WYG Planning & Design

part of the WYG group

# Wigan Borough Retail & Leisure Study (Update)

Final Draft Report – December 2009

Wigan Council




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# APPENDICES

## Scope and Purpose

1.01 WYG Planning & Design (WYG) has been commissioned by Wigan Council to update the Wigan Borough Retail & Leisure completed by WYG in May 2007. The purpose of this report is to update the retail need capacity assessment for the nine town centres over the period 2027. In this respect, this report seeks to update Section 7 of the previous 2007 Study. Accordingly, this update should be read in conjunction with the 2007 Study.

## Methodology

### Survey Data

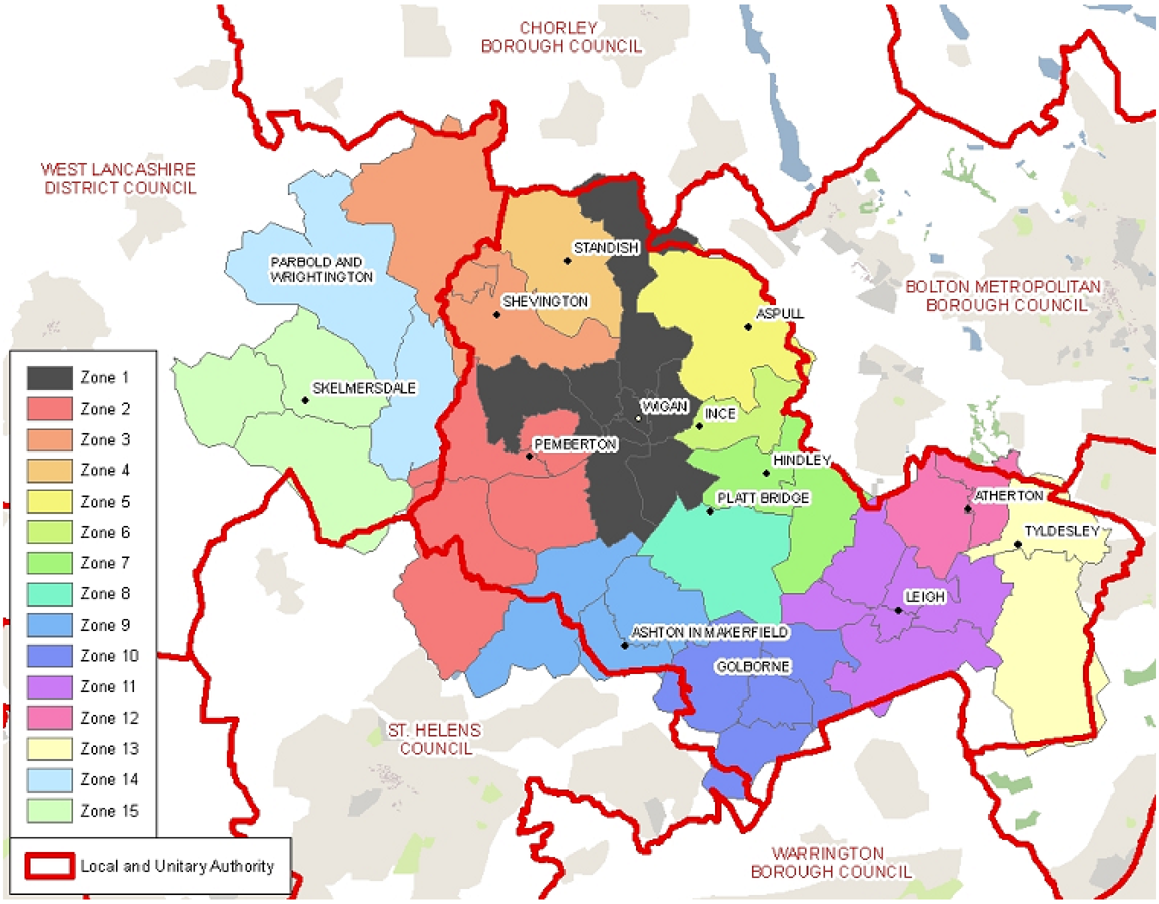
1.02 This update utilises the empirical data that informed the 2007 Study, which was informed by a Household Survey. The same Household Survey has been utilised to inform this updated assessment.

#### *Household Survey*

1.03 A Household Survey of 1,950 households in the Wigan Borough Area was undertaken by NEMS Market Research during December 2006 and early January 2007. The Study Area was broken down into fifteen Survey Areas, thirteen of which were based on the zones used in the 2001 Wigan Household Survey, with an additional two Survey Areas added that cover the Skelmersdale, Parbold and Wrightington area. The Survey Areas and post-code sectors within each zone comprising the Study Area are as follows:

1. *Wigan – WN1/1, WN1/2. WN1/3, WN3/4, WN3/5, WN5/0, WN6/7*
2. *Pemberton – WN3/6, WN5/7, WN5/8, WN5/9*
3. *Shevington – WN6/8, WN6/9*
4. *Standish – WN6/0*
5. *Aspull – WN2/1*
6. *Ince – WN2/2*
7. *Hindley – WN2/3, WN2/4*
8. *Platt Bridge – WN2/5*
9. *Ashton-in-Makerfield – WN4/0, WN4/8, WN4/9*
10. *Golborne – WA3/1, WA3/2, WA3/3*
11. *Leigh – WN7/1, WN7/2, WN7/3, WN7/4, WN7/5*
12. *Atherton – M46/0, M46/9*
13. *Tyldesley – M29/7, M29/8*
14. *Parbold and Wrightington – WN8/0, WN8/7*
15. *Skelmersdale – WN8/6, WN8/8, WN8/9*

**Figure 1.1: Map of the Household Survey Area**



1.04 The findings of the Household Survey is utilised to generate data on convenience and comparison shopping patterns within the Borough and wider area. The tabulated results of the Household Survey are contained at **Appendix 1**.

1.05 Given that this update utilises the same household survey that informed the 2007 Study, existing shopping patterns within the Study Area (as identified in Section 3 of the 2007 Study) remain unchanged.

## Calculating Quantitative 'Capacity'

### *Retail – Convenience and Comparison Goods*

1.06 The assessment of retail capacity is based on the same methodology as that undertaken in the 2007 Study. Therefore the assessment is undertaken using a goods-based methodology (i.e. the sale of goods by type as advocated by PPS6).

1.07 The findings of the Household Survey data has been used to calculate the market shares[1] for the nine town centres and freestanding destinations in the Wigan Borough area. Market shares are provided for 2009 (to reflect the current position) and projected forward to 2014, 2019 and 2024 to reflect five-year intervals as suggested by PPS6 and to 2027 to reflect the time period of the 2007 Study. Population and expenditure data is derived from MapInfo (AnySite Report data – 2007). The statistical tables are contained at **Appendix 2**.

### *Expenditure from Outside the Study Area*

1.08 The Study Area adopted is drawn broadly, so as to include the majority of the catchment population who use destinations in the Borough for convenience and comparison shopping. However, as with the 2007 Study it is acknowledged that a proportion of turnover, generated by visitors and those passing through Wigan, will be drawn from outside of the Study Area. However, it is likely that the great majority of this inflow of expenditure is incidental to travel; such inflow is common to all larger towns.

1.09 The proportion of destinations' convenience and comparison turnovers drawn from outside of the Study Area cannot be quantified. An assumption could be made, although caution should be exercised as an overestimate of inflow could lead to an overestimate of future capacity/need. Therefore, as with the 2007 Study, this update does not make allowance for expenditure inflow from outside of the Study Area.

[1] Market Share: the proportion of expenditure directed to a centre/retail destination within any given Study Area

*Capacity Projections*

1.10 Capacity figures are given for 2009 (to reflect the current position), for 2014 as this is five years from the present position and for 2019, 2024 and 2027, giving medium, long and ultra-long-term considerations of capacity. A five year time span is advocated at paragraph 3.10 of PPS6 as being appropriate for considering the 'need' for additional retail floorspace in respect of development proposals:

**'The needs for additional floorspace should be assessed no more than five years ahead, as sites in centre may become available within that period. Assessing the need beyond this time period might pre-empt future options for investment in centres, except where larger town centre schemes are proposed and where a longer time period might be appropriate to allow for site assembly.'**

1.11 The 2014 capacity figure is a useful guide for Wigan Council in determining planning applications for retail development. However, the identified capacity in the medium and longer term (in this update over the periods to 2019, 2024 and 2027) should be viewed with some caution and it is not intended that it be satisfied on out-of-centre sites (unless there is a good reasons to do so) because this may prejudice future town centre opportunities that are yet to become available, but may come available beyond 2014.

*Market Share Calculations*

1.12 In order to calculate convenience and comparison expenditure per head within the Study Area, WYG has utilised MapInfo AnySite Report data, which provides detailed information on local consumer expenditure and which takes into account the socio-economic characteristics of the local resident population. Whilst the 2007 Study utilised Experian data, both sources have been accepted at numerous public inquiries as providing robust information on local consumer expenditure.

1.13 As identified in the 2007 Study, for convenience retail goods, expenditure is broken down into:

- 'main-convenience' (shoppers' usual destinations for bulky convenience shopping); and
- 'top-up convenience' (shoppers' usual destinations for top-up shopping, undertaken in-between bulky convenience shopping trips).

1.14 For comparison retail goods, the exercise is undertaken on the basis of 'non-bulky' goods (clothes and shoes, other household goods) and 'bulky' goods (Furniture and Carpets, Electrical and DIY). For the purposes of the statistical analysis, the market shares are combined into overall 'convenience' and 'comparison' capacities in line with Government guidance in PPS6.

*Growth Rates*

1.15 In estimating future 'capacity', the spending power of the catchment population is projected forward on the basis of forecasts growth rates as contained in MapInfo Brief 09/02, which was published in September 2009. Significantly, the latest expenditure forecasts take into account the slowdown in the UK economy, which has had a significant impact on the retail sector.

1.16 In terms of convenience goods, MapInfo identifies the following growth rates:

| | | | |
|---|---|---|---|
| 2008: | -0.7% | 2011-2014: | +1.1% per annum |
| 2009: | -0.8% | 2015 onwards: | +0.7% per annum |
| 2010: | -0.8% | | |

1.17 The latest forecasts produced by MapInfo suggest a continued decline in the short-term (until 2010), when expenditure forecasts are expected to increases in line with the projected recovery in the UK economy. For the purposes of this update the above forecast growth rates have been utilised for this update. It is notable that the latest forecasts identified by MapInfo compare to a forecast growth rate of +0.7% per annum being assumed in the 2007 Study for the period 2006 to 2027 (albeit derived from Experian).

1.18 For comparison goods, the latest expenditure forecasts identified by MapInfo are as follows:

| | | | |
|---|---|---|---|
| 2008: | +4.6% | 2011-2014: | +3.8% per annum |
| 2009: | -2.7% | 2015 onwards: | +4.5% per annum |
| 2010: | -2.7% | | |

1.19 As reflected in the latest forecasts for convenience goods, MapInfo forecast a continued decline in the retail sector until 2010, when it is then expected to recover in the longer term (i.e. post 2011). These latest forecasts compare to growth rates of between +2.6% per annum (DIY goods) and +4.2% per annum (bulky goods) being applied in the 2007 Study fro the period 2006 to 2027. Unfortunately, MapInfo do not provide updated forecasts for specific goods (e.g. DIY goods or bulky goods).

1.20 Scope is incorporated in the calculations to allow existing retail floorspace to improve its trading performance through increase floorspace efficiencies (or productivity). Although these is no set rule for taking into account improved floorspace efficiencies, for the purposes of this update it no allowance for increased turnover efficiency has been assumed for convenience goods floorspace with comparison goods floorspace increasing by +1.5% per annum between 2009 and 2027. This reflects the approach adopted in the 2007 Study.

### *Internet Shopping*

1.21 The Household Survey that informed the 2007 Study and this update records the extent to which residents of the Study Area, for convenience and comparison shopping, use the internet/mail order. The capacity assessment adopts a constant market share for internet shopping/mail order, which reflects the approach adopted in the 2007 Study. Therefore, it is assumed that internet/mail order shopping purchases will continue at the same rate; overall spending on convenience and comparison goods using the internet/mail order will increase, but the market share will remain constant.

## Retail Need and Capacity

### Overview

2.01 The statistical tables at **Appendix 3** use the findings of the Household Survey to calculate the updated need and capacity for new retail floorspace in the Borough of Wigan.

2.02 The capacity calculations are based upon projected growth in population and spending and adopting a constant market share for all retail destinations. However, factors such as changing economic climate, the level of commercial demand, competition from other centres and destinations, the potential growth in online/mail order shopping and planning and urban regeneration strategies will all affect the future retail performances of centres and their ability to maintain, or exceed, current market share.

2.03 In order to calculate the capacity for new retail floorspace in the Borough, an average sales density for convenience retailing has been adopted of between £5,000 per sq m and £10,500 per sq m (derived from the latest data published by Mintel (2009) and Verdict (2009)) and for comparison floorspace between £3,500 per sq m and £5,000 per sq m (derived from Mintel (2009) and professional assumptions). In terms of convenience retailing, the average sales density used is based on the latest sales densities of leading large format and discount retailers as identified by Verdict and Mintel Retail Rankings. With respect to comparison goods sales densities, these are based on the sales densities of a range of non-food retailers such as high street retailers, retail warehousing, etc.

2.04 Indicative capacity assessment are provided for 2009, 2014, 2019, 2024 and 2027. However, any need beyond 2014 should be treated with a note of caution and is not justification for new retail floorspace outside of existing centres, as this could prejudice from coming forward more central sites.

## Wigan

### *Quantitative Retail Need - Wigan*

2.05 Table 2.1 sets out the convenience and comparison retail need for Wigan Town Centre over the periods to 2014, 2019, 2024 and 2027.

**TABLE 2.1: QUANTITATIVE NEED – WIGAN TOWN CENTRE* (INCLUDING GROWTH PRO-RATA TO THE CURRENT MARKET SHARE OF EDGE OF CENTRE/OUT OF TOWN CENTRE FLOORSPACE IN THE WIGAN AREA)***

| YEAR | CONVENIENCE | | COMPARISON | |
|---|---|---|---|---|
| | £(m) | Sq. m (net) | £(m) | Sq. m (net) |
| AT 2009 | **23.2** | **2,210-4,640** | | |
| BY 2014 | **44.3** | **4,220-8,860** | **34.3** | **6,370-9,095** |
| BY 2019 | **60.2** | **5,735-12,040** | **127.9** | **22,040-31,490** |
| BY 2024 | **77.1** | **7,345-15,420** | **254.2** | **40,665-58,090** |
| BY 2027 | **87.8** | **8,360-17,560** | **349.6** | **53,485-76,405** |

Average Sales Density Convenience – Assumed to be £5,000/sq. m and £10,500/sq. m
Average Sales Density Comparison – Assumed to be £3,500/ sq. m and £5,000/sq. m and allows for increased productivity of +1.5% per annum
* For convenience goods this includes: ASDA, Robin Park; Morrison's Makerfield Way, Ince; Sainsbury's, Worthington Way, Marus Bridge; Tesco Express, Poolstock Lane; and Spar, City Road, Kitt Green.
* For comparison goods this includes: Robin Park, Newtown/ Wigan; B&Q, Wigan (Robin Park/Newtown); Wickes, Wigan (Robin Park/Newtown); Homebase, Marus Bridge, Wigan; Marus Bridge, Wigan; and Sainsbury's, Marus Bridge, Wigan
At 2007 prices

### *Convenience Goods*

2.06 The findings of the Household Survey suggest that existing convenience goods facilities within Wigan are collectively trading above expected levels (by £23.2m, or 11%) in 2009. In particular the out-of-centre Asda store at Robin Park is identified to be trading some 35% above expected levels. Similarly, the out-of-centre Tesco Extra store at Central Park Way is identified to be trading some 21% above expected levels. However, the results of shopper surveys should be used with caution in estimating turnover of individual stores (rather than comparative market shares). Indeed, household surveys tend to have a bias towards larger stores and underplay the role of smaller stores. Therefore, our assessment is based on the overall trading performance of all stores in Wigan, some of which is identified by the Household Survey to be trading below expected levels. It is evident that the 2007 Study identified that collectively existing convenience goods floorspace is trading below expected levels. The notable turnaround in trading performance is due to the following reasons: the base date changing from 2006 to 2009; and the latest expenditure data (2007) identifying higher convenience goods expenditure generated in the Study Area than the 2004 data utilised in the 2007 Study. Indeed, MapInfo identify an actual growth in convenience goods expenditure over the period 2004 to 2007 of 5.4%.

2.07 Given the overtrading of existing convenience goods floorspace within Wigan, there is identified to be an immediate capacity for further convenience goods floorspace in Wigan assuming current market share (although not taking into account outstanding commitments). This capacity is identified to increase from £23.2m in 2009, to £44.3m by 2014 and to £87.3m by 2027. Whilst the capacity in the longer-term should be treated with a note of caution, in the short to medium (i.e. 2014) there appears scope for a further large format store in Wigan of a comparable size of to the existing Tesco Extra store at Central Park Way (c. 9,800 sq m gross).

*Comparison Goods*

2.08 Without taking account of the Grand Arcade floorspace and the effect this will has had on shopping patterns within the Borough and wider Study Area (the Grand Arcade opened after the completion of the household survey that informs this update), there is need in the short-term for a significant extension of the town centre comparison retail floorspace (up to 9,095 sq m (net) by 2014). This capacity is forecast to increase further over the periods to 2019, 2024 and 2027.

2.09 It is expected that the Grand Arcade town centre development will have increased the overall market share and comparison goods retail turnover of the town. Any increase in market share of Wigan will result in generating further retail capacity in Wigan. However, any improvement in the retail offer either within or outside the Borough is also likely to impact on the existing market share of Wigan.

*Outstanding Commitments*

2.10 It is important to note that since the completion of the household survey that informed this update, the Grand Arcade shopping development in Wigan opened on 22 March 2007. This comprises 23,063 sq m (net) of commercial floorspace. Consequently, this recent development will meet the identified capacity (based on current market shares) through to 2014. However, it is anticipated that this improvement in the retail offer in Wigan will have resulted in a positive impact of improving the overall market share achieved. Therefore, as with the 2007 Study it is important to model the likely effects of the new floorspace on comparison retail trading patterns in Wigan and the wider Borough. On this basis, we set out below an assessment of future capacity taking into account the new floorspace at the Grand Arcade shopping development. For consistency, the same broad approach has been assumed in this report as that undertaken for the 2007 Study.

2.11 In taking into account the Grand Arcade, a number of assumptions have been made. These are that: the Grand Arcade will have reached a settled trading by 2010 (as more of the floorspace is let and established); 50% of the Grand Arcade turnover is expenditure transferred from existing floorspace in Wigan Town Centre (Debenhams and Bhs principally who have moved from existing premises in the town to the Grand Arcade); 10% will be from other retailers in Wigan Town Centre; 10% will be from retailers in Leigh; 30% will be 'clawback' of expenditure that generated currently in the Borough and spent outside it, and the likely trade draw from other defined centres/destinations in the Borough will be *de minimis* and is not given any numerical value in this assessment.

2.12 The updated statistical assessment at Appendix 3 (Table 24a to 25) takes account of the Grand Arcade and the uplift in the town centre that it will bring about. The need assessment is restarted at 2010, to allow more settled trading patterns for the development to be reached and is based upon the town's market share increasing on a *pro rata* basis from 2010. It is assumed that the Grand Arcade has a comparison goods turnover of approximately £115.4m (based on applying an average sales density of £5,000 per sq m).

2.13 The increased turnover of the town, as a result of the Grand Arcade trading fully and 40% of its turnover (assumed) being drawn from outside the Wigan area, is that capacity *pro rata* to the town's market share increases to a level that is above that identified at Table 2.1. Table 2.2 provides a revised assessment of future retail capacity.

**TABLE 2.2: CAPACITY – WIGAN TOWN CENTRE (INCLUDING GROWTH PRO-RATA TO THE CURRENT MARKET SHARE OF EDGE OF CENTRE/OUT OF TOWN CENTRE FLOORSPACE IN THE WIGAN AREA)* FACTORING IN THE GRAND ARCADE DEVELOPMENT**

| YEAR | COMPARISON | |
|---|---|---|
| | £(m) | Sq. m (net) |
| | | |
| BY 2014 | **46.6** | **8,650-12,360** |
| BY 2019 | **152.8** | **26,330-37,620** |
| BY 2024 | **299.4** | **47,895-68,420** |
| BY 2027 | **409.5** | **62,645-89,495** |

Average Sales Density Comparison – Assumed to be £3,500/sq. m and £5,000/sq. m
* This includes: Robin Park, Newtown/ Wigan; B&Q, Wigan (Robin Park/Newtown); Wickes, Wigan (Robin Park/Newtown); Homebase, Marus Bridge, Wigan; Marus Bridge, Wigan; and Sainsbury's, Marus Bridge, Wigan.
At 2007 Prices

2.14 In addition to the Grand Arcade development, there are also a number of further extant permissions, although the additional floorspace created is relatively limited. These commitments comprise a scheme at Millgate/Riverway (approved November 2006) for a mixed-use development that includes 1,687 sq m (gross) of Class A1, Class A3 and Class A4 floorspace (LPA Ref: A/05/65182). Of this floorspace, up to 390 sq m (gross) of this could be Class A1 comparison retail floorspace. Furthermore, extant permission exists to extend the existing out-of-centre Homebase store at Marus Bridge (LPA Ref: A/07/70196) by 677 sq m (net).

2.15 Given the limited retail floorspace resulting from these two commitments, collectively these permissions (if implemented) will meet only part of the identified capacity in the short-term.

However, although there will remain scope for further comparison retail floorspace in Wigan, it will be important (particularly in the short term) that this growth is focused towards ensuring that the Grand Arcade development is successful given the contribution it makes to the continued vitality and viability of the town centre.

## Leigh

### *Quantitative Retail Need - Leigh*

2.16 Table 2.3 sets out the convenience and comparison retail need for Leigh Town Centre over the periods to 2014, 2019, 2024 and 2027.

**TABLE 2.3: QUANTITATIVE NEED – LEIGH TOWN CENTRE (INCLUDING GROWTH PRO-RATA TO THE CURRENT MARKET SHARE OF EDGE OF CENTRE/OUT OF TOWN CENTRE FLOORSPACE IN THE LEIGH AREA)**

| YEAR | CONVENIENCE | | COMPARISON | |
|---|---|---|---|---|
| | £(m) | Sq. m (net) | £(m) | Sq. m (net) |
| AT 2009 | **17.2** | **1,640-3,440** | | |
| BY 2014 | **26.0** | **2,475-5,200** | **13.5** | **2,505-3,580** |
| BY 2019 | **33.0** | **3,140-6,600** | **49.9** | **8,600-12,285** |
| BY 2024 | **41.0** | **3,905-8,200** | **99.8** | **15,965-22,805** |
| BY 2027 | **46.0** | **4,380-9,200** | **137.5** | **21,035-30,050** |

Average Sales Density Convenience – Assumed to be £5,000/sq. m and £10,500/sq. m
Average Sales Density Comparison – Assumed to be £3,500/ sq. m and £5,000/sq. m and allows for increased productivity of +1.5% per annum
At 2007 prices

### *Convenience Goods*

2.17 Existing convenience retail floorspace in Leigh is identified to be overtrading (by 18%, or £17.2m) in 2009. In particular, the out-of-centre Asda store at Atherleigh Way is identified to be trading at more than 45% expected levels. Similarly, the Sainsbury's store at Parsonage Retail Park is identified to be trading some 30% above expected levels. However, elsewhere within Leigh, the household survey suggests that smaller shops are trading below expected levels. The collective overtrading of existing convenience goods floorspace within Leigh (c. £17m) is notably higher than that identified in the 2007 Study (c. £5m). The reasons for this increase in overtrading have previously been outlined at Paragraph 2.06 of this report.

2.18 Given the overall strong trading performance of existing convenience goods facilities within Leigh, there appears sufficient capacity in the short-term (i.e. 2014) to support an additional foodstore in order to maintain current market share. The identified capacity by 2014 (c. £26m) would be sufficient to support approximately 2,475 sq m (net) of additional convenience goods floorspace (assuming it is operated by one of the big four supermarket operators).

### *Comparison Goods*

2.19 Based on current market share, Table 2.3 identifies a notable need for further comparison goods floorspace by 2014 (up to 3,580 sq m net). The need for additional comparison goods floorspace is forecast to increase significantly in the longer term (to up to 30,050 sq m (net) by 2027).

### *Taking into Account the Grand Arcade*

2.20 As outlined above, the analysis of the potential impact of the Grand Arcade development allows for some trade draw (10% of its turnover) to be derived from Leigh. Accordingly, it is appropriate to remodel the capacity assessment. On this basis, Table 2.4 identifies a reduction in future retail capacity in Leigh when compared to the assessment undertaken at Table 2.3.

**TABLE 2.4: QUALITATIVE CAPACITY – LEIGH TOWN CENTRE (INCLUDING GROWTH PRO-RATA TO THE CURRENT MARKET SHARE OF EDGE OF CENTRE/OUT OF TOWN CENTRE FLOORSPACE IN THE LEIGH AREA) FACTORING IN THE GRAND ARCADE DEVELOPMENT**

| YEAR | COMPARISON | |
|---|---|---|
| | £(m) | Sq. m (net) |
| | | |
| BY 2014 | **15.1** | **2,805-4,005** |
| BY 2019 | **45.2** | **7,790-11,130** |
| BY 2024 | **96.5** | **15,435-22,055** |
| BY 2027 | **125.6** | **19,215-27,450** |

Average Sales Density Comparison – Assumed to be £3,500/sq. m and £5,000/sq. m
At 2007 prices

### *Commitments*

2.21 There are two outstanding commitments in Leigh comprising:

- Grasmere Street (LPA Ref: A/03/58533) for a 7,432 sq m (gross) / 5,574 sq m (net) bulky goods retail warehouse;
- Land adjacent to BJ Bingo Club, Ellesmere Street (LPA Ref: A/06/66106) for the demolition of part of a former retail unit, layout of a new car park and the erection of four new retail units.

2.22 These commitments (if implemented) is likely to meet the identified capacity in the short-term (based on current market shares and taking into account the effect the Grand Arcade scheme will have on shopping patterns in the Borough).

2.23 In addition, since the completion of the household survey that has informed this update, the site of the former Kwik Save has been redeveloped and occupied by Aldi (LPA Ref: A/06/67884). The new Aldi store comprises 1,526 sq m (gross) / 1,125 sq m (net) of floorspace and is identified to achieve a convenience goods turnover of approximately £3.6m. Accordingly, the new Aldi store will have met some of the identified capacity for additional convenience goods floorspace in Leigh. However, even after taking into account the new Aldi store, there remains sufficient capacity (c. £22m) in the short term (i.e. 2014) to support further convenience goods floorspace in Leigh just to maintain current market share.

## Ashton-in-Makerfield

### *Quantitative Retail Need – Ashton-in-Makerfield*

2.24 Table 2.4 sets out the convenience and comparison retail need for Ashton-in-Makerfield Town Centre over the periods to 2014, 2019, 2024 and 2027.

**TABLE 2.4: QUANTITATIVE NEED – ASHTON-IN-MAKERFIELD TOWN CENTRE (INCLUDING GROWTH PRO-RATA TO THE CURRENT MARKET SHARE OF EDGE OF CENTRE/OUT OF TOWN CENTRE FLOORSPACE IN THE ASHTON-IN-MAKERFIELD AREA)**

| YEAR | CONVENIENCE | | COMPARISON | |
|---|---|---|---|---|
| | £(m) | Sq. m (net) | £(m) | Sq. m (net) |
| AT 2009 | **-7.8** | **-** | | |
| BY 2014 | **-7.2** | **-** | **0.8** | **150-210** |
| BY 2019 | **-6.6** | **-** | **3.1** | **535-765** |
| BY 2024 | **-6.1** | **-** | **6.3** | **1,010-1,440** |
| BY 2027 | **-5.7** | **-** | **8.6** | **1,315-1,880** |

Average Sales Density Convenience – Assumed to be £5,000/sq. m and £10,500/sq. m
Average Sales Density Comparison – Assumed to be £3,500/ sq. m and £5,000/sq. m and allows for increased productivity of +1.5% per annum
At 2007 prices

### *Convenience Goods*

2.25 Existing convenience goods floorspace within Ashton-in-Makerfield is identified by the household survey to be trading below expected levels. Accordingly, based on existing market shares there is no capacity for additional convenience retail floorspace within Ashton-in-Makerfield.

### *Comparison Goods*

2.26 Given the limited market share achieved by existing comparison goods facilities in Ashton-in-Makerfield, in the short-term (i.e. 2014) there is a need for only a modest increase in the town's comparison retail floorspace (up to 210 sq m net of floorspace). In the medium to longer term, this capacity increases and could support a larger increase in the comparison goods retail offer of Ashton-in-Makerfield.

### *Commitments*

2.27 There are currently no outstanding commitments for further retail development in Ashton-in-

Makerfield. However, since the completion of the household survey retail development has taken place at the former British Gas site on York Street (although, as yet, has not been implemented) The scheme provides approximately 2,191 sq m (net) of additional comparison goods floorspace. Consequently, this scheme will meet the identified need for additional comparison floorspace within Ashton-in-Makerfield (based on current market share) through to 2027.

2.28 However, in considering future retail need in Ashton-in-Makerfield (both convenience and comparison) it is important to note that emerging planning policy proposed for Ashton to be elevated within the local retail hierarchy to become one of the principal centres within the Borough. Given the objective to raise Ashton-in-Makerfield's position within the hierarchy it would be appropriate to seek improve its market share. Consequently, it is likely that some expansion to the overall retail offer of Ashton-in-Makerfield will follow. Therefore, although the analysis outlined above identifies no clear demonstrable capacity for further convenience goods floorspace within Ashton-in-Makerfield, it would appropriate (to reflect the centre's proposed elevation within the hierarchy) to seek to 'clawback' expenditure currently being directed to facilities elsewhere and ensure that residents within the surrounding area shop locally. For example, a significant number of residents within Zone 9 ('Ashton-in-Makerfield) current undertake their convenience goods shopping at the out-of-centre Asda store in Golborne, which is identified to be significantly overtrading.

2.29 Similarly, it is likely that the comparison goods market share could also increase in reflection of the centre's elevated status within the local hierarchy.

## Atherton

*Quantitative Retail Need – Atherton*

2.30 Table 2.5 sets out the convenience and comparison retail need for Atherton Town Centre over the periods to 2014, 2019, 2024 and 2027.

**TABLE 2.5: QUANTITATIVE NEED – ATHERTON TOWN CENTRE (INCLUDING GROWTH PRO-RATA TO THE CURRENT MARKET SHARE OF EDGE OF CENTRE/OUT OF TOWN CENTRE FLOORSPACE IN THE ATHERTON AREA)**

| YEAR | CONVENIENCE | | COMPARISON | |
|---|---|---|---|---|
| | £(m) | Sq. m (net) | £(m) | Sq. m (net) |
| AT 2009 | **13.9** | **1,325-2,780** | | |
| BY 2014 | **17.5** | **1,665-3,500** | **1.1** | **205-290** |
| BY 2019 | **20.2** | **1,925-4,040** | **3.7** | **640-910** |
| BY 2024 | **23.2** | **2,210-4,640** | **7.4** | **1,185-1,690** |
| BY 2027 | **25.1** | **2,390-5,020** | **10.1** | **1,545-2,205** |

Average Sales Density Convenience – Assumed to be £5,000/sq. m and £10,500/sq. m
Average Sales Density Comparison – Assumed to be £3,500/ sq. m and £5,000/sq. m and allows for increased productivity of +1.5% per annum
At 2007 prices

*Convenience Goods*

2.31 Existing convenience goods facilities within Atherton (most notably the Tesco at Crabtree Lane) are identified to be trading above expected levels (by 64%). This overtrading suggests an immediate capacity in Atherton of almost £14m, increasing to £17.5m by 2014. This level of capacity could support a medium-sized foodstore of a comparable size to the existing Tesco store in Atherton (c. 3,600 sq m gross). However, any future capacity in Atherton will be affected by any improvement in convenience goods elsewhere. For example, an enlarged replacement Tesco store is currently under construction in nearby Walkden and permission exists for a new foodstore in Farnworth. Both these developments are likely to have some impact on shopping patterns within the catchment of existing stores in Atherton.

*Comparison Goods*

2.32 The need for additional comparison goods floorspace in Atherton is identified limited. Based on existing market shares there is identified to be demonstrable need in the short term (2014) of up to 290 sq m (net). This level of capacity could support a limited number of new shop units in Atherton. In the longer-term, there is more substantial capacity forecast for additional floorspace that would provide for a more meaningful expansion of the town centre.

*Commitments*

2.33 There are no current commitments for retail development in Atherton.

## Golborne

*Quantitative Retail Need – Golborne*

2.34 Table 2.6 sets out the convenience and comparison retail need for Golborne Town Centre over the periods to 2014, 2019, 2024 and 2027.

**TABLE 2.6: QUANTITATIVE NEED – GOLBORNE TOWN CENTRE (INCLUDING GROWTH PRO-RATA TO THE CURRENT MARKET SHARE OF EDGE OF CENTRE/OUT OF TOWN CENTRE FLOORSPACE IN THE GOLBORNE AREA)**

| YEAR | CONVENIENCE | | COMPARISON | |
|---|---|---|---|---|
| | £(m) | Sq. m (net) | £(m) | Sq. m (net) |
| AT 2009 | **10.0** | **950-2,000** | | |
| BY 2014 | **13.5** | **1,285-2,700** | **0.5** | **95-135** |
| BY 2019 | **16.1** | **1,535-3,220** | **2.1** | **360-515** |
| BY 2024 | **18.8** | **1,790-3,760** | **4.2** | **670-960** |
| BY 2027 | **20.6** | **1,960-4,120** | **5.7** | **870-1,245** |

Average Sales Density Convenience – Assumed to be £5,000/sq. m and £10,500/sq. m
Average Sales Density Comparison – Assumed to be £3,500/ sq. m and £5,000/sq. m and allows for increased productivity of +1.5% per annum
At 2007 prices

### *Convenience Goods*

2.35 Existing convenience goods floorspace in Golborne is identified to be trading above expected levels (by some £10m, or 36%). In particular, the out-of-centre Asda store at Edge Green Lane is identified to trading at more than 62% above expected levels. On this basis, there is immediate convenience goods capacity of approximately £10m, which could support up to 2,000 sq m (net) of additional convenience retail floorspace – dependent upon the end operator. This capacity is set to increase to £13.5m by 2014 and to £20.6m by 2027. This level of capacity for additional convenience retail floorspace could support a further medium sized foodstore in Golborne based on current market shares. However, as previously highlighted, the Council's objective for nearby Ashton-in-Makerfield is to elevate its position within the hierarchy. As a consequence, should the convenience retail offer improve in Ashton-in-Makerfield, this will have implications on future capacity within Golborne.

### *Comparison Goods*

2.36 The need for additional comparison goods floorspace in Golborne (based on existing shopping patterns is limited). In the short-term the need would support only a limited increased in floorspace (up to 135 sq m net). In the longer term, this capacity could support a more meaningful increase in floorspace of up to 515 sq m (net) by 2019 and up to 1,245 sq m (net) by 2027. Again, any improvement in the retail offer in nearby Ashton-in-Makerfield is likely to reduce future capacity within Golborne as set out at Table 2.6 above.

### *Commitments*

2.37 There are no current commitments for retail development in Atherton.

## Hindley

### *Quantitative Retail Need – Hindley*

2.38 Table 2.7 sets out the convenience and comparison retail need for Hindley Town Centre over the periods to 2014, 2019, 2024 and 2027.

**TABLE 2.7: QUANTITATIVE NEED – HINDLEY TOWN CENTRE (INCLUDING GROWTH PRO-RATA TO THE CURRENT MARKET SHARE OF EDGE OF CENTRE/OUT OF TOWN CENTRE FLOORSPACE IN THE HINDLEY AREA)**

| YEAR | CONVENIENCE | | COMPARISON | |
|---|---|---|---|---|
| | £(m) | Sq. m (net) | £(m) | Sq. m (net) |
| AT 2009 | **-4.9** | **-** | | |
| BY 2014 | **-1.3** | **-** | **0.9** | **165-240** |
| BY 2019 | **1.6** | **150-320** | **3.2** | **550-780** |
| BY 2024 | **4.8** | **455-960** | **6.2** | **990-1,415** |
| BY 2027 | **6.9** | **655-1,380** | **8.6** | **1,315-1,880** |

Average Sales Density Convenience – Assumed to be £5,000/sq. m and £10,500/sq. m
Average Sales Density Comparison – Assumed to be £3,500/ sq. m and £5,000/sq. m and allows for increased productivity of +1.5% per annum
At 2007 prices

### *Convenience Goods*

2.39 The existing convenience retail floorspace in Hindley is identified to be undertrading by £4.9m (or 15%) in 2009 (although the existing Tesco store on Cross Street is identified to be marginally overtrading by 3%). Given this undertrading, it is evident that at current market share there is no demonstrable capacity for further convenience goods floorspace until after 2014. In the longer term (i.e. post 2014), there is identified to be limited need for further convenience goods floorspace within Hindley (up to 1,380 sq m net by 2027) based on current market shares.

### *Comparison Goods*

2.40 There is similarly limited need for additional comparison retail floorspace. The need identified over the period to 2014, of up to 240 sq m (net) would support a very limited expansion of the centre (e.g. two or three small format shops). By 2019, the identified capacity could support up to 780 sq m (net) of additional comparison goods floorspace, increasing to up to 1,880 sq m (gross) based on current market shares – although this is dependent upon the end operator. Such an increase in the long-term could support a notable increase in the existing retail floorspace provision in the town.

### *Commitments*

2.41 There are no current commitments for retail development in Hindley.

## Pemberton

*Quantitative Retail Need – Pemberton*

2.42 Table 2.8 sets out the convenience and comparison retail need for Pemberton Town Centre over the periods to 2014, 2019, 2024 and 2027.

**TABLE 2.8: QUANTITATIVE NEED – PEMBERTON TOWN CENTRE (INCLUDING GROWTH PRO-RATA TO THE CURRENT MARKET SHARE OF EDGE OF CENTRE/OUT OF TOWN CENTRE FLOORSPACE IN THE PEMBERTON AREA)**

| YEAR | CONVENIENCE | | COMPARISON | |
|---|---|---|---|---|
| | £(m) | Sq. m (net) | £(m) | Sq. m (net) |
| AT 2009 | **0.2** | **20-40** | | |
| BY 2014 | **0.7** | **65-140** | **0.5** | **95-130** |
| BY 2019 | **1.0** | **95-200** | **1.8** | **310-445** |
| BY 2024 | **1.4** | **135-280** | **3.7** | **590-845** |
| BY 2027 | **1.6** | **150-320** | **5.0** | **765-1,095** |

Average Sales Density Convenience – Assumed to be £5,000/sq. m and £10,500/sq. m
Average Sales Density Comparison – Assumed to be £3,500/ sq. m and £5,000/sq. m and allows for increased productivity of +1.5% per annum
At 2007 prices

*Convenience Goods*

2.43 Although existing convenience goods floorspace in Pemberton is identified be trading above expected levels, this is identified to be only marginal (5%). In addition, given the limited market share currently achieved by existing convenience goods facilities in Pemberton, there is very limited need for additional convenience goods floorspace in Pemberton. Indeed, even by 2027, there is only identified to be limited capacity for additional convenience goods retail floorspace in Pemberton of up to 320 sq m (net).

*Comparison Goods*

2.44 Although the need identified in the comparison retail sector is more substantial than that identified in the convenience retailer sector, this is still very limited. In the short-term, over the period to 2014, there is potential scope for up to 130 sq m (net) of additional comparison retail floorspace. However, this capacity is forecast to increase. By 2027 (based on current market shares) the identified capacity could support up to 1,095 sq m (net) of additional comparison retail floorspace in Pemberton, which represents a notable increase in the existing comparison goods offer of the town centre.

*Commitments*

2.45 Since the completion of the Household Survey, planning permission has recently been granted (LPA Ref: A/09/72459) for a new out-of-centre Lidl store at Enfield Street in Pemberton, which has recently opened. This store comprises a gross floorspace of 1,367 sq m, with a net floorspace of 1,063 sq m. Based on company average turnover, the new Lidl store is identified to achieve a convenience goods turnover of approximately £2.6m. Accordingly, based on current market shares, the Lidl development will meet the identified need for further convenience goods floorspace in Pemberton through to 2027.

## Standish

### *Quantitative Retail Need – Standish*

2.46 Table 2.9 sets out the convenience and comparison retail need for Standish Town Centre over the periods to 2014, 2019, 2024 and 2027.

**TABLE 2.9: QUANTITATIVE NEED – STANDISH TOWN CENTRE (INCLUDING GROWTH PRO-RATA TO THE CURRENT MARKET SHARE OF EDGE OF CENTRE/OUT OF TOWN CENTRE FLOORSPACE IN THE STANDISH AREA)**

| YEAR | CONVENIENCE | | COMPARISON | |
|---|---|---|---|---|
| | £(m) | Sq. m (net) | £(m) | Sq. m (net) |
| AT 2009 | **-0.8** | **-** | | |
| BY 2014 | **-0.2** | **-** | **0.1** | **20-25** |
| BY 2019 | **0.2** | **20-40** | **0.5** | **85-125** |
| BY 2024 | **0.8** | **75-160** | **0.9** | **145-205** |
| BY 2027 | **1.1** | **105-220** | **1.3** | **200-285** |

Average Sales Density Convenience – Assumed to be £5,000/sq. m and £10,500/sq. m
Average Sales Density Comparison – Assumed to be £3,500/ sq. m and £5,000/sq. m and allows for increased productivity of +1.5% per annum
At 2007 prices

### *Convenience Goods*

2.47 Table 2.9 demonstrates that existing convenience retail floorspace in Standish is currently undertrading (by 9%). Given this undertrading, there appears no demonstrable need for further convenience goods floorspace until post 2014 (based on current market shares). Whilst in the longer term there is identified to be some capacity, this is identified to be very limited (up to 220 sq m (net) by 2027.

### *Comparison Goods*

2.48 Similarly, given the limited comparison goods offer of Standish and subsequent market share achieved, the capacity for additional floorspace is very limited. Indeed, in the short-term (i.e. 2014) there is identified to be limited capacity of approximately £0.5m, which would be sufficient to support only a limited increase in floorspace (up to 25 sq m net). Even by 2027 this capacity is forecast to increase to up to 285 sq m (net), which would support only a limited increase in the retail offer within Standish.

*Commitments*

2.49 Planning permission has recently been granted for a new Lidl store at Preston Road (1,383 sq m gross / 1,063 sq m net) at the edge-of Standish Town Centre (LPA Ref: A/09/72425). This store is identified to achieve an expected convenience goods turnover of approximately £2.6m. Accordingly, this Lidl store will meet the identified need for additional convenience goods floorspace in Standish through to 2027 based on no change in current market share.

## Tyldesley

*Quantitative Retail Need – Tyldesley*

2.50 Table 2.10 sets out the convenience and comparison retail need for Tyldesley Town Centre over the periods to 2014, 2019, 2024 and 2027.

**TABLE 2.10: QUANTITATIVE NEED – TYLDESLEY TOWN CENTRE (INCLUDING GROWTH PRO-RATA TO THE CURRENT MARKET SHARE OF EDGE OF CENTRE/OUT OF TOWN CENTRE FLOORSPACE IN THE TYLDESLEY AREA)**

| YEAR | CONVENIENCE | | COMPARISON | |
|---|---|---|---|---|
| | £(m) | Sq. m (net) | £(m) | Sq. m (net) |
| AT 2009 | **-5.3** | **-** | | |
| BY 2014 | **-4.4** | **-** | **0.6** | **110-160** |
| BY 2019 | **-3.7** | **-** | **2.2** | **380-540** |
| BY 2024 | **-3.0** | **-** | **4.4** | **705-1,005** |
| BY 2027 | **-2.5** | **-** | **6.0** | **920-1,310** |

Average Sales Density Convenience – Assumed to be £5,000/sq. m and £10,500/sq. m
Average Sales Density Comparison – Assumed to be £3,500/ sq. m and £5,000/sq. m and allows for increased productivity of +1.5% per annum
At 2007 prices

*Convenience Goods*

2.51 Although the convenience goods offer is limited, Table 2.10 demonstrates that existing convenience retail floorspace in Tyldesley is undertrading and, on this basis, there is no capacity for additional convenience retail floorspace through to 2027. Furthermore, significant improvements in the convenience goods provision nearby (such as at Walkden and Farnworth) is likely to have an impact on shopping patterns within the catchment area of Tyldesley.

*Comparison Goods*

2.52 The need for additional retail floorspace in the comparison goods sector is similarly limited, particularly in the short-term. Based on current market shares there is identified to be capacity to support up to 160 sq m (net) of additional floorspace in Tyldesley. In the longer-term, there is scope for a more meaningful expansion of comparison retail provision within Tyldesley, although as previously highlighted capacity in the long term should be treated with a note of caution.

*Commitments*

2.53 There are currently no outstanding commitments for further retail development in Tyldesley. However, since the completion of the household survey a new out-of-centre Lidl store has been developed off Printshop Lane (approximately 500 metres from the defined town centre). This new store (which comprises 1,437 sq m gross) is identified to achieve an expected convenience goods turnover of approximately £2.8m (based on the store trading at company average levels). Given this, together with the limited capacity identified and the improved competition within the Tyldesley catchment, there appears no clear capacity for further convenience goods floorspace within Tyldesley.

## Summary and Conclusions

### Introduction

3.01 This section of the report summarises the updated retail capacity assessment on a centre by centre basis. In this respect, a number of the conclusions and recommendations reached in the 2007 Study remain applicable and therefore have not been updated. Consequently, this section focuses on the implications on future retail need (or capacity) only.

### Principal Findings by Centre

#### *Wigan*

3.02 The principal findings and recommendations for Wigan are:

- Existing convenience retail floorspace in Wigan, overall, is overtrading and on this basis there is an immediate need for additional convenience retail floorspace. In the longer-term there is scope for a further large-format foodstore in Wigan. However, any improvement in the retail offer elsewhere in the Borough may impact on Wigan's future convenience goods markets share;
- There is significant capacity in the short, medium and long term (including growth *pro-rata* to the current turnover of Robin Park) for up to 12,360 sq. m (net) of additional comparison goods floorspace by 2014;
- By 2019, the comparison goods floorspace capacity is 37,620 sq. m (net);
- Growth in the Wigan comparison retail sector (through Grand Arcade and future development over the periods to 2014 and 2027) is necessary to compete with other higher order centres in the sub-region, which too are expanding their comparison retail offer;

#### *Leigh*

3.03 The principal findings and recommendations for Leigh are:

- Leigh is a successful comparison goods destination, the most important destination in the east of the Borough and the second most important centre behind Wigan;
- There is considerable need identified for additional comparison goods floorspace in the short term to 2014 and the medium term to 2019;
- Convenience retail floorspace (most notably out-of-centre facilities) in Leigh trade above levels; and
- There is capacity for additional convenience retail floorspace both in the short and medium term to address this overtrading. The identified capacity could support a further main food shopping destination within Leigh.

#### *Ashton in Makerfield*

3.04 The principal findings for Ashton in Makerfield are:

- Ashton in Makerfield is a poor convenience retail destination;

- There is limited convenience retail provision and the existing provision is under-trading;
- There is no quantitative capacity for additional convenience goods floorspace – the need is absorbed in its entirety by the under-trading foodstores' advancing towards benchmark turnovers;
- The town fairs better marginally as a comparison retail shopping destination, but is fragile and needs improving;
- There is a commitment for 2,191 sq. m (net) of comparison goods retail floorspace at York Street. This commitment will meet the identified need for additional floorspace in Ashton in Makerfield through 2027 based on current market shares; and
- The aspiration of the Council is to elevate the status of Ashton in Makerfield within the local hierarchy. Consequently, this improved status is likely to result in an improvement in the retail offer of Ashton in Makerfield in the future.

*Atherton*

3.05 The principal findings and recommendations for Atherton are:

- Atherton is a successful convenience retail destination. Existing convenience retail floorspace is overtrading;
- There is considerable quantitative capacity in the longer term for additional convenience retail floorspace. However, the recent permissions for new superstores in nearby Farnworth and Walkden (replacement Tesco store) are likely to impact on shopping patterns within the local area and potentially on the future capacity for additional convenience goods floorspace;
- The town is also a successful comparison retail destination and although the need for additional floorspace that is identified is limited, it will be important for the LDF to ensure that sites are available to meet this need.

*Golborne*

3.06 The principal findings and recommendations for Golborne are

- Golborne is a very successful town in the convenience retail sector;
- Existing convenience retail floorspace in Golborne is overtrading considerably and there is an immediate need for a medium-sized foodstore;
- However, any improvement in the retail offer elsewhere (such as in Ashton in Makerfield in line with the Council's aspiration for the centre) will reduce the identified capacity for further convenience floorspace; and
- The town's comparison retail offer is not as successful. Despite this, there is capacity for additional comparison retail floorspace based on current market share. However, again any improvement in nearby centres (i.e. Ashton in Makerfield) will impact on the future capacity within Golborne.

*Hindley*

3.07 The principal findings and recommendations for Hindley are:

- Convenience retail floorspace in Hindley is under-trading and consequently, there is no capacity for additional convenience retail floorspace in the town until 2016 and even then the identified capacity is limited;
- There is a modest capacity for additional comparison retail floorspace in the short term, which becomes more significant in the medium and long term;

*Pemberton*

3.08 The principal findings and recommendations for Pemberton are:

- Pemberton is one of the smallest defined town centres in the Borough;
- The existing convenience retail floorspace in the town is overtrading (albeit marginally), which suggests there is limited capacity for additional convenience retail floorspace. However, this capacity will be met by the new Lidl store that has opened since the completion of the household survey;
- Similarly, there is only limited capacity in the comparison retail sector.

*Standish*

3.09 The principal findings and recommendations for Standish are:

- Standish performs a local, and principally convenience, shopping role; and
- The limited capacity for additional convenience goods floorspace will be met by the new Lidl store, which has recently been permitted. In terms of comparison goods capacity, based on current market shares there is very limited capacity in Standish for additional retail floorspace.

*Tyldesley*

3.10 The principal findings and recommendations for Tyldesley are:

- There is no clear capacity for additional convenience goods floorspace. The household survey results suggest that existing convenience goods floorspace is undertrading and a new Lidl store has opened since the completion of the household survey; and
- There is a modest requirement to plan for additional comparison retail floorspace;