Wigan Council

Wigan Town Centre Northern Crescent

Masterplan and Urban Design Framework

Building Design Partnership with CBRE

Final Report
March 2007

BDP

CONTENTS

PLANS

EXECUTIVE SUMMARY

This report has been produced for Wigan Council by Building Design Partnership with CBRE.

The objective of the study is to:

- consider market demand and development opportunities in the Northern Crescent area of Wigan Town Centre;
- consider the merits of a number of development scenarios;
- establish a series of key design principles for new development and the enhancement of the public realm.
- advise on the delivery of development and regeneration in the area.

Building Design Partnership with CBRE for Wigan Council in response to the Council's Brief. The report includes a detailed analysis of the policy, regeneration and market context and an analysis of the physical environment including the urban structure, layout, movement patterns and townscape qualities. The report identifies a series of key issues and opportunities related to the area from which a series of spatial development options are developed. The spatial development options include a minor, moderate and major intervention proposal. To supplement the development of these options an urban design framework is proposed which identifies important areas for development and key design principles. The urban design framework is also accompanied by a delivery strategy identifying some of the key mechanisms for change.

Policy & Regeneration Context

The policy and regeneration context has identified the main policy framework for the study area. In addition to the national and regional policy framework, in particular the Government's urban design guidance and best practice and the Regional Spatial Strategy, the key policy framework for the area includes the Unitary Development Plan, Local Transport Plan and Mesnes Conservation Area Appraisal. The site is located partly within Wigan Town Centre, including part of the retail core, and partly within three individual Conservation Areas.

Gap & Market Analysis

It is apparent Wigan is set to substantially improve its offer as a retail location with the opening of the Grand Arcade, and this will bring more shoppers into the town. This will provide the conditions for other retailers to take advantage of the substantial amount of retail space that is currently available (largely in the Northern Crescent Area). In the main Wigan is likely to have satisfied much of the demand for prime comparison retail space, and any such demand can be accommodated within the existing stock (vacancy currently runs at circa 16% of all units), although some improvements in the attractiveness of this stock could be made, albeit subject to remodelling and viability.

Food retail was identified in the Wigan Borough Retail Study published in February 2002 as having a requirement of 28,000 sq ft. This could be absorbed by alteration to current A1 vacant space of 108,700 sq ft. However, CBRE have made contact with Morrison's, the existing food retailer in the town centre, who occupy approximately 3,716sqm (40,000 sq ft). They have a plan to close the store as it doesn't operate within their economies of scale. They would require up to 7,432sqm (80,000sq) ft to deliver an efficient trading model and are interested in discussing the potential to re-provide a suitably sized store incorporating their current site to reach this level of floor space. Morrison's indicate that they prefer to stick with a tested format which is 'land hungry' requiring a single level floor and car park (400spaces).

Based upon the combined footprint of the current store and the market hall it is foreseen they will be unable to accommodate the site with their store template unless a more efficient use of the site is made, for example basement parking or roof top parking. It is possible however, that other supermarket operators may be interested in taking on a more flexible concept. The benefit of introducing substantially increased food retailing into the town centre would be that it substantially improves the offer of the town centre enabling linked visits by the public for leisure and convenience shopping.

Wigan Market

The market acts as an important anchor for the north end of the town, but its slow decline needs to be addressed since it provides a level of vibrancy and individuality to the town's offer. The non availability of short stay free parking increases the cost to shoppers of visiting the market (compared to out of town alternatives), and the lack of signage and visibility from within the town does not encourage trips to the market by those shoppers using the shops in the prime core. The market hall itself is not unattractive but lacks any real character to underline a different shopping experience.

Leisure Uses

In terms of leisure use, the town has an evening economy based around a number of public houses/bars and nightclubs largely located around the Wallgate and King Street area of town. The range of offer appears to be limited to those between the ages of 18 to 30 years with little in the way of middle market restaurants. The provision of such restaurants would broaden the range of the offer in the town in both the evening and daytime economy, however the location of these uses are outside the study area, and thus it would be difficult to use this critical mass to act as a springboard to develop suitable premises for such uses in the Northern Crescent study area. in the day and evening by being close to the main retail core, the bars, clubs and the main administrative buildings.

Hotel

The town centre currently has one hotel: The Quality Hotel at the south of King Street which occupies 16,900 sq ft (1,570 sq m) and offers 88 rooms. There is a requirement for further hotel accommodation due to Wigan's strong transportation links and increasing office stock. This demand could be met by a wider mixed use scheme or a solus in the town centre to broaden the current offering.

Offices

The office market in the town centre is currently small generally servicing the local needs of private businesses and the needs of local and central government departments. Whilst there remains approximately 17,000sqm (180,000sqft) of available stock, Wigan has seen an increase in recently completed high quality office stock reaching the market.

Residential

A residential market in Wigan Town Centre has emerged in recent years since the Town Centre is considered viable by developers.

Area Appraisal

The Northern Crescent area is divided into two distinct parts by the section of the ring road comprising New Market Street, Northway and Powell Street. The ring road is a main vehicular route which provides a number of poor quality gateways to the town centre to the south. It also acts as a barrier to pedestrian movement, particularly between the town centre and Mesnes Park and restricts the growth of the town centre to the north. The current retail core is focused around Marketgate and Galleries shopping centres and Market Place and Standishgate. The centres provide poor frontage onto Market Street and Mesnes Street and contain a complex pattern of internal pedestrian routes which lack legibility and dilute footfall.

Constraints and Opportunities

The emerging strategy for Wigan Northern Crescent should be based on overcoming the area's weaknesses and capitalising on its strengths. The emerging strategy should also recognise that a number of potential threats also face the Northern Crescent, which include:

- Further loss of (anchor) retailers from the Galleries/Marketgate shopping centre;
- Shift of retail core towards the Grand Arcade.

Whilst there are challenges facing the area a number of opportunities should be harnessed and capitalised on, including:

- The role of the Grand Arcade in retaining and increasing footfall in the heart of the town centre;
- The proactive intervention of PropInvest;

- public landownership which could be used to facilitate/trigger change in the Northern Crescent area; and

- The refurbishment and reuse of high quality existing building stock.

Emerging Options

Option at two levels of are considered. These are the strategic - that is what are the overall objectives or approach to the area; and secondly the spatial – how could new development and the approach to the public realm be designed so as to capitalise on the potential of the area.

Strategic Options

A series of strategic options have been appraised. These are as follows:

- Do Nothing – a passive approach.
- Urban Design Approach – improvement to key routes, spaces and so on.
- Diversify - to promote a move away from retail to other uses.
- Expansion - providing additional scale and quality in the retail offer, notably food. This is an appealing option but would require concerted effort on a number of front to deliver
- Retraction – similar to diversification, although suggesting a withdrawal of the town centre boundary.

The appraisal of strategic options suggests the following:

- a do-nothing option creates a signficant risk of further decline in the area to the detriment of the town centre as a whole;

- there are significant opportunities to enable the area to 'work better' through public realm and development projects;

- the is some merit in diversifying uses away from retail. However residential is unlikley to create suficent critical mass whilst there are signficant downsides in diluting the retail role of this important part of Wigan Town Centre;

- The attraction of a major anchor development to the Northern Crescent would be a significant plus and would underpin other improvements. A major food store would appear to provide the best fit and the most market potential. However attracting an operator (to an area already well served by large format food retailing) will depend, in part upon creating an opportunity of sufficient scale, profile and accessibility.

Spatial Development Options

A series of spatial development options have also been considered which comprise elements of higher and lower priority intervention. These are as follows:

Option 1: Minor Intervention with Improved Linkages

The minor intervention option identifies a number of possible solutions to existing issues in the town centre which could be undertaken without substantial remodelling of the Northern Crescent area.

Option 2: Moderate Intervention with New Market Square

The moderate intervention option would require a greater level of investment and structural change including some demolition. The high priority element of this option gives greater emphasis to the role of the market and to the possible creation of a new market square. In addition, as a possible longer term solution the Lower Standishgate and Gateway House areas are also identified areas for some physical improvements.

Option 3: Major Intervention with Green Link

The major intervention option would require a substantial level of investment and structural change in the existing built form, initially around the Galleries/Marketgate Centres and in the long-term around Lower Standishgate and Gateway House Complex. The high priority element of this option attempts to forge strong links between the Galleries/Marketgate Centres and Mesnes Park to the north of the study area and to rationalise the existing network of routes within the centre. The longer-term element of this option seeks to create a high quality office destination on the edge of the centre at Gateway House and to improve the gateway to the town centre via Standishgate.

Delivery Strategy

The Northern Crescent area does offer some significant potential. However the achievement of this potential will require the concerted effort of Wigan Council and its partners. The private sector will not be able to unlock the full potential without the Council taking a leading role.

Urban Design Framework

An urban design framework has been developed. This comprises:

- The physical framework for the Northern Crescent;
- A pedestrian strategy geared toward enhancing links across traffic routes;
- A series of design principles for developments. These are:
  - Active frontages;
  - Making the most of the public realm;
  - Uses and promoting diversity (in use);
  - Massing;
  - Building design;
  - Fostering local distinctiveness;
  - Preserving and enhancing local character;
  - Adaptability and sustainability;
  - Managing servicing and car parking;
  - Safety and security.

1.0 INTRODUCTION

1.1 This Final Report has been produced for Wigan Council by Building Design Partnership with CBRE.

The Brief

1.2 The Report has been prepared in line with a study brief issued by Wigan Council in September 2006.

1.3 The objective of the study is to:

- consider market demand and development opportunities in the Northern Crescent area of Wigan Town Centre;
- consider the merits of a number of development scenarios;
- establish a series of key design principles for new development and the enhancement of the public realm; and
- advise on the delivery of development and regeneration in the area.

Final Report

1.4 The remainder of this report is structured as follows:

a. Policy & Regeneration Context

b. Gap & Market Analysis

c. Area Appraisal

d. Galleries & Marketgate Centre Review

e. A discussion of constraints and opportunities

f. An outline of the key options for the area

g. An urban design framework, and

h. Summary and Conclusions.

2.0 POLICY & REGENERATION CONTEXT

Introduction

2.1 This section of the Final Report is intended to highlight the principal contextual policy issues within which the strategy will need to develop. It is not intended to recite the detail of established planning or other strategies.

2.2 The regeneration of centres such as Wigan is a consistent theme of both national and regional policy including PPS6, the Northern Way and Regional Guidance. This does not need to be rehearsed further in this report.

2.3 Accordingly this section will concentrate on:

- Urban Design Policy, Guidance & Best Practice
- The Wigan Borough Community Plan 2005 - 2010
- The adopted Wigan Unitary Development Plan (UDP)
- Mesnes Conservation Area Character Appraisal
- Greater Manchester Local Transport Plan No.2 (2006-2011)

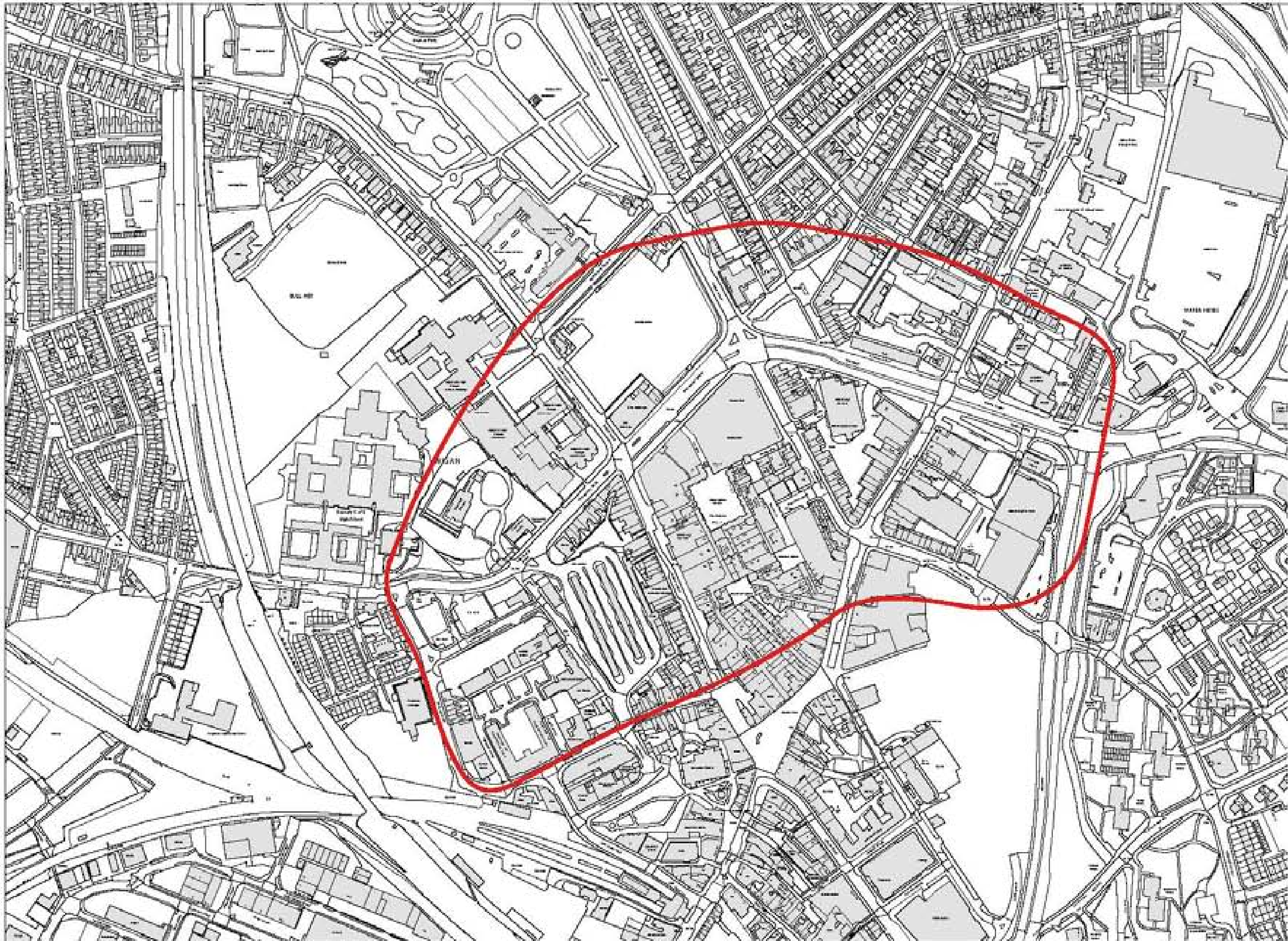
Urban Design Policy, Guidance & Best Practice

2.4 The Government increasingly attaches great weight to good urban design in the regeneration of Towns and Cities. The importance of good urban design is set out in PPS1 which identifies high quality inclusive design as one of the key principles for the planning system. PPS1 also sets out the framework of guidance and best practice for achieving good design.

2.5 This framework includes: By Design – Urban design in the planning system: towards best practice (DETR/CABE, 2000); By Design – better places to live (DTLR, 2001); Safer Places – the planning system and crime prevention (ODPM/ Home Office, 2003) and; Planning and Access for Disabled People – a good practice guide (ODPM, 2003).

2.6 All of these key documents are relevant to the study area and have been applied in the analysis of the area and in the development of emerging options. Particularly pertinent to this study are the seven core objectives of urban design as set out in 'By Design – urban design in the planning system' and as listed below. Wherever possible every effort has been made to attempt to achieve these core objectives of urban design:

- Character
- Continuity & Enclosure



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Wigan Town Centre
Site Boundary

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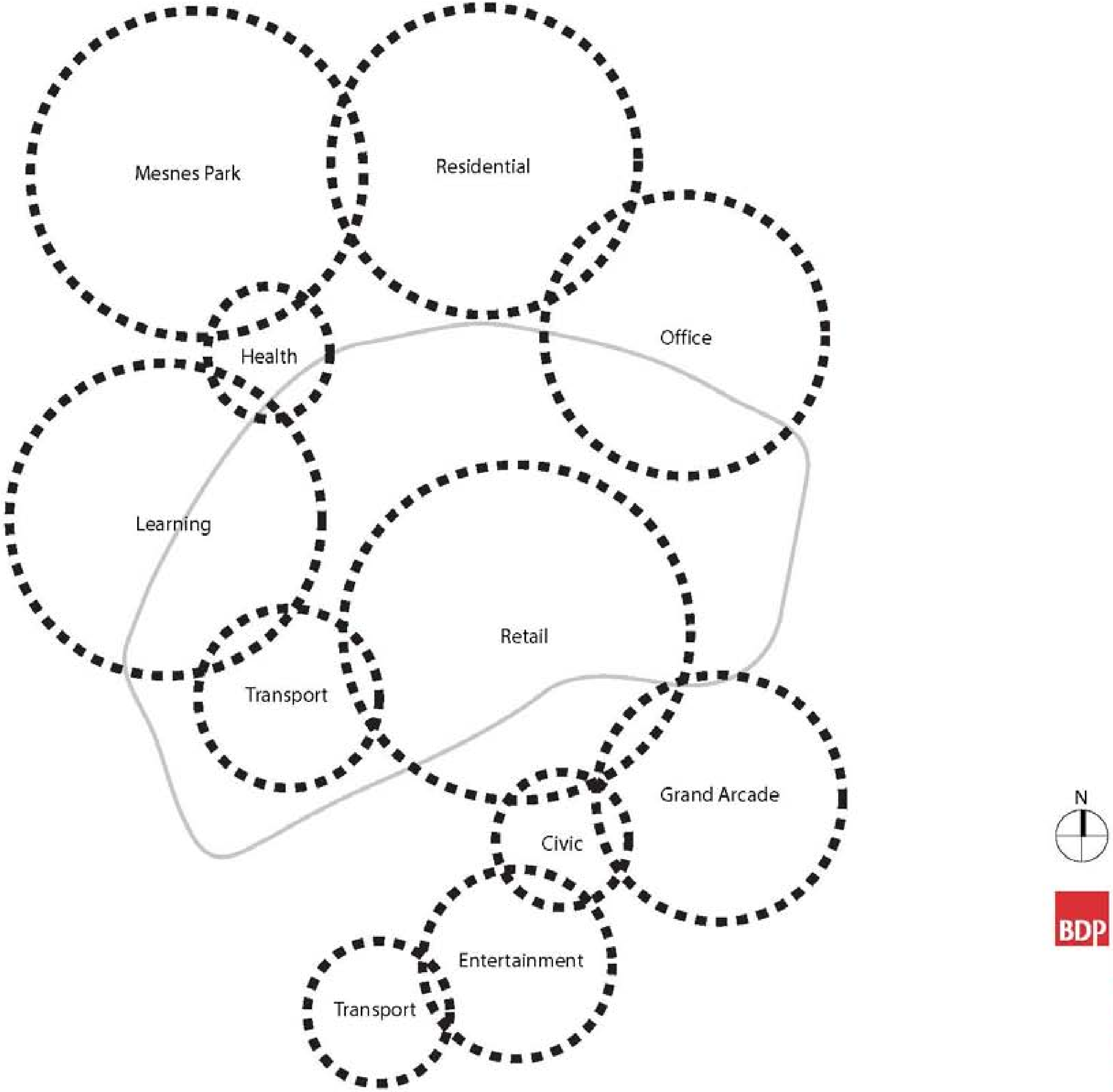

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Wigan Town Centre Northern Cresent

Masterplan and Urban Design Framework

Context Plan

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- Quality of the public realm
- Ease of movement
- Legibility
- Adaptability
- Diversity

The Wigan Borough Community Plan 2005-2010

2.7 The Community Plan has been prepared by the Wigan Borough Partnership and sets out a vision for how the Borough should develop over a 10-15 year period. To achieve the vision the plan has 8 main goals and 5 principles (see below).

Main Goals	Key Principles
A good standard of living and less poverty	Social inclusion
Similar chance of staying healthy	Strong communities
Increase aspirations and skills	Working in partnership
A strong modern local economy	Sustainability
Easy travel without having to use a car	Learning from experience
Decent homes in a safe, clean neighbourhood	
An environmentally friendly Borough	
Increased participation in community and cultural activities	

The Wigan Unitary Development Plan adopted April 2006.

2.8 The principal land use policies in the UDP for the Wigan Town Centre Northern Crescent are illustrated in the plan in this section. It shows the location of the Town Centre boundary, the principal shopping area, open space, strategic route networks and conservation area boundaries.

2.9 In accordance with Policy S1 Wigan Town Centre is identified as the largest town centre and as the principal centre serving the westernmost two-thirds of the Borough. The majority of the study area falls with the Town Centre boundary of Wigan. The Town Centre boundary is defined by Policy S1B which relates to all areas within the boundary, other than that within the Principal Shopping Area (see below). The policy aims to promote a range of typical Town Centre uses providing that such development does not adversely affect the vitality and viability of the centre or the Principal Shopping Area. Land outside of the Town Centre boundary also lies within the study area situated to the north of Market Street and Northway.

2.10 The study area also includes the Principal Shopping Area for Wigan Town Centre defined under Policy S1A. The Principal Shopping Area includes Market Street, Standishgate, Mesnes Road and Crompton Street. The Principal Shopping Area also includes the Galleries and Marketgate shopping centres. The aim of Policy S1A is to protect and promote the retail use of development at the ground-floor level within the area.

2.11 There are three separate Conservation Areas that fall partially with the study area. These include the Mesnes Conservation Area; Dicconson Conservation Area and the Town Centre Conservation Area. Conservation Areas are identified and protected by Policy EV4. In addition, Policy EV4A sets out more detailed guidance on development and design in Conservation Areas. A draft character appraisal for the Mesnes Conservation Area was published in January 2006. This is considered in more detail below.

2.12 New Market Street, Northway, Mesnes Road and Crompton Street are identified for Physical Improvements to the Bus Network (Policy AG1) and New Market Street, Northway, Parsons Walk and Bridgeman Terrace are identified as part of the Strategic Route Network (Policy A1N). Under Policy A1N the Council is committed to safeguard, maintain and improve the Strategic Route Network to accommodate main flows of general traffic in the Borough. A section of New Market Street is also identified for a Major Highway Scheme (Policy A1P). Policy A1P protects land for the completion of the Wigan Inner Relief Road West Scheme. It is proposed that the completion of this scheme will link the A49 at the Saddle Junction with the Inner Relief Road at New Market Street, thereby completing the inner ring road around the town centre. The ring road is part of the Wigan Integrated Transport Scheme (WITS) designed to allow for improved access to the rail and bus stations by public transport, cycling and walking and to remove general road traffic from Wallgate. It will also provide access to new employment sites close to areas of high deprivation.

2.13 The largest area of open space within the study area is the Mesnes Playing Fields located to the north of New Market Street situated adjacent to the council building and south of Mesnes Park.

2.14 Directly to the south-east of the study area is a site allocated for retail development in accordance with Policies S1C, S1H and S1G. This site is currently being developed for the Grand Arcade Shopping Centre. Directly to the east of the site is the River Douglas and Canal Network (Policies, EV3F, C1F) and a Wildlife Corridor (Policy EV2C)

Mesnes Conservation Area Character Appraisal (January 2006)

2.15 The Mesnes Conservation Area was designated on 25 August 1980 and extended on 21 November 1984. It occupies an area of some 18.48 hectares (46.66 acres), the bulk of which is occupied by

Mesnes Park. A draft character appraisal was carried out for the area in January 2006 which describes in detail the historical development of the area and defines a number of character areas. The main character area is the Mesnes Park which is further sub-divided into character zones. In addition to identifying character areas and zones the appraisal also highlights issues and opportunities.

2.16 The majority of the Conservation Area falls outside of the study area, located directly to the north of the boundary. However, the southernmost section occupied by the Mesnes Field Character Area is located within the study area and is identified as having a key role to play in linking the park to the Town Centre. With regard to the Mesnes Field area the appraisal suggests that the field itself appears to be little used as a recreational space and that some limited built development might be worthy of consideration. In particular, building development which preserves the important open aspects of the field but which provides a more positive definition of the space and which conceals the exposed backs of existing properties should be considered.

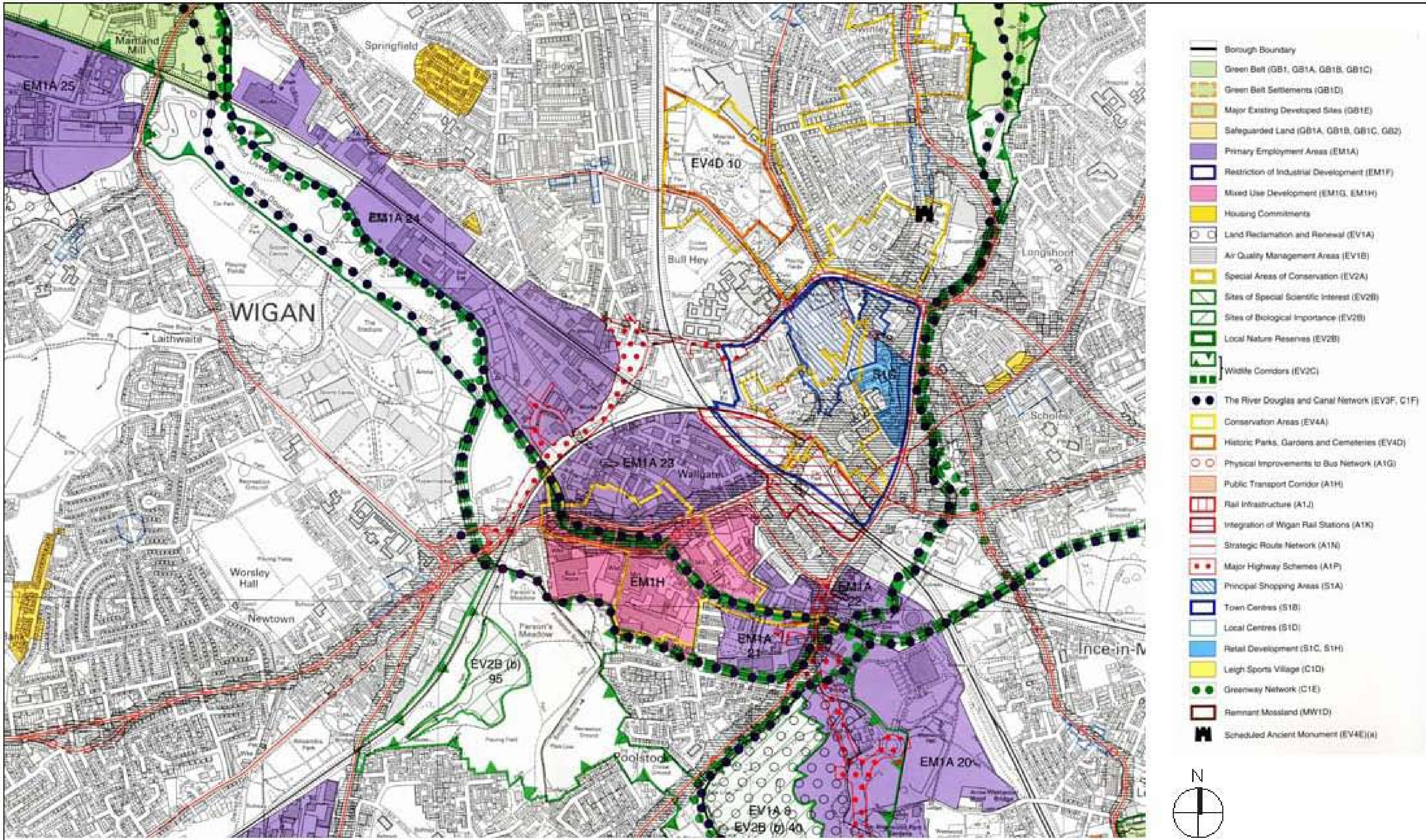
2.17 The other character areas and sub areas of the Conservation Area are also considered in detail in the appraisal and objectives and priorities for improvements are identified. Any development within the study area is likely to affect the setting of the conservation area and should therefore aim to complement the identified objectives and priorities of the Conservation Area Appraisal. In addition to the conservation area designation, Mesnes Park is also identified as a Grade II park on the English Heritage Register of Historic Parks and Gardens and contains a number of listed buildings.

2.18 Potential improvements to the park are currently being progressed as part of a Heritage Lottery Fund bid for a major revitalisation programme. The outcome of that bid will have a significant effect for the wider area.

Greater Manchester Local Transport Plan No.2 (GMLTP2): 2006 – 2011

2.19 The GMLTP2 is the second Local Transport Plan for Greater Manchester and outlines the approach being taken by the ten Greater Manchester authorities and the Passenger Transport Authority towards transport planning and investment for the period 2006/7 to 2010/11. The overall context for the plan is set by a shared vision and an integrated transport strategy. The vision is founded on 8 themes: to promote a dynamic economy; enhance the regional centre; promote culture, sport and tourism; improve connectivity; raise levels of education and skills; create sustainable communities; reduce crime; and improve health and healthcare services.

2.20 The integrated transport strategy provides the long-term context for LTP2 and provides a framework for its transport policies and



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Wigan Town Centre
Policy Context: Extract from the Wigan UDP

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investment programmes. The key strands of GMITS are: more use of public transport for trips to centre's; better facilities to encourage short journeys to be made on foot or by cycle; and land use planning and regeneration strategies to minimise trips to out of centre locations. The plan also sets out key priorities and targets for action which include:

- Enhance Metrolink;
- Improve Rail;
- Make buses more attractive;
- Develop corridor partnerships;
- Encourage more short trips by walking and cycling;
- Traffic management improvements;
- Develop workplace and school travel plans;
- Refine the land use planning strategy;
- Continue to review and refine our programmes.

Conclusion

2.21 The policy and regeneration context has identified the main policy framework for the study area. In addition to the national and regional policy framework, in particular the Government's urban design guidance and best practice and the Regional Spatial Strategy, the key policy framework for the area includes the Unitary Development Plan, Local Transport Plan and Mesnes Conservation Area Appraisal. The site is located partly within Wigan Town Centre, including part of the retail core, and partly within three individual Conservation Areas.

3.0 GAP & MARKET ANALYSIS

Introduction

3.0 This section of the report considers the market profile of Wigan Town Centre with a view to establishing whether there are any particularly opportunities for the Northern Crescent area in contributing to the vitality of the centre as a whole.

3.1 In doing this a review of the existing uses In Wigan Town Centre has been undertaken and this compared to the principal competing town centre (Bolton) (as agreed with the client and suggested by the National Survey of Local Shopping Patterns (NSLSP). This is intended to establish if there is a pattern of under provision in a particular sector. The aim of this is to assist us in identifying if there are any obvious development prospects within the study area.

National Retail Ranking

3.2 The National Survey of Local Shopping Patterns (NSLSP) ranks Wigan at 147 based on its size by catchment population out of 4500 trading locations in the UK and ranks it 108th in terms of Shopping Population (the penetration rate of the catchment area). It is anticipated that the opening of the Grand Arcade will reduce the leakage of shoppers from the town and increase the ranking position (Shopping Population) substantially. The NSLSP survey identifies that the principal competing towns are Bolton, Preston and St Helens respectively attracting 13.15%, 9.02% and 8.29% of Wigan catchment residents for comparison goods shopping purposes. Bolton is the principal competing town and is ranked in the NSLSP at 23 in terms of size by catchment population and 39 in terms of shopping population.

Background to Town Centre Uses in Wigan

3.3 To enable a basic comparison of town centre offer, the GOAD plan for the Wigan and that of Bolton town centre have been reviewed.

3.4 It is noted that the floor areas differ from those provide by the Department for Communities and Local Government, but it is assumed that the same methodology has been applied to both towns and thus the comparison is, as far as possible, like with like. Its is expected that the figures for B1 space do not fully account for the amount of space with this classification since the areas identified are significantly less than would have been expected.

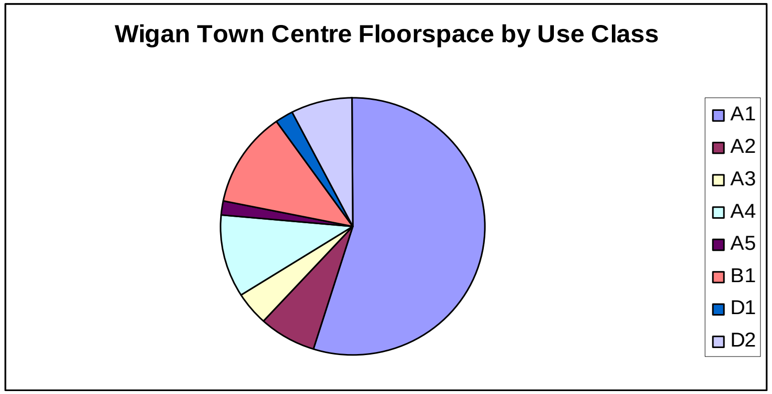
Table 1: Floorspace Comparison						
	Wigan			Bolton		
Use Class	Occurrence of Units	SQFT	SQM	Occurrence of Units	SQFT	SQM
A1	347	712,710	66,210	379	1,049,580	97,505
A2	44	76,600	7,116	65	126,900	11,789
A3	23	27,700	2,573	28	37,300	3,465
A4	33	115,400	10,720	38	129,300	12,011
A5	17	16,400	1,523	23	30,300	2,814
B1	26	143,900	13,368	24	150,400	13,972
D1	5	9,000	836	6	26,100	2,424
D2 + UC	9	94,600	8,788	12	118,800	11,036
						-
Totals	504	1,196,310	111,134	575	1,668,680	155,016

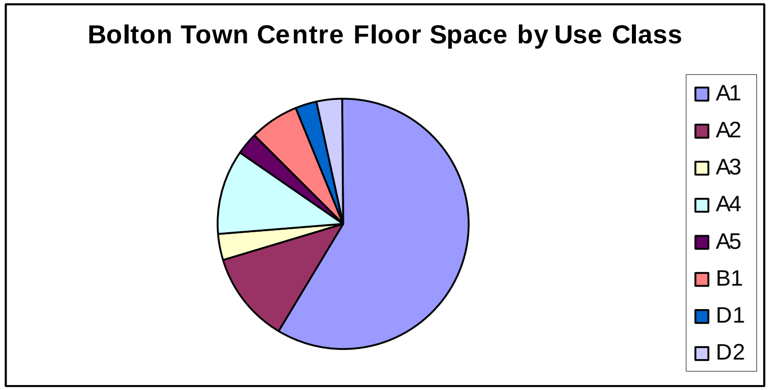
3.5 Table 1 suggests that Wigan has approximately 50% less A1 retail space than Bolton in the main (these figures do not include the additional retail space provided by the Grand Arcade which will add a further 39,483sqm (425,000sqft) of space. This will not close the gap between the two towns since Bolton is presently the site of a similar sized new retail scheme known as Central Square Bolton provides considerably more A2 (financial and professional services), A5 (hot food take aways) and D2 + UC (Assembly Halls, leisure and nightclubs) in terms of floor space Principal differences between Wigan and Bolton include an additional 70,000 sq ft of market space in Bolton. Occupiers tend to take more space in Bolton and major national retailers such as Morrison's and Debenhams have units twice as large in Bolton than Wigan. Woolworths is also a large space occupant conspicuous through its absence in Wigan town centre.

3.6 The CB Richard Ellis quarterly rent monitor has also been reviewed and it identifies that prime Zone A rents in Wigan are £1130psm (£105psf) whereas Bolton is £1614 (£150). The Grand Arcades will set a new high for the town in terms of Zone A rent at £1345psm (£125psf).

3.7 Figure 1 identifies the breakdown of the principal uses in terms of floors space for each town.

Figure 1 Wigan/Bolton Floorspace by Use Class





3.8 In addition the opening of the Grand Arcade will increase the A1 floorspace substantially and introduce a number of new high street names to the town such as Waterstones, TK Maxx, HMV and H&M.

3.9 The above analysis does not suggest that Wigan is currently disproportionately deficient in the provision of any particular sector when compared with a higher ranking town in the region.

Town Centre Uses / Market Demand

3.10 Since this report is not 'research' based in the main, but grounded on market view, an 'experienced based' view has also been taken as to what uses could potentially be accommodated within the town that would add to the vitality, vibrancy and sustainability of the town.

Retail

3.11 It is apparent Wigan is set to substantially improve its offer as a retail location with the opening of the Grand Arcade, and this will bring more shoppers into the town. This will provide the conditions for other retailers to take advantage of the substantial amount of retail space that is currently available (largely in the Northern Crescent Area). In the main Wigan is likely to have satisfied much of the demand for prime retail space, and any such demand can be accommodated within the existing stock (vacancy currently runs at circa 16% of all units), although some improvements in the attractiveness of this stock could be made, albeit subject to remodelling and viability (See the section of the Marketgate and Galleries Shopping Centres below).The national retailers present in Bolton have been compared against those in Wigan. This has identified the following occupiers who only appear in Bolton.

Table 2 National Retailers not present in Wigan*

Occupier	**Area SQ FT**	**Area SQ M**
Accessorize	645	59.92
Alliance & Leicester	2,152	200
Early learning centre	1,291	120
Fitness First	3,767	350
La Senza	4,090	380
Morgan	2,260	210
Woolworths	12,100	1,120
Total	26,305sqft	2,439sqm

* Note – in comparison to Bolton

3.12 It is of particular note that Wigan has already secured the prime anchor retailers, i.e. M&S Debenhams, TK Maxx, and Primark. It is not anticipated that House of Fraser or John Lewis have any ambition to be in the town, and as such it is difficult to drive new development without an anchor to draw in those small and medium size stores that make shopping centre development viable. It is considered that future incoming retail operators will be generally in the value end of the market. It is noted that TJ Hughes are not present in Wigan, and it thought that they have previously had a requirement in the town. It is considered that they may be in a position to take up some of the vacant space, although they would potentially have options at either the Marketgate Centre or the soon to be vacated BHS unit, which we understand will not automatically be occupied by an Arcadia group tenant. The importance of the value retailer cannot be underestimated and it is worthy of note that Pound Empire, Poundland, Poundstation and Poundstretcher (currently being rebranded as instore) are all present in Bolton occupying 14,100 sqft (1,309 sqm) of A1 space but are not in Wigan town centre.

3.13 It is normal for there to be a settling in period when a new shopping centre opens in a town during which there is little prospect of significant new development. The majority of non food retailer demand (of the type who will pay prime rental levels) has been satisfied by the Grand Arcades (The White Green Young Wigan Borough Retail Study of 2002 identified demand for up to 30,677sqm of retail space) and as such development activity is likely to be limited to relatively low cost refurbishment and reconfiguration of space to attract those tenants who still have requirements. However the lack of a key anchor tenant undermines the chances of creating suitable accommodation with sufficient footfall to encourage these tenants in any great numbers.

3.14 Food retail was identified in the Wigan Borough Retail Study published in February 2002 as having a requirement of 28,000 sq ft. This could be absorbed by alteration to current A1 vacant space of 108,700 sq ft. However, CBRE have made contact with Morrison's, the existing food retailer in the town centre, who occupy approximately 3,716sqm (40,000 sq ft). They have a plan to close the store as it doesn't operate within their economies of scale. They would require up to 7,432sqm (80,000sq) ft to deliver an efficient trading model and are interested in discussing the potential to re-provide a suitably sized store incorporating their current site to reach this level of floor space. Morrison's indicate that they prefer to stick with a tested format which is 'land hungry' requiring a single level floor and car park (400spaces).

3.15 Based upon the combined footprint of the current store and the market hall it is foreseen they will be unable to accommodate the site with their store template unless a more efficient use of the site is made, for example basement parking or roof top parking. It is possible however, that other supermarket operators may be interested in taking on a more flexible concept. The benefit of introducing substantially increased food retailing into the town centre would be that it substantially improves the offer of the town centre enabling linked visits by the public for leisure and convenience shopping.

3.16 The location within the town is beneficial stimulating the regeneration of the northern end of The Galleries and the market hall increasing footfall through The Galleries as pedestrian flow is encouraged between the superstore and the Grand Arcade shopping centre. This will provide a major draw and revitalise this end of the town centre and fits with the Wigan Borough Retail Study's recommendation that "A large supermarket development in the central shopping area would assist in redressing the current imbalance between town centre and out-of-centre foodstore provision"

Wigan Market

3.17 Wigan has a long history as a market town having first been granted a charter in 1246. The old market hall was built in 1878 and replaced in a new location in 1988 with the current structure, which we understand is circa 5,574sqm (60,000sqft) and held on a long lease from Prop Invest subject to a service charge liability.

3.18 In the light of discussion with the Market Manager its is understood that tenant occupation rates have fallen considerably in recent years, in particular at the outdoor market, where in circa 2000/1 there were 65 stalls, but in 2006/7 there are only 38 stalls. In respect of the indoor market occupancy has fallen from 98% to 90% in recent years. The breakdown of use between food and non food has dramatically shifted over the last 20 years from 50:50 food to no food to a ration of circa 15: 85 food to non food. Markets in general have suffered in recent years arguably due to the rise of the supermarkets and in particular the value retailers who are in direct competition with the market traders.

3.19 The market acts as an important anchor for the north end of the town, but its slow decline needs to be addressed since it provides a level of vibrancy and individuality to the town's offer. The non availability of short stay free parking increases the cost to shoppers of visiting the market (compared to out of town alternatives), and the lack of signage and visibility from within the town does not encourage trips to the market by those shoppers using the shops in the prime core. Due to the decline in the number of stalls selling food items, there is no longer a critical mass of food stalls in the market since they have been interspersed with non food stalls. Work undertaken as part of this study suggests that whilst there is a farmers market once a month, there is not a general demand for a specialist premium value food market. The market hall itself is not unattractive but lacks any real character to underline a different shopping experience.

Leisure Uses

3.20 In terms of leisure use, the town has an evening economy based around a number of public houses/bars and nightclubs largely located around the Wallgate and King Street area of town. The range of offer appears to be limited to those between the ages of 18 to 30 years with little in the way of middle market restaurants. The provision of such restaurants would broaden the range of the offer in the town in both the evening and daytime economy, however the location of these uses are outside the study area, and thus it would be difficult to use this critical mass to act as a springboard to develop suitable premises for such uses in the Northern Crescent study area. It is anticipated that if such operators were to be interested in the town, they would seek to locate in a position where they could maximise the trade in the day and evening by being close to the main retail core, the bars, clubs and the main administrative buildings.

3.21 In terms of other leisure uses, the town has a multi screen cinema at Robin Park and a bowling alley on Wallgate close to Robin Park. It is normal for cinemas and bowling alleys to be located out of town since parking is freely available and complementary uses such as food outlets can locate in the immediate vicinity to service both the customers of the retail park and the leisure uses. We have made brief enquires to one of the principal cinema operators who formerly owned the Cinema at Robin Park. They have informed us that they believe that one cinema is satisfactory for the town and as such it would seem that there is little immediate prospect demand for further cinema development in the town

Hotel

3.22 The town centre currently has one hotel: The Quality Hotel at the south of King Street which occupies 16,900 sq ft (1,570 sq m) and offers 88 rooms. There is a requirement for further hotel accommodation due to Wigan's strong transportation links and increasing office stock. This demand could be met by a wider mixed use scheme or a solus in the town centre to broaden the current offering.

Offices

3.23 The office market in the town centre is currently small generally servicing the local needs of private businesses and the needs of local and central government departments. It experiences direct competition from Warrington and Bolton and in respect of the larger national occupier requirements is in direct competition with Manchester Central and South and Liverpool. Whilst the city benefits from the North West's excellent motorway connections (M6, M60, M62), international airports and working docks there are preferable alternatives for office occupiers within a 30 minute drive time.

3.24 Whilst there remains approximately 17,000sqm (180,000sqft) of available stock, Wigan has seen an increase in recently completed high quality office stock reaching the market. This includes Pemberton Business Park (8640sqm) 93,000sqft gross area and Leigh Commerce Park with the latter providing 5575sqm (60,000sqft) of the area.

3.25 Rents in Wigan remained below £107.64 (£10.00sqft) for a considerable time and this was attributed to a lack of new build accommodation and low demand for space. New development has meant potential prime office rents of £140.00sqm (£13.00sqft) to £1507sqm (£14.00sqft) are expected at Smithy / Beecham Court at Pemberton Business Park. This brings Wigan onto a comparable level with other North West towns such as Oldham, Rochdale and Bury.

Recent transactions 2005 / 2006

3.26 Having researched the market and liaised with other agents it has been found that there have not been any major transactions within the Wigan office market over the last 18 months above 930sqm (10,000sqft). Office deals have typically been below 915sqm (5,000sqft) in more traditional buildings.

- *Andrew House – Wigan*

  Freestart Plc acquired approximately 300sqm (3,235sqft) on the first floor of Andrew House at a rent of £23,500 per annum in August 2006. This equates to £78.33 (£7.26sqft).

- *66 Standish Gate – Wigan*

  In September 2006 a first floor of approximately 475sqm (5,113sqft) was let at a rent of £45,000 per annum which equates to £94.72sqm (£8.80sqft).

Office availability

3.27 For larger requirements (i.e. over 929sqm / 10,000 sq ft) Wigan currently has two options:

- Grand Arcade – Wigan

  Comprising part of the new 39483sqm (425,000sqft) retail scheme by Modus, there is 2470sqm (26,587sqft) of office space with raised floors and air conditioning over two floors. The quoting rent is £150.69psm (£14.00sqft).

- *Trencherfield Mill – Wigan Pier*

  Due for completion in the next 3 months, this gentrification development offers 4753sqm (51,161sqft) over two floors with a specification which includes raised floors and air conditioning. The space is available at a quoting rent of £150.70 (£14.00sqf).

3.28 If the demand is for a larger space then Middlebrook Business Park on the M66 near Bolton can offer Grade A accommodation at£183psm (£17sqft).

3.29 The aforementioned Smith / Beecham Court is the only other significant office development expected in the next 12 months. There are plans for 52,954sqm (570,000sqft) of B1 stock at Westwood Park but this is yet to obtain full planning permission, though will be substantial and can accommodate many years of demand and satisfy those with out of town requirements

3.30 *Occupier demand*

- *Roger Parker*

  Parker & Co are acting for clients with a 2787sqm (30,000sqft) Grade A requirement between Liverpool and Manchester within the next 3 – 6 months.

- *Governetz*

  This is Government requirement from the Department of Education who are looking to relocate from London into the Greater Manchester area into a space of 2787sqm to 4645sqm (30,000 – 50,000 sq ft).

- *Jackson Stephen & Co Ltd*

  Leigh based solicitors who require accommodation on a business park in the area before March 2007

- *Carphone Warehouse*

  For summer 2006 this requirement for freehold is looking 2322sqm to 4645sqm (25,000 – 50,000 sq ft) in the Greater Manchester, Lancashire or Cheshire areas.

- *AD Holdings*

  Preston Brook based firm who require freehold accommodation for expansion. Options between Knutsford and Wigan of approximately 1858sqm (20,000 sq ft) will be considered.

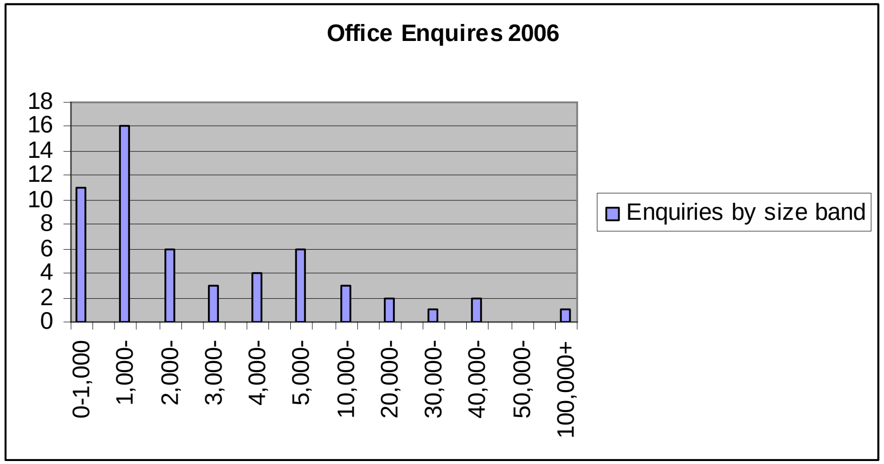
- *Central Sports Management*

  December 2006 office requirement for between 148sqm to 223sqm (1,600 sq ft – 2,400 sq ft) to accommodate 16 staff.

3.31 As part of the Northern Crescent Study the Council have indicated that they potentially have a requirement for up to 5,000sqm of new offices to consolidate a number of key customer facing departments currently located in a variety of buildings around the town. Since the departments need to be accessible to the public this should be accommodated within the town centre.

3.32 WMBC's Inward Investment Marketing Manager has provided details on the level of enquires they received between 1 January 2006 and 31 December 2006. Of the 55 recorded enquires in Figure 2 below identifies that the majority of enquiries were made in respect of small units under 464sqm (5000sqft) with low levels of interest being shown for space over 929sqm (10,000sqft)

Figure 2 Office Enquiries



3.33 Whilst any demand is likely to be accommodated by stock completed or in the pipeline, we consider that similar to most towns there is latent demand for small office units available as freeholds. There are strong economic reasons driving this market linked to Self Invested Personal Pension Funds which appeal to the owners and directors of small to medium sized businesses. We propose that the area of land defined as the Northern Crescent is suitably in terms of proximity to the town centre to support a development offering this type of accommodation. Locating such uses in this area would accord with Planning Policy EM1D ".requires office developments that are likely to generate significant numbers of trips to be located in town centre or other locations that are, or are capable of being, highly accessible by a choice of means of transport, including public transport, walking and cycling".

3.34 We have spoken with Gladman Developments who provide this type of property and they confirm that they would consider further development opportunities in the town centre should sufficient land be available to make the development viable.

Primary Health Care

3.35 Wigan Primary Care Trust is a shareholder in a public private partnership company set to up under the Government's LIFT initiative (Local Improvement Finance Trust). The aim of LIFT is to radically improve the delivery of primary care through providing new facilities providing a range of joined up services in key locations with new fit for purpose buildings. We have made enquires of the LIFT company to establish their requirements within the town centre and we are informed that they have been satisfied by the recent development of a large centre at Frog lane, and their share of the joint services centre which will include primary care facilities.

Residential

3.36 A residential market in Wigan Town Centre has emerged in recent years since the Town Centre is considered viable by developers.

3.37 Residential sale values within the town centre are in the region of £2152sqm to £2583sqm (£200 - £240 per square foot). This relates to capital values of £100,000 - £120,000 for a one bedroom apartment and £140,000 -£168,000 for a two bedroom apartment. This apartment price is broadly within the range of affordability of first time buyers.

Current Development Activity

3.38 The largest single residential development proposal within Wigan town centre is Phase III of the Grand Arcade. The proposed tower is a mixed use development of 156 residential apartments, offices (3374m2) and commercial (A1/A3/A4) floorspace 1687m2, and associated car parking (94 spaces) (A/05/65182). The development will be located at the rear of Debenhams with elevations to both Millgate and Riverway.

3.39 It is understood from the agent Knight Frank that the tower will not be started until Modus has secured a 50% per sale. This is quite common with residential towers as the finance costs are increased because the developer cannot give vacant possession of any of the units until the tower has been completed.

Residential Development Opportunities

3.40 Development opportunities in the North Crescent area are restricted by the availability of appropriate land within the study area. One site which would be an excellent residential development opportunity is the playing fields next to the Civic Building.

3.41 This would involve undertaking a PPG 17 assessment. CBRE planning team have undertaken a number of these assessments previously and would be able to discuss this matter further with you.

PPG 17

3.42 This PPG describes the role of the planning system in assessing opportunities and needs for sport and recreation provision and safeguarding open space which has recreational value.

3.43 The guidance observes that it is part of the function of the planning system to ensure that through the preparation of development plans adequate land and water resources are allocated for organised sport and informal recreation.

3.44 It states that local planning authorities should take account of the community's need for recreational space, having regard to current levels of provision and deficiencies and resisting pressures for development of open space which conflict with the wider public interest.

Viability Issues

3.45 The commercial viability of nearly all development sites is anchored around the amount paid for the site. Therefore, in order to calculate the site value a residual valuation is undertaken. This involves estimating the Gross Development Value, which is what you expect the site to be worth when you have completed it. Then the costs associated with the development, including profit, are deducted and the remainder is the land value. Typically, in this location you would expect the assumptions to be as follows:-

Sales values in Wigan	£2152sqm to £2583sqm (£200 – £240 sqft)
Stamp Duty	4% (assuming the site is over £500,000)
Legal acquisition costs	0.5% (based on the purchase)
Agents fee	1.5% (based on the purchase)
Build cost	£861 to £968 (£80 – £90) Low rise £107 to £1184 (£100 - £110) psf 5 to 12 stories £1614sqm (£150) plus higher than 12 stories
Professional Fees	10 – 12.5 %
Contingency	3 – 5%
Sales agents fees	3% (including marketing suite)
Sales legal fees	0.5%
Interest on finance	6.75%
Profit on Cost	20 – 25%

3.46 The costs will vary between developments but the above figures are general ranges which would be used to calculate a broad brush land value.

3.47 If for example high levels of affordable housing are required this would have the effect of significantly reducing the Gross Development Value whilst the costs would stay the same, thus reducing the amount which could be paid for the site. Therefore whilst Wigan is commercially viable, significant requirements for affordable housing and or Section 106 or 278 contributions could make a viable development scheme unviable. In determining the levels of affordable housing to be provided regard should be had to the Council's latest adopted Supplementary Planning Document on Affordable Housing.