conserving and enhancing the local distinctiveness and the historic character of the villages.**

## v. Sequential Assessment and Impact Test Thresholds

7.46 South Staffordshire Centres because of the typically small size of their shops, stores and other businesses are potentially vulnerable to the adverse impacts of new businesses, whether they be proposed in a centre, on its edge or out-of-centre.

7.47 It is, therefore, important that the threshold levels for requiring both a sequential assessment and a retail impact assessment are set at levels that will allow the necessary scrutiny of all proposals that have the potential to have a significant adverse impact.

7.48 In respect of **sequential assessments**, as things stand, Core Strategy 2012, Core Policy 8: Hierarchy of Centres provides:

*Proposals for retail development outside existing village centres should accord with the sequential approach set out in national planning policy.*

7.49 This means that planning applications for main town centre uses which are neither in an existing centre nor in accordance with an up-to-date plan need to demonstrate that no suitable sites in a sequentially-preferable location are available (or expected to become available within a reasonable period).

7.50 In respect of **retail impact assessments**, South Staffordshire's Validation Guidance 2013 provides:

*Impact assessments are required for all retail and leisure developments over 2,500 square metres gross floorspace, and may be required for smaller developments such as those likely to have a significant impact on smaller centres.*

*Impact assessments should also be provided for applications for other main village centre uses where they are in an edge of centre or out of centre location and not in accordance with a development plan.*

7.51 The threshold of 2,500 sq m gross floorspace reflects the national guidance<sup>6</sup>. It is too high to be applied to South Staffordshire as shops in its centres are typically of smaller scale. The national threshold also applies to gross floorspace, when it is 'net sales' floorspace that is most relevant in the assessment of retail impact.

<sup>6</sup> NPPF March 2019, paragraph 89



- 7.52 Clearer policy guidance in the form of a proportionate, locally set floorspace threshold is required so that prospective applicants, local residents and businesses and the local planning authority are more certain about the parameters for acceptable development.
- 7.53 We have reviewed thresholds used by neighbouring local planning authorities to identify when there is a need for retail impact assessment. These are set out at **Appendix 18**. They reflect a wide range of threshold sizes, with the maximum being the threshold set out in the NPPF. We consider that those used by the four Black Country local planning authorities provide a suitable basis, with modification, for application in respect of the centres of South Staffordshire. The threshold is at the bottom end of the range, thereby being more appropriate in principle, whilst there is a high degree of commonality, including with respect to the evidence base.<sup>7</sup>
- 7.54 South Staffordshire is less urban than much of the Black Country beyond its borders. The network of Village and Neighbourhood Centres in South Staffordshire provides for convenience shopping, as well as local comparison shopping opportunities and local services and leisure facilities. South Staffordshire Centres are dependent on their convenience role for their vitality and viability to a greater extent than their comparison shopping role (though it is notable that a number of them have shops selling comparison goods that fulfil more than a local function).
- 7.55 These factors mean that although the Black Country Core Strategy Policy CEN5 provides a valid basis for a policy for South Staffordshire, modification is required to formulate a bespoke policy.
- 7.56 Whilst not a certain outcome, it is quite possible that a small supermarket of 500 sq m sales area could have a significantly adverse impact on the vitality and viability of a particular Centre, for example in a situation where specialist food shops (such as butchers and greengrocers) were already trading at their margins.

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<sup>7</sup> See paragraph 1.6 above.

#### 5. Sequential Assessment: Recommendation

- ❖ A Local Plan policy should be adopted to ensure that a Sequential Assessment in accordance with up-to-date national planning policy guidance on planning for retail and other town centre uses is submitted for review as part of any application proposing a main town centre use or uses in edge-of-, or out-of-centre locations.

#### 6. Impact Test: Recommendation

- ❖ A Local Plan policy should be adopted to ensure an acceptable Impact Test in accordance with up-to-date national planning policy guidance on planning for retail and other town centre uses. An impact assessment should be submitted for review as part of any application proposal for a supermarket exceeding 500 sq m (net floorspace) and / or comparison floorspace exceeding 300 sq m (net floorspace) located within a Centre or in an edge-of-, or out-of-centre location.

#### **vi. Monitoring and subsequent Action**

- 7.57 The evidence that informs the Retail Centres Study should be updated so that the LPA can measure change and make policy actions in good time. Implications of internet shopping patterns, COVID19 and other factors should be taken into account. It will also help identify when restrictive measures such as the introduction of Article 4 Directions might be useful. Positive action that improves the physical environment of a centre will potentially be followed by improved 'retail health.'

## d. Planning Policies and Mechanisms to protect, enhance and promote South Staffordshire's Centres: Centre Specific

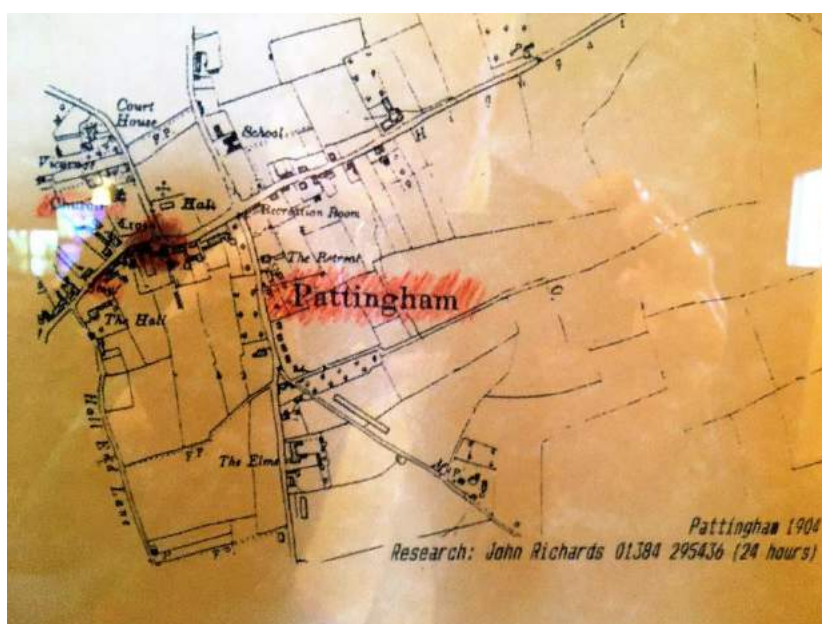
### i. Introduction

7.58 South Staffordshire has an interesting set of Village and Neighbourhood Centres, no one of them is the same as another. We offer snapshots of each and recommendations for them. The priorities for action are indicated as follows:

- **Priority for action as soon as possible as allowed by the status of the draft Local Plan.**
- **Priority for action shorter-term.**
- **Priority for action longer-term when programmed finance is available.**

7.59 We encourage the Council to organise local input to develop visions for each of the centres through individual centre studies.

7.60 Amongst the recommendations made are suggestions for changes to the boundaries of three village maps. These largely arise from the need for consistency with other Centre Maps prepared by South Staffordshire Council. The village map for Wombourne is possibly the best example, as this includes the extensive area given over to the Wombourne Civic Centre, and also includes the Church of St. Benedict Biscop. We recommend a similar approach be used for the other centres. This would then help show the broader range of uses within them, most notably by adding facilities such as village halls, churches and perhaps medical centres.



## ii. Village and Neighbourhood Centres: Snapshots and Recommendations

### Bilbrook (Duck Lane)

- 7.61 Centred on the village green, a relatively new settlement in its current form, celebrating the aviation-related history, with its shops radiating out from the green. The centre has a localised function and a range of shops and services to fulfil that role.

#### 1. Bilbrook Recommendations

- ❖ **Re-assign Bilbrook Village Centre within the proposed Retail Hierarchy as a Neighbourhood Centre.**
- ❖ **Identify and promote public realm enhancement scheme for Lane Green Parade.**

### Brewood (Market Place)

- 7.62 An 'historic' centre, characterised by many small businesses, some quite unique in themselves and in the District. The view along Stafford Street to No.1 Bargate Street adjoining 'The Swan' Hotel is quite sublime.

#### 2. Brewood Recommendations

- ❖ **Modify the centre boundary at the end of Stafford Street to include Brewood and Coven Parish Council offices and exclude No.1 Engleton Lane (formerly Jimmy's Chinese takeaway). Please see Appendix 19b.**
- ❖ **Explore the possibility of (re-) development of the former telephone exchange off Stafford Street which is presently unattractive and could prove to be a viable brownfield land asset.**

### Cheslyn Hay (High Street and Glenthorne Drive)

- 7.63 A gradual walk uphill from the Working Men's Club, past the well-maintained and well-regarded war memorial, around the bend, past the High Street Surgery and the bright relatively new Co-op at the top of Landywood Lane, continuing upwards, to 'The Colliers Arms' and shortly beyond. As 'town centres' go, it isn't really one, as it is characterised by a few shops here and there, interspersed with houses, churches and other buildings, and then more shops. However, all the indicators are that businesses are doing well.
- 7.64 The Glenthorne Drive Neighbourhood Centre provides a good balance of six shops and service uses, with 'The White Horse' pub on the other side of New Horse Road.

#### **3. Cheslyn Hay Recommendation**

- ❖ **Monitor change closely as the Use Classes Order August 2020 might compound the fragmented nature of the centre.**

### Codsall (The Square, Station Road and Birches Bridge)

- 7.65 Codsall is a bright, attractive and relatively modern centre, focussed on Station Road and The Square. The ability to be able to park easily off-road, by the Co-op and on side roads, is welcome. The Co-op store is up to date, attractive internally and externally.
- 7.66 At the other end of Codsall, Birches Bridge neighbourhood centre is a single line of shops arranged over 3 parades on one side of Wolverhampton Road, with a Costa Coffee at one end and a shop that combines shoe repairs, key cutting and trophy engraving with hardware and ironmongery at the other.

#### **4. Codsall: Recommendations**

- ❖ **Re-assign Codsall Village Centre within the proposed Retail Hierarchy as a Large Village Centre.**
- ❖ **Re-assign Birches Bridge Neighbourhood Centre within the proposed Retail Hierarchy as a Village Centre.**
- ❖ **Discussions with the owners of the Birches Bridge Neighbourhood Centre to explore how parking abuse can be controlled further.**

### Coven (Brewood Road)

- 7.67 A smaller centre, with parades around the junction between Poplars Farm Way and Brewood Road, with 'The Homage' dating from the 17th century at its fulcrum. More on-street car parking would be beneficial.

#### 5. Coven: Recommendation

- ❖ Explore the possibilities of improving access/ ingress / car parking for the parade centred on the Co-op.

### Essington (Hill Street)

- 7.68 A large village with few facilities, with small shop convenience goods provision notable.

#### 6. Essington: Recommendations

- ❖ Re-assign Essington Village Centre within the proposed Retail Hierarchy as a Neighbourhood Centre.
- ❖ Secure public realm enhancement scheme in front of the shops on Hill Street.

### Featherstone (The Avenue)

- 7.69 Shops, but mainly services, along The Avenue, including a village neighbourhood store with post office on Cannock Road.

#### 7. Featherstone: Recommendations

- ❖ Re-assign Featherstone Village Centre within the proposed Retail Hierarchy as a Neighbourhood Centre.
- ❖ Provide 'Local shops' signage on the A460 Cannock Road either side of the junction with The Avenue.
- ❖ Secure public realm enhancement scheme for The Avenue in front of the shops.

### Great Wyrley (Quinton Court, Tower View Road and Walsall Road)

- 7.70 Although Quinton Court Shopping Centre's obvious weakness is its age, it does have potential, but this requires transforming the precinct-based centre with substantial improvements to its public realm and car parking in particular. Externally, the freestanding Co-op supermarket on Southfield Way looks tired and the road requires tidying. An overhaul of the public spaces, particularly the car parking areas, would help revive its fortunes. There is the basis for a vibrant centre.
- 7.71 There are two existing Neighbourhood Centres in Great Wyrley, one along the southern stretches of Walsall Road which has a Costcutter foodstore and the other at Tower View Road which at the time of our research no longer had a shop selling convenience goods and with two of the seven units vacant. There is a larger collection of shops and services, together with 'The Swan' pub, along the northern stretches of Walsall Road through the urban area at Nos.162-164 and Nos.171-185 Walsall Road. It has more businesses than the other two neighbourhood centres and is more vibrant. Consistency of approach requires that it be designated as a neighbourhood centre

#### 8. Great Wyrley: Recommendations

- ❖ **Suggested new Walsall Road (North) Neighbourhood Centre at 162-164 and 171-185 Walsall Road (including 'The Swan' pub). There is a sizeable collection of shops and services, more than Walsall Road as existing (although this does have a foodstore – Costcutter) and more vibrant than Tower View Road (which no longer has a shop selling convenience goods and 2 of the 7 units are vacant). Please see Appendix 19 (a).**
- ❖ **Discussions with the owners of the Quinton Court Shopping Centre and the Co-op with the aim of bringing about the environmental improvements and possible changes to the format of the Centre, as described above.**



### Huntington (Stafford Road)

- 7.72 Its shopping parade lies off Stafford Road, with forecourt parking, opposite the commemorative public space relating to Huntington's past as a colliery village, and leading on to playspace, greenery and new homes beyond.

#### 9. Huntington: Recommendations

- ❖ Re-assign centre within the proposed Retail Hierarchy as a Neighbourhood Centre.
- ❖ Secure public realm enhancement scheme for the forecourt / parking area of the centre's shopping parade.

### Kinver (High Street and Potter's Cross)

- 7.73 'An Ancient Borough' with the oldest and truest 'high street' in South Staffordshire.
- 7.74 Potters Cross has four service uses in the neighbourhood centre, with a post office / store on White Hill.

#### 10. Kinver: Recommendation

- ❖ Potter's Cross: Include the post office / store within the defined Neighbourhood Centre.

### Pattingham (The Square)

- 7.75 One small shopping parade and a couple of other businesses either side of the 'Pigot Arms' pub. Impressive public realm, with a village hall opposite the shops. St Chad's Church and the village hall should be recognised as parts of the village centre.

#### 11. Pattingham: Recommendations

- ❖ Modify the centre boundary be extended to include St Chad's Church and its grounds and Pattingham Village Hall and its grounds. Please see Appendix 19d.
- ❖ Provide 'Local shops' signage on the A41 between Oaken and Albrighton and on the four local roads approaching the village centre.

### Penkridge (Market Street and Boscomoor Shopping Centre)

- 7.76 Although a 'village', Penkridge can more accurately be described as a small market town. The twice-weekly market brings thousands of visitors, buying, or using its array of businesses radiating from Stone Cross as it contains much of what people can expect from their local centre.
- 7.77 Boscomoor Shopping Centre Neighbourhood Centre is a' complex of shops about 0.6 miles (1km) south of Penkridge village centre. Anchored by the second of the two Co-op supermarkets in the village, it probably draws more of its customers from pass-by traffic than do the businesses in the village centre and seems to have a symbiotic relationship with the traditional centre at Market Street.

#### **12. Penkridge: Recommendations**

- ❖ **Re-assign centre within the proposed Retail Hierarchy as a Large Village Centre.**
- ❖ Re-development opportunity: the group of four single-storey buildings on Crown Bridge not that old, very inefficient, should be a development site with flats over.
- ❖ **Identify and implement initiatives and physical measures to increase linkage between the Market and the businesses of the village centre.**
- ❖ **Secure public realm enhancement scheme for Crown Bridge.**
- ❖ Monitor the situation with the large Unit 7b at Boscomoor which is vacant, but 'under offer.'

### Perton (Anders Square)

- 7.78 The only 'precinct-based' centre in South Staffs, the busy Sainsbury's superstore interacts with the other shops and services and, on the whole, an attractive and busy centre. More trees / landscaping would be a positive feature.

#### **13. Perton: Recommendation**

- ❖ **Secure public realm enhancement scheme for the western limb of an Anders Square.**

### Shareshill (Church Road)

- 7.79 A large village with few facilities, the only shop in the village is the community store / Post Office.

#### 14. Shareshill: Recommendations

- ❖ Re-assign centre within the proposed Retail Hierarchy as a Neighbourhood Centre.
- ❖ Formal recognition of the community store / Post Office as a Class F2 (a) use and protect it with an Article 4 Direction.

### Swindon (High Street)

- 7.80 Small centre reflecting village size, nevertheless offering a reasonable range of day-to-day services.

#### 15. Swindon: Recommendations

- ❖ Re-assign centre within the proposed Retail Hierarchy as a Neighbourhood Centre.
- ❖ Access to car parking is an issue that needs to be resolved as there is no off-street parking provision. It is recognised that the car park to 'The Old Bush' public house is facility for the use of its patrons. However, it is close to the shops. Swindon Parish Council could be asked to act as broker in discussions between the owners / managers of the pub and businesses in the centre to assess whether a mutually convenient arrangement could be devised.

### Wheaton Aston (High Street)

- 7.81 Wheaton Aston has a traditional village centre which has been superseded as a focus for service provision by facilities situated along Long Street which connects the Shropshire Union Canal in the west to the A5 in the east.

#### 16. Wheaton Aston: Recommendations

- ❖ Re-assign centre within the proposed Retail Hierarchy as a Neighbourhood Centre.
- ❖ Define a village centre that recognises the distribution of the main facilities, for example the pharmacy, village hall, 'Coach and Horses' pub and the 'Spar' store on Frog Lane.

### **Wombourne (High Street, Bull Lane, Common Road, Giggetty Lane, Planks Lane)**

- 7.82 A 'doughnut' centre, with its businesses arrayed round the large grounds of Wombourne Cricket, Bowls and Tennis Club, with no obvious central part to it. Its relaxed air and superb public realm and the mixture of independent shops and services should maintain its future prosperity.
- 7.83 Giggetty Lane / Common Road: These two neighbourhood centres in the southern part of the Wombourne urban area appear to function as one, there being very little distance between the two, with facilities in one part not being available in the other (most notably the Co-op and Boots in the Giggetty Lane Neighbourhood Centre). Overall, contains all that a local centre should provide.
- 7.84 Bull Lane and Planks Lane: Small neighbourhood centres that provide day-to-day services for some living in the outlying estates of Wombourne. They would both benefit from some planting outside the shops, whilst Plank Lane's pavement surface should be improved.

#### **17. Wombourne: Recommendations**

- ❖ **Re-assign centre within the proposed Retail Hierarchy as a Large Village Centre.**
- ❖ **Delete from the Village Centre definition the eastern spur of High Street, as extensive residential frontages separate the main part of the defined centre from two public houses on one side of the road and the police station and village hall on the other. Please see Appendix 19c.**
- ❖ **Identify and implement opportunities for upgrades to the road surface and markings at the Maypole Street / Church Road / Windmill Bank junction**
- ❖ **Make clearer priority at the junction of Church Road and High Street.**

17. Wombourne: Recommendations continued

- ❖ Liaise with the owners and managers of the Sainsbury's and Lidl stores to encourage them to take reasonable measures to encourage their customers also to make use of the facilities within the Village Centre. The Black Country Chamber of Commerce could have a role in this. This is not a completely innovative initiative, and is sometimes a requirement of section 106 Agreements in connection with a large new store.
- ❖ The District Council should seek feedback from businesses in the centre as to whether the proposed Lidl store near the Sainsbury's superstore outside has any meaningful effect on it, positive or negative.
- ❖ Combine Common Road and Giggetty Lane into one Blakeley Neighbourhood Centre. This would follow the example of Cheslyn Hay, a long straggling centre without an obvious focus split into two parts on the Centre Map.
- ❖ Secure public realm enhancement schemes for the forecourts of the Planks Lane and Bull Lane Neighbourhood Centres, both of which would benefit from planting in the empty pots outside the shops, and upgrading of pavement surfaces.