

Manchester City Council

Quantative Retail Needs Study
Report
July 2006



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Signed For & On Behalf Of

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EXECUTIVE SUMMARY

1. GVA Grimley was instructed by Manchester City Council in June 2005 to undertake the Manchester Quantitative Retail Needs Study. The purpose of the study is to analyse the future quantitative need for additional retail facilities across the city and the locations that could meet any identified needs. This complements work already carried out on the Manchester Strategic Study and both pieces of work will inform the preparation of Local Development Documents.
2. Our analysis is based on the development of a series of sub-areas, comprising the City Centre and six other parts of the City. This provides a means of assessing the spatial distribution of capacity, and the options for meeting identified quantitative needs in centres within each area. The areas are defined on Plan 3.

CITY CENTRE CONVENIENCE GOODS

3. We estimate that Manchester City Centre currently has a convenience goods turnover of £22.5m. This is based upon trade drawn from the survey area and does not account for lunchtime/after work and visitor trade. Overall, we consider the City Centre stores are performing well and the City Centre will continue to be an appropriate location for small format convenience stores.
4. We have not estimated the convenience goods capacity for new floorspace within the City Centre as we have only identified a modest level of trading which is not sufficient to create residual expenditure to support new floorspace. However, the City Centre is currently losing significant amounts of trade (80%) to stores elsewhere and if this could be clawed back it would be sufficient to support a modestly sized supermarket. This would be subject to the availability of a sequentially suitable site and impact and accessibility testing.

CITY CENTRE COMPARISON GOODS

5. Manchester City Centre draws comparison goods trade from a wide area, including all 35 of the telephone survey zones. In the core catchment the City Centre draws over 40% of comparison goods trade, and in the secondary catchment area over 20%. We estimate that the total comparison goods turnover of Manchester City Centre is currently £1,103m. This equates to a sales density of £10,626 per sq m net which is a strong performance for the City Centre.
6. The baseline capacity forecasts indicate considerable capacity to support further comparison goods floorspace, if there was no new development in the pipeline. Theoretically by 2021 there would be residual expenditure of £568m which could support an additional 63,824 sq m net of comparison goods floorspace.
7. There are a number of significant comparison goods development commitments in the pipeline for Manchester City Centre, including the Arndale Centre northern extension. The combined effect of all

of these is to reduce capacity in the short term. However, growth in population and expenditure will bring forward additional capacity.

8. Whilst the significant size and quality of the development commitments coming forward in the City Centre could enhance its market share, it will come under increasing pressure as a result of new schemes in competing centres, including the Paradise Street scheme in Liverpool. It will therefore be necessary to continue to identify opportunities for further improvements to the City Centre comparison retail offer to address a possible decrease in market share. Despite the notional lack of capacity for additional floorspace throughout the period to 2016, a significant new scheme in the City Centre is likely to increase the market share, and we consider that this is a realistic aim which should enable Manchester to defend its position in the face of competition from surrounding centres over the medium/longer term.

NORTHERN AREA CONVENIENCE GOODS

9. In the Northern Area, Cheetham Hill and Harpurhey District Centres are both trading well in terms of their convenience goods turnover, whereas the Sainsburys store at Higher Blackley is under performing.
10. The strong performance of the Asda at Harpurhey and the performance of stores in Cheetham Hill, creates residual expenditure capacity to support new convenience goods floorspace. This will, however, be absorbed by the development of a new Tesco store in Cheetham Hill District Centre. We currently consider that once the Tesco store has come forward there will be no further scope for additional convenience goods provision in quantitative terms in the Northern Area over the period to 2021. It will have a new main foodstore and additional unit shops in Cheetham Hill District Centre, a consolidated and improved offer in Harpurhey District Centre in addition to the Asda main foodstore, and an out-of-centre main foodstore at Higher Blackley. This provision is complemented by everyday facilities in the Local Centres and local parades.

NORTHERN AREA COMPARISON GOODS

11. The Northern Area currently has the greatest proportion of comparison goods provision outside of Manchester City Centre. This is largely as a result of the recent completion of the first phase of the Manchester Fort Shopping Park.
12. We consider that shopping patterns in the Northern Area are still likely to be in a settling down period following the redevelopment of Harpurhey District Centre and the new development of the Manchester Fort Shopping Park. The turnover of both of these destinations is likely to improve as they consolidate their trade draw. In particular the Household Telephone Interview Survey has produced an anomalous result for the Manchester Fort Shopping Park.

13. We have identified some capacity to support new comparison goods floorspace in the Northern Area. However, this will be more than absorbed by the development commitments in the pipeline including Phase Two of the Manchester Fort development and the comparison goods floorspace proposed in conjunction with the Tesco scheme at Cheetham Hill District Centre. As such we have not identified any quantitative capacity to support further comparison floorspace in the Northern Area on the basis of current market shares and there will be no need to plan for further comparison goods development in this area.

EASTERN AREA CONVENIENCE GOODS

14. The convenience goods provision in the Eastern Area is on the whole focused on top-up rather than main food shopping. There are no large out-of-centre main food superstores. Of the four District Centres, only Sport City has a modern fully conforming food superstore (Asda). The turnover of both Newton Heath and Openshaw is below average. As such we consider there is a gap or deficiency in convenience shopping facilities in this area.
15. On the basis of current market shares, we forecast limited capacity for additional convenience goods floorspace. There is however a fairly significant leakage of trade from the Eastern Area. If this could be clawed back it would create floorspace capacity. Our scenario testing has indicated that if all of the available expenditure within the Eastern Area was retained there would be capacity to support at least one new convenience superstore. Depending upon the size of the store, over the period to 2021 sufficient capacity could arise to support two stores.
16. Whilst there are no development commitments in the pipeline for the Eastern Area there are two proposals which are currently being worked up. These include new convenience superstores at Gorton and Openshaw. We have tested the potential effect of these two new foodstores.
17. Our single store scenario (foodstore in Gorton) highlights that the greatest impact could be on the stores in the Eastern and Central Eastern Areas. In particular, we envisage that a new store in Gorton would impact heavily on the existing provision within the centre in particular the Kwik Save store. The turnover of Sport City and Levenshulme would also be affected.
18. The two store scenario, taking into account a new foodstore at Openshaw as well as Gorton, highlights that the same centres could be impacted upon further, with the centres of Newton Heath and Harpurhey also potentially experiencing a reduction in turnover.
19. The options for the City Council to improve convenience goods provision in the Eastern Area include either, a single superstore which would strengthen the centre in question, with some impact upon the neighbouring District Centres, or two superstores which would maximise the access of residents in the Eastern Area to quality main food shopping provision and secure the regeneration of two District Centres. The consequence would be a wider impact on the other District Centres in the Eastern Area and beyond.

20. Having regard to the previous Strategic Retail Study carried out by CBRE, in qualitative terms there is a need for regeneration and improvements to both Openshaw and Gorton. Both centres were classified as Minor District Centres by CBRE, they are within a Development Priority Area and have been identified as in an area for additional or improved convenience retailing. In particular, CBRE highlight Openshaw as facing the greatest challenges of all the District Centres and its future role as a District Centre was questioned. As such despite the potential impacts, we suggest the City Council consider a two store strategy with new provision in both Gorton and Openshaw. The sizing of any new stores should be carefully considered to ensure that the potential impacts on other centres are minimised and that both centres can continue to co-exist. This will need to be considered through the assessment of specific planning applications.

EASTERN AREA COMPARISON GOODS

21. The Eastern Area currently has a limited comparison goods provision. We estimate that the District Centres of Newton Heath, Openshaw, Gorton and Sport City and the Focus/Carpet World at Newton Heath are currently all under performing. This Area has the lowest comparison goods turnover of all the Sub-Areas.
22. The Household Telephone Interview Survey indicates that residents of the Eastern Area are currently using a variety of different comparison goods shopping locations outside of the immediate locality. We consider there is scope to claw back this expenditure to better meet residents comparison shopping needs in situ.
23. We have identified a small amount of comparison goods capacity in the Eastern Area. The modest commitments in the pipeline will more than absorb this, resulting in a lack of capacity on the basis of current market shares. However, there is scope to retain more comparison spend in the Eastern Area.
24. There are proposals in the pipeline for a mixed-use scheme at Openshaw. A scheme of sufficient critical mass may be able to increase comparison goods market shares and claw back expenditure. Having tested the scope for a scheme of approximately 4,500 sq m net comparison goods floorspace, we consider it would only require relatively limited uplift in market share to support this amount of floorspace.
25. The bulky goods retail warehousing provision in Manchester is on the whole quite limited. With extensive competing provision in the surrounding area. The Manchester Fort Shopping Park will provide for bulky goods shopping needs in the Northern Area of the City; but there are gaps in provision in the other sub-areas. Subject to the sequential approach and impact testing there could be opportunities for retail warehousing development in the Eastern Area to cater for large retail formats, particularly selling bulky goods such as furniture, carpets, electricals and DIY which can not be accommodated in the City Centre. Wherever possible, such facilities should be incorporated into District Centres or, failing this, adjoining them.

CENTRAL EASTERN AREA CONVENIENCE GOODS

26. Convenience goods provision in the Central East Area is focused on Longsight and Levenshulme District Centres. Both District Centres are trading well and above estimates of company average turnover.
27. As a result we have identified some capacity to support new convenience goods floorspace, this could be enhanced if convenience goods expenditure currently leaking from the area could be clawed back. However, the scope for new development will depend on the foodstore strategy for the Eastern Area. If two new foodstores are developed in the Eastern Area this will largely address the capacity to support a new convenience superstore in the Central East Area. There may also be a lack of sufficient development opportunities in Longsight and Levenshulme. An approach to explore further in Longsight in the future will be the scope to extend the existing foodstore provision.

CENTRAL EASTERN AREA COMPARISON GOODS

28. The Central East Area currently has an adequate comparison goods shopping provision in Longsight and Levenshulme District Centres and this is supplemented by the B&Q supercentre at Burnage. Longsight District Centre and the B&Q supercentre are performing well. Although Levenshulme District Centre appears to have a low level of trading it is likely that the Household Telephone Interview Survey has under represented the specialist role of Levenshulme for antique and furniture shopping.
29. We have identified some capacity to support further comparison goods floorspace in the Central East Area. This will be absorbed by development commitments in the pipeline in the short term. Whilst there are no proposals in the pipeline to absorb the limited capacity identified in the period beyond 2016, this may partly be taken up by proposals in the pipeline for the Eastern Area at Openshaw and Gorton. Overall we do not consider there is currently a need in quantitative terms to plan for further new comparison goods floorspace in the Central East Area.

CENTRAL WEST AREA CONVENIENCE GOODS

30. The Central West Area currently has the highest convenience goods turnover of the sub-areas in the City. It does however cover a large part of the City stretching from the inner areas around Hulme and Moss Side through to the suburban areas of Didsbury.
31. There is no main food shopping provision at either Rusholme or Withington District Centres. The Central West Area does however have two large modern convenience superstores including the Asda at Hulme District Centre and the out-of-centre Tesco at East Didsbury. Both of these stores are performing very well. In addition it has a Sainsbury's superstore at Fallowfield District Centre. Although our survey has indicated that this store is under performing, this may be as a result of the survey taking place in the summer months and therefore not identifying student trade.

32. Whilst the performance of the District Centres in the Central West Area varies, the over trading of the main food superstores (Asda, Hulme and Tesco, East Didsbury) creates considerable scope for new convenience goods floorspace. This would be sufficient to support at least one new convenience superstore on the basis of current market shares. A new Tesco superstore is currently being constructed in the southern part of the Central West Area at Burnage and in conjunction with other convenience commitments in the pipeline this will absorb convenience goods capacity in the short term. The Central West Area is however currently losing trade to competing destinations, if this trade could be clawed back in the future, it would support further convenience goods floorspace.
33. There are proposals in the pipeline for the Central West Area with the redevelopment of the Maine Road site. This is mainly to provide residential accommodation, although a modest amount of retail floorspace is also proposed. On the basis of current market shares there would be capacity to support the proposed floorspace if it were all allocated for convenience goods. Additionally, small scale convenience goods in other Local Centres could assist in meeting such need.
34. Notwithstanding this, we consider there could be merit in exploring the scope for more significant convenience goods provision in the Central West Area. Subject to the PPS6 tests of sequential approach and impact, the District Centre's of Rusholme and Withington should be considered in the first instance, as they are both lacking in main food shopping provision. Whilst development opportunities will need to be explored, there are likely to be a lack of opportunities in these centres which could necessitate extending the area of search.

CENTRAL WEST AREA COMPARISON GOODS

35. The Central West Area currently has limited comparison goods shopping provision. In particular, in the northern part of this area there is little comparison offer at Hulme, Rusholme, Fallowfield or Withington District Centres. The turnover of all of these centres for comparison goods is therefore either adequate or poor. Didsbury District Centre in the southern part of the Central West Area has more comparison goods provision and a slightly higher turnover.
36. The Central West Area is currently losing trade to a variety of different destinations, including Manchester City Centre, the Trafford Centre and Trafford Retail Park, Stockport, White City Retail Park and Ikea, Warrington. We consider there is scope to clawback trade and meet some comparison goods shopping needs more locally.
37. We have identified modest capacity to support new comparison good floorspace in the Central West Area. This would be sufficient to support the one small proposal in the pipeline at Maine Road. There is some scope for further bulky goods retail warehousing provision in the Central West Area as it is currently lacking in provision. Whilst this would have to be subject to the sequential approach and impact testing, development opportunities should be explored as a means of recapturing trade currently leaking from this area, in order to achieve more sustainable shopping patterns.

WESTERN AREA CONVENIENCE GOODS

38. Chorlton is the only District Centre in the Western Area and is anchored by a free-standing Safeway, now Morrisons supermarket. Whilst the store is somewhat dated and slightly removed from the prime shopping area it is performing well.
39. In quantitative terms we have identified a small amount of capacity to support additional convenience goods floorspace in the Western Area on the basis of current market shares. There are no development commitments or proposals in the pipeline to absorb this capacity.
40. Our scenario testing has also indicated that the Western Area is currently losing significant amounts of trade to competing destinations. If all of the available expenditure in the Western Area was retained it would create capacity to support a new convenience superstore in the Western Area by 2009. Although the scope for new provision in the Western Area could be affected by a new Tesco store at Stretford.
41. Notwithstanding this, we consider there is a need for further convenience goods provision in the Western Area. The focus of this should be to supplement the main food shopping provision in Chorlton District Centre, either through reconfiguration or extension of the Safeway store or through the provision of a new main food store. The main issue will be the location of any new provision. CBRE have examined a range of options for the District Centre and in taking these forward the need for further main food shopping provision should be considered, in conjunction with comparison goods shopping needs.

WESTERN AREA COMPARISON GOODS

42. The comparison goods shopping provision in the Western Area is focused on Chorlton District Centre which is performing well, albeit at a relatively modest level. We have identified modest quantitative capacity to support further comparison goods floorspace in the Western Area. This will however largely be absorbed by the development commitment in the pipeline for this area in the short term.
43. In the longer term, we consider there is something of a need for further non-food shopping provision in order to enhance and consolidate Chorlton District Centre. Ideally Chorlton District Centre should accommodate new convenience and comparison goods floorspace if sufficient development opportunities can be created. The redevelopment and extension of The Precinct Shopping Centre in Chorlton would significantly enhance the District Centre, although it has to be explored whether or not it offers the potential to accommodate both comparison and convenience goods floorspace. An alternative strategy would be the redevelopment of The Precinct for non-food shopping and the extension and refurbishment of the Safeway store for convenience goods shopping.
44. Our scenario testing has indicated that there is not sufficient capacity to support an extension to The Precinct Shopping Centre on the basis of current market shares. New development should, however, improve the market shares and there would only need to be a relatively modest uplift to support a

modest increase in comparison goods floorspace in Chorlton. The scheme would however have to be of sufficient size and quality to claw back trade currently being lost to other more major competing destinations, and a larger scale solution may therefore be required.

45. Overall we consider the aim for the Western Area should be to enhance Chorlton District Centre as the key focus for meeting both convenience and comparison goods shopping needs.

SOUTHERN AREA CONVENIENCE GOODS

46. The majority of convenience shopping in the Southern Area takes place at the Tesco store at Baguley with much more modest levels of convenience goods trade occurring at Northenden and Wythenshawe District Centres. Both District Centres lack a modern quality main foodstore and as such are losing trade to the out-of-centre Tesco store which is significantly over trading.

47. The strong performance of the Tesco at Baguley creates residual expenditure to support new convenience goods floorspace in the Southern Area. There is a convenience floorspace commitment in Northenden which would reduce the capacity available slightly. However in the period beyond 2016 on the basis of current market shares there would be scope for a new superstore in the Southern Area. Our scenario testing also indicates that if trade could be clawed back, there is some scope to enhance the convenience goods trade retention of the Southern Area to support a new foodstore at an earlier date.

48. Whilst there are currently no proposals in the pipeline for new convenience superstore provision in the Southern Area, we consider that convenience goods shopping needs could better be met by providing main food shopping facilities at Wythenshawe District Centre and the strategy should be focused on achieving this.

SOUTHERN AREA COMPARISON GOODS

49. Comparison goods shopping in the Southern Area is focused on Northenden and Wythenshawe District Centres both of which are performing well and provide a good comparison goods shopping offer. The District Centres are supplemented by Brookway Retail Park which provides some limited bulky goods shopping facilities.

50. Overall we estimate that the Southern Area is drawing a reasonable amount of comparison goods trade. This Area is however the furthest from Manchester City Centre and shoppers are therefore having to travel further afield to meet their comparison goods shopping requirements that cannot be addressed in the District Centres and the Brookway Retail Park. There is therefore some scope to support further comparison goods provision.

51. Our capacity forecasts indicate that there will be residual expenditure to support new floorspace in the Southern Area and there are no commitments in the pipeline to absorb this. We have considered

a scenario where further significant new comparison goods floorspace is developed in the Southern Area. Whilst there would not be capacity to support major new floorspace on the basis of current market shares, if a new development had sufficient critical mass it could claw back trade that is currently being lost from the Southern Area to Manchester City Centre, Stockport, Cheadle and Altrincham. The level of trade that would need to be clawed back is fairly considerable and it would only be feasible if any development was sufficiently attractive and of sufficient critical mass.

OVERVIEW

52. Our capacity analysis identifies significant scope for further convenience and comparison shopping floorspace in the City Centre and District Centres up to 2016. A key challenge is to employ this capacity to reinforce a strategic network of District Centres that complement the successful and expanding City Centre and create more inclusive, sustainable shopping patterns. This will involve making strategic policy choices about which centres should be expanded, and which may need to diversify and/or readjust to a different role.

1. INTRODUCTION

1.1 GVA Grimley was instructed by Manchester City Council in June 2005 to undertake the Manchester Quantitative Retail Needs Study. The purpose of the study is to analyse the future quantitative need for additional retail facilities across the city and the locations that could meet any identified needs. The study will complement work already carried out on the Manchester Strategic Study and both pieces of work will then inform the preparation of Local Development Documents.

1.2 The specific objectives of the study as outlined by Manchester City Council were as follows:

- To collate appropriate, survey based data and prepare detailed modelling for future quantitative need for additional retail facilities across the city.
- To undertake analysis of the modelling to provide clear and concise conclusions on future retail needs and the locations that should absorb such need.
- To consider different areas of the city and provide detailed analysis at various area levels.
- To link directly to the work already carried out in the Strategic Study, drawing conclusions on the overall future retail needs of the city by combining the quantitative results with the qualitative findings already available from the Strategic Study.

1.3 The City Council identified eleven key questions that they wished to see answered as part of the work including:

- i. What level of market share of convenience and comparison goods does the City Centre have from the study area?
- ii. What level of market share of convenience and comparison goods does each of the sixteen District Centres have from the study area?
- iii. What are the estimated turnovers of each of the centres?
- iv. Are the levels of market share and turnover acceptable?
- v. Should any centres be aspiring to a greater market share?
- vi. What will be the future capacity for new convenience and comparison goods for Manchester City Centre?
- vii. What will be the future capacity for new convenience and comparison goods for each of the sixteen District Centres across the city?

- viii. In which areas are there centres which fall significantly short of expectation and in which areas are they performing above expectation?
- ix. In which areas is there likely to be a greater growth in expenditure and hence capacity?
- x. How would the capacity for additional development change each of the above centres if their market shares were to increase/decrease over time?
- xi. Are there any new developments outside the city boundary that may change market shares within the city? If so how?
- xii. Can clear data be obtained on the function of the local centres, acknowledging that they are small scale facilities?

1.4 Our proposed approach to the study was based upon eight work areas including:

- i. Background context work and a policy overview.
- ii. The preparation and commissioning of a household telephone survey, in order to assess the current shopping patterns within the metropolitan area. The preparation and commissioning of an on-street shoppers survey in the City Centre, in order to assess where shoppers currently using the City Centre are coming from.
- iii. Formulating the quantitative retail capacity modelling by collating the relevant data including population and expenditure data and existing and pipeline retail floorspace data.
- iv. A broad brush qualitative strategic overview of existing facilities in Manchester.
- v. An analysis of shopping patterns and performance of the City Centre and the sixteen District Centres.
- vi. A quantitative modelling exercise to forecast the retail capacity for the period up to 2016 and to investigate a range of future development scenarios.
- vii. An identification of any existing gaps or deficiencies in the current shopping network in the Manchester and the extent to which they will be addressed by proposals in the pipeline or they create a requirement to develop alternative strategies for addressing needs.
- viii. To draw together the results of all the analysis to provide a set of recommendations and advice to inform the preparation of the forthcoming LDF.

STRUCTURE OF THE REPORT

- 1.5 This report includes twelve sections. The next section summaries the Strategic Context of the Study by drawing on the findings and conclusions of previous work, including in particular the CB Richard Ellis Manchester Strategic Retail Study reports. In Section 3, we set out our Retail Capacity Modelling methodology.
- 1.6 Section 4 provides an overview of shopping patterns in the Manchester area, setting the context for the Study. The findings of the quantitative retail capacity modelling for the City Centre are set out in Section 5. This covers both comparison and convenience goods. Sections 6 to 11 detail the findings of the quantitative retail capacity modelling for the District Centres.
- 1.7 Section 12 draws together the results of this research to present our Recommendations for addressing the future retail needs of the City.
- 1.8 The report is supported by a series of plans and appendices. In Appendices 1 and 2 we set out background information including an analysis of relevant planning policies and an assessment of the current retail trends of relevance to this research. The retail capacity assessment modelling tables are set out Appendices 3 and 4. The remaining Appendices include details of the Household Telephone Interview Survey and the In Centre Survey, the Experian Goad Centre Reports and a summary of retail provision, both existing and proposed in the North West.
- 1.9 Much of the data collection and analysis for this report was undertaken between September and December 2005. It does not therefore necessarily represent the current position when this Report was finalised in July 2006.

2. STRATEGIC OVERVIEW

- 2.1 This Section provides a Strategic Overview of Manchester, drawing on existing studies and research. In particular, we have reviewed the draft report by White Young Green Planning on the Town Centres in the North West Region and two reports prepared by CB Richard Ellis on the Manchester Strategic Retail Study.

TOWN CENTRE ASSESSMENT STUDY FOR NORTH WEST REGIONAL ASSEMBLY, WHITE YOUNG GREEN PLANNING, JUNE 2005

- 2.2 White Young Green Planning (WYG) was appointed by the North West Regional Assembly to undertake a research study to assess town centre activity across the region, with particular regard to the retail and leisure elements of the town centres function. The Study sought to explore the potential capacity of the sub-regions within the North West to accommodate future predicted growth from which strategic options can be then be formulated.
- 2.3 The Study sub divided the region into six broad areas, namely: Cheshire, Cumbria, Greater Manchester, Lancashire, Merseyside and Mid-Mersey. A Household Telephone Survey with a sample of 6,500 households was undertaken across the whole region and the population and expenditure data was derived from Map Info.
- 2.4 The analysis of shopping patterns in the Greater Manchester area covers comparison goods shopping. The report indicates that the defined Greater Manchester area has a resident population of 2.26 million which generates approximately £6,450m of comparison goods expenditure in 2005 which will increase to approximately £11,772m by 2021.
- 2.5 The report estimates that the retail facilities in Greater Manchester have an overall market share of 37.4% within the region as a whole. This market share has been used to examine the likely comparison floorspace required. WYG estimate that there will be approximately £902m comparison goods expenditure available for new retail development based on current market shares by 2010. This level of expenditure will increase to £2,085m by 2015, £3,925m by 2021. They have converted this surplus expenditure to a net floorspace requirement by applying an average sales density (of £3,500). They estimate that by 2010 there will be a requirement for approximately 239,000 sq m net increasing to 883,744 sq m net by 2021. This is then balanced against the planning commitments of 189,371 sq m net which would meet almost 79% of the net floorspace requirement identified by 2010.
- 2.6 These estimates set out floorspace capacity across the whole of the Greater Manchester area. Whilst the majority of this capacity for new floorspace will be focused on Manchester City Centre the report does not provide a breakdown for the locational needs of the different centres within Greater Manchester. We have forecast the requirements for Manchester City Centre and the District Centres in the metropolitan area.

MANCHESTER STRATEGIC RETAIL STUDY (STAGE ONE REPORT) FOR MANCHESTER CITY COUNCIL, CB RICHARD ELLIS, AUGUST 2003

- 2.7 CB Richard Ellis (CBRE) was instructed by Manchester City Council to undertake a Study of retailing across the Manchester City area. The study focused on the sixteen District Centres, the Local Centres and an overview of the relationship to the City Centre. The Study included detailed surveys of each of the centres to establish the facilities they offer and their role and function in the retail hierarchy. In addition to examining the retail function of centres, it also examined the range of other facilities available.
- 2.8 The Study sets out a retail hierarchy of District Centres and a hierarchy which combines their retail function and their service/inclusivity function. It then identifies a three tiered ranking of the centres as good/stable; in need of some attention; and in need of urgent attention. The report concludes by identifying those areas of the City that CBRE consider require further convenience provision. The conclusions and research in the Stage One report are carried through into the Stage Two Report.

CENTRES STUDY (STAGE TWO REPORT) FOR MANCHESTER CITY COUNCIL, CB RICHARD ELLIS, JUNE 2004

- 2.9 The Stage Two Report seeks to take the benchmark exercise carried out in Stage One and identify a strategic response for each of the centres. It therefore includes a series of detailed Action Plans for each of the District Centres. It also defines eight broad policy themes for consideration in the new LDF. These are set out in turn below.

A New Centre Hierarchy

- 2.10 CBRE consider there should be three groupings or tiers of District Centre as follows:
- Major District Centres - Chorlton, Sport City, Levenshulme and Didsbury;
 - District Centres – Cheetham Hill, Harpurhey, Hulme, Longsight, Newton Heath, Northenden and Wythenshawe;
 - Minor District Centres – Fallowfield, Withington, Gorton, Rusholme and Openshaw.
- 2.11 The aim should be to elevate Minor District Centres to District Centres and to raise the overall standard of the District Centre classification. The report states that beneath the three-tier structure of District Centres is a further grouping of 22 Local Centres. CBRE suggest that none of the Local Centres perform a role that justifies their elevation to District Centre status. In considering whether any of the Local Centres should be declassified altogether, CBRE suggest that the removal of Local Centre status from Claremont Road and consolidation of Kingsway/Slade Lane and Dickenson Road/Anson Road into a single Local Centre.

Development Priority Areas

- 2.12 CBRE introduce the concept of 'development priority areas' to highlight parts of the city that represent a priority in terms of investment and regeneration activity. The three areas suggested include:
- The Rusholme/Fallowfield/Withington area which appears underserved in overall terms by food retailing and also includes the three failing Local Centres;
 - The Wythenshawe/Northenden area, which has a poor quality of food retail provision; and
 - The Eastern Area, broadly defined, comprising of Gorton, Openshaw and Newton Heath/Miles Platting, where the quality food shopping and other service provision is quite poor. The Local Centres in this area, notably Hyde Road, Reddish Lane, Beswick and Ashton New Road/Manchester Road also warrant special attention.

Centre Boundaries

- 2.13 CBRE suggest that in spatial planning terms the definition of a 'District Centre' on the ground is of fundamental importance. They stress that it delineates the preferred location for certain types of development and can help manage the evolution of a centre to create a more focused, vital and viable place. CBRE conclude that the definition of many of Manchester's District Centres bears little relationship to the current or proposed situation there and as such the District Centre boundaries should be renewed and where appropriate redrawn. Each of the Action Plans makes reference to centre boundaries.

Development Needs and Opportunities

- 2.14 CBRE conclude that to strengthen the strategic guidance provided by the centre hierarchy and development priority area approaches, specific policy support should be put in place to encourage and bring forward development in a number of District Centres. These include Openshaw, Gorton, Newton Heath, Wythenshawe and Rusholme as well as the Inner North/Oldham Road area.
- 2.15 Other centres that may see a variety of a more minor initiatives include Chorlton with the remodelling or upgrading of the Safeway store; Fallowfield with the opportunity for action on land adjacent to Sainsburys; and Northenden with the opportunity for improvement on land to the north of the centre.
- 2.16 The other policy issues which the report covers include:
- **Environmental Improvements** and the need for a programme across Manchester's centres;
 - **Management Initiatives** and the need to provide a co-ordinating body for Manchester's centres;

- **Control of Hot Food Take-Aways and A3 Uses** and the need to prepare Supplementary Planning Guidance; and
- **New Convenience Shopping** as several potential areas for additional or improved convenience retailing have been identified around the city. These include the City Centre, Inner North/Oldham Road, Openshaw, Gorton, Rusholme, Wythenshawe/Northenden. It is suggested that these should be taken forward through planning proposals.

2.17 The CBRE Stage Two report conclusions briefly summarise each of the District Centre Action Plans as follows:

- **Cheetham Hill** The ability of Cheetham Hill to operate as a District Centre is undermined by the quality of its retail and services offer and the quality of its urban environment. Major intervention by way of proposals to redevelop Cheetham Hill Parade and adjoining land to include the provision of a Tesco superstore is anticipated. As this development moves forward, the immediate priority is to invest in a programme of environmental improvements elsewhere in Cheetham Hill, to ensure that the centre as a whole is able to contribute to meeting the needs of local people once the Tesco scheme is in place.
- **Chorlton** is performing well in many respects and is designated as a Major District Centre within the suggested hierarchy. One area of concern is the poor quality and function of the main foodstore. The immediate priority is therefore measures to improve the performance and attraction of this store.
- **Didsbury** functions well and is designated as a Major District Centre within the hierarchy. The issues faced by Didsbury tend to be focused on environmental and management matters, and improvements should be pursued in this regard.
- **Fallowfield** is identified as a particular priority for action. It falls within a development priority area in the central/southern part of the city, and is classified as a Minor District Centre placing it alongside some of Manchester's worst performing centres. The immediate priorities include promoting non-food retailing in the centre and managing A3 uses more effectively.
- **Gorton** It is recommended that specific policy support should be given to encourage development in Gorton. It is a poorly performing Minor District Centre and falls within the development priority area in the eastern part of the city. Comprehensive redevelopment of the shopping area is a priority, driven by a masterplanning approach.
- **Harpurhey** The weaknesses of Harpurhey including the limited comparison goods shopping and the poor service provision should be addressed by the comprehensive redevelopment scheme for the centre currently being brought forward. In this context the immediate priority is

to capitalise on this investment by supporting the re-use of the important public baths buildings and site by the Manchester College of Arts and Technology.

- **Hulme** The designation of Hulme as a District Centre reflects the strength of its convenience shopping attraction, its strategic location serving the southern/central part of the city, and the plans and opportunities to enhance its role further. The immediate priority is to create additional critical mass by way of further non-food retail provision, and in turn the provision of further non-retail facilities, environmental improvements, and enhanced public transport accessibility.
- **Levenshulme** The status of the Levenshulme as one of Manchester's largest District Centres, offering a wide range of facilities and a particular niche in terms of its antique and furniture shopping provision is reflected in its designation as a Major District Centre. However the vacancy rate is among the highest recorded city wide, and there is a need to encourage the reoccupation of units as part of a wider reconfiguration and consolidation strategy in the centre as a whole.
- **Longsight** While Longsight has several strengths, including the main food retail focus for the A6 corridor and a number of public service uses, it does not fully capitalise on the opportunities these facilities present. As such, the centre would benefit from consolidation of the public service provision and an improved treatment of Asda and the area immediately around it, to integrate it more fully with the Stockport Road frontage and the rest of Longsight.
- **Newton Heath** performs adequately as a District Centre, but improvements are required to underpin its commercial viability and support its ability to perform its designated function. It benefits from the availability of several potential development sites, which should be exploited to support its vitality and viability. It is recommended that specific policy support is given to encourage development in Newton Heath and its location within a development priority area recognises that it represents a particular priority for action.
- **Northenden** is performing adequately as a District Centre, although opportunities for change by way of operational development appear limited. However, Northenden, alongside Wythenshawe, falls within a development priority area in the southern part of the city and therefore represents a particular priority for action. In this context, emphasis should be placed on pursuing the limited development opportunities that do exist in the centre, and on bringing forward environmental improvements.
- **Openshaw** Of all the District Centres examined, Openshaw faces the greatest challenges in terms of its retail and service offer, the quality of its shopping and environment, and its ability to maintain its function as a viable District Centre. It is classified as a Minor District Centre, located within a development priority area, and it is recommended that specific policy support should be given to encourage development. The proposed development of The Alstom Works

may provide the opportunity to revitalise the centre, although any firm proposals for the site should be subject to detailed scrutiny.

- **Rusholme** functions well in terms of Asian retailing and the lively evening economy, and is unique in Manchester in terms of this valuable niche role. However to a certain extent, this is at the expense of its ability to perform a fully rounded District Centre role, and on this basis it is classified as a Minor District Centre within the suggested hierarchy of centres. It is also identified as falling within a development priority area in the central/southern part of the city and therefore recognised as representing a particular priority for action. In the context of the particular development challenges evident in Rusholme and the needs of the area, it is recommended that specific policy support should be given to encourage development at this location. Equally, improved centre management is an immediate priority.
- **Sport City** In retail terms Sport City operates as a strong District Centre, the range of goods on offer is extensive, shopper satisfaction is high and it is extremely well used. This is reflected in its designation as a Major District Centre within the hierarchy. However, service provision and availability of wider community facilities is very poor and this restricts its ability to perform a fully rounded District Centre role. The pursuit of opportunities to broaden the range of facilities available at Sport City is an immediate priority.
- **Withington** is classified as a Minor District Centre, reflecting its limited retail offer, concerns over safety and security and the overall centre environment. It is located within a development priority area and as such recognised as representing a particular priority for action.
- **Wythenshawe** falls within a development priority area and is therefore identified as a particular priority for action. Provision of a strong main food retail anchor is an immediate priority here to act as a catalyst for further much needed improvements to the centre.

2.18 The main focus of the study is on Manchester's District Centres, although a review of the Local Centres has been carried out. The report indicates that the qualitative short comings evident in a range of Local Centres should be addressed through the broad policy approaches outlined, in a way that will enable them to perform their role and function more effectively. For example, a number of Local Centres are situated within 'development priority areas' and future decisions about the management and development of District Centres within these areas should have regard to their relationship to nearby Local Centres.

2.19 CBRE conclude by setting out views on sustainable communities and the key stakeholders that will be essential in delivering the action plans. A series of further recommendations are also drawn together and these include:

1. The policy advice and action planning should be carried forward and implemented through the UDP review, within the new development planning framework.

2. Within this process the immediate priorities include a) management initiatives, b) centre boundaries, c) development priorities, d) hot food take-aways and A3 uses.
3. A concentration of potential opportunities for convenience retailing in east and south Manchester have been identified. A proactive and strategic view should be taken on the scope to support further convenience retail in these parts of the city. This should be in the form of a quantitative market analysis, married to the qualitative assessment presented in the strategic study to pre-empt rather than respond to individual schemes that come forward.
4. Continued monitoring and review of the status of Manchester's District Centres to determine the extent to which the worst performing centres have been improved and overall standards have been enhanced.

2.20 The CBRE work has been drafted into an Interim Policy on Centres. The objective of this is "to enhance and promote a strong network of centre provision in the city area with an emphasis on the city centre, district centres, local centres and areas of regeneration". The main thrust of the policy is to concur with PPS6, in that applicant's for new development will be required to consider need, scale, sequential approach, impact, accessibility, regeneration, social inclusion and economic growth.

CONCLUSIONS

- The White Young Green Report on the North West region sets out the capacity for new development in the Greater Manchester area through to 2010. This determines that development commitments in the pipeline will have absorbed 79% of the identified capacity within the next five years. In this report we examine the scope for new development over a longer time frame and focus on Manchester City Centre and the District Centres.
- The two CBRE reports provide a comprehensive strategic overview of Manchester covering both the City Centre and the District Centres. They propose a three tiered hierarchy of Major District Centres, District Centres and Minor District Centres, with three 'development priority areas' covering central areas (Rusholme/Fallowfield/Withington), southern areas (Wythenshawe/Northenden) and eastern areas (Gorton/Openshaw/Newton Heath).
- CBRE highlight centres where specific policy support is needed to encourage and bring forward development. These include Openshaw, Gorton, Newton Heath, Wythenshawe and Rusholme as well as the Inner North/Oldham Road area.
- Several areas are identified which need additional or improved convenience retailing. These include the City Centre, the Inner North/Oldham Road area, Openshaw, Gorton, Rusholme and Wythenshawe/Northenden. However, CBRE identify the need for a quantitative assessment to supplement their largely qualitative analysis.

- This report complements the qualitative assessment set out in the CBRE Strategic work and explores more specifically the capacity to support new development within Manchester in both the City Centre and the District Centres. It highlights the different levels of performance of the District Centres and areas where capacity is arising or is deficient and then develops the most appropriate strategy accordingly.

3. RESEARCH METHODOLOGY

- 3.1 In this Section, we outline the methodology and data inputs and assumptions used in the retail capacity assessment. The detailed retail capacity tables accompanying this assessment are set out in Appendix 3 for convenience goods and Appendix 4 for comparison goods.
- 3.2 In order to carry out our quantitative assessment we have used a conventional and widely accepted step by step methodology. This draws upon the results of the Household Telephone Interview Survey of existing shopping patterns, to model the existing flows of available expenditure to each retail destination.
- 3.3 To summarise, we have completed the following steps:
- Calculated the total amount of expenditure which is available within the postcode areas comprising the Manchester survey area;
 - Allocated the available expenditure to the shopping destinations on the basis of the Household Telephone Interview Survey of shopping patterns, so as to provide estimates of current sales and forecasts of future sales;
 - Compared the total expenditure attracted to each shopping destination with current retail floorspace to assess sales densities and hence the current performance of each shopping destination.
- 3.4 Having established the baseline position, we have explored the future capacity for further convenience and comparison retail floorspace. The modelling exercise covers the period 2005-2021 and provides an estimate of the capacity for new floorspace in both the City Centre and different parts of the City, as detailed in Sections 5-11. This has regard to the performance of existing facilities and where appropriate, the potential to change the pattern of market shares to support new development.

DATA INPUTS

i) Survey Area and Household Telephone Interview Survey

- 3.5 In order to provide detailed factual information on the shopping patterns in Manchester, we have commissioned a new Household Telephone Interview Survey covering 5,000 households. The survey area covers the Manchester City metropolitan area and a wider area beyond where the inter-relationships with the Manchester area need to be examined. The wider area includes a number of larger towns such as Oldham and Ashton under Lyne to the east, Stockport to the south-east, Altrincham to the south- west, the Trafford Centre to the west and Bury and Rochdale to the north (Plan 1).

- 3.6 The survey area was sub-divided into 35 survey zones on the basis of postcode sectors, 16 of these zones cover the Manchester City area. As far as possible each District Centre was covered by a single survey zone. For example, Cheetham Hill is survey zone 2, Harpurhey survey zone 3, etc (Plan 2).
- 3.7 The 16 survey zones covering the Manchester City area have subsequently been split into 7 sub-areas, including a northern, eastern, central east, central west, western and southern area, along with the City Centre (Plan 3). The sub-division of the City draws on the physical and postcode geography, the road network and the CBRE Strategic Study, in particular the identification of development priority areas (central, southern and eastern).
- 3.8 GVA Grimley designed the Household Telephone Interview Survey questionnaire in conjunction with Manchester City Council and NEMS, the market research company that undertook the interviewing and data processing. The survey seeks to determine shopping habits of households for both convenience and comparison goods. Where necessary, survey results have been re-based to remove inappropriate responses such as don't shop for particular goods or internet/catalogue shopping (special forms of trading). The Household Telephone Interview Survey questionnaire is set out in Appendix 5.
- 3.9 For convenience goods the Household Telephone Interview Survey included questions on main food and top-up food shopping. The results of the two types of food expenditure questions were merged through the application of a weighting which reflects the estimated proportion of expenditure accounted for by each type of shopping. For food we used a 75%/25% main food/top-up food shopping weighting. This produces a composite pattern of convenience spending, expressed as a market share for each survey destination.
- 3.10 For comparison goods the Household Telephone Interview Survey included five categories of questions covering shopping for clothing and footwear; furniture, floor coverings and household textiles; domestic electrical appliances; DIY and decorating supplies; and personal and luxury items. The results of all of these questions were also merged using a weighting. This reflects the amount of per capita expenditure in the Manchester survey area on each of the different categories of goods. For example, considerably more money is spent on clothing and footwear than on DIY goods, giving clothing and footwear a higher weighting. As for convenience goods, this produces a composite pattern of comparison spending, expressed as a market share for each survey destination.
- 3.11 For certain centres and stores the Household Telephone Interview Survey has produced anomalous results, particularly when compared with previous work commissioned by the City Council. We have therefore made minor adjustments to the market shares in Gorton and Sports City order to better reflect shopping patterns.

ii) Estimates of Population in the Survey Area

- 3.12 The population estimates and forecasts for each of the survey zones were prepared from the Experian E-Marketer in-house system. This provides estimates of population in 2005, 2009, 2011 and 2016. In addition forecasts have also been produced through to the year 2021. The Experian data is based upon Government mid-year estimates (2002) and Government population projections (2003).
- 3.13 Overall, the population of the survey area is currently 2,069,231. It is forecast to rise to 2,085,226 by 2011 and 2,104,581 by 2016 and 2,118,770 by 2021 (Table 1, Appendices 3 and 4). This is an increase of 2.4% over the period 2005 to 2021.
- 3.14 The population in survey zone 5 has been adjusted to reflect the New East Manchester (NEM) household projections. The Experian mid-term estimates established the current population of Zone 5 as 17,317 in 2005, which was expected to increase to 17,854 by 2021. The NEMs forecasts predict an increase in population to 22,321 by 2011, 26,491 by 2016 and 27,325 by 2017. This is an overall increase of 58% between 2015-2017, and this is reflected in Table 1, Appendix 3 and 4.

iii) Available Expenditure in the Survey Area

- 3.15 The Experian E-Marketer System also provides an estimate of per capita expenditure on convenience and comparison goods in 2003 prices. We have made deductions for special forms of trading which represent expenditure not available to spend in the shops. In order to reflect as far as possible local variations in available expenditure we have attained per capita expenditure figures for each of the survey zones (Table 2, Appendices 3 and 4).
- 3.16 In terms of expenditure growth, we have drawn on growth rates provided by Experian Business Solutions. These estimate a convenience goods growth rate of 0.7% per annum and a comparison goods growth rate of 4.3% per annum.
- 3.17 The per capita expenditure is applied to the population forecasts to obtain total available expenditure within each of the survey zones (Table 3, Appendices 3 and 4). This illustrates that total available convenience goods expenditure within the Manchester survey area is currently £3.09 bn. This is forecast to grow to £3.24bn by 2011, £3.39bn by 2016 and £3.53bn by 2021. This equates to an overall growth of £0.4bn between 2005 and 2021.
- 3.18 The total comparison goods expenditure within the Manchester survey area is currently £4.8bn. This is forecast to grow to £9.7bn by 2021, which is an overall growth of £4.8bn or a 99% increase between 2005 and 2021.

iv) Floorspace Data

- 3.19 The comparison and convenience goods floorspace data used in our modelling has largely been drawn from Experian Goad Centre Reports. We have drawn on the existing Experian Goad reports for the centres of Cheetham Hill, Chorlton, Longsight, Northenden, Openshaw, Wythenshawe, Hulme and Didsbury (Appendix 6). To obtain comprehensive coverage of all the 16 District Centres, we have commissioned new Experian Goad surveys of the remaining 8 centres (Appendix 6). These comprise Fallowfield, Gorton, Harpurhey, Levenshulme, Newton Heath, Rusholme, Sport City and Withington. This data will provide Manchester City Council with a robust data set for all the District Centres and can subsequently be updated on a bi-annual basis.
- 3.20 The Experian Goad Centre Reports set out the gross convenience and comparison goods floorspace in each of the District Centres. This gross floorspace is measured as the footprint of each of the buildings within the centres; it may therefore slightly over estimate the floorspace. For consistency we have however relied upon the figures as a gross floorspace and calculated the net accordingly.
- 3.21 We have used the Institute of Grocery Distribution Report (IGD) to determine the floorspace of the main foodstores in each of the District Centres and out of centre. Our floorspace assumptions include an adjustment to identify the proportion of purely convenience goods floorspace. The superstores all include a proportion of non-food floorspace; we have therefore adjusted the net floorspace to identify the proportion of sales space allocated for convenience goods. This accords with the expenditure data and the expenditure assumptions used.

v) Sales Densities

- 3.22 In order to review the current performance of centres and stores within the Manchester City area we have compared their existing turnover with estimates of trading at company average levels. The company average trading levels have been calculated from average sales density figures obtained from Mintel Retail Rankings. Company average trading figures are not available for smaller stores and particularly local and independent retailers. We have therefore used an estimate of average trading levels.
- 3.23 In assessing the capacity for future comparison goods floorspace we have assumed that the efficiency with which existing floorspace is being used will improve over time. We have therefore assumed an annual growth rate in existing sales per sq m of 2.5%. Table 3.1 highlights all the quantitative assumptions we have used.
- 3.24 For both convenience and comparison goods we have drawn upon our experience elsewhere, current sales densities and estimates of company average sales densities to assess the turnover of new floorspace. We have assumed that the new City Centre comparison goods floorspace should achieve a sales density of at least £6,000 per sq m net and this will improve its efficiency at a rate of

2.5% per annum. We have assumed that the new District Centre comparison goods floorspace could achieve a sales density of £2,000 per sq m net.

3.25 The sales density assumed for the generation of convenience floorspace capacity is £11,370 per sq m net. This is based upon the company average sales of the four large format foodstores (Morrisons, Tesco, Sainsburys and Asda). This therefore generates the minimum capacity in each area. If a lower sales density, such as that of a smaller operator like Somerfield (£4,700 per sq m net) or a discounter like Aldi (£4,180 per sq m net) was used more capacity would be generated for these type of stores.

3.26 Table 3.1 summarises the assumptions made in the quantitative retail capacity modelling.

Table 3.1 Quantitative Assumptions

Assumptions	%	
Expenditure Growth Rates (per annum)	Convenience	0.7
	Comparison	4.3
% Special Forms of Trading (removed)	Convenience	0.9
	Comparison	6.4
Floorspace efficiency (per annum)	Comparison	2.5

Source: Experian Retail Planner Briefing Note 2.0, August 2004

RETAIL CAPACITY MODELLING SCENARIOS

3.27 In order to thoroughly examine the convenience and comparison goods expenditure capacity arising within Manchester we have modelling a number of different scenarios.

3.28 For convenience goods for each of the sub-areas of the City we have examined three future scenarios, as follows:

- First, we have established a baseline position and estimated the amount of capacity to support new convenience floorspace assuming there was no new development.
- Second, we have factored in development commitments in the pipeline, to examine their effect on the capacity forecasts. The capacity forecasts with commitments are on the basis of current market share. In practice it is likely that significant new development will attract more trade and consequently enhance market share.

- Third, we explore the potential for new development to improve market share. In order to do this we have examined the maximum amount of floorspace that could be supported in each sub-area of the City, if it functioned as a self contained catchment and retained 100% of trade. Whilst this is not realistic or necessarily the most sustainable distribution of provision, it provides a theoretical benchmark of the maximum amount of possible new floorspace.

3.29 For comparison goods for each of the sub-areas of the City we have examined four future scenarios, as follows:

- First, we have established a baseline position and estimated the amount of capacity to support new comparison goods floorspace assuming there was no new development.
- Second, we have incorporated development commitments in the pipeline to examine their effect on the capacity forecasts.
- Third, we have incorporated development proposals that are currently in the process of coming forward.
- Fourth, as our examination of development commitments and proposals is on the basis of current market shares, we have prepared a further scenario to examine the potential for uplift in market shares and the effects of new development. In practice significant new schemes in some areas are likely to enhance market shares.

3.30 The results of all the scenario testing are set out in the Sections 5-11 of this report.

4. OVERVIEW OF SHOPPING PATTERNS

- 4.1 This Section presents an overview of shopping patterns in the Manchester survey area, outlining the key competing destinations. This sets the context for the quantitative analysis.
- 4.2 The Household Telephone Interview Survey indicates that the main destinations competing with Manchester City Centre are Stockport and The Trafford Centre. The analysis of the market share of Manchester City Centre in comparison with competing centres is set out in Table 4.1 below and Appendix 7. This only sets out the proportion of centres turnover drawn from the survey area, for example it does not fully identify the total turnover of centres where their catchment falls outside the survey area, such as Bolton. Plan 4 highlights the comparison goods expenditure drawn to competing centres from the survey area and Plans 5 - 13 the market shares of centres within the Manchester survey area.

Table 4.1 Manchester and Competing Centres Comparison Goods Trade Draw from the Survey Area

Centre	Trade draw from catchment area £000	% of available comparison goods expenditure
Manchester City Centre	889,403	18.1
Northern Area	67,377	1.4
Eastern Area	12,169	0.2
Central East Area	33,165	0.7
Central West Area	14,999	0.3
Western Area	16,405	0.3
Southern Area	28,642	0.6
Total Sub Areas	172,757	3.4
Stockport	438,962	8.9
Trafford Centre	331,345	6.7
Bury	295,793	2.8
Oldham	226,970	4.6
Rochdale	205,551	4.2
Altrincham	136,025	2.8
Aston Under Lyne	126,515	2.6
Bolton	77,423	1.6
Other Retail Locations	2,195,409	44.5
TOTAL	4,923,395	100

Source: Household Telephone Survey, September 2005

MANCHESTER CITY CENTRE

- 4.3 It is evident that Manchester City Centre is the dominant centre for comparison goods within the survey area, drawing 18.1% available expenditure. The District Centres and retail parks in the Sub-Areas of Manchester have a much more limited trade draw and only attract 3.4% of expenditure from the survey area. The majority of this is attracted to the Northern Area and in particular to the Manchester Fort Shopping Park (1.3%). The other Retail Parks draw very little trade from the Manchester survey area, reflecting the limited number and scope of facilities. The District Centres drawing the most comparison goods trade from the survey area are Cheetham Hill and Wythenshawe. This is however a market share of just 0.4% in each case.
- 4.4 This illustrates that there is a significant leakage of comparison goods trade from the Manchester Sub-Areas and this report explores the scope for addressing this and clawing back trade to create a more sustainable and equitable distribution of retailing.

STOCKPORT

- 4.5 The Household Telephone Interview Survey indicates that Stockport draws £439m of comparison goods turnover from the survey area. This equates to approximately 9% of the total available comparison goods expenditure within the 35 survey zones. It is the highest market share of the competing centres and it attracts about half of the amount of trade that Manchester City Centre does from the survey area.
- 4.6 As illustrated on Plan 5 much of the Stockport catchment falls within the survey area. Stockport draws trade from 26 of the 35 survey zones. Whilst the greatest influence of Stockport is outside the Manchester City boundary (in survey zones 33-35), significant proportions of trade are drawn to Stockport from survey zone 8 where Levenshulme District Centre is located and survey zone 12 where Withington District Centre is located. Therefore in addition to drawing trade from Manchester City Centre, Stockport is also attracting trade from certain District Centres.
- 4.7 The location of Stockport is such that this is the natural pattern of trade, with the town serving parts of the Manchester catchment. There may however be some scope to reduce the leakage of trade particularly from the Southern, Central East and Central West Sub-Areas of Manchester, creating a more sustainable pattern of trade.
- 4.8 A Master Plan has been developed to significantly increase and improve the retail offer in Stockport town centre by realigning Princes Street. Whilst this development is unlikely to have been completed within the next 10 years, it could have an impact on the amount of trade drawn to Stockport from the Manchester survey area in the future.

THE TRAFFORD CENTRE

- 4.9 The Household Telephone Interview Survey highlights that the Trafford Centre draws some trade from all of the survey zones (Plan 6). In the majority of zones the trade drawn is less than 10%. Although in the zones closest to The Trafford Centre the proportion of trade drawn increases. As such the Trafford Centre draws 17/18% from survey zones 20 and 22 and 28% of trade from survey zone 21 where it is located. It also draws 12% of trade from survey zone 11 where Chorlton District Centre is situated.
- 4.10 Overall the proportions of trade drawn are lower than those drawn to the City Centre and as such The Trafford Centre attracts £331m of comparison goods expenditure from the survey area compared to the £889m drawn by Manchester City Centre. This equates to a market share for the Trafford Centre of 7%. At this level the Trafford Centre does not appear to threaten Manchester City Centre, rather it draws limited trade from a wider area which is likely to largely be specialist shopping trips e.g. Christmas shopping trips, birthday shopping trips, special days out. It therefore serves a similar role to Bluewater Shopping Centre in the South East in relation to London's West End.
- 4.11 In the future it will be important to ensure that Manchester City Centre maintains its market share relative to the Trafford Centre. New development in the City Centre should assist in the short term, although the Trafford Centre has recently gained a John Lewis department store and a new bulky goods retail park, Giants Field is in the pipeline adjacent to it. This is being viewed as an informal extension to the Trafford Centre.

BURY

- 4.12 Bury draws £296m of the total available comparison goods expenditure from the Manchester survey area. This is a market share of 6% across the whole survey area. The trade draw of Bury is focused on survey zones 24, 25 and 26 (Plan 7) and this is the natural catchment of the centre.
- 4.13 Bury is likely to maintain its current role relative to Manchester City Centre in the future. Although work is due to commence shortly on a major mixed use scheme in Bury, with the retail element acting as an extension to the town centre, we consider this is unlikely to extend the natural catchment of Bury. It may increase the amount of trade drawn from the current catchment this is, however, more likely to impact on Bolton than Manchester City Centre.

OLDHAM

- 4.14 Oldham draws £227m of the total available comparison goods expenditure within the Manchester survey area. This is a market share of 5%. The trade draw of Oldham is focused on survey zone 30 (Plan 8), as the natural catchment is limited by Aston-under-Lyne to the south and Rochdale to the north. We consider the trade draw of Oldham is likely to remain the same in the future as developments in the pipeline are more modest than elsewhere.

OTHER LOCATIONS

- 4.15 The trade drawn to other towns within and immediately outside the survey area is more localised, focusing on the survey zone that the town is located in and the zones immediately surrounding it (Plans 9-12). Those towns highlighted include Rochdale, Altrincham, Ashton-under-Lyne and Bolton. Rochdale draws £206m of comparison goods expenditure from the survey area, Altrincham £136m, Ashton-under-Lyne £127m and Bolton £77m. As such the market share of Rochdale is 4%, the market share of both Altrincham and Aston-under-Lyne is 3% and the market share of Bolton is 2%. Bolton is the only one of these towns located outside of the survey area and as such the trade draw identified is just a proportion of the town's total turnover. Overall these towns draw relatively modest amounts of trade from the survey area, reflecting their role and function within the wider area. We consider these shopping patterns are unlikely to change significantly in the future.
- 4.16 Appendix 8 sets out a summary of retail provision in the North West. It highlights the existing main retail provision in each of the competing centres and the proposed new development in the pipeline.
- 4.17 The Household Telephone Interview Survey does not identify any significant amounts of trade leaking from the Manchester survey area to other major Metropolitan cities such as Leeds and Liverpool. It will however be essential for Manchester to maintain its position relative to the competition, particularly as other Metropolitan Centres such as Liverpool are in the process of significantly improving their offer.
- 4.18 In terms of other locations outside the survey area, a range of destinations are highlighted by the Survey for different categories of goods. The survey shows a sizeable amount of furniture, floor covering and household textile trade is drawn to Warrington and this represents the attraction of the Ikea store. Snipe Retail Park in Aston-under-Lyne also attracts significant amounts of trade for furniture, floor coverings and household textiles and DIY and decorating goods and domestic electrical appliances. The draw of both White City Retail Park in Trafford and the John Lewis at Cheadle is also highlighted for bulky goods shopping. Plan 14 illustrates the location of comparison goods shopping destinations in the Manchester area and Plan 15 the location of comparison goods shopping destinations relative to the Household Telephone Interview Survey zones.

CONCLUSIONS

- Manchester City Centre is the dominant comparison goods shopping destination within the survey area. The District Centres and Retail Parks in the Sub-Areas of the City have a very limited role. They draw just 3.4% of comparison goods trade from the survey area, compared with 18.1% drawn to the City Centre.
- The main destinations competing with Manchester City Centre are Stockport and The Trafford Centre. Stockport draws trade extensively from the eastern parts of the Manchester catchment and the Trafford Centre draws limited trade from all zones. There are long term plans to

considerably strengthen Stockport town centre and the Trafford Centre has recently benefited from the opening of a John Lewis department store and has further adjacent bulky goods provision in the pipeline at Giants Field. It will therefore be important to ensure that Manchester City Centre maintains its relative market share in the future.

- Other larger towns whose natural catchment falls within the Manchester survey area are Bury, Oldham, Altrincham and Ashton-under-Lyne. Whilst some new development is in the pipeline in these towns, this will strength their role and function in accordance with the regional strategy. We consider their influence is unlikely to be expanded to the detriment of Manchester City Centre in the future.

- The next Section of this report covers Manchester City Centre and explores the extent to which the City Centre can maintain and enhance market share in the future, particularly in the face of competing development elsewhere. Sections 5-11 review the different Sub-Areas of Manchester, examining the scope to address the leakage of trade and clawback expenditure to support new development.

5. CITY CENTRE CAPACITY ASSESSMENT

5.1 In this section, we examine the quantitative retail capacity of Manchester City Centre. The assessment covers both convenience and comparison goods. It analyses the current market share and turnover of the City Centre, establishing a baseline position. From this baseline we explore the capacity for further retail floorspace. This analysis includes consideration of development commitments in the pipeline and possible proposals for further significant floorspace in the City Centre in the future. The retail capacity tables accompanying the assessment are attached in Appendices 3 and 4.

CONVENIENCE GOODS

i) City Centre Convenience Goods Market Shares

5.2 We have used the Household Telephone Interview Survey to estimate the trade drawn to the City Centre for convenience goods (Table 4, Appendix 3). This mainly identifies trade drawn to the 7 small foodstores in City Centre (as detailed in Table 15, Appendix 3), the largest of which is a Tesco Metro on Market Street (Plans 15 and 16).

5.3 It is evident from the household survey results that the City Centre attracts trade from its immediate vicinity, primarily for top-up food shopping. In particular, within Zone 1, the City Centre attracts 24.4% of convenience goods trade, whilst limited trade is also drawn from Zones 2 (3.3%), 6 (2.7%) and 9 (2.7%). The Tesco Metro store on Market Street appears to attract the largest proportion of expenditure. For example, within Zone 1 15.2% of respondents stated they use the store for main food shopping, whilst 24.6% use the store for top up-food shopping.

5.4 We have also considered where people residing in the City Centre travel to do their main food shopping (Table 5.1). Of the 20,675 people living in the City Centre, 26.3% or 5,417 of people are leaving the city boundary to use Sainsbury's (Regent Road, Salford). This equates to £9.7m of the available expenditure in Zone 1. Other stores drawing expenditure from the City Centre include Asda, Sport City (18.2%), Asda, Hulme (5.1%), Asda, Longsight (3.0%) and Asda, Barton Dock Road, Urmston (3.0%). This equates to a further £9.8m of available expenditure.

5.5 The stores located within the City Centre, which attract a significant market share, are Tesco Metro, Market Street (15.2%) and Marks & Spencer, Market St (4.0%). Overall about 20% of the available expenditure in the City Centre is attracted to City Centre stores. This equates to £7.4m, resulting in a leakage of available expenditure from the City Centre of approximately £29.8m.

Table 5.1 City Centre Residents Main Food Shopping Destinations

Store	Trade Draw From Zone 1
Sainsburys, Regent Road, Salford	26.3%
Asda, Sport City	18.2%
Tesco, Market Street, Manchester	15.2%
Asda, Hulme	5.1%
M&S, Market Street, Manchester	4.0%
Other	3.0%
Asda, Longsight	3.0%
Asda, Barton Dock Rd, Urmston	3.0%
Asda, Harpurhey	2.0%
Morrisons, Failsworth	2.0%
Morrisons, Chadderton	2.0%
Morrisons, Eccles	2.0%
Tesco, East Didsbury	1.0%
Sainsburys, Cheadle	1.0%
Asda, Ashton Under Lyne	1.0%
Tesco, Stockport	1.0%
Tesco, Northenden	1.0%
Sainsburys, Higher Blackley	1.0%
Tesco, Mather Way, Salford	1.0%
Tesco, Prestwich	1.0%
Sainsburys, Whitworth St, Manchester	1.0%
Iceland, Salford	1.0%
Kwik Save, Salford	1.0%
Costco, Trafford Centre	1.0%
Kwik Save, Broughton	1.0%

ii) City Centre Convenience Goods Turnover

5.6 In total, we estimate that the City Centre has a convenience goods turnover of £22.5m drawn from our survey area (Table 9, Appendix 3). This, when compared with our estimated company average turnover of £45.3m, suggests that the food stores within the centre are under trading. It does not however fully reflect the total turnover of these stores as they are likely to draw significant amounts of trade from visitors and lunch time trade. From our observations we consider that the stores are all performing well and the multi store strategy by a number of operators reinforces this conclusion.

iii) City Centre Convenience Goods Capacity Forecasts

5.7 We have not estimated the convenience goods capacity for new floorspace within the City Centre as we have only identified a modest level of trading which is not sufficient to create residual expenditure to support new floorspace.

5.8 We have, however, examined the total expenditure that could be available in the City Centre if 100% of trade was retained. This would equate to £37.2m in 2005. Although this is less than the turnover

of the stores in the City Centre at company average (£45.3m), as highlighted above, these stores will attract significant lunch time and visitor trade.

- 5.9 There may be some scope to draw back some of the trade that the City Centre is currently losing. The market share analysis indicates that approximately 80% or £30m of available expenditure from the City Centre is currently leaking to stores elsewhere. If the majority of this were clawed back it would be sufficient to support a modestly sized supermarket. For example a store of 2,500 sq m net with a sales density of £11,000 per sq m net would generate a turnover of £27.5m. This would be subject to the availability of a sequentially suitable site and impact and accessibility testing. Notwithstanding this, the City Centre will continue to be an appropriate location for small format convenience stores.

COMPARISON GOODS

i) City Centre Comparison Goods Market Shares

- 5.10 We have used the Household Telephone Interview Survey to estimate the market share of Manchester City Centre (Table 4, Appendix 4). This includes the trade drawn to the City Centre and the retail parks on the periphery of the city (Central Retail Park and Great Ancoats Street Retail Park) (Plans 13 and 14).
- 5.11 The City Centre draws trade from a wide area, including all 35 survey zones. The core catchment of Manchester City Centre focuses on survey Zones 1 to 6 and survey zones 9 and 10 (Plan 17). In this area the City Centre draws over 40% of comparison goods trade in each survey zone. These survey zones are all within the city boundary. The average market share for the City Centre in the core zones is 46%.
- 5.12 The secondary catchment area includes much of the remainder of the area within the city boundary including survey zones 7 and 8 and 11 to 14 (Plan 17). The southern area of the City is outside the secondary catchment area. It does however include an area immediately to the west (including Salford) and to the north and to the east. In the secondary catchment area the City Centre draws over 20% of comparison goods shopping trade. The average market share for the City Centre in the secondary zones is 27%. The wider tertiary catchment area of Manchester City Centre is extensive (Plan 17).
- 5.13 We have used our on-street shopping survey, carried out in Manchester City Centre to investigate the proportion of people using the City Centre for comparison goods shopping from beyond our telephone survey area. Of the visitors to Manchester City Centre 240 people indicated that they were visiting the City Centre for non-food shopping of these 58 or 24% of people live beyond the telephone survey area. As such in order to estimate the total comparison goods turnover of Manchester City Centre we have used the market shares from our Household Telephone Interview Survey to calculate

the turnover from within the survey area and then added a further 24% of this to account for inflow of expenditure from beyond the survey area.

ii) City Centre Comparison Goods Turnover

5.14 Based on these shopping patterns, we estimate that the total comparison goods turnover of Manchester City Centre is £1,103m in 2005 (Table 22, Appendix 4). With an existing shop floorspace of approximately 103,788 sq m net, we estimate that Manchester City Centre currently has a sales density of £10,626 per sq m net. We consider that at this level of trading Manchester is performing extremely well.

5.15 The turnover of Manchester City Centre is forecast to increase significantly over the period to 2021 as a result of growth in population and expenditure. The estimates indicate turnover could reach £1,445m by 2011, rising to £1,808m by 2016 and £2,225m by 2021.

iii) City Centre Comparison Goods Capacity Forecasts

5.16 The baseline capacity forecasts indicate the residual expenditure to support new floorspace without taking into account any of the commitments in the pipeline (including some schemes that are currently under construction) or any of the proposals and ideas that are currently being worked up. As such they only provide a theoretical starting point for considering the capacity in the City Centre as much of the capacity identified will be absorbed by schemes that are currently being built.

5.17 On the basis of current market shares and given the very strong level of trading of the City Centre, our assessment indicates that there is considerable capacity to support further comparison goods floorspace in Manchester City Centre by virtue of growth in population and available expenditure. The estimates of the growth in residual expenditure and the capacity it could support are set out in Table 5.2 below (and Table 22, Appendix 4). It indicates that theoretically, if there was no new development in the pipeline, by 2021 there would be residual expenditure of £558m which could support an additional 66,018 sq m net of comparison goods floorspace.

Table 5.2: Baseline Capacity Forecasts

	COMPARISON GOODS				
	2005	2009	2011	2016	2021
Residual spending to support new shops (£000)	0	102,884	165,895	361,155	588,027
Sales per sq m net in new shops (£)	6,000	6,623	6,958	7,873	8,907
Capacity for new floorspace (sq m net)	0	15,535	23,842	45,875	66,018

5.18 These capacity forecasts do not take into account current commitments. In order to identify commitments we have drawn on the City Council's report on Major Retail Schemes in Manchester

(June 2005). All the commitments currently in the pipeline in the central area have a combined floorspace of 46,472 sq m net and the average turnover of all of these schemes is estimated as £205m in 2005. The commitments include the Arndale Centre northern extension with a new department store and 75 unit shops, and schemes such as the refurbishment and redevelopment of the Royal Exchange at St Ann's Square and a large unit for the retailer Ilva at the Rochdale Canal Basin.

- 5.19 To test the capacity remaining after the development commitments have come forward all of the new floorspace has been included in the capacity model at 2009. As such the provision of 46,470 sq m net of additional comparison goods floorspace in the City Centre with an estimated turnover of approximately £205m significantly affects the floorspace capacity available in the short term. As illustrated in Table 5.3 (and Table 23, Appendix 4), we forecast an oversupply of retail floorspace or negative capacity of -18,641 sq m net in 2009, falling slightly to an oversupply of floorspace of -10,333 sq m net by 2011. The growth in population and expenditure eradicates the oversupply of floorspace by 2016.
- 5.20 In practice not all of the development commitments are likely to come forward within the next four years and therefore the extent of the over supply of floorspace is unlikely to be as large as forecast. The capacity forecasts also assume a current starting point of zero expenditure or capacity to support new floorspace. The extremely strong level of trading of the City Centre does however highlight that capacity is likely to be available now to support new floorspace and the extent of this will increase over the next four years to 2009 as a result of growth in expenditure.

Table 5.3: Capacity Forecasts with Commitments

	COMPARISON GOODS				
	2005	2009	2011	2016	2021
Residual spending to support new shops (£000)	0	-123,455	-71,902	92,109	283,627
Sales per sq m net in new shops (£)	6,000	6,623	6,958	7,873	8,907
Capacity for new floorspace (sq m net)	0	-18,641	-10,333	11,700	31,843

- 5.21 We have modelled comparison goods commitments on the basis of current market shares. The more significant schemes currently coming forward in the City Centre such as the Arndale Centre northern extension and the redevelopment and refurbishment of the Royal Exchange could enhance the market share of Manchester City Centre in the future. However, the City Centre will also come under increasing pressure to maintain market share as a result of new schemes being developed in competing centres.
- 5.22 The most significant of these is the Paradise Street scheme in Liverpool which is due for completion by 2008. This could attract some trade from western parts of the Manchester survey area and could

reduce the inflow of trade we have identified. There are also smaller schemes in other towns to the west of Manchester that could reduce the inflow of trade, for example at Warrington and Chester. Elsewhere although proposals are still at the very early stages, such as in Stockport, if schemes come to fruition they may have an effect on Manchester's market share. Therefore on balance we consider it is more appropriate to analyse the commitments on the basis of current market shares.

5.23 Having analysed commitments in the pipeline for Manchester City Centre, we have considered a scenario where by a significant new scheme is developed. The scenario worked up is the provision of major new comparison goods floorspace with a new department store and a range of accompanying unit shops. We have estimated a net comparison goods floorspace of 32,500 sq m and as such a scheme could have an approximate turnover of £195m. We have made an allowance for this turnover to increase over time as a result of improvements in floorspace efficiency.

5.24 As set out in Table 5.4 below (and Table 24, Appendix 4) we have examined the likely capacity to support such a scheme coming forward by 2016. We estimate that this size of development would result in the oversupply of floorspace in Manchester City Centre of -16,325 sq m net in 2016 on the basis of current market shares. This would however be removed by 2021 as a result of expenditure growth.

Table 5.4: Capacity Forecasts with Commitments and Proposals

	COMPARISON GOODS				
	2005	2009	2011	2016	2021
Residual spending to support new shops (£000)	0	-123,455	-71,902	-128,515	-34,011
Sales per sq m net in new shops (£)	6,000	6,623	6,958	7,873	8,907
Capacity for new floorspace (sq m net)	0	-18,641	-10,333	-16,325	-3,818

5.25 In practice, a new scheme of such a significant size in Manchester, with a key department store as a major attractor, will increase the market share of the City Centre. Having tested this scenario we consider there would only need to be a modest uplift in market share in order to support a major new scheme.

5.26 As set out in Tables 18-21, Appendix 4 an increase of 7% in the market share in each of the core zones, 5% in each of the secondary zones and 3% in certain tertiary zones would create sufficient expenditure to support a major new scheme in Manchester City Centre by 2016. This would increase the average market share in the core zones from 46% to 53% and the average market share in the secondary zones from 27% to 32% which we consider a realistic aim and should enable Manchester to defend its current position in the face of competition from surrounding centres. The main issue is likely to be the location of any major new scheme in the City Centre given the amount of new floorspace already in the pipeline.

CONCLUSIONS

CONVENIENCE GOODS

- We estimate that Manchester City Centre currently has a convenience goods turnover of £22.5m. This is based upon trade drawn from the survey area and does not account for lunchtime/after work and visitor trade. Overall, we consider the City Centre stores are performing well and the City Centre will continue to be an appropriate location for small format convenience stores.
- We have not estimated the convenience goods capacity for new floorspace within the City Centre as we have only identified a modest level of trading which is not sufficient to create residual expenditure to support new floorspace. However, the City Centre is currently losing significant amounts of trade (80%) to stores elsewhere and if this could be clawed back it would be sufficient to support a modestly sized supermarket. This would be subject to the availability of a sequentially suitable site and impact and accessibility testing.

COMPARISON GOODS

- Manchester City Centre draws comparison goods trade from a wide area, including all 35 of the telephone survey zones. In the core catchment the City Centre draws over 40% of comparison goods trade, in the secondary catchment area over 20%. We estimate that the total comparison goods turnover of Manchester City Centre is currently £1,103m. This equates to a sales density of £10,626 per sq m net which is a strong performance for the City Centre.
- The baseline capacity forecasts indicate considerable capacity to support further comparison goods floorspace, if there was no new development in the pipeline. Theoretically by 2021 there would be residual expenditure of £588m which could support an additional 66,018 sq m net of comparison goods floorspace.
- There are a number of significant comparison goods development commitments in the pipeline for Manchester City Centre, including the Arndale Centre northern extension. The combined effect of all of these is to reduce capacity in the short term and create an oversupply of floorspace or negative capacity (-18,641 sq m net in 2009). However, growth in population and expenditure will eradicate the oversupply of floorspace by 2016.
- Whilst the significant size and quality of the development commitments coming forward in the City Centre could enhance its market share, it will come under increasing pressure as a result of new schemes in competing centres, including the Paradise Street scheme in Liverpool. The City Council should therefore continue to identify opportunities for further improvements to the City Centre comparison retail offer. Despite the notional oversupply of floorspace throughout

the period to 2016, a significant new scheme in the City Centre is likely to increase the market share, and we consider that this is a realistic aim which should enable Manchester to defend its position in the face of competition from surrounding centres over the medium/longer term.

6. NORTHERN AREA CAPACITY ASSESSMENT

- 6.1 The Northern Sub-Area of Manchester includes the District Centres of Cheetham Hill and Harpurhey. The main out of centre provision is the new Manchester Fort Shopping Park and the adjacent Big W on Queens Road Retail Park (Plan 14). This is supplemented by provision at Higher Blackley which includes an out of centre Sainsburys foodstore and Heaton Mills Retail Park.

CONVENIENCE GOODS

i) Cheetham Hill

- 6.2 We have estimated the trade drawn to Cheetham Hill for convenience goods (Table 4, Appendix 3). This largely reflects the trade drawn to Kwik Save and Iceland and to a lesser extent the other local convenience stores in the centre. The catchment area of Cheetham Hill focuses largely on zone 2, where it attracts 25% of convenience goods trade. The centre has limited trade drawn from any of the other survey zones.
- 6.3 In total, we estimate that Cheetham Hill has a convenience goods turnover of approximately £11.5m. (Table 9, Appendix 3). When compared with our estimated company average sales turnover for Cheetham Hill of £8.4m it is evident that the centre is trading well, largely as a result of the performance of the Kwik Save store.
- 6.4 We envisage the market share to Cheetham Hill will increase in the near the future as planning permission has been granted for a new Tesco Store within the centre with an approximate floor area of 6,735 sq m (4,525 sq m net). This is a sizeable new store and will significantly enhance the convenience goods provision in Cheetham Hill.

ii) Harpurhey

- 6.5 Harpurhey's catchment for convenience goods is relatively focused. The highest trade draw is from zone 3 (66%) with some trade attracted from zones 2 and 4, 15% and 17% respectively (Table 4, Appendix 3). The Household Telephone Survey revealed there to be a large proportion of people using the centre's Asda store. In particular, the store is used by 73% of shoppers in zone 3 for their main food shopping.
- 6.6 Overall, we estimate that Harpurhey has a convenience goods turnover of approximately £54.1m (Table 9, Appendix 3). This is well above our estimate of company average turnover (£38.83m), and implies that the centre is performing well.

iii) Out of Centre Stores

- 6.7 Sainsbury's, Higher Blackley, adjacent to Heaton Mills Retail Park is the only large out of centre main foodstore within the Northern Area. The store derives the majority of its trade from zones 2 and 29, £4.4m and £9.6m respectively. We estimate that the store has a current turnover of £17.6m, which is considerably below our estimated company average turnover of £29.6m. This indicates that the store is not performing as well as could be expected.

iv) Capacity Forecasts

- 6.8 In the Northern Area, based on current market shares, we estimate that by 2009 there will be residual expenditure to support additional convenience floorspace. Our baseline projections estimate that by 2009 there would be capacity for approximately 734 sq m net of additional convenience goods floorspace and this could increase to approximately 1,174 sq m net by 2016 and 1,618 sq m net by 2021 (Table 17, Appendix 3).
- 6.9 If retail commitments in the area are factored in, the surplus expenditure falls to -£32.1m in 2009 and -£22.1m in 2021. The convenience commitment within the Northern Area, as detailed by Manchester City Council, is the new Tesco Store in Cheetham Hill. On the basis of current market shares the development of this store will eradicate the capacity for new floorspace resulting in a negative capacity of -2,714 sq m net in 2011 and -2,388 sq m net in 2016 and -1,944 sq m in 2021 (Table 24, Appendix 3).
- 6.10 We consider the new Tesco Store at Cheetham Hill will attract more trade to the centre and enhance market share. This will therefore increase the capacity to support the new store. Our third scenario examines the potential capacity for new convenience floorspace if the Northern Area operated at 100% trade retention i.e. not losing expenditure to other areas.
- 6.11 This scenario indicates that the Northern Area is currently a net importer of trade and if it retained 100% of available expenditure the potential capacity would be lower than in our baseline forecasts (see Table 30, Appendix 3). The proposed Tesco store will however draw trade from beyond the Northern Area. It will be located on the boundary of the Northern Area and survey zone 23. It is also in quite close proximity to zones 1, 24 and 29. As such, we consider it will draw trade from elsewhere and maintain the current trend for this area to be a net importer of expenditure. The three different capacity assessments are detailed below in Table 6.1.

Table 6.1: Capacity Forecasts – Northern Area

	CONVENIENCE GOODS				
	2005	2009	2011	2016	2021
Floorspace Capacity (Baseline) sq m net	0	734	848	1,174	1,618
Floorspace Capacity (Commitments) sq m net	0	-2,817	-2,714	-2,388	-1,944
Floorspace Capacity (100% Trade Retention) sq m net	560	722	833	1,162	1,643

- 6.12 The capacity forecasts indicate that once the new Tesco Store has come forward there will be no scope for any further convenience goods development in the Northern Area.

COMPARISON GOODS

i) Cheetham Hill

- 6.13 Unlike other District Centres, Cheetham Hill draws comparison goods trade from a number of survey zones, in particular those covering both the Northern and Eastern Areas. Trade is mainly drawn for furniture, floor coverings and household textiles shopping, DIY and decorating supplies and domestic electrical appliances.
- 6.14 In total Cheetham Hill has a comparison goods turnover of £22m in 2005. This is a strong level of performance for a District Centre and is the highest turnover all of the District Centres in Manchester (Table 4, Appendix 4).

ii) Harpurhey

- 6.15 Harpurhey has a narrower trade draw than Cheetham Hill, it largely focuses on survey zone 3 where the District Centre is located. Trade is however drawn from a broader range of categories including clothing and footwear and personal and luxury goods as well as the more mainstream household goods categories.
- 6.16 Overall we estimate that Harpurhey currently has a comparison goods turnover of £11m (Table 4, Appendix 4). This is an adequate level of performance for a District Centre of its size. It is likely however that Harpurhey is still in a settling down period following the redevelopment and extension of the centre. Although this was completed last year it has continued to be let during the course of 2005. The turnover of the centre could therefore be enhanced in the future as it achieves a more mature pattern of trading.

iii) Out-of-Centre Facilities

- 6.17 The first phase of the Manchester Fort Shopping Park opened in late 2004 and in conjunction with the Big W opposite on Queens Road Retail Park it now provides a considerable amount of retail warehousing floorspace in the Northern Area of the City. Whilst The Fort has been identified as a shopping destination by respondents to the survey, we consider that the market shares achieved do not fully represent trade drawn to the scheme. As it had been open less than a year at the time of our survey, respondents have not fully represented its usage in their descriptions of shopping habits. In the future higher market shares are likely to be identified, reflecting a more mature pattern of trading. The Big W at the Queens Road Retail Park has also not been specifically highlighted by the survey and as such brings down the turnover of this area.
- 6.18 Drawing on the results of the Household Telephone Interview Survey the Manchester Fort and Queens Road Retail Park currently have a combined turnover of £25.2m. This is much lower than the turnover at company average which would be approximately £67m. The Big W makes up £18.5m of this average turnover and The Fort £48.3m. The Household Telephone Interview Survey has therefore not adequately identified the turnover of the Manchester Fort/Queens Road Retail Park.
- 6.19 Heaton Mills Retail Park, the other out-of-centre retail warehousing facility in the Northern Area has a much lower trade draw than Manchester Fort/Queens Road. However the offer on this park is much more limited including just three units. Overall we estimate that Heaton Mills Retail Park has a turnover of approximately £9.2m in 2005. This is an adequate level of trading which is broadly at the level of the turnover we would expect based upon company average sales densities.

iv) Capacity Forecasts

- 6.20 In total we estimate that that Northern Area has a comparison goods turnover of £67.4m in 2005. It is forecast to increase significantly over the period to 2021 mainly as a result of growth in expenditure. We estimate that by 2021 based on current market shares the Northern Area could have a combined comparison goods turnover of £136.3m. This is an increase of £68.9m (Table 26, Appendix 4).
- 6.21 We have made an allowance for existing retailers to improve the efficiency or performance of their floorspace by 2.5% per annum. This therefore reduces the residual expenditure available to support new shops. There is however a surplus of available expenditure within the Northern Area such that there would be capacity to support further floorspace. The baseline capacity forecasts indicate the amount of floorspace that could theoretically be supported if no new development comes forward. This would be 2,770 sq m net of additional comparison goods floorspace by 2009, increasing to 4,536 sq m net by 2011, 10,172 sq m net by 2016 and 18,160 sq m net by 2021 if there was no new development (Table 26, Appendix 4).

- 6.22 There are a number of commitments in the pipeline for the Northern Area and we have included these in our capacity modelling in order to examine their effect on capacity. The commitments are set out in Table 16, Appendix 4, and include Phase Two of the Manchester Fort development, a mezzanine floor at the Manchester Fort, retail units to be developed in conjunction with the Tesco scheme at Cheetham Hill District Centre, a small extension to the Heaton Mills Retail Park and two other smaller schemes in the Cheetham and Harpurhey areas.
- 6.23 Based on company average sales densities we estimate that the committed schemes in the pipeline are likely to have a turnover of approximately £35.5m in 2005. We have made an allowance for this turnover to increase over time as a result of improvements in floorspace efficiency. If market shares remain the same, which we have indicated is unlikely as the Manchester Fort achieves a mature pattern of trading, there will be an oversupply of comparison goods floorspace in the Northern Area if all the development commitments come forward. This manifests itself in terms of negative capacity for new floorspace. We estimate that by 2009 there will be -15,681 sq m net capacity for new floorspace, decreasing slightly to -14,849 sq m net by 2011, -11,759 sq m net by 2016 and -6,653 sq m net by 2021 (Table 27, Appendix 4).
- 6.24 There are also some proposals in the pipeline for the Northern Area and these include a further modest extension to the shopping centre at Harpurhey and another mezzanine level at the Manchester Fort. Overall we estimate that whilst these schemes will increase the oversupply of floorspace in the Northern Area it is not to any significantly greater degree than already estimated (Table 28, Appendix 4).
- 6.25 Whilst the capacity modelling is showing a theoretical oversupply of floorspace in the Northern Area as a result of new developments, we consider they should enhance market shares and hence the residual expenditure to support the new floorspace will rise. We have therefore examined a scenario where the Manchester Fort completion, the Cheetham Hill scheme, the consolidation of Harpurhey and the extension of Heaton Mills Retail Park could enhance the comparison goods market shares of the Northern Sector.
- 6.26 Overall, we estimate that only a relatively minor uplift in market share (between 2% and 4% in certain zones) would be necessary to support all of the new floorspace in the pipeline (Table 29, Appendix 4). Our assessment has assumed that the increase in market share will be as a result of claw back of expenditure from elsewhere rather than as a result of impact on local facilities. All of the main shopping destinations have or are in the process of improving their offer and this is likely to offset the impact of schemes elsewhere within the Northern Area.

CONCLUSIONS

Convenience Goods

- In the Northern Area, Cheetham Hill and Harpurhey District Centres are both trading well in terms of their convenience goods turnover, whereas the Sainsbury's store at Higher Blackley is under performing (Table 6.2).

Table 6.2 Convenience Goods Turnover in the Northern Area (2005)

District Centre/Out of Centre Foodstores	Total Turnover 2005 (£000)	Expected Company Average Turnover (£000)	+/-
Cheetham Hill	11,492	8,445	+
Harpurhey	54,083	38,827	+
Sainsbury's, Higher Blackley	17,622	29,618	-
Total Turnover	83,196	76,890	+

- Despite the under performance of Sainsburys at Higher Blackley, the strong level of trading of the Asda at Harpurhey and the performance of stores in Cheetham Hill, particularly the Kwik Save store creates residual expenditure capacity to support new convenience goods floorspace in the Northern Area (Table 6.3).
- The quantitative capacity for further convenience goods provision in the Northern Area will be met by the development of a new Tesco store in Cheetham Hill District Centre. Whilst this store will create a negative capacity or an over supply of floorspace on the basis of current market shares, we envisage that it will attract more trade to the District Centre from beyond the Northern Area and consequently enhance market share and capacity.

Table 6.3 Convenience Goods Capacity in the Northern Area

Sub Area	Baseline Capacity	Capacity With Commitments	Capacity with 100% Trade Retention
2011	848	-2,714	833
2016	1,174	-2,388	1,162
2021	1,618	-1,944	1,643

- We consider that once the Tesco store has come forward there will be no further scope for additional convenience goods provision over the period to 2021 in the Northern Area. It will have a new main foodstore and additional unit shops in Cheetham Hill District Centre, a consolidated and improved offer in Harpurhey District Centre, in addition to the Asda main foodstore and an out-of-centre main foodstore at Heaton Mills Retail Park. This provision is complemented by everyday facilities in the Local Centres and local parades.

COMPARISON GOODS

- The Northern Area currently has the greatest proportion of comparison goods provision outside of Manchester City Centre. This is largely as a result of the recent completion of the first phase of the Manchester Fort Shopping Park.
- Overall we consider that shopping patterns in the Northern Area are likely to still be in a settling down period following the redevelopment of Harpurhey District Centre and the new development of the Manchester Fort Shopping Park. We consider the turnover of both of these destinations is likely to improve as they consolidate their trade draw (Table 6.4). In particular the Household Telephone Interview Survey has produced an anomalous result for the Manchester Fort Shopping Park.

Table 6.4 Comparison Goods Turnover in the Northern Area (2005)

District Centre / Out of Centre	Total Turnover (£000)
Cheetham Hill	21,957
Harpurhey	11,020
Manchester Fort/Queens Rd Retail Park	25,178
Heaton Mills Retail Park	9,221
Total Turnover	67,377

- We have identified some capacity to support new comparison goods floorspace in the Northern Area as a result of growth in expenditure. However, this will be more than absorbed by the development commitments in the pipeline, including Phase Two of the Manchester Fort development and the comparison goods floorspace proposed in conjunction with the Tesco scheme at Cheetham Hill District Centre. As such an oversupply of floorspace or negative capacity could occur based upon current market shares.
- In practice, the development commitments will enhance the trade drawn to the Northern Area, addressing the theoretical oversupply of floorspace. Market share will be increased, first as a

result of the schemes which have already been built achieving a mature pattern of trading and second as a result of the proposals in the pipeline improving the attractiveness of the comparison shopping facilities in the Northern Area.

Table 6.5 Comparison Goods Capacity in the Northern Area

Sub Area	Baseline Capacity	Capacity With Commitments	Capacity With Commitments & Proposals	Capacity With Commitments & Proposals and Uplift Market Shares
2011	4,536	-14,849	-16,067	-16,067
2016	10,172	-11,759	-13,138	4,107
2021	18,160	-6,653	-8,213	11,330

- We consider that the development commitments in the pipeline will meet the comparison goods shopping needs in the Northern Area over the period to 2021 and there will be no need to plan for further comparison goods development in this area.

7. EASTERN AREA CAPACITY ASSESSMENT

- 7.1 The Eastern Area covers the four District Centres of Newton Heath, Openshaw, Gorton and Sport City. There are no out of centre main food superstores and the bulky retail warehousing provision is limited to Focus/Carpet World adjacent to Newton Heath.

CONVENIENCE GOODS

i) Newton Heath

- 7.2 The Household Survey reveals that the District Centre of Newton Heath derives the majority of its convenience goods trade from Zone 4 (5.5%). The centre provides a limited convenience shopping function (Table 4, Appendix 3). It has two foodstores, a Netto and an Iceland and they appear to serve a localised catchment for everyday top-up shopping rather than meeting main food shopping needs. A number of the surrounding larger stores exhibit a high influence over Zone 4. For instance, 20.1% of main food shoppers within Zone 4 use the Asda in Harpurhey, 19% the Morrisons in Failsworth and 16.3% the Asda at Sport City.
- 7.3 Newton Heath's total estimated turnover for convenience goods is £5.3m (Table 9, Appendix 3). In comparison with an estimated company average turnover of £6.2m, the centre is performing adequately, although its turnover is at the lower end of the spectrum.

ii) Openshaw

- 7.4 Similar to Newton Heath, Openshaw, located in Zone 5, attracts convenience goods trade primarily from its own Zone (5.1%) and from the adjoining Zone 7 (3.4%). The convenience provision within Openshaw is limited to an Aldi and a Kwik Save. Both these stores have a limited trade draw and do not address residents main food shopping needs.
- 7.5 Our assessment identifies that Openshaw's current market share for convenience goods equates to a total convenience goods turnover of £5.3m. If we compare this to our estimated company average sales turnover (£7.2m) the centre is under performing (Table 9, Appendix 3).
- 7.6 In terms of future convenience retail provision within Openshaw, there are ongoing discussions between the owner of former works site off Fairfield Road and New East Manchester in relation to developing the site for mixed use development. The scheme is expected to encompass a large element of retail development which is proposed to be anchored by a new foodstore with an approximate floor area of 7,770 sq m gross (3,700 sq m net). We have modelled the impact such a store could have below.

iii) Sport City

- 7.7 Sport City is dominated in convenience terms by an Asda Wal-Mart, which draws trade from a wide range of zones within the survey area. For instance, the centre attracts 40% of convenience shoppers from Zone 5, 14.4% from Zone 1, 14% from Zone 4 and 28.1% from Zone 7 (Table 4, Appendix 3).
- 7.8 Drawing on the results of the Household Telephone Interview Survey, we estimate that Sport City currently has a convenience goods turnover of £56.5m. This is in line with our estimated company average turnover of £55.8m (Table 9, Appendix 3).

iv) Gorton

- 7.9 Although Gorton, located in Zone 7, has little convenience goods provision it does attract high market shares from a fairly localised catchment area (Table 4, Appendix 3). The centre contains a single Kwik Save supermarket, which draws trade primarily from Zone 7 where it retains 22.1% of convenience spend. The centre also attracts trade from neighbouring Zones, in particular Zone 6 (2.0%) and Zone 31 (1.0%).
- 7.10 We estimate that Gorton has a total convenience goods turnover of £9.1m. Compared with our estimated company average sales turnover of £4.5m the centre is performing extremely well (Table 9, Appendix 3). We consider this could be a result of limited competition in the locality and/or a result of the low level of car ownership in the area restricting residents' access to stores located further away.
- 7.11 The extent of retail development within Gorton is expected to change as plans/discussions are currently being progressed for developing a new foodstore, retail units and market hall in the centre. An application was submitted in January 2006 by Ask Developments Ltd. This was for a 8,198 sq m gross, 5,586 sq m net store, with a 60%:40% split of food and non-food floorspace. As such the store would provide 3,352 sq m net convenience goods floorspace. The assumed operator was Tesco.

v) Capacity Forecasts

- 7.12 In the Eastern Area, there is currently a small residual of surplus convenience goods spend. We envisage this would increase over the period to 2021, by virtue of expenditure and population growth, and would result in residual spend of £10.45m in 2016 rising to £15.3m in 2021. There would therefore be capacity in 2016 for 919 sq m of convenience floorspace rising to 1,347 sq m in 2021. This would only be sufficient to support some small scale additional convenience provision (Table 18, Appendix 3).
- 7.13 There is currently a fairly significant leakage of expenditure from the Eastern Area. Shoppers in survey zone 4 are using Morrisons in Failsworth and Oldham for their main food shopping, shoppers

in survey zone 5 are using Tesco Droylsden and Asda, Aston-under-Lyne, and shoppers in survey zone 7 are using Morrisons and Sainsburys, Denton. If this trade could be clawed back it would address the under trading of stores and create residual capacity. There are currently no development commitments in the Eastern Area to claw back trade. However, as explored further below there are two development proposals in the pipeline at Gorton and Openshaw.

- 7.14 We forecast that if theoretically there was 100% trade retention, there would be capacity to support 4,346 sq m net of convenience floorspace in 2009, rising to 4,739 sq m net in 2011, 5,807 sq m net in 2016 and 6,579 sq m net in 2021 (Table 31, Appendix 3). This would be sufficient to support a new superstore in the area. The three different capacity assessments are detailed below in Table 7.1.

Table 7.1: Capacity Forecasts – Eastern Area

	CONVENIENCE GOODS				
	2005	2009	2011	2016	2021
Floorspace Capacity (Baseline) sq m net	0	104	326	919	1,347
Floorspace Capacity (Commitments) sq m net	0	104	326	919	1,347
Floorspace Capacity (100% Trade Retention) sq m net	3,645	4,346	4,739	5,807	6,579

v) Effect of New Store Development

- 7.15 We have not identified any development commitments in the pipeline for the Eastern Area. There are however two proposals in the pipeline and we have examined the potential effects that two proposed new foodstores could have on the District Centres of Gorton and Openshaw and on other neighbouring sub-areas. First, we have tested the impact that a single new foodstore could have in Gorton. Second, we examine the theoretical impact that a new store in Openshaw could have when built at the same time as a new store in Gorton.
- 7.16 Both scenarios have been based on a test year of 2011, in order for both stores to have successfully reached a mature level of trading. Taking into account the potential turnover of other stores in the survey area we have estimated, that both stores are likely to have an annual turnover of approximately £40m. The Ask Developments proposal for a Tesco store involves the provision of 3,352 sq m net convenience goods which based upon the company average sales density of Tesco would result in a total convenience goods turnover of £39.99m. We have assumed a mutual impact as a result of the development of both stores and this would reduce the turnover of each store to £36.5m, under Scenario 2.

Scenario 1

- 7.17 Our single foodstore in Gorton scenario highlights that the main impact will be on the Eastern and Central Eastern Areas. We have assumed, based on other market shares across the survey area, that the new store will produce, in Zone 7, a market share of 48% which generates £15.5m of expenditure (Table 6A & 11A, Appendix 3). We estimate that a new store in Gorton will also draw market shares of 14% in Zone 5, 10% in Zone 6 and 29% in Zone 8.
- 7.18 Overall, we consider that a new store Gorton would impact on the existing stores in the centre. This will however be offset by the increased number of shoppers visiting the centre with the propensity for linked trips. Elsewhere in the Eastern Area we forecast no impact on Newton Heath as it is some distance from Gorton and a modest impact on Openshaw.
- 7.19 Our assessment estimates that Sport City could lose £7.1m in trade, Longsight £4.7m and Levenshulme £2.7m. As both Longsight and Levenshulme are currently over performing compared with company average sales, a new food store in Gorton would have a more limited impact on both these centres. Both centres would still trade at above average levels. The impact on Sport City could reduce the turnover of the store to expected company average levels.
- 7.20 Our assessment has assumed that a new store in Gorton will also claw back expenditure from elsewhere rather than solely as a result of impact on local facilities.

Scenario 2

- 7.21 Our second scenario examines the impact of two stores, one in Gorton and one in Openshaw. This assessment highlights that two new stores within the Eastern Area would again impact upon the turnover's of the District Centres in the Eastern and Central Eastern Area, but also on the turnover of the Northern Area.
- 7.22 Whilst we consider the existing stores in Openshaw would lose some trade, if a new store were developed in the centre, if it was successfully integrated, existing retailers should benefit from linked trips. The assessment also forecasts that the turnover of the new store in Gorton (Scenario 1) would be reduced if a new store in Openshaw was also constructed (Table 11B, Appendix 3).
- 7.23 In terms of neighbouring District Centres, Sport City could be further impacted upon, with the turnover of the centre reducing to £51.3m if both stores were built. At this level it would be performing at a level below average. Both Longsight and Levenshulme would see a further reduction in turnover. Whilst even with this further reduction, Longsight would be trading above our estimated company average sales turnover, Levenshulme would be trading slightly below average. The two store scenario would also see Newton Heath and Harpurhey lose some trade. Harpurhey would still be trading well above average, whereas the below average position of Newton Heath would remain.

- 7.24 As in Gorton, we envisage that a proportion of trade allocated to a new store in Openshaw would be from areas beyond our survey boundary, as it could claw back trade currently lost to elsewhere.
- 7.25 The scenario testing highlights that two large new superstores in the Eastern Area could affect certain District Centres, in particular Sport City and Levenshulme. There is however a qualitative deficiency with regards to convenience provision in the Eastern Area and a requirement to address residents' convenience shopping needs in the area as it is currently a net exporter of trade and shoppers are having to travel further afield to meet their needs.
- 7.26 An alternative to the two large stores strategy could be a larger store in one centre and a more modestly sized store in the other. Therefore rather than two stores trading at £40m each, it could be one trading at £40m and one at £20m. This would reduce the impact on surrounding centres.

COMPARISON GOODS

i) Newton Heath

- 7.27 Newton Heath like the other District Centres in the Eastern Area has a relatively limited trade draw and consequently a low turnover. The main draw of Newton Heath is from survey Zone 4 although the centre draws just 2.7% of comparison goods trade from this area. Overall it has a comparison goods turnover in 2005 of £2.4m (Table 9, Appendix 4). This is significantly below the level we would expect for a District Centre and reflects a poor performance. If all the comparison goods floorspace in the centre traded at between £1,500 and £2,000 per sq m net it would have a turnover of between £7.8m and £10.4m.

ii) Openshaw

- 7.28 Openshaw also has very low market shares for comparison goods trade. Unlike Newton Heath however it does draw trade from a number of different survey zones which is likely to reflect the attraction of the Matalan store. Overall, Openshaw currently has a comparison goods turnover of £2.98m which like in Newton Heath is a low level of trading (Table 9, Appendix 4). If all of the comparison goods floorspace in the centre traded at £1,500 per sq m net it would have a turnover of £10.9m.

iii) Gorton

- 7.29 Gorton draws the most comparison goods trade of the District Centres in the Eastern Area, the focus of this is in survey Zone 7 where Gorton attracts 6.9% of comparison goods trade. Overall Gorton has comparison goods turnover of £4.6m despite being slightly higher than Newton Heath and Openshaw this is still not a strong performance for a District Centre (Table 9, Appendix 4).

iv) Sport City

- 7.30 We have not identified any trade being drawn to Sport City for comparison goods (Table 4, Appendix 4). The Next store at Sport City would only just have opened at the time of our survey and is therefore unlikely to have been adequately identified. Similarly non-food shopping taking place at the Asda Wal-Mart superstore at Sport City has not been separately identified by the survey.

v) Out-of-Centre Facilities

- 7.31 The Eastern Area has very little bulky retail warehousing floorspace. Focus/Carpet World at Newton Heath make up the only provision. These stores draw very little comparison goods trade and overall have a turnover of £2.3m (Table 9, Appendix 4). This is below the level we would expect based upon company average sales densities, indicating that the stores are not performing particularly strongly.

vi) Capacity Forecasts

- 7.32 None of the comparison shopping destinations in the Eastern Area draw significant amounts of trade and as a consequence all of the destinations are under performing. Overall the Eastern Area has a comparison goods turnover of just £12.2m. This is the lowest comparison goods turnover of any of the sub-areas and equates to a market share of just 0.2% across the survey area. The Household Telephone Interview Survey indicates that residents of the Eastern Area are currently using a variety of different comparison goods shopping destinations outside the immediate locality. Aside from using the City Centre residents are shopping in Oldham, Ashton-under-Lyne and Stockport. There is therefore some scope to claw back expenditure that is being lost from the Eastern Area to competing destinations further afield.
- 7.33 Our baseline capacity assessment for the Eastern Area (Table 30, Appendix 4) indicates growth in expenditure creates some residual which could support new shops over the period to 2021. This is however a limited pool of expenditure at just £1.25m in 2009 increasing to £4.6m by 2016 and £7.8m by 2021. In the event of no new development coming forward we consider it would be most appropriate for this expenditure to enhance the turnover of existing provision.
- 7.34 We have however examined the likely effect of current commitments in the pipeline for the Eastern Area. There are currently two small proposals for additional comparison goods floorspace at South Beswick and Crabtree Lane/Ashton New Road. In total we estimate that these schemes would have a turnover of approximately £4.3m in 2005. We have made an allowance for this proposed floorspace to improve its efficiency over time and hence increase turnover. Overall therefore if market shares remain the same and these development commitments come forward there will be an oversupply of comparison goods floorspace in the Eastern Area over the period 2021. Growth in comparison goods expenditure will reduce the extent of this oversupply with a negative capacity of -1,742 sq m net in 2009 falling to -1,464 sq m net in 2011 and -504 sq m net in 2016. The oversupply of floorspace will have been removed by 2021 (Table 31, Appendix 4).

- 7.35 In addition to reviewing the commitments in the Eastern Area, we have examined the proposals in the pipeline. These include a small amount of retail floorspace at Toxteth Street and more a major mixed-use scheme at Openshaw. The proposals for Openshaw are still at the pre-application stage therefore for the purpose of our capacity modelling we have tested the effect of the provision of approximately 4,500 sq m net of new comparison goods. Overall the proposals in the Eastern Area would have a combined turnover of approximately £9.5m. On the basis of current market shares and taking into account the commitments already in the pipeline there would not be sufficient capacity to support all of the proposed development. There would be a significant oversupply of floorspace or negative capacity of -6,984 sq m net in 2009, which would increase to -6,972 sq m net by 2011, -6,735 sq m net by 2016 and -6,308 sq m net by 2021 (Table 32, Appendix 4).
- 7.36 A new scheme at Openshaw may however create sufficient critical mass to increase comparison goods market shares in the Eastern Area and claw back expenditure that is being lost elsewhere. If for example, a new scheme at Openshaw could enhance market shares by approximately 10% in the core zone and 2% in the three secondary zones there would be sufficient expenditure to support approximately 4,500 sq m net of new comparison goods floorspace (Table 33, Appendix 4). As these are relatively modest levels of uplift in market share we consider they are realistic. However, the scheme would have to be sufficiently large and attractive enough to increase the trade drawn to Openshaw. The District Centre currently attracts very little comparison goods trade and there may be a need for a more substantial non-food scheme to clawback trade and compete with the more major shopping destinations currently attracting shoppers from the Eastern Area.
- 7.37 In testing the potential for a new scheme in Openshaw to increase market shares, we have assumed that expenditure could be clawed back from competing destinations elsewhere beyond the Eastern Area. As the Eastern Area currently attracts limited comparison goods trade there is unlikely to be any significant internal impact. Some trade may be drawn from the Central East Area, reducing the capacity arising there as discussed below.

CONCLUSIONS

CONVENIENCE GOODS

- The convenience goods provision in the Eastern Area is on the whole focused on top-up rather than main food shopping. There are no large out-of-centre main food superstores. Of the four District Centres, only Sport City has a modern fully conforming food superstore (Asda). The turnover of both Newton Heath and Openshaw is below average (Table 7.2). There is therefore a gap or deficiency in convenience shopping facilities in this area.

Table 7.2: Eastern Area Convenience Goods Turnover(2005)

District Centre/Out of Centre Foodstores	Total Turnover 2005 (£000)	Expected Company Average Turnover (£000)	+/-
Newton Heath	5,301	6,180	-
Openshaw	5,349	7,157	-
Gorton	9,070	4,492	+
Sport City	56,519	55,837	+
Total Turnover	76,238	73,667	-

- On the basis of current market shares, we forecast limited capacity for additional convenience goods floorspace (Table 7.3). There is however a fairly significant leakage of trade from the Eastern Area. If this could be clawed back it would create additional floorspace capacity. Our scenario testing has indicated that if all of the available expenditure within the Eastern Area was retained there would be capacity to support at least one, possibly two, new convenience superstores (Table 7.3). There is therefore a quantitative need for further convenience goods provision in the Eastern Area.
- Whilst there are no development commitments in the pipeline for the Eastern Area there are two proposals which are currently being worked up. These include new convenience superstores at Gorton and Openshaw. We have tested the potential effect of these two new foodstores.
- Our single store scenario (foodstore in Gorton) highlights that the greatest impact could be on the stores in the Eastern and Central Eastern Areas. In particular, we envisage that a new store in Gorton would impact heavily on the existing provision within the centre, particularly the Kwik Save store. The turnover of Sport City and Levenshulme would also be affected.
- The two store scenario, taking into account a new foodstore at Openshaw, highlights that the same centres could be impacted upon further, with the centres of Newton Heath and Harpurhey also potentially experiencing a reduction in turnover.
- There are a range of options for the City Council to improve convenience goods provision in the Eastern Area. A single superstore strategy would strengthen the centre in question, with some impact upon the neighbouring District Centres. Alternatively two superstores could be pursued which would maximise the access of residents in the Eastern Area to quality main food

shopping provision and secure the regeneration of two District Centres. The consequence would be a wider impact on a range of District Centres in the Eastern Area and beyond.

Table 7.3: Eastern Area Convenience Goods Capacity

Sub Area	Baseline Capacity	Capacity With Commitments	Capacity with 100% Trade Retention
2011	326	326	4,739
2016	919	919	5,807
2021	1,347	1,347	6,579

COMPARISON GOODS

- The Eastern Area currently has a limited comparison goods provision. We estimate that the District Centres of Newton Heath, Openshaw, Gorton and Sport City and the Focus/Carpet World at Newton Heath are currently all under performing. This Area has the lowest comparison goods turnover of all the Sub-Areas.
- The Household Telephone Interview Survey indicates that residents of the Eastern Area are currently using a variety of different comparison goods shopping locations outside of the immediate locality. We consider there is scope to claw back this expenditure to better meet residents comparison shopping needs in situ.

Table 7.4: Eastern Area Comparison Goods Turnover (2005)

District Centre / Out of Centre	Total Turnover (£000)
Newton Heath	2,366
Openshaw (inc Matalan)	2,982
Gorton	4,560
Sport City	0
Focus/Carpet World, Newton Heath	2,260
Total Turnover	12,169

- We have identified a small amount of comparison goods capacity in the Eastern Area as a result of growth in expenditure. The modest commitments in the pipeline will more than absorb

the limited expenditure capacity identified, resulting in a negative capacity on the basis of current market shares. However, there is scope to retain more comparison spend in the Eastern Area.

- There are proposals in the pipeline for a mixed-use scheme at Openshaw and if this could create sufficient critical mass it may be able to increase comparison goods market shares and claw back expenditure. Having tested the scope for a scheme of approximately 4,500 sq m net comparison goods floorspace, we consider it would only require relatively limited uplift in market share to support this amount of floorspace and there could be scope for a larger scheme. A future scenario could be a larger non-food bulky goods scheme at Openshaw, rather than a mixed use scheme anchored by a food superstore.

- The bulky goods retail warehousing provision in Manchester is on the whole quite limited. With extensive competing provision in the surrounding area. The Manchester Fort Shopping Park will provide for bulky goods shopping needs in the Northern Area of the City; but there are gaps in provision in the other sub-areas. Subject to the sequential approach and impact testing there could be opportunities for retail warehousing development in the Eastern sub-area, to cater for large retail formats, particularly selling bulky goods such as furniture, carpets, electricals and DIY which can not be accommodated in the City Centre. Wherever possible, such facilities should be incorporated into District Centres.

Table 7.6: Eastern Area Comparison Goods Capacity

Sub Area	Baseline Capacity	Capacity With Commitments	Capacity With Commitments & Proposals	Capacity With Commitments & Proposals and Uplift Market Shares
2011	1,023	-1,464	-6,972	-6,972
2016	2,311	-504	-6,735	2,921
2021	3,927	734	-6,308	5,834

8. CENTRAL EAST AREA CAPACITY ASSESSMENT

- 8.1 The Central East Area is focused on the District Centres of Longsight and Levenshulme. There are no out of centre main food superstores, although there is an Asda superstore in Longsight District Centre. The comparison goods shopping provision in the District Centres is supplemented by a B&Q Supercentre at Burnage.

CONVENIENCE GOODS

i) Longsight

- 8.2 Table 4, Appendix 4 sets out the trade drawn to Longsight for convenience goods shopping. We have considered the trade drawn to Asda, Lidl, and Farmfoods the three main convenience stores within the centre. The catchment area for Longsight focuses largely on Zone 6 where it attracts 65% of convenience goods trade. The centre also attracts convenience goods trade from adjoining Zones, including 20% from Zone 8, 8% from Zone 9 and 4% from Zone 7. The centre's key anchor is the Asda store which attracts the main expenditure for the centre. In particular, 69% of people from within Zone 6 use the store for their main food shopping.
- 8.3 In total, we estimate that Longsight has a convenience goods turnover of approximately £45.7m (Table 9, Appendix 3). When compared with our estimated company average sales densities (£32.4m) for Longsight it is clear that the centre, in particular the Asda, is trading very well.

ii) Levenshulme

- 8.4 In Levenshulme, convenience spend is lower than in Longsight. The catchment area of Levenshulme appears relatively localised with the majority of expenditure coming from Zone 8 where the centre draws 19.3% of convenience goods trade (Table 4, Appendix 3). This is largely focused around the centre's three largest convenience stores of Netto, Kwik Save and Cool Trader. The centre also attracts convenience goods trade from Zones 12 and 6, 4% and 1.8% respectively.
- 8.5 We estimate, that Levenshulme has a total convenience goods turnover of approximately £11.3m (Table 9, Appendix 3). This is slightly above our estimate of turnover based upon company average sales densities of £9.2m, which suggests that the centre is performing adequately.

iii) Capacity Forecasts

- 8.5 Our baseline capacity assessment for the Central East Area estimate that by 2009 there will be residual expenditure to support additional convenience floorspace of approximately 1,535 sq m net, increasing to 1,697 sq m net by 2011, 2,086 sq m net by 2016 and 2,338 sq m net by 2021 (Table 19, Appendix 3). There are no commitments within this Area that will reduce the residual expenditure. It is however likely to lose some trade/capacity to new foodstores in the Eastern Area. As such on the

basis of existing market shares there is unlikely to be scope to support significant new convenience floorspace.

- 8.6 Despite the strong performance of Longsight we forecast that the Central East Area is currently leaking some convenience goods trade to elsewhere. Based on our hypothetical 100% trade retention scenario we estimate there would be sufficient residual expenditure to support of approximately 3,188 sq m net by 2009, 3,377 sq m net by 2011, 3,856 sq m net by 2016 and 4,180 sq m net by 2021 (Table 23, Appendix 3). As such, if expenditure could be clawed back to this area there would be sufficient expenditure capacity in the Central East Area to accommodate one further convenience superstore.
- 8.7 In terms of location and qualitative deficiencies we consider that Levenshulme would be best placed to accommodate this floorspace. An alternative, however, could be a reconfiguration and extension of the Asda in Longsight. Any further development would however very much be dependent upon the amounts of new floorspace in the Eastern Area. In particular, if two new stores go ahead in the Eastern Area, we consider it unlikely that there would be capacity for a new store in the Central East Area. The three different capacity assessments are detailed below in Table 8.1.

Table 8.1: Capacity Forecasts – Central East Area

	CONVENIENCE GOODS				
	2005	2009	2011	2016	2021
Floorspace Capacity (Baseline) sq m net	0	1,535	1,697	2,086	2,338
Floorspace Capacity (Commitments) sq m net	0	1,535	1,697	2,086	2,338
Floorspace Capacity (100% Trade Retention) sq m net	2,803	3,188	3,377	3,856	4,180

COMPARISON GOODS

i) Longsight

- 8.8 Longsight District Centre draws a relatively high proportion of comparison goods trade from Zone 6 (13%) which is its core catchment. It also draws some more limited trade from several other survey zones. As such it has a turnover of £10.3m in 2005 which is a good level of performance (Table 4, Appendix 4).

ii) Levenshulme

- 8.9 The Household Telephone Interview Survey indicates that Levenshulme has relatively low market shares for comparison goods shopping. It has a turnover of just £2.7m which is a low level of trading (Table 4, Appendix 4). If the stores in Levenshulme had an average turnover of between £1,500 and

£2,000 per sq m net they would have a turnover of between £10m and £13.3m. We consider however that the survey may have under represented the more specialist role of Levenshulme for furniture and antique shopping and may not have fully identified all of the trade drawn to the centre. As such the centre is likely to be performing better than we have estimated based upon the survey results.

iii) Out-of-Centre Facilities

- 8.10 The B&Q supercentre at Burnage is the only retail warehousing provision in the Central East Area. It draws some comparison goods trade from the majority of survey zones particularly within the Manchester City boundary. Overall we estimate that the store currently has a turnover of approximately £20.1m this is significantly above the level of trading of the store if it were at company average and indicates the store is trading extremely well (Table 9, Appendix 4).

iv) Capacity Forecasts

- 8.11 We estimate that the Central East Area currently has a combined comparison goods turnover of £33.2m. The baseline capacity forecasts indicate that as a result of growth in population and expenditure some comparison goods capacity will be created over the period to 2021. We estimate that by 2009 there will capacity to support a further 2,095 sq m net of additional comparison goods floorspace this is likely to increase to 3,315 sq m net by 2011, 6,927 sq m net by 2016 and 11,053 sq m net by 2021 (Table 34, Appendix 4).
- 8.12 We have identified two small commitments in the pipeline for the Central East Area, these include a small amount of retail floorspace at Hyde Road/Pottery Lane, Longsight and some retail space at Upper Brook Street/Plymouth Grove and Plymouth Grove Estate. Overall we estimate that these commitments could have a turnover of approximately £5.4m in 2005. They would therefore absorb any available expenditure capacity in the Central East Area in the short term, such that there would be a slight oversupply or negative floorspace capacity in 2009. The extent of population and expenditure growth by 2011 would however be sufficient to fully absorb the new floorspace and to create a small amount of capacity over and above this of 187 sq m net by 2011 increasing to 3,387 sq m net in 2016 and 7,049 sq m net by 2021 (Table 35, Appendix 4).
- 8.13 We have not identified any proposals in the pipeline for the Central East Area to absorb capacity in the period from 2016 onwards. It may however lose some trade to Openshaw if a significant new non-food scheme is developed there. The Openshaw scheme would however have to be of a sufficient size and quality to attract residents of this Area as those not using local facilities are currently travelling to Manchester City Centre, Stockport and the Trafford Centre.
- 8.14 The capacity for further comparison goods floorspace in the pipeline beyond 2016 is not sufficient to plan for further significant new comparison goods development in the Central East Area, particularly if new competing development is forthcoming at Openshaw.

CONCLUSIONS

CONVENIENCE GOODS

- Convenience goods provision in the Central East Area is focused on Longsight and Levenshulme District Centres. Both District Centres are trading well and at above estimates of company average turnover (Table 8.2).

Table 8.2: Central East Area Convenience Goods Turnover (2005)

District Centre/Out of Centre Foodstores	Total Turnover 2005 (£000)	Expected Company Average Turnover (£000)	+/-
Longsight	45,744	32,406	+
Levenshulme	11,298	9,158	+
Total Turnover	57,042	41,563	+

- We have identified some capacity to support new convenience goods floorspace in the Central East Area. The Area is also currently leaking convenience goods trade to elsewhere. Therefore it could support a further convenience superstore, if sufficient expenditure could be clawed back. However, the scope for new development will depend on the foodstore strategy for the Eastern Area. If two new foodstores are developed in the Eastern Area this will largely address the capacity to support a new convenience superstore in the Central East Area.

Table 8.3 Central East Area Convenience Goods Capacity

Sub Area	Baseline Capacity	Capacity With Commitments	Capacity with 100% Trade Retention
2011	1,697	1,697	3,377
2016	2,086	2,086	3,856
2021	2,338	2,338	4,180

COMPARISON GOODS

- The Central East Area currently has an adequate comparison goods shopping provision in Longsight and Levenshulme District Centres and this is supplemented by the B&Q supercentre

at Burnage. Longsight District Centre and the B&Q supercentre are performing well. Although Levenshulme District Centre appears to have a low level of trading it is likely that the Household Telephone Interview Survey has under represented the specialist role of Levenshulme for antique and furniture shopping (Table 8.4).

Table 8.4 Central East Area Comparison Goods Turnover

District Centre / Out of Centre	Total Turnover (£000)
Longsight	10,303
Levenshulme	2,726
B&Q Burnage	20,137
Total Turnover	33,165

- We have identified some capacity to support further comparison goods floorspace in the Central East Area. This will be absorbed by development commitments in the pipeline in the short term. Whilst there are no proposals in the pipeline to absorb the capacity identified in the period beyond 2016, this may partly be taken up by proposals in the pipeline for the Eastern Area at Openshaw. Overall we do not consider there is a need to plan for further new comparison goods floorspace in the Central East Area.

Table 8.5 Central East Area Comparison Goods Capacity

Sub Area	Baseline Capacity	Capacity With Commitments	Capacity With Commitments & Proposals	Capacity With Commitments & Proposals and Uplift Market Shares
2011	3,315	187	187	187
2016	6,927	3,387	3,387	3,387
2021	11,053	7,049	7,049	7,409

9. CENTRAL WEST AREA CAPACITY ASSESSMENT

9.1 The Central West Area includes the five District Centres of Hulme, Rusholme, Fallowfield, Withington and Didsbury. These are supplemented by convenience and comparison provision at Fallowfield Retail Park, an out of centre Tesco superstore at East Didsbury and two small retail warehouse units at Princess Parkway.

CONVENIENCE GOODS

i) Hulme

9.2 The trade drawn to Hulme from within the survey area appears to derive from a number of zones. In particular Zone 10, where the District Centre is located, attracts 58% of convenience goods spend, whilst the adjacent Zones 9 and 11, also attract 26.4% and 18.3% of convenience goods spend respectively (Table 4, Appendix 3). Although there is a small element of retail provision within the market hall area of Hulme, it is the Asda store which attracts all of the market shares. For instance, within Zone 10, the store attracts 63.8% of convenience spend for main food shopping.

9.3 Overall, we consider that Hulme is performing very well. We estimate that the centre's turnover is currently £63.1m (Table 9, Appendix 3), which is over £27m more than that our estimated company average turnover for the centre (£35.2m).

ii) Rusholme

9.4 We have estimated the trade drawn to Rusholme's main foodstores including Kwik Save, Tesco Express and Somerfield. The catchment area for Rusholme concentrates primarily on Zone 9 where it attracts 7.4% of shoppers (Table 4, Appendix 3). In general, the centre has a limited convenience shopping function, with a larger proportion of respondents stating that they use Rusholme more for top-up food shopping than as a main food shopping destination.

9.5 The centre has recently benefited from the opening of a new Lidl foodstore at the northern end of Wilmslow Road, adjacent to the Tesco Express. The store has an approximate floor area of 1,250 sq m gross (750 sq m net). The Lidl store was not open when the telephone survey was undertaken and was therefore included as part of our commitments (Table 14, Appendix 3).

9.6 In terms of convenience goods turnover, we estimate that Rusholme has a turnover of approximately £7.5m. This is slightly below our estimated company average turnover for the centre of £8.5m, and indicates that the centre is performing adequately (Table 9, Appendix 3).

iii) Fallowfield

- 9.7 Fallowfield's catchment area is largely focused on Zone 9 where it attracts 20.8% of shoppers (Table 4, Appendix 3), but it also extends to include Zone 11 (3%), Zone 12 (3.9%) and Zone 13 (2.5%). Most shoppers are attracted to Fallowfield because of the Sainsbury's store. This store is currently the key anchor for the centre and, as such, attracts 18.1% of shoppers from Zone 9 for their main food shopping.
- 9.8 We estimate that Fallowfield currently has a convenience goods turnover of £18.5m, which is below our estimated company average turnover for the centre of £26.0m and reflects a poorer performance by the Sainsbury's store (Table 9, Appendix 3). This could partly be a result of the store being located in a dominant student area which was not represented when the telephone survey was undertaken in August 2005 i.e. when students were not residing in the area. We therefore envisage that the store could perform more in line with company average turnover during term time.

iv) Withington

- 9.9 Withington has a limited convenience goods shopping function with the centre only containing a Somerfield store and a One Stop convenience store. The catchment area for Withington is primarily focused on Zone 12 where the centre is used by 8.8% of shoppers (Table 4, Appendix 3). We estimate that the total convenience turnover of Withington is currently £7.3m, which is above our estimated company average turnover of £3.9m (Table 9, Appendix 3). Given the limited convenience provision in Withington we consider the centre is performing well.

v) Didsbury

- 9.10 The trade drawn to Didsbury is spread across a number of zones (Table 4, Appendix 3). Zone 13, in particular, exhibits the highest convenience trade draw to the centre (22.4%), whilst the centre also attracts 5.4% of shoppers from Zone 12 and 6.9% of shoppers from Zone 33. Didsbury also attracts expenditure from Zones 8 and 9, 1.1% and 1.4% respectively. The centre contains no major anchor foodstore, with the main convenience provision comprising a Marks & Spencer Simply Food, Co-op and Aldi. The telephone survey highlighted that a large proportion of people use the centre for top-up food shopping. In particular, 34.6% of respondents in Zone 12 revealed they use local stores in Didsbury for top-up food shopping.
- 9.11 In total, we estimate that Didsbury is performing better than our estimated company average sales. The centre has a current estimated turnover of £14.8m, which is considerably higher than our estimated company average of £8.4m (Table 9, Appendix 3). This indicates that the centre is performing well.

vi) Out of Centre Stores

- 9.12 There are currently three out of centre food stores in the Central West Area, an Iceland and Kwik Save located at the Fallowfield Retail Park and a Tesco Store in East Didsbury. The two stores contained within Fallowfield Retail Park attract expenditure from Zones 8, 9, 12 and 13. We estimate that both stores (which appear as one market share in Table 4, Appendix 3) have a total combined turnover of £1.6m, which is below our estimated company average turnover of £3.5m.
- 9.13 The Tesco store, in East Didsbury, appears to be performing considerably better than the stores within Fallowfield Retail Park. The store attracts expenditure from a wide range of survey zones, in particular, Zone 12 (£13.2m), Zone 13 (£16.8m), Zone 33 (£12.5m). In total the store has an estimated turnover of £54.5m which is considerably higher than our estimated company average turnover of £26.6m (Table 9, Appendix 3).

vii) Capacity Forecasts

- 9.14 We have considered the capacity to support new convenience goods floorspace in the Central West Area based upon current market shares (Table 20, Appendix 3). It is evident that by 2011 there will be approximately £59.3m of residual expenditure to support new floorspace, this is forecast to grow to approximately £75.0m by 2016 and £83.3m by 2021. We have converted this to a floorspace figure, based upon sales in a large store format. On this basis we estimate that by 2009 there would be capacity for approximately 5,220 sq m net and this could increase to approximately 5,657 sq m net by 2011, 6,594 sq m net by 2016 and 7,327 sq m net by 2021.
- 9.15 The residual spend in the area will however be significantly reduced once a number of retail convenience commitments are built (Table 27, Appendix 3). A new foodstore to be occupied by Tesco, is currently being constructed on Land End Road in Burnage. The store is expected to have a convenience floor size of 3,286 sq m net and work is expected to be completed in Autumn 2005. A new food store, with a total floor area of 335 sq m gross, has also received planning permission in Barlow Moor at Didsbury Point. The final commitment in the Central West Area is the Lidl store which has now opened in Rusholme.
- 9.16 Taking into account these commitments the capacity to support additional floorspace is reduced to 1,689 sq m net by 2009, 2,126 sq m net by 2011, 3,063 sq m by 2016 and 3,796 sq m by 2021 (Table 27, Appendix 3). Whilst the new Tesco store will absorb the capacity in the short term, towards the end of the LDF period capacity would arise sufficient to support a further new superstore in the area.
- 9.17 Our hypothetical 100% trade retention scenario indicates that the sub area loses a high proportion of trade to other areas which produces considerable capacity to support new floorspace (Table 33, Appendix 3). It therefore highlights that even with the development commitments in the pipeline there

may still be scope to increase market shares in the future as trade is currently being lost from the Central West Area. The three different capacity assessments are detailed below in Table 9.1.

Table 9.1: Capacity Forecasts – Central West Area

	CONVENIENCE GOODS				
	2005	2009	2011	2016	2021
Floorspace Capacity (Baseline) sq m net	0	5,220	5,657	6,594	7,327
Floorspace Capacity (Commitments) sq m net	0	1,689	2,126	3,063	3,796
Floorspace Capacity (100% Trade Retention) sq m net	6,087	7,393	7,969	9,146	9,949

- 9.18 A planning application was submitted in June 2005 for new retail provision to supplement the proposed residential development (474 new units) at the Maine Road site. This would provide for approximately 525 sq m net of new retail floorspace, although as yet the retail split of this proposed floorspace is undecided. If the floorspace was to be used solely for convenience purposes we consider there would theoretically be capacity in the Sub-Area to support the new floorspace by 2011, although the specific location would need further consideration.

COMPARISON GOODS

i) Hulme

- 9.19 Hulme draws a modest amount of comparison goods trade, largely from survey Zone 10. Overall Hulme currently has comparison goods turnover of approximately £4.7m which we consider is an adequate level of trading (Table 4, Appendix 4).

ii) Rusholme

- 9.20 The Household Telephone Interview Survey has identified a limited comparison goods trade drawn to Rusholme District Centre. Whilst the survey may have slightly under estimated the more specialist ethnic shopping role of Rusholme overall its turnover is low at £1.2m in 2005 (Table 4, Appendix 4). If all of the comparison goods floorspace in Rusholme had a turnover of £1,500 per sq m net it would have an average turnover of £6.1m which is much higher than the turnover we have identified.

iii) Fallowfield

- 9.21 Fallowfield draws some very modest amounts of comparison goods shopping trade from a number of survey zones and as such we estimate that it has a comparison goods turnover of approximately £2.3m (Table 4, Appendix 4). Fallowfield is one of the smallest District Centres and this is an adequate level of trading for a centre of its size.

iv) Withington

- 9.22 Withington District Centre has very low comparison goods market shares although it does draw trade from a number of different survey zones. Overall we estimate that it currently has a comparison goods turnover of £1.4m which is very low and indicates that the centre may be under performing (Table 4, Appendix 4).

v) Didsbury

- 9.23 The comparison goods shopping trade at Didsbury is largely focused on survey zone 13 where the District Centre is located. It does however draw some trade from a number of other survey zones. Overall we estimate that Didsbury currently has a comparison goods turnover of £5.3m which is an adequate level of trading (Table 4, Appendix 4).

vi) Out-of-Centre Facilities

- 9.24 We have not identified any trade drawn to either of the out-of-centre retail parks in the Central West Area (Table 4, Appendix 4). It is possible that trade drawn to the Fallowfield Retail Park has become subsumed within the trade identified as being drawn to Fallowfield District Centre. The Princess Parkway Retail Park is also very small and somewhat specialist and therefore trade drawn to this location may not have been fully identified by the survey.

vii) Capacity Forecasts

- 9.25 Overall we estimate that the Central West Area has a comparison goods turnover of just £15m. This is a modest level and there is scope to enhance the market share from 0.3%. The market share is currently low as shoppers are travelling elsewhere to meet their comparison goods shopping needs. Much of the shopping for clothing and footwear and for luxury goods is taking place in Manchester City Centre with some spend also going to the Trafford Centre, Stockport and Stretford. For furniture, floor coverings and household textiles aside from Manchester City Centre the key destination is Warrington (which is likely to be the Ikea store). Other destinations used include Stockport, White City Retail Park, Trafford Retail Park, the Trafford Centre and Stretford. Similar destinations are used for electrical appliances.
- 9.26 We have identified a baseline capacity for new floorspace if no new commitments are developed. We estimate that by 2009 there would be capacity for approximately 893 sq m net increasing to 1,410 sq m net by 2011, 2,898 by 2016 and 4,718 sq m net by 2021 (Table 38, Appendix 4).
- 9.27 We have only identified a relatively small development commitment in the pipeline for the Central West Area and this is the provision of additional retail space at Hulme. We consider that there is sufficient residual expenditure to support this development and with this commitment the capacity for

new floorspace would fall to 785 sq m net in 2009, 1,297 sq m net by 2011, 2,770 sq m net in 2016 and 4,573 sq m net in 2021 (Table 39, Appendix 4).

- 9.28 There is also a modest proposal in the pipeline for the Central West Area with the possible provision of some non-food floorspace as part of the Maine Road redevelopment scheme. If the retail floorspace of the scheme were entirely non-food it would provide approximately 525 sq m net which could have a turnover of approximately £1.05m in 2005. We have made an allowance for this turnover to increase over time as a result of improvements in floorspace efficiency. Overall we estimate that the provision of this floorspace at Maine Road (in conjunction with the development commitments) would absorb much of the capacity we have identified in the Central West Area in the short term. However, after 2009 growth in population and expenditure are such that a small amount of capacity would arise reaching 688 sq m net by 2011, 2,081 sq m net by 2016 and 3,794 sq m net by 2021 (Table 40, Appendix 4).
- 9.29 We do not consider that any of the development commitments or proposals in the pipeline are of a sufficient size to significantly increase the comparison goods market shares in the Central West Area. We have not therefore explored a scenario with an uplift in market share to support new development. As in other areas of Manchester, there could, however, be scope for further bulky goods provision in the Central West Sub Area as it is currently lacking facilities. This could clawback some of the comparison goods trade currently lost to competing destinations. Whilst this would have to be subject to the sequential approach and impact testing, development opportunities should be explored.

CONCLUSIONS

CONVENIENCE GOODS

- The Central West Area currently has the highest convenience goods turnover of the sub-areas in the City. It does however cover a large part of the City stretching from the inner areas around Hulme and Moss Side through to the suburban areas of Didsbury.
- There is no main food shopping provision at either Rusholme or Withington District Centres. The Area does however have two large modern convenience superstores including the Asda at Hulme District Centre and the out-of-centre Tesco at East Didsbury. Both of these stores are performing very well. In addition it has a new Sainsbury's superstore at Fallowfield District Centre. Although our survey has indicated that this store is under performing this may be as a result of the survey taking place in the summer months and therefore not identifying student trade (Table 9.2).

Table 9.2 Central West Area Convenience Goods Turnover (2005)

District Centre/Out of Centre Foodstores	Total Turnover 2005 (£000)	Expected Company Average Turnover (£000)	+/-
Hulme	63,093	35,215	+
Rusholme	7,502	8,486	-
Fallowfield	18,497	26,005	-
Withington	7,253	3,882	+
Didsbury	14,824	8,401	+
Tesco, East Didsbury	54,465	26,584	+
Fallowfield Retail Park	1,576	3,521	-
Total Turnover	167,210	112,095	+

- Whilst the performance of the District Centres in the Central West Area varies, the over trading of the main food superstores (Asda, Hulme and Tesco, East Didsbury) creates considerable scope for new convenience goods floorspace. This would be sufficient to support at least one new convenience superstore on the basis of current market shares. A new Tesco superstore is currently being constructed in the southern part of the Central West Area at Burnage and in conjunction with other convenience commitments in the pipeline this will absorb much of the convenience goods capacity in the short term.
- Our hypothetical 100% trade retention scenario testing indicates that the Central West Area is currently losing trade to competing destinations. If trade could be clawed back in the future, this would support further convenience goods floorspace.
- There are proposals in the pipeline for the Central West Area with the redevelopment of the Maine Road site. This is mainly to provide residential accommodation, although some retail floorspace is proposed. On the basis of current market shares there would be capacity to support the proposed floorspace if it were all allocated for convenience goods.
- We consider there could be merit in exploring the scope for more significant convenience goods provision in the Central West Area. Subject to the PPS6 tests of the sequential approach and impact, the District Centre's of Rusholme and Withington should be considered in the first instance as they are both lacking in main food shopping provision.

Table 9.3 Central West Area Convenience Goods Capacity

Sub Area	Baseline Capacity	Capacity With Commitments	Capacity with 100% Trade Retention
2011	5,657	2,126	7,969
2016	6,594	3,063	9,146
2021	7,327	3,796	9,949

COMPARISON GOODS

- The Central West Area currently has limited comparison goods shopping provision. In particular in the northern part of this area there is little comparison offer at Hulme, Rusholme, Fallowfield or Withington District Centres. The turnover of all of these centres for comparison goods is therefore either adequate or poor. Didsbury District Centre in the southern part of the Central West Area has more comparison goods provision and a slightly higher turnover.
- The Central West Area is currently losing trade to a variety of different destinations, including Manchester City Centre, the Trafford Centre and Trafford Retail Park, Stockport, White City Retail Park and Ikea, Warrington. We consider there is scope to clawback trade and meet some comparison goods shopping needs more locally.

Table 9.4 Central West Area Comparison Goods Turnover (2005)

District Centre / Out of Centre	Total Turnover (£000)
Hulme	4,733
Rusholme	1,236
Fallowfield	2,302
Withington	1,430
Didsbury	5,297
Fallowfield Retail Park	0
Princes Parkway Retail Park	0
Total Turnover	14,999

- Based on the current performance of the comparison goods facilities in the Central West Area we have identified some capacity to support new floorspace. This would be sufficient to support the one small commitment in the pipeline.
- We have examined the possibility of the proposed new floorspace at Maine Road being developed for comparison goods shopping and we estimate that this would absorb the capacity we have identified in the Central West Area in the short term. After 2009 growth in population and expenditure are such that a small amount of capacity would arise.
- There is some scope for further bulky goods retail warehousing provision in the Central West Area as it is currently lacking provision. Whilst this would have to be subject to the sequential approach and impact testing, development opportunities should be explored as a means of recapturing trade currently leaking from this area, in order to achieve more sustainable shopping patterns.

Table 9.5 Central West Area Comparison Goods Capacity

Sub Area	Baseline Capacity	Capacity With Commitments	Capacity With Commitments & Proposals	Capacity With Commitments & Proposals and Uplift Market Shares
2011	1,410	1,297	688	688
2016	2,898	2,770	2,081	2,081
2021	4,718	4,573	3,794	3,794

10. WESTERN AREA CAPACITY ASSESSMENT

- 10.1 Chorlton District Centre is the main destination for convenience and comparison goods shopping in the Western Area.

CONVENIENCE GOODS

i) Chorlton

- 10.2 Chorlton is the only District Centre in the Western Area (Table 4, Appendix 3) and therefore, not surprisingly, attracts a significant proportion of convenience goods trade from Zone 11 (31.1%). The centre also attracts trade from the adjacent survey zones including 9 (1.2%), 10 (2.8%), 12 (0.7%) and 13 (1.2%). The dominant store within Chorlton is the Morrisons (Safeway) which attracts 34.2% of main food shoppers from Zone 11.
- 10.3 In total, we estimate that Chorlton has a convenience goods turnover of approximately £22.8m (Table 9, Appendix 3). This is above our estimated company average turnover of approximately £17.1m and indicates that the centre is performing well.

ii) Capacity Forecasts

- 10.4 Our baseline capacity assessment for the Western Area identifies residual expenditure to support an additional 551 sq m net in 2009 which could increase to 593 sq m net by 2011, 685 sq m net by 2016 and even further by 2021 to 794 sq m (Table 21, Appendix 3). Whilst there are currently no development commitments or proposals in the pipeline, this would be sufficient to support an element of further convenience floorspace or an extension to the existing provision i.e. Morrisons.
- 10.5 There is currently a very significant leakage of expenditure from the Western Area, as such, if trade retention was maximised it would theoretically create a large amount of floorspace capacity. If all the available expenditure in the Western Area was retained it would create the capacity to support 3,468 sq m net by 2009, increasing to 3,566 sq m net by 2011, 3,773 sq m net by 2016 and 4,045 sq m by 2021 (Table 34, Appendix 3). This would be sufficient to support an additional convenience superstore in the Western Area. The three different capacity assessments are detailed below in Table 10.1.

Table 10.1: Capacity Forecasts – Western Area

	CONVENIENCE GOODS				
	2005	2009	2011	2016	2021
Floorspace Capacity (Baseline) sq m net	0	551	593	685	794
Floorspace Capacity (Commitments) sq m net	0	551	593	685	794
Floorspace Capacity (100% Trade Retention) sq m net	3,292	3,468	3,566	3,773	4,045

- 10.6 The scope for the Western Area to claw back trade and enhance market shares could be affected in the future by competing foodstore schemes beyond the City boundary. A new Tesco foodstore has received planning permission in Stretford (Zone 21). This is likely to attract trade from the Western Area. The store has received planning permission for a total floor area of 4,506 sq m gross, although a further application to increase the floorspace to 7,836 sq m gross was made in March 2005.
- 10.7 Chorlton would appear to be a suitable location to accommodate further convenience provision. In April 2004, CBRE examined a range of options for the centre including developing the existing shopping precinct, examining the possibility of developing Oswald Road Primary School and adjoining land and also the potential to reconfigure and integrate the Safeway store more successfully into the centre.

COMPARISON GOODS

i) Chorlton

- 10.8 Chorlton is the key District Centre in the Western Area of Manchester. It mainly draws trade from Zone 11, where it is located, with some limited trade being drawn from a number of other survey zones. In total Chorlton draws trade from 16 of the 35 zones. Overall we estimate that Chorlton currently has a comparison goods turnover of approximately £16.4m (Table 4, Appendix 4). This is a more than adequate level of performance for the District Centre. For example, if all of the comparison goods floorspace traded at £2,000 per sq m net it would have an average turnover of £13.5m which is below the turnover we have calculated drawing on the Household Telephone Interview Survey results.

ii) Capacity Forecasts

- 10.9 There are no out-of-centre retail facilities in the Western Area and as such the total comparison goods turnover reflects the performance of Chorlton at £16.4m. Our baseline capacity forecasts indicate that as a result of growth in comparison goods expenditure within the Western Area some limited capacity would arise over the period to 2021 if no new development occurs. We estimate that by 2009 there would be capacity for a further 814 sq m net of comparison goods floorspace,

increasing to 1,309 sq m net by 2011, 2,765 sq m net by 2016 and 4,725 sq m net by 2021 (Table 42, Appendix 4).

- 10.10 We have identified a modest development commitment in the pipeline for the Western Area at Barlow Moor Road, Chorlton. Here the provision of a further 850 sq m net of comparison goods floorspace could have a turnover of approximately £1.7m. This development would eliminate the capacity for further floorspace within the short term and create a slight oversupply of floorspace on the basis of current market shares. We estimate that by 2009 there could be a negative capacity of -122 sq m net in the Western Area. This would be absorbed by growth in expenditure by 2011 and the capacity would increase again to 1,653 sq m net by 2016 and 3,467 sq m net by 2021 (Table 43, Appendix 4).
- 10.11 In considering scenarios for the future development of shopping provision in the Western Area we have examined the possibility of further non-food floorspace at Chorlton, as a result of the redevelopment of The Precinct Shopping Centre. In order to explore this we have worked on the basis of provision of a further 3,250 sq m net of comparison goods floorspace which could generate a turnover of approximately £6.5m in 2005. We estimate that such a scheme in conjunction with development commitments in the pipeline would create an oversupply of floorspace or negative capacity in the Western Area if market shares remain the same. We estimate that by 2009 if a new scheme at Chorlton came forward there would be an oversupply of floorspace of -3,709 sq m net, reducing slightly to -2,612 sq m net by 2016 and -1,357 sq m net by 2021 (Table 44, Appendix 4).
- 10.12 We consider that there may be some scope for a redevelopment and enlargement of The Precinct in Chorlton to improve the market share of the District Centre. The scheme would have to provide retail floorspace of a sufficient size and quality to claw back trade that is currently being lost to other more major competing destinations such as Manchester City Centre, the Trafford Centre, Warrington, White City Retail Park and Trafford Retail Park. This could however be possible given the existing strong performance of Chorlton.
- 10.13 It is evident that a relatively minor increase in the market share of Chorlton would be sufficient to support new retail floorspace at The Precinct. An increase of between 1% and 2% in the market share in the Western Area could create sufficient capacity to support the proposals by 2016 (Table 45, Appendix 4). The key issue will be the potential to redevelop and expand The Precinct Shopping Centre and the retail mix of any new scheme.

CONCLUSIONS

CONVENIENCE GOODS

- Chorlton is the only District Centre in the Western Area and is anchored by a free-standing Morrisons (Safeway) supermarket. Whilst the store is somewhat dated and slightly removed from the prime shopping area it is performing well (Table 10.2).

Table 10.2 Western Area Convenience Goods Turnover(2005)

District Centre/Out of Centre Foodstores	Total Turnover 2005 (£000)	Expected Company Average Turnover (£000)	+/-
Chorlton	22,803	17,065	+
Total Turnover	22,803	17,065	+

- In quantitative terms we have identified a small amount of capacity to support additional convenience goods floorspace in the Western Area on the basis of current market shares. There are no development commitments or proposals in the pipeline to absorb this capacity.
- Our scenario testing has also indicated that the Western Area is currently losing significant amounts of trade to competing destinations. If all the available expenditure in the Western Area was retained it would create capacity to support a new convenience superstore in the Western Area by 2009. Although the scope for new provision in the Western Area could be affected by a new Tesco store at Stretford.
- Notwithstanding this we consider there is a need for further convenience goods provision in the Western Area. The focus of this should be to supplement the main food shopping provision in Chorlton District Centre, either through reconfiguration and extension of the Morrisons store or through the provision of a new main food store. The main issue will be the location of any new provision. CBRE have examined a range of options in the District Centre and in taking these forward the need for further main food shopping provision should be considered in conjunction with comparison goods shopping needs.

Table 10.3 Western Area Convenience Goods Capacity

Sub Area	Baseline Capacity	Capacity With Commitments	Capacity with 100% Trade Retention
2011	593	593	3,566
2016	685	685	3,773
2021	794	794	4,045

COMPARISON GOODS

- The comparison goods shopping provision in the Western Area is focused on Chorlton District Centre which is performing well albeit at a relatively modest level (Table 10.4).

Table 10.4 Western Area Comparison Goods Turnover (2005)

District Centre / Out of Centre	Total Turnover (£000)
Chorlton	16,405
Total Turnover	16,405

- We have identified some quantitative capacity to support further comparison goods floorspace in the Western Area. This will however largely be absorbed by the development commitment in the pipeline for this area in the short term. In the longer term we consider there is something of a quantitative need for further non-food shopping provision in order to enhance and consolidate Chorlton District Centre.
- Ideally Chorlton District Centre should accommodate new convenience and comparison goods floorspace if sufficient development opportunities can be created. The redevelopment and extension of The Precinct Shopping Centre in Chorlton would significantly enhance the District Centre, although it has to be explored whether or not it offers the potential to accommodate further comparison and convenience goods floorspace. An alternative strategy would be the redevelopment of The Precinct for non-food shopping and the extension and refurbishment of the Morrisons store for convenience goods shopping.
- Our scenario testing has indicated that there is not sufficient capacity to support an extension to The Precinct Shopping Centre on the basis of current market shares. New development should however improve the market shares and there would only need to be a relatively modest uplift in market share in order to support a further 3,250 sq m net of comparison goods floorspace in Chorlton. The scheme would however have to be of sufficient size and quality to claw back trade currently being lost to other more major competing destinations.
- Overall we consider the aim for the Western Area should be to enhance Chorlton District Centre as the key focus for meeting both convenience and comparison goods shopping needs.

Table 10.5 Western Area Comparison Goods Capacity

Sub Area	Baseline Capacity	Capacity With Commitments	Capacity With Commitments & Proposals	Capacity With Commitments & Proposals and Uplift Market Shares
2011	1,309	326	-3,443	-3,443
2016	2,765	1,653	-2,612	1,549
2021	4,725	3,467	-1,357	3,859

11. SOUTHERN AREA CAPACITY ASSESSMENT

- 11.1 The main retail provision in the Southern Area is at Wythenshawe and Northenden District Centres. This is supplemented by an out of centre Tesco superstore at Baguley and Brookway Retail Park.

CONVENIENCE GOODS

i) Northenden

- 11.2 The trade draw to Northenden focuses mainly on Zone 14 with 32.9% of shoppers using the centre for convenience goods (Table 4, Appendix 3). The centre also attracts trade, albeit minimal, from the adjoining survey Zones of 15 (1.7%) and 16 (0.8%). The dominant store within the centre is a Tesco Express which attracts a large proportion of both main food (25.5%) and top up food shoppers (44.4%) from Zone 14. The centre is supplemented by a Kwik Save, which appears to have a more minimal influence on total expenditure.
- 11.3 We consider, based on our total estimated turnover of Northenden of £10.2m, that the centre is performing well when compared with our estimated company average turnover of £7.8m (Table 9, Appendix 3). The centre will also benefit further from a new foodstore, occupier unknown, to be located on Palatine Road on the former Northenden Service Station, comprising some 450 sq m net of convenience floorspace.

ii) Wythenshawe

- 11.4 Wythenshawe's trade draw for convenience goods comes primarily from Zone 16 (25.2%). It also draws some limited trade from survey Zones 14 (5%) and 15 (2.5%) (Table 4, Appendix 3). Trade is mainly drawn to the Farmfoods, Iceland, Co-op and Kwik Save stores. The household telephone survey revealed the dominant store to be the Co-op, with 18.7 % of shoppers within Zone 16 using the store for main food shopping and 33% using the store for top-up food shopping. Overall Wythenshawe is largely used for top-up food shopping.
- 11.5 In total, we estimate that Wythenshawe has a convenience goods turnover of £11.7m which is significantly below our estimated company average turnover of £16.1m (Table 9, Appendix 3). This suggests that although Wythenshawe has a good range of convenience provision, the centre is under performing for its size, which reflects the lack of a main foodstore.

iii) Out of Centre Stores

- 11.6 The out of centre provision within this Area is the Tesco Extra store in Baguley. The dominance of the store across the survey area is reflected the store's high market shares (Table 4, Appendix 3), particularly from survey Zone 15 (52.7%), Zone 14 (27.1%), Zone 16 (17.3%) and Zone 19 (20.5%). In total, we estimate that the store, which has a total turnover of £75.1m, is significantly over trading

by £26.6m (Table 9, Appendix 3). The store appears to have limited competition from within the City Boundary with the only significant competition from two other stores operated by Tesco, one in Zone 19 (Tesco Extra, Altrincham) and a further one in Zone 20 (Tesco, Sale).

iv) Capacity Forecasts

- 11.7 In the Southern Area the strong performance of the Tesco Extra at Baguley and Tesco Express Northenden creates some residual expenditure, this is however slightly moderated by the performance of Wythenshawe, creating an overall baseline surplus of £27.0m in 2009 rising to £32.7m in 2016 and again to £38.0m in 2021. This would support 2,377 sq m net of convenience goods floorspace in 2009, increasing to 2,514 sq m net by 2011, 2,878sq m net by 2016 and even further by 2021 to 3,338 sq m net (Table 22, Appendix 3).
- 11.8 By factoring in the convenience commitment in Northenden, comprising 453 sq m, the capacity to support new floorspace is reduced slightly to 2,238 sq m net by 2009, 2,374 sq m net by 2011, 2,736 sq m net by 2016 and 3,199 sq m net by 2021 (Table 29, Appendix 3). This would however still be sufficient to support further convenience goods provision in the Southern Area.
- 11.9 Whilst the Southern Area is currently retaining a reasonably high level of available expenditure, if all of the available expenditure within the Area was retained there would be capacity to support additional convenience floorspace ranging from 2,857 sq m in 2009 to 3,495 sq m in 2021 (Table 35, Appendix 3). This would be sufficient to support a new foodstore in the Southern Area and illustrates that there may be some potential to claw back expenditure to support a new or improved main foodstore provision in Wythenshawe. The three different capacity assessments are detailed below in Table 11.1.

Table 11.1: Capacity Forecasts – Southern Area

	CONVENIENCE GOODS				
	2005	2009	2011	2016	2021
Floorspace Capacity (Baseline) sq m net	0	2,377	2,514	2,878	3,338
Floorspace Capacity (Commitments) sq m net	0	2,238	2,374	2,739	3,199
Floorspace Capacity (100% Trade Retention) sq m net	2,673	2,857	3,001	3,392	3,945

COMPARISON GOODS

i) Northenden

- 11.10 Northenden draws some comparison goods trade from Zones 14, 15 and 16. Overall we estimate it currently has a comparison goods turnover of £6.6m (Table 4, Appendix 4). This is a good turnover for a District Centre of its size and indicates that the centre is performing well.

ii) Wythenshawe

- 11.11 Wythenshawe draws a significant amount of comparison goods trade from Zone 16 where it is located (20.4%). It also draws some trade from Zones 14 and 15 and a more modest amount from 12 other zones. Overall, Wythenshawe has comparison goods turnover of £20.6m (Table 4, Appendix 4). This is a good level of performance for the centre and indicates that it is doing well in terms of comparison goods trade.

iii) Other Out-of-Centre Facilities

- 11.12 We have only identified limited trade being drawn to Brookway Retail Park which generates a turnover of approximately £1.4m in 2005 (Table 4, Appendix 4). This is considerably below the level of turnover compared with trading based upon company average sales densities. We estimate that if all the stores on the retail park traded at company average levels they would generate a turnover of approximately £13.5m rather than our estimate of £1.4m. It is therefore likely that the Household Telephone Interview Survey has failed to fully identify all of the trade drawn to the Brookway Retail Park.

iv) Capacity Forecasts

- 11.13 We estimate that the combined turnover of the comparison goods shopping destinations in the Southern Area is £28.6m in 2005. Having made an allowance for existing floorspace to improve its efficiency over time we estimate that growth in expenditure will create residual capacity to support new floorspace. Our baseline capacity assessment indicates that in 2009 there would be sufficient residual expenditure to support a further 1,113 sq m net of additional comparison goods floorspace, increasing to 1,846 sq m net by 2011, 4,182 sq m net by 2016 and 7,522 sq m net by 2021 (Table 46, Appendix 4). We have not identified any commitments in the pipeline for the Southern Area to absorb this capacity.
- 11.14 We have however considered a scenario where there is further significant new comparison goods floorspace development at Wythenshawe in the form of a new furniture and household goods store. We have explored the possibility of a new furniture store of approximately 14,860 sq m net which could generate a comparison goods turnover of approximately £37.2m. On the basis of current market shares we do not consider there would be sufficient capacity to support a store of this size.

As illustrated in Table 47, Appendix 4 it would create a significant oversupply of comparison goods floorspace or a negative capacity of -15,517 sq m net in 2009, increasing to -16,157 sq m net by 2016 and -16,048 sq m net by 2021.

- 11.15 We envisage that any major new furniture and household goods store in Wythenshawe would increase the trade drawn to the centre. In the core zone shoppers not currently using Wythenshawe for furniture and household goods are visiting Manchester City Centre, Stockport, Cheadle, Altrincham and Altrincham Retail Park. There is therefore scope to claw back shoppers that are currently travelling further afield to meet their comparison goods shopping needs. We have explored a scenario where the market shares for the Southern Area are increased in the future. We estimate that to support a major new store by 2016 it would be necessary to increase the market share in the core zone of Wythenshawe by 10% and in five of the secondary zones by between 3% and 5% (Table 49, Appendix 4). Whilst these are fairly considerable increases in market share for a District Centre they could be feasible if the new store is a significant attractor.

CONCLUSIONS

CONVENIENCE GOODS

- The majority of convenience shopping in the Southern Area takes place at the Tesco store at Baguley with much more modest levels of convenience goods trade occurring at Northenden and Wythenshawe District Centres. Both District Centres lack a modern quality main foodstore and as such are losing trade to the out-of-centre Tesco store which is significantly over trading.

Table 11.2 Southern Area Convenience Goods Turnover (2005)

District Centre/Out of Centre Foodstores	Total Turnover 2005 (£000)	Expected Company Average Turnover (£000)	+/-
Wythenshawe	11,742	16,085	-
Northenden	10,194	7,791	+
Tesco Extra, Altrincham Rd	75,098	48,459	+
Total Turnover	97,034	72,335	+

- The strong performance of the Tesco at Baguley creates residual expenditure to support new convenience goods floorspace in the Southern Area. There is a convenience floorspace commitment in Northenden which would reduce the capacity available slightly. However, in the period beyond 2016 on the basis of current market shares there would be scope for a new superstore in the Southern Area. Our scenario testing also indicates that there is some scope

to enhance the convenience goods trade retention of the Southern Area to support a new foodstore at an earlier date.

- Whilst there are currently no proposals in the pipeline for new convenience superstore provision in the Southern Area, we consider that convenience goods shopping needs could better be met by providing main food shopping facilities at Wythenshawe District Centre and the strategy should be focused on achieving this.

Table 11.3 Southern Area Convenience Goods Capacity

Sub Area	Baseline Capacity	Capacity With Commitments	Capacity with 100% Trade Retention
2011	2,514	2,374	3,001
2016	2,878	2,739	3,392
2021	3,338	3,199	3,945

COMPARISON GOODS

- Comparison goods shopping in the Southern Area is focused on Northenden and Wythenshawe District Centres both of which are performing well and provide a good comparison goods shopping offer. The District Centres are supplemented by Brookway Retail Park which provides some limited bulky goods shopping facilities.

Table 11.4 Southern Area Comparison Goods Turnover (2005)

District Centre / Out of Centre	Total Turnover (£000)
Northenden	6,618
Wythenshawe	20,579
Brookway Retail Park	1,445
Total Turnover	28,642

- Overall we estimate that the Southern Area is drawing a reasonable amount of comparison goods trade. This Area is however the furthest from Manchester City Centre and shoppers are therefore having to travel further afield to meet their comparison goods shopping requirements

that cannot be addressed in the District Centres and the Brookway Retail Park. There is therefore some scope to support further comparison goods provision.

- Our capacity forecasts indicate that there will be residual expenditure to support new floorspace in the Southern Area and there are no commitments in the pipeline to absorb this. We have considered a scenario that where further significant new comparison goods floorspace is developed in the Southern Area. Whilst there would not be capacity to support major new floorspace on the basis of current market shares if a new development had sufficient critical mass it could claw back trade that is currently being lost from the Southern Area to Manchester City Centre, Stockport, Cheadle and Altrincham. The level of trade that would need to be clawed back is fairly considerable and it would only be feasible if any development was sufficiently attractive.

Table 11.5 Southern Area Comparison Goods Capacity

Sub Area	Baseline Capacity	Capacity With Commitments	Capacity With Commitments & Proposals	Capacity With Commitments & Proposals and Uplift Market Shares
2011	1,846	1,846	-15,761	-15,761
2016	4,182	4,182	-16,157	806
2021	7,522	7,522	-16,048	5,109

12. RECOMMENDATIONS

- 12.1 We recommend the City Council supports new and enhanced local convenience shopping facilities in Manchester City Centre to meet the needs of City Centre residents, visitors and workers. It should also consider the scope to accommodate a modestly sized convenience store in the City Centre to meet local residents main food shopping needs in situ.
- 12.2 Given the scale of current commitments, we consider the priority is to consolidate comparison goods provision in Manchester City Centre in the short term, absorbing the new floorspace into the overall offer. In the longer term, i.e. by 2016, the City Council should aim to bring forward a significant department store anchored scheme in the City Centre, to enhance Manchester's market share and enable it to defend its position in the face of competition from surrounding areas. As a next step the City Council should start to work up a Development Strategy for the City Centre, examining the opportunities for a major new scheme in terms of location and delivery.
- 12.3 In the Northern Area, there will be no need to plan for further convenience or comparison goods provision once the new development in the pipeline has come forward. The new Tesco scheme at Cheetham Hill, the Manchester Fort and the new development at Harpurhey will address shoppers needs for the foreseeable future.
- 12.4 There are several options for meeting convenience shopping needs in the Eastern Area. We consider the City Council should pursue a two store strategy, seeking to regenerate the District Centres of both Gorton and Openshaw. The issue will be the size of convenience store appropriate for each location. Both centres should have a quality offer and both will play an important role in the network of centres in the future. A factor in deciding the size of the new stores will be the availability of a suitable site, well integrated with the existing Centre. Other more qualitative issues in relation to social inclusion, regeneration and economic growth will also affect the size of store appropriate for each centre.
- 12.5 The Eastern Area is one of several parts of Manchester where we consider there is scope for the provision of further bulky goods shopping facilities. Other Areas with this potential are the Central West and the Southern Area. In general bulky retail warehousing provision in Manchester is quite limited and subject to the sequential approach and impact testing there could be opportunities for retail warehousing development in these sub-areas of the City. This potential should be used as a catalyst for improving existing centres wherever possible.
- 12.6 We do not consider there is a need to plan for significant further convenience or comparison goods provision in the Central East Area, particularly if significant new development comes forward in the Eastern Area. However, the potential to reconfigure and extend the Asda store at Longsight should be explored, in order to withstand increased competition from new stores in the surrounding area.

- 12.7 There is scope for further convenience goods provision in the Central West Area, even with the development of the new Tesco store at Burnage. The Area could accommodate a new convenience superstore in the longer term. The focus of this should be on the District Centres of Rusholme and Withington where there is currently a deficiency in main food shopping provision. Whilst any new development would be subject to the sequential approach and impact testing, the main issue will be the availability of sites for a new superstore in this dense urban area.
- 12.8 In the Western Area, there is a need for further convenience goods provision. This should supplement the main food shopping provision in Chorlton District Centre, either through the reconfiguration and extension of the Morrisons store or through the provision of a new main food store. The issue will be the location of any new provision, particularly as there is a need to enhance the comparison goods facilities in Chorlton through the redevelopment and extension of The Precinct Shopping Centre.
- 12.9 There is a need for further convenience and comparison goods provision in the Southern Area. This Area could accommodate a new convenience superstore and the focus for this and further comparison goods facilities should be at Wythenshawe District Centre.