

Birmingham Retail & Leisure Needs Assessment

Final Report

ON BEHALF OF BIRMINGHAM CITY COUNCIL

July 2023

OFFICIAL

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1. Introduction

Instruction and Purpose

- 1.1 Nexus Planning was instructed by Birmingham City Council (hereafter referred to as ‘the Council’) in April 2022 to undertake a new Authority-wide Study, entitled the Birmingham Retail & Leisure Needs Assessment (‘the Study’).
- 1.2 The principal purpose of the commission was to undertake a study on the ongoing challenges for Birmingham’s high streets and opportunities for their revitalisation and reimagining. The Study also seeks to provide a range of recommendations to assist the preparation of the Local Plan Review for the authority area. The purpose of the Local Plan Review is to assist the Council in delivering new homes and jobs, whilst safeguarding the valuable environmental assets. As part of this Review, the Council will be updating the policies of relevance to town centre and retail planning including matters such as defined town centre boundaries, the hierarchy of defined centres and local impact thresholds for retail and leisure developments.
- 1.3 This report replaces the previous Retail and Leisure Studies of 2009 and 2013, which were undertaken by hollisvincent on behalf of Birmingham City Council. The Council has commissioned a new Study due to the time that has now elapsed since the publication of the previous report, and because of the need to prepare an up-to-date evidence base to inform its preparation of a new Local Plan (which will consider development across the City in the period to 2042). The Study will also assist with the Council’s consideration of planning applications for retail and leisure uses and help to establish future strategies to support vital and viable defined centres.
- 1.4 The original specification as provided by the Council was for the project team to provide appropriate evidence to support the local plan and centre revitalisation projects, having regard to the NPPF and other relevant national planning policy guidance. In particular, the Study should include and assessment and review of the following:
 - The factors that will impact on the city’s urban centres;
 - Provide quantitative data and analysis of the scale and role of the main centres;
 - Identify the demand or need for additional retail and leisure provision, including an analysis of future population and expenditure scenarios;
 - Provide healthchecks of the main centres; and
 - Provide a consideration of the evening and night-time economy and the overarching participation in the night-time economy.
- 1.5 In addition to the above, the findings of this Study will also be used in assisting the local authority in determining, and applicants in making planning applications for retail and leisure proposals outside of defined centres. The evidence base will provide a useful basis upon which to assess the suitability of proposals, particularly in respect of the health of defined centres and survey-derived performance of existing stores and retail and leisure destinations.
- 1.6 The household survey which supports this Study, was undertaken by NEMS Market Research in July 2022 and covers 24 separate zones, which are collectively considered representative of the principal catchment area for retail facilities within Birmingham. The number of zones ensures that one of the key outputs of the Study - to better understand the catchments of centres, where people are travelling to and from to meet their retail and leisure needs, and to better understand the potential quantitative and qualitative deficiencies within the authority area – is achieved. One further key output of the Study will be to understand how shopping habits have altered since the preparation of the previous Study in 2013.

- 1.7 We have also engaged with key stakeholders who are involved in the planning of defined centres across the authority area, and their insight and feedback has been fed into the healthchecks and recommendations made in respect of the hierarchy of centres assessed as part of this Study.
- 1.8 A plan of the Study Area is provided at Appendix 1, and the tabulated household survey results are provided at Appendix 2. We comment further on the justification behind the adopted Study Area later in this Study.

Context to the Study

- 1.9 The current adopted planning policy position is the starting point in understanding the wider context of the Study, and to help direct the findings and recommendations. One key output required from the Study is for Nexus to provide considerations in respect of how the future planning policy should be formulated, taking account of the currently adopted local plan, and changing circumstances in national planning policy and wider commercial market implications.
- 1.10 We note that Policy TP21 of the adopted local plan, establishes a network and hierarchy of centres in the city and sets a local impact threshold of 2,500 sq.m for main town centre uses outside of defined centre. An important element of the recommendations set out in this Study, is a review of the local impact threshold in undertaking the Study and establish a justified position across the authority area. We also note the guidance contained within Policy TP24, which seeks to promote a diversity of uses within centres, including setting a minimum proportion of units for Class A1 uses.
- 1.11 Understanding how developments within the city centre and at other locations across the city have and will impact on shopping and leisure patterns across the authority area are also key to informing the findings of the Study, and we undertake a review of the changes to patterns since the previous Study was published in 2013.
- 1.12 In this regard, the city has of course been impacted by wider retail trends, with John Lewis, Top Shop and Debenhams all vacating their city centre premises in the past few years. Similarly, destinations such as the Fort Shopping Park in Erdington have been impacted by recent closures. However, the city centre is showing signs of resilience, and in particular it is noted that a new M&S will set to open in the former Debenhams in 2022, and the former Primark (vacated when the new Primark opened on High Street in 2019) is set to open as a four-brand megastore as part of the Frasers Group. These positive signs of investment will form a key part of the conclusions and recommendations made as part of the qualitative healthcheck of the city centre.
- 1.13 Outside of the city centre, the Birmingham Smithfield Masterplan project in Digbeth aims to transform the area into an integral retail, business and tourism destination by 2037. The scheme will see the regeneration of a key area in the city and is set to incorporate the River Rea within the design. Alongside this, we note that Arcadis are working with Birmingham City Council and Homes England to create a comprehensive regeneration framework masterplan for Digbeth and The Creative Quarter.
- 1.14 There is of course also a recognition that centres outside of the city centre also play an incredibly important role in meeting residents' needs, particularly on a day-to-day basis, providing retail, leisure, service and other facilities within walking distance of their homes. Understanding how residents typically choose to shop, and how this may have altered over the past decade is also key to planning appropriately for the future of the authority area. Importantly, the Study seeks to establish the qualitative differences between the centres, which due to their locations and surrounding catchments, meet different identified needs which correspond in the most part, to their specific socio-demographics.

Structure of Report

1.15 Our report firstly provides an overview of prevailing retail and leisure trends, before then going on to consider the planning policy context for the Study. We then summarise the key findings from the new household shopper survey, before considering the vitality and viability of defined centres within the Birmingham authority area.

1.16 The remainder of the report is focussed on our assessment of retail and leisure needs and provides overarching recommendations in order to assist with the formulation of planning policy and help support and guide the future of the defined centres within the authority area. Accordingly, our report is structured as follows:

- Section 2 identifies current retail and leisure trends of relevance;
- Section 3 provides an overview of the planning policy context;
- Section 4 summarises our assessment of the vitality and viability of the defined centres;
- Section 5 provides an overview of forecast changes in Study Area population and expenditure;
- Section 6 summarises the findings of the household survey;
- Section 7 sets out an updated assessment of retail needs;
- Section 8 sets out an updated assessment of leisure needs; and
- Section 9 provides a summary of our key findings and conclusions.

2. Current and Emerging Retail and Leisure Trends

- 2.1 In order to provide a context for this Study and help identify the sectors that are more likely to be the subject of additional development proposals, we provide an overview of current retail and leisure trends below. In reading the below review, it should be noted that the retail and leisure sectors are dynamic and, whilst online shopping has impacted on the retail sector, new retailers and formats continue to evolve to meet shoppers' needs.
- 2.2 The below commentary should therefore be taken as a 'snapshot' in respect of current market conditions; it will be necessary to judge future development proposals for main town centre uses with reference to the prevailing conditions at the time of a proposal's determination. Trading conditions continue to be impacted by the Covid-19 pandemic, albeit greater confidence is now returning to the retail and leisure sectors. We reflect further on the impact of the pandemic below.

The Current State of the UK Economy

- 2.3 The UK economy has clearly been substantially impacted over the past two years by the Covid-19 pandemic, and subsequent restrictions on movement and behaviour which have sought to mitigate its impact. This uncertain background caused business investment and expenditure to decline. Household spending fell by over 20% quarter-on-quarter in the second quarter of 2020 following the imposition of national lockdown measures. This is the largest quarterly contraction on record. Retail sales volumes also suffered double-digit falls in April 2020 as all, but essential stores closed during the height of the lockdown.
- 2.4 However, as a result of the gradual reopening of businesses over summer 2020, the economy returned to growth, with this gathering momentum as a greater number of sectors reopened, including hospitality and leisure services followed by the full reopening of schools. A more pronounced resurgence in the number of cases of Covid-19 resulted in the Government reinstating a nationwide lockdown in early 2021. The outlook continues to be of concern at the time of reporting given the inflation rate and substantial increases in the general cost of living.
- 2.5 The cost-of-living crisis refers to the fall in real disposable incomes (that is, adjusted for inflation and after taxes and benefits) that the UK has experienced since late 2021. It is being caused predominantly by high inflation outstripping wage and benefit increases and has been further exacerbated by recent tax increases.
- 2.6 In early February, the Government announced some measures to respond to high energy prices, a particular flashpoint of the crisis. At the spring statement, the former chancellor Rishi Sunak announced some more general policies to support squeezed household budgets. The full effects of the implications associated with the cost-of-living crisis are yet to be fully felt and will be an ongoing strain on the wider commercial market across the Country.
- 2.7 In February 2023, Experian published its Retail Planner Briefing Note 20 ('ERPBN20'), which provides a comprehensive overview of anticipated future growth in the retail sector and considers likely changes in bricks and mortar retail floorspace and online sales.
- 2.8 ERPBN20 notes that the UK economy continues to face significant headwinds in the form of surging inflation, high energy costs and supply chain disruption. As such, even as the impact of the Covid-19 pandemic eases, the economic consequences of the Ukraine-Russia conflict continue to impact the outlook. In the short term, further declines in retail sales are expected given the cost-of-living squeeze and low morale.
- 2.9 The longer term growth potential of the UK economy will be driven largely by supply side factors such as the size of the population and the labour force, structural unemployment and productivity. The legacy of the Covid-19

pandemic will continue to play a part in long term growth dynamics. The size of the labour force has shrunk in recent quarters and the concern is that this is a permanent feature of the UK outlook. According to the recent ONS January 2023 labour market overview, employment rates are 1% lower than the pre-pandemic peak while the economic inactivity rate stands 1.3% higher than pre-Covid-19 levels.

- 2.10 Overall retail sales are forecast to be volatile in the short term, but growth is less impacted over the medium and longer term. The outlook for special forms of trading (i.e., internet and mail order sales) has been revised upwards. As a consequence of relatively modest growth forecasts and the shift to online retailing, Experian forecasts that there will be a reduction in the stock of retail floorspace over the next few years.
- 2.11 In terms of inflation, Office for National Statistics data indicates that the rate of inflation (as measured by the consumer price index) increased from 0.3% at April 2016 to 2.4% at April 2018, before reducing to 0.8% at April 2020. The rate of inflation then increased to 5.5% at January 2022 and further to 8.8% at January 2023. Retail has been an industry under significant stress, as many retailers find themselves squeezed between rising costs and the increasing volume of sales over the internet. Such difficulties have, of course, been exacerbated by the Covid-19 pandemic.
- 2.12 There will still be the need and demand for physical stores, despite the increase in shopping online. This is particularly the case for convenience goods sales in light of the fact that the online shopping orders are typically picked from the shelves of physical stores. In respect of comparison goods, there is a need for the offer to become more 'experiential' in order to encourage shoppers onto the high street, and to ensure that shopping is viewed as a pleasurable pastime. The shopping experience needs to evolve and diversify both to attract footfall and convert increased activity into sales. Independents clearly have an important role to play in adding interest and in providing differentiation between shopping venues.
- 2.13 In considering the current strength of the retail and leisure sectors, it is important to recognise that different types of retailers have been the subject of different fortunes.
- 2.14 Non-essential retailers have been impacted by enforced 'lockdown' closures in 2020 and 2021. However, dispensing chemists traded more strongly from March 2020, and their sales continued to in June 2022 even after restrictions were eased and other non-essential stores were allowed to reopen. Non-specialised foodstores, which include supermarkets, also traded consistently above their pre-pandemic levels. This was initially due to a degree of stockpiling of grocery goods, but some ongoing benefit was evident due to the ongoing prevalence of working from home. Furniture and homeware retailers have also generally benefitted from people spending more time in their homes and wanting to improve their own environment.

Available Expenditure and the Impact of the Internet

- 2.15 Experian expenditure data and growth forecasts confirm that the pandemic has resulted in fairly turbulent short-term growth in per capita convenience and comparison goods expenditure. In this regard, ERPBN20 identifies that per capita convenience goods expenditure growth in the convenience goods sector will decrease slightly in 2023 by 2.2%. This follows a contraction of 6.8% in 2022. Experian forecasts very limited per capita convenience goods growth beyond 2024.
- 2.16 As the below Table 2.1 indicates, forecast increases in per capita comparison goods spending are more optimistic following growth of 1.6% in 2020 and 1.9% in 2021. However, forecast per capita comparison goods expenditure increases going forward are still below the level apparent at the turn of the millennium. Experian identifies that per capita comparison goods expenditure growth dropped from 3.9% at 2017 to 1.0% at 2018, and forecasts that it will remain between 2.8% to 2.9% per annum in the medium to long term.

Table 2.1: Experian’s Identified and Forecast Convenience and Comparison Goods Per Capita Expenditure Growth

Volume Growth per Head (%)	2018	2019	2020	2021	2022	2023	2024	2025-29	2030-40
Convenience goods	0.1%	0.2%	10.2%	-1.4%	-6.7%	-2.4%	-0.4%	0.1%	0.2%
Comparison goods	0.7%	2.5%	-6.8%	6.7%	-0.4%	-1.6%	0.3%	2.5%	3.0%

Source: Figure 1a and Figure 1b of Experian Retail Planner Briefing Note 20

- 2.17 Whilst the above figures relate to a level of growth which is significantly below that which has historically been available to retailers, the situation for high street stores is exacerbated through the increasing amount of expenditure, which is committed through special forms of trading and, in particular, online.
- 2.18 In this regard, Figure 5 of ERPBN20 indicates that special forms of trading accounted for just over 30% of total retail sales in 2021 as a consequence of Covid-19 and subsequent to very strong growth in online retailing over the past decade. Although the growth in special forms of trading is anticipated to drop back slightly in 2023, Experian believes that special forms of trading will again account for over 30% of retail sales by 2024, increasing to around 36% of retail expenditure by 2032.
- 2.19 The below Table 2.2 sets out Experian’s identified and forecast level of special forms of trading as a proportion of overall convenience and comparison goods expenditure. Experian estimates that special forms of trading will account for well over a third of comparison goods expenditure and almost a quarter of convenience goods expenditure in 2032.

Table 2.2: Experian’s Identified and Forecast Market Share of Non-Retail Sales for Convenience and Comparison Goods Sectors

Volume Growth Per Head (%)	2018	2019	2020	2021	2022	2023	2027	2032
Convenience goods	10.9%	12.8%	16.6%	19.3%	19.4%	18.6%	22.0%	24.1%
Comparison goods	21.4%	24.5%	37.6%	38.3%	36.0%	35.4%	38.9%	41.2%

Source: Figure 5 of Experian Retail Planner Briefing Note 20

- 2.20 The ongoing popularity of internet shopping continues to have clear implications in respect of the viability of some ‘bricks and mortar’ retailers. However, it is important to note that changes in how people shop also bring about some opportunities for retailers trading from the high street.
- 2.21 In particular, many stores sell online but fulfil orders from regular stores rather than warehouses, with purchases therefore helping to sustain tangible retail floorspace. As a consequence, Experian also provides an ‘adjusted’ estimate of special forms of trading, which relates to expenditure which is not available to actual stores.

Convenience Goods

- 2.22 Recent socio-economic conditions have led to significant shifts in convenience goods retailing, which have resulted in the ‘big four’ supermarket operators’ market share being cut. Mintel finds that the decline of the food superstore is well established and that this can be attributed to two matters.
- 2.23 Firstly, people are undertaking food shopping in different ways. More people are living in town and city centres and more people are having difficulties financing the purchase of their own home. Mintel indicates that such people are more likely to undertake food shopping on an ‘as needs’ basis and are more likely to eat out or use takeaways. As such, they are less likely to have need to undertake a ‘main food shop’.

- 2.24 Secondly, the current uncertainty in the economy has made discount foodstore operators (namely Aldi and Lidl) a more attractive proposition, and many such stores are thriving given that shoppers are currently having to be 'money savvy'. Discounters have also made efforts to try to compete more directly with the 'big four' supermarket operators, with larger stores, greater ranges of goods, fresh foods and premium products becoming increasingly prevalent. It is clear that the likes of Aldi and Lidl are no longer 'hard discounters' in quite the same way they once were, as they are able to meet a wider range of customers' needs by offering a greater range of premium products.
- 2.25 The move towards the middle ground has allowed discounters to secure market share from both superstores and smaller convenience stores. In addition, we note that discount retailers are often happy to trade alongside more upmarket convenience goods retailers (such as M&S Foodhall) as, collectively, the two stores can meet many food shopping needs.
- 2.26 The shifts in the sector are illustrated with reference to changes in retailers' market share in recent years, as shown in Table 2.3.

Table 2.3: Market Share of Convenience Goods Operators

Operator	December 2016	December 2017	December 2018	December 2019	December 2020	December 2021	December 2022
Tesco	28.4	28.1	27.8	27.4	27.3	27.9	27.5
Sainsbury's	16.5	16.5	16.1	16.0	15.9	15.7	15.5
Asda	15.3	15.3	15.2	14.8	14.3	14.2	14.0
Morrisons	10.8	10.8	10.6	10.3	10.4	10.1	9.1
Aldi	6.2	6.8	7.4	7.8	7.4	7.7	9.1
Co-op	6.3	5.8	5.9	6.1	6.0	5.8	5.6
Lidl	4.6	5.0	5.3	5.9	6.1	6.3	7.2
Waitrose	5.1	5.2	5.0	5.0	5.0	5.1	4.7
Iceland	2.2	2.2	2.2	2.3	2.5	2.4	2.5
Symbols & Independent	1.8	1.7	1.5	1.6	1.7	1.6	1.4
Other Outlets	1.7	1.6	1.7	1.6	1.8	1.8	1.8
Ocado	1.1	1.1	1.2	1.3	1.6	1.7	1.7

Source: KANTAR Grocery Market Share. Figures shown are for the final reporting period in each calendar year

- 2.27 The past few years has seen the closure of a number of unprofitable foodstores and the continuation of Aldi and Lidl's expansion programme. Aldi announced in 2022 that it intends to open another 100 stores in the next two years and has requirements to open new stores in Birmingham. Lidl's expansion plans are similar ambitious as it intends to open a further 220 stores in the period to 2025, again with existing requirements in Birmingham. Whilst the 'big four' remain more cautious in respect of new openings, a limited number of proposals for mid-sized foodstores are currently being promoted by these operators in areas where there is a growing population or an obvious shortfall in existing provision. These stores are typically of a scale that is broadly comparable to that provided by Aldi and Lidl, which allows customers to shop in a convenient and efficient manner.

Comparison Goods

- 2.28 The comparison goods sector is currently being squeezed by a number of factors including reduced expenditure growth, the ability of internet shopping to plug gaps in retailer representation, increases in the minimum wage, business rates changes and inflation.

- 2.29 Whilst the sector is continually evolving and there are a number of ongoing success stories (including Primark, Zara, Next, Boots, JD Sports and Joules), recent headlines have focussed on failing retailers and store closures. High profile retailers that have struggled include Debenhams, which announced the closure of all 124 stores in December 2020, and the Arcadia Group, which owned Topshop Topman and Dorothy Perkins. Arcadia Group announced the closure of around 500 stores in February 2021. Furthermore, Intu Properties, one of Britain's biggest shopping centre owners, fell into administration in June 2020 after failing to secure an agreement with its creditors.
- 2.30 Whilst the loss of some of the above names will have significant repercussions for certain towns (particularly those that lose one or more of Debenhams, Marks & Spencer or House of Fraser from their high street), some well-known retailers have failed to 'move with the times' and update their offer, accommodation and online presence. This is partly a consequence of retailers struggling to reinvest in their business when margins are tight (or non-existent).
- 2.31 Many operators have also rationalised their portfolio with the aim of serving the UK by concentrating on larger centres supplemented by a strong online presence. It will be interesting to see whether any permanent change in respect of working from home may act to counterbalance this 'polarisation' trend, given the prospect of fewer commuters travelling to larger centres and greater numbers of people spending the working day in and around their home. The impact on larger centres may be to reduce footfall, particularly within the week, and result in the shift in expenditure being directed to the smaller town, district and local centres. Whilst this will be a positive for the smaller centres, larger centres may suffer as a result.
- 2.32 Whilst structural changes have had a material impact on the vitality and viability of many UK high streets, there are some beneficiaries. In particular, 'discount variety' operators, such as B&M Bargains, Poundland and Wilko, have taken advantage of lower rents and reoccupied a number of medium to large retail units. However, as evidenced by the failure of Poundworld, there is some evidence that this market may be approaching capacity.
- 2.33 It remains to be seen what additional long-term impacts will eventuate from retail closures resulting from Covid-19 containment measures. However, prior to the implementation of lockdown measures, trading conditions for retailers were challenging and many retailers were struggling to meet costs, including rents, resulting in a higher proportion of retailers restructuring or entering administration. As has been seen throughout 2020 and 2021, the conditions have only become more challenging, and looking forward into 2023, the market is looking uncertain still.

Leisure and Food & Drink

- 2.34 The greater availability of high street units appears to have helped stoke an entrepreneurial spirit in recent years, with a number of centres beginning to benefit from a greater focus on independent retailers and also modern markets, which are frequently focussed on food and drink operators.
- 2.35 More generally, the food and drink sector has also been buoyed in recent years by the success of mid-market national multiples, which expanded quickly across the UK. However, this market has become saturated in many locations and a number of high-profile operators have been in financial difficulty. Given the problems suffered by such operators, the market has become more cautious and mid-market operators are picking new sites carefully as a result. Instead, we have seen a number of independent operators' flourish, both before and throughout the pandemic, and a desire for customers to choose local operators over larger regional and national brands.
- 2.36 A further significant recent high street success story has been the resurgence of the town centre leisure sector, which has resulted in new cinemas being developed close to the shopping core and 'competitive socialising' concepts, which include bowling, crazy golf, table tennis, darts, axe-throwing and other seemingly niche pursuits.

- 2.37 Cinema openings have been on the up in recent years and ‘boutique’ cinema operators – including Curzon, Everyman and The Light – are able to operate from smaller sites in town centres (partly as a consequence of digital technology). Town centre cinema development has successfully underpinned wider mixed-use developments, as food and drink operators are typically keen to locate in close proximity to benefit from spin-off custom. New, innovative leisure operators have been particularly beneficial both in re-using existing difficult to let premises, and in driving the evening economy.
- 2.38 More generally, the gym market continues to perform well, with there now being around 7,200 health and fitness clubs across the UK, which are estimated to have a total turnover of approximately £2bn. Around one in every seven Britons has a gym membership. Budget gyms are currently particularly popular, with operators such as Pure Gym, the Gym Group and easyGym utilising a format that is based on low costs and high volume.
- 2.39 The impact of the pandemic on the leisure industry is still to be determined. Support provided by the Treasury has helped support businesses in 2020 and 2021 and mitigated the effects of ‘lockdown’ restrictions to some degree. However, the full and ongoing impact will become clearer into 2023, particularly as the implications of the cost-of-living crisis are truly felt.

The Night-Time Economy

- 2.40 The term night-time economy is used to describe a wide range of activities that (typically) take place after 5 pm. This could range from a trip to the theatre or cinema, to a family meal, to a night out at a club. The night-time economy is about catering for a wide range of demographics and interests.
- 2.41 Creating a safe, vibrant and well-balanced evening and night-time offer is a challenge that can dramatically improve the overall health of a town centre and boost the economy.
- 2.42 The Association of Town and City Management has published a number of tools that could be used to improve the offer and operation of the night-time economy, which are summarised as follows:
- **Alive After Five** - is a concept where trading hours are adjusting to suit customers’ shopping needs and availability. A Retail Trading Hours Study commissioned by the ATCM found that: Sales between 5pm-8pm are typically 50% more than those between 9am-11am; Revising trading hours to open and close later would increase sales by 10–12%.
 - **Late Night Transport** - the lack of frequent, efficient and safe public transport late at night, or at least the perception of this being the case, could be having a detrimental effect on night-time economy and social scene. One way of increasing night-time visitor numbers is to promote late-night travel provision and its publicity.
 - **Purple Flag** - is an accreditation scheme that recognises excellence in the management of town and city centres at night. Obtaining a Purple Flag shows that a town’s night-time economy offers clean and safe environments, great bars and clubs, a variety of arts and cultural attractions and excellent transport links.
 - **Evening Economy Ambassadors** - can improve the evening and night time scene in a town centre by acting as liaisons between people enjoying themselves, the Police, door staff, licensees and transport operators such as taxi ranks.
 - **Light Night** - is an initiative where for one night (or for the ambitious, a series of nights) a town or city centre stays open after dark for people to enjoy local shops and services within a wider cultural event involving music, art and most importantly, fantastic lighting of buildings and light-based art installations.

- 2.43 The above list is not exclusive, and the development of a bespoke Evening Economy Strategy can help bring focus on what is most important. This is a detailed and achievable plan which draws on a town centre's strengths and weaknesses and sets out a strategy for implementation.
- 2.44 A vibrant and mixed night-time economy can encourage tourism, boost the local economy and contribute to shaping places where people want to live.
- 2.45 In Experian's latest Retail Planner Briefing Note 20 – Leisure (February 2023), it is stated that the recovery in average growth in leisure spending gained some momentum in the first three quarters of 2022 and that for the year as a whole, sales are estimated to have come in 5% above the pre-pandemic level. In the longer-term, leisure spending is projected to grow at roughly half the rate of total retail spend, though three times faster than for convenience spend.
- 2.46 New figures from the Office for National Statistics (ONS) indicate that hospitality is continuing to fuel the night-time economy, but that emerging trends indicate that there are concerns in respect of the future viability of such uses. Indicators are leaning towards issues in respect of the Late Night Levy and the agent of change principle, which are causing problems in respect of the future of the sector.
- 2.47 Many businesses in the night-time economy now face a new period of uncertainty. Inflation is currently at almost 10%, causing many household to cut back on luxury/non-essential spending such as streaming subscriptions or going out. As many families worry about heating their homes or putting food on the table, it is likely that splashing out on a meal at the pub or going to a concert are no longer a priority. With inflation likely to remain high over the next few months, demand for late-night activities is likely to continue to fall as real wages are further eroded.
- 2.48 More directly, energy price inflation is having a particularly big impact on the night-time economy. According to the ONS, UK fuel prices have risen by 11.5% in the year to December 2022. This has hit pubs hard. According to a report by the British Beer and Pub Association (BBPA) and Frontier Economics, mounting energy costs are currently the main challenge facing the industry. The average pub is expecting its energy costs to rise by 82% when the government's industrial energy support scheme ends in April 2023. This could lead to a typical profit loss of £72,000 per venue.
- 2.49 For many, such losses are simply unsustainable. Around 400 pubs closed in England and Wales in 2022 (32 per month). According to the BBPA, 2,663 establishments have closed down over the past five years. The withdrawal of energy support next month could well spell the end for many more UK venues.

Inclusive Economy

- 2.50 The connections between catchment and high streets are considered in retail planning but not as well understood in public sector-led high street regeneration, which must in any case involve more than predictions of consumer demand. The data presented in this report provides a range of demographic factors (socio-economic status, economic activity, age, household size, number of dependent children etc) which can help the Council plan for the future of the high streets that serve those catchments.
- 2.51 For instance, high streets that serve catchments predicted to see a growth in residents in older age brackets may prepare by implementing age-friendly public realm improvements, facilities, and stronger public transport links. Catchments that include a higher proportion of self-employed people may benefit from a high street that includes a shared workspace. High streets that serve poorer catchments may prove more successful where retail and service provision under the control of the Council reflect the budget and need of the those that live nearby.

Out-of-Centre Retailing

- 2.52 Another key format of retailing (and provision of leisure uses) are out of centre retail warehouse destinations. Whilst local authorities need to retain control over out of centre provision from a planning perspective, such provision does play an important part in providing space for operators who may not be able to viably trade from in-centre locations. Such uses include 'bulky' retail operators, including DIY stores, furniture stores and so on who otherwise cannot always find suitable opportunities within defined centres given their specific business model requirements, including access to parking to easily transport larger items, large, unrestricted floorplates to enable easy display of the larger items and so on.
- 2.53 In their UK Retail Warehousing June 2022 Spotlight Report, Savills note that one of the positive trends seen in the retail warehouse market is the appetite for new units from retail and leisure operators across all product categories. In this regard, Savills note that 2021 saw the number of new openings in the retail warehouse market matched exactly with that seen in 2020, and the highest recorded in 11 years. In terms of the nature of the operators, it is the value orientated brands which continue to top the charts of the most acquisitive retail and leisure operators, accounting for 44% of all new openings in 2021. Savills note that Lidl, Aldi, Home Bargains, B&M, Iceland/The Food Warehouse, Farmfoods and The Range are all examples of value orientated retailers that have been the most acquisitive over the last 3 years.
- 2.54 In addition to the above, most out-of-centre shopping locations retain their apparent significant competitive advantages over town centres and high streets in terms of their supply of larger format modern outlets, their lower occupancy costs, extensive free parking and easy and convenient access to the surrounding highways and key arterial routes. This is still an attractive proposition for those retailers that are still seeking space in the current market, but the implications of the attraction of out of centre facilities on defined centres, needs to be monitored carefully.

Planning Reform on the High Street

- 2.55 One of the most impactful planning reforms of the last year has been the consolidation of a number of separate Use Classes under a single Class E 'Commercial, Business and Service' use. This update to the Town and Country Planning (Use Classes) Order 1987 (the 'UCO') came into effect in September 2020. The new use class combines shops, restaurants, offices, gyms and nurseries (amongst other uses) such that planning permission is no longer required to switch uses.
- 2.56 Furthermore, in March 2021, an update was made to the General Permitted Development (England) Order 2015 (the 'GPDO'). This allows for the change of use from Class E properties to residential from August 2021 (extending a right that had previously been restricted to office uses). This permitted development right is subject to maximum size requirements, the property having been in use as Class E for two years and vacant for three months. An application to the determining authority for 'Prior Approval' is also required for limited consideration of impacts relating to transport, contamination, flood risk, noise, light, and neighbourhood amenity. Further limitations apply in Conservation Areas and for nurseries, as well as in areas covered by 'Article 4 directions' where the rights are extinguished.
- 2.57 On 20 July 2021, paragraph 53 of the latest iteration of the National Planning Policy Framework ('NPPF') introduced new limitations on the use of Article 4 directions. The revised national policy significantly narrows the areas in which it is justified to introduce Article 4 directions, limiting local authorities' ability to control development.
- 2.58 The changes in the application of Article 4 directions were first put forward in the January 2021 consultation for draft revisions to the NPPF. However, the final updates differ from the initial consultation in a couple of key areas.

The text recognises that the loss of the 'essential core of a primary shopping area' could result in wholly unacceptable adverse impacts on an area's vitality and viability. This is the Government's first acknowledgement of the potential for the permitted development rights to undermine the health of centres in the NPPF. The updated text also introduces a requirement for 'robust evidence'.

- 2.59 This can be seen as good news for local authorities concerned about the erosion of retail and service uses, and the need to protect vulnerable centres from potentially poor-quality residential development. Protection of the vitality and viability of a high street or town centre against the adverse impacts of change of use is now established as justification for issuing an Article 4 direction.

Implications for the Birmingham Authority Area

- 2.60 The above trends have a number of potential implications for retail and leisure provision within Birmingham. Birmingham city centre is clearly the principal retail and leisure centre within the Study Area, but the centre has been susceptible to structural changes in the retail marketplace and the propensity of shoppers to buy increasing amounts of comparison goods online. However, there have been a series of positive investments over the past five to ten years in particular, with Primark opening its new flagship store in the former Pavilions Shopping Centre in 2019, the transformation of New Street Station and the new Grand Central Shopping Centre completed in 2015 and the new Library of Birmingham opening in 2013.
- 2.61 Planning permission has also been granted for the redevelopment of the current House of Fraser building (former Rackhams) to change the use to a flexible mixed-use building, including office, retail, food and drink and leisure uses (application reference 2018/10311/PA). Whilst the building is still in active use as a department store, there is a clear intention for future investment into the site within the city centre, in a key prime location.
- 2.62 We also note that the development of the high-speed rail network is set to significantly impact Birmingham, with HS2 Phase One being an estimated eight years from completion. Birmingham Curzon Street Station will be at the heart of the new rail network and will be a hub of UK transport. The Curzon Street Investment Plan includes the regeneration of surrounding areas over the course of the next 30 years, with an estimated 34,000 new homes and 36,000 new jobs set to be created. It will be vital that the development of the Station is imbedded in the wider functionality of the city centre, to assist with drawing footfall in from the terminus into the wider centre, benefitting the existing and proposed businesses.
- 2.63 Whilst the growth of online retailing is likely to have had a detrimental impact on the turnover of a number of Birmingham's centres, going forward there may be opportunities for retail facilities to benefit from multi-channel retailing in order to help drive footfall and sustain retailer representation. This is particularly important in light of the current commercial situation and the need to rejuvenate high streets. It will be important to adopt a holistic approach to place management in order to ensure that centres support an experiential offer and are able to attract visitors to linger throughout the day and into the evening.
- 2.64 When the Covid-19 pandemic forced the country into lockdown in Spring 2020, there were already concerted efforts to understand and address the problem. Unprecedented funding was being released by HM Government following a series of reports, most notably including Sir John Timpson's High Street Report 2018, which also recommended the establishment of the High Streets Task Force, providing support to 70 high streets in the UK. The Council has benefited from funding for three key projects, but unfortunately was not successful in respect of the funding to help redevelop Erdington High Street.
- 2.65 Further funding has been made available to local authorities to deal with the recovery phase, and progressive local authorities are developing strategies for more wholesale transformation to make their town centres fit for their

new purpose and resilient into the future. Evidence suggests that the new purpose for high streets, though defined by local conditions, is likely to move away from traditional retail-led landscapes towards a more diverse set of uses, from leisure and culture to education, health, wellbeing and co-working. There will also be a greater demand for town centre living, which helps to sustain evening uses, and Local Plans across the country are changing to allow for densification, upper-floor residential development and conversion at the peripheries of centres where retail uses are contracting.

- 2.66 In this respect, the Council requested £10.8m from Tranche 2 of the Levelling Up Fund to deliver a transformational scheme for High Street in Erdington but was unfortunately unsuccessful. The funding was planned to be used to transform the High Street, including new business space, new housing, cultural, leisure and social space and an improved urban realm and see the redevelopment of the former swimming baths and the delivery of new public open spaces. A similar unsuccessful bid (£11.4m) was made for Northfield town centre, seeking to provide services and amenities for the local community, including the demolition of Prices Square to create public realm and a diverse range of facilities, improved public realm and pedestrian and cycle infrastructure at Victoria Common, improved public realm in the town centre, schools' streets measures, junction improvements on the A38, improved bus priority, traffic reduction, cycling infrastructure and mobility hubs.
- 2.67 Finally, the relationship between the car and the urban landscape is changing with a greater understanding of the health impacts of air pollution. Increasing congestion and a reduced need for car use in centres, coupled with local authority responsibilities to deliver the net zero commitments of COP26.
- 2.68 In addition to the above, the Local Data Company reported in November 2022 that total vacancy rates across high office density areas rose by 4.9% from March 2019 to August 2022. Furthermore, LDC noted that Birmingham saw an especially sharp increase in overall vacancy and as a result, Birmingham's spread of retail and leisure across its commercial facilities was hit hard by the reduction in footfall.
- 2.69 However, LDC also report that Birmingham's office market remained buoyant, with a decrease in vacancy rates in terms of office space specifically, noting that the office market is thriving and continues to support the commercial operators within the City Centre.
- 2.70 The latest pressures on our high streets will likely affect demand for space and its use, the design of buildings and public realm, and transport access. Indeed, the changes in working habits will likely impact on the way we live longer-term, resulting in a need for residents to shop and work locally, and enjoy the local services and leisure activities. In this regard, the sub-regional centres have struggled more during the relaxing of the lockdown measures given that a higher proportion of workers are still working from home and making the most of facilities within the smaller local town centres.
- 2.71 This may result in a decrease in retail space overall, a trend which has been witnessed in Birmingham's centres pre-Covid in any event. In this regard, we recommend that the Council ensures that policies are sufficiently flexible so as to allow for a wide range of town centre uses beyond retail, and that consideration is given to repurposing historic, often outdated retail stock to accommodate residential, leisure and community uses. It is on this basis that there is a need for increased flexibility in centres, which need to be adaptable in order to address changing needs (both across a given day and, more widely, into the future).
- 2.72 In respect of the convenience goods sector, as would be expected, there is generally significant provision across the authority area, although the level of main food provision within the city centre itself is limited. Notwithstanding this, the discount foodstore market remains highly competitive and retailers are now able to support multiple stores in relatively focused areas, particularly where this may dissuade the competition from securing

representation. On this basis, we note that both Aldi and Lidl have a significant number of store requirements across Birmingham. Given the strong operator interest with the discount foodstore sector, a key function of this Study will be to act as an appropriate evidence base by which to consider the merits of such proposed development.

3. Planning Policy Context

- 3.1 In order to shape the direction of this Study, it is helpful to understand relevant retail and town centre planning policy at a national and local level. As such, we first summarise national planning policy of relevance before considering relevant development plan policy as set out in the Birmingham Local Plan. We also consider changes to the Use Classes Order and the application of permitted development rights to town centre uses.

Revised National Planning Policy Framework

- 3.2 The most recent iteration of the National Planning Policy Framework ('NPPF') was published in July 2021. The NPPF reflects the fact that the traditional role of town centres has been somewhat undermined by structural changes in the retail sector, and that there may be a need to plan for a more diverse range of uses going forward. As such, the NPPF advocates a more flexible policy framework to support the future vitality and viability of town centres.
- 3.3 NPPF policies are considered on a thematic basis below.

Plan-Making

- 3.4 Paragraph 20 of the NPPF indicates that development plans should set out an overall strategy for the pattern, scale and quality of development, including policies to deliver retail, leisure and other commercial development. Paragraph 31 states that the preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be proportionate and take into account relevant market signals.

Building a Strong, Competitive Economy

- 3.5 Paragraph 81 of the NPPF indicates that planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development.

Ensuring the Vitality of Town Centres

- 3.6 Paragraph 86 specifically relates to planning for town centres. It states that:

'Planning policies should:

- a. define a network and hierarchy of town centres and promote their long-term vitality and viability – by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters;
- b. define the extent of town centres and primary shopping areas, and make clear the range of uses permitted in such locations, as part of a positive strategy for the future of each centre;
- c. retain and enhance existing markets and, where appropriate, re-introduce or create new ones;
- d. allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary;
- e. where suitable and viable town centre sites are not available for main town centre uses, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre; and

- f. recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.'

- 3.7 The requirement to plan to meet needs across a minimum ten-year period represents a change from the previous NPPF which required town centre needs to be met in full across the entire plan period.
- 3.8 In addition, it is notable that the NPPF Annex 2 Glossary fails to make any reference to the designation of primary and secondary frontages. Page 32 of the Government Response to the Draft Revised National Planning Policy Framework Consultation indicates that, whilst the revised NPPF has removed the expectation in national planning policy that such frontages must be defined, this does not necessarily preclude authorities from doing so where their use can be justified. However, it is evident that the general intention is to provide for more flexibility through a less prescriptive approach to land use.
- 3.9 Paragraph 90 of the NPPF states that it is appropriate to identify thresholds for the scale of edge of centre and out of centre retail and leisure development that should be the subject of an impact assessment. Any such threshold policy applies only to the impact test. All planning applications for main town centre uses that are not in an existing centre and not in accordance with an up-to-date development plan will generally be the subject of the sequential test.

Promoting Healthy and Safe Communities

- 3.10 Paragraph 93 seeks to support the social, recreational and cultural facilities and services the community needs. The guidance states that planning policies and decisions should:
 - plan positively for the provision and use of shared spaced, community facilities (such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship), and other local services to enhance the sustainability of communities and residential environments;
 - take into account and support the delivery of local strategies to improve health, social and cultural well-being for all sections of the community;
 - guard against the unnecessary loss of valued facilities and services, particularly where this would reduce the community's ability to meet its day-to-day needs;
 - ensure that established shops, facilities and services are able to develop and modernise, and are retained for the benefit of the community; and
 - ensure an integrated approach to considering the location of housing, economic uses and community facilities and services.

Ensuring the Vitality of Town Centres Planning Practice Guidance

- 3.11 The Town Centres and Retail Planning Practice Guidance ('the Town Centres PPG') was published in July 2019 and thereafter updated in September 2020. It provides additional direction in respect of how retail and town centre planning policy should be applied in respect of plan-making and decision taking. The Town Centres PPG affirms the Government's aspiration to support town centres in order to generate employment, promote beneficial competition and create attractive, diverse places where people want to live, work and visit.
- 3.12 Paragraph 004 of the Town Centres PPG indicates that a local planning authority's strategy for their town centres should include:
 - The realistic role, function and hierarchy of town centres over the plan period. Given the uncertainty in forecasting long-term retail trends and consumer behaviour, this assessment may need to focus on a limited

period (such as the next five years) but will also need to take the lifetime of the plan into account and be regularly reviewed.

- The vision for the future of each town centre, including the most appropriate mix of uses to enhance overall vitality and viability.
- The ability of the town centre to accommodate the scale of assessed need for main town centre uses, and associated need for expansion, consolidation, restructuring or to enable new development or the redevelopment of under-utilised space.
- How existing land can be used more effectively – for example, the scope to group particular uses such as retail, restaurant and leisure activities into hubs or for converting airspace above shops.
- Opportunities for improvements to the accessibility and wider quality of town centre locations, including improvements to transport links in and around town centres, and enhancement of the public realm.
- What complementary strategies are necessary or appropriate to enhance the town centre and help deliver the vision for its future, and how these can be planned and delivered. For example, this may include consideration of how parking charges and enforcement can be made proportionate.
- The role that different stakeholders can play in delivering the vision. If appropriate, it can help establish the level of cross-boundary/strategic working or information sharing required between both public and private sector groups.
- Appropriate policies to address environmental issues facing town centres, including opportunities to conserve and enhance the historic environment.

3.13 This Study seeks to provide an up to date evidence base which can be used by the Council to inform City-wide retail and leisure strategy and provide the context to the determination of planning applications. As such, many of the above detailed requirements could be addressed in greater by future centre-specific commissions.

3.14 Paragraph 006 of the Town Centres PPG identifies a series of key indicators of relevance in assessing the health of a centre over time. The indicators allow the role, performance and function of centres to be monitored and are considered in greater detail at Section 5 of this report (which specifically addresses the vitality and viability of Birmingham's principal centres).

Use Classes Order

3.15 Significant changes to the Use Classes Order have been enacted through the Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020, which came into force on 1 September 2020.

3.16 The amendments include the revocation of Parts A and D, and the introduction of three new Use Classes, these being Classes E, F1 and F2. The Government's objective is that the changes will support the revival of the high street and allow for greater flexibility in changing uses within town centres without the need for planning permission.

3.17 In addition to the three new Use Classes, the changes also result in some changes in respect of uses classified as sui generis. In practical terms, the changes comprise:

- **Use Class E** – Commercial, business and service uses include: shops or retail; cafes or restaurants; financial services; professional services; any service appropriate to provide in a commercial, business or service locality; indoor sports, recreation or fitness; medical or health services; crèche, day nursery or day centre; and, offices.

- **Use Class F1** – Learning and non-residential institutions include any non-residential use for the: provision of education; display of works of art; museum; public library or public reading room; public hall or exhibition hall; for or in connection with public worship or religious instruction; or, as a law court.
- **Use Class F2** – Local community uses include: a shop selling mostly essential goods, including food, no larger than 280 sq.m and where there is no other such facility within 1,000 metres radius of the shop’s location. A hall or meeting place for the local community, an area or place for outdoor sport or recreation and an indoor or outdoor swimming pool or skating rink.
- **Sui Generis** – Use within this Class now include public house, wine bar or drinking establishment; a drinking establishment with expanded food provision; as a hot food takeaway for the sale of hot food where consumption of that food is mostly undertaken off the premises; live music venue; cinema; concert hall; bingo hall; or dance hall.

3.18 The introduction of Class E is significant and places a wide range of uses including retail, food, financial services, gyms, healthcare, nurseries, offices and light industry into a single use class. Unless restrictive planning conditions preclude otherwise the ability to move within the Use Class E without planning permission allows centres to evolve in a flexible manner.

3.19 However, as ever, the provisions of the Use Classes Order are not linked to any spatial considerations. As such, the expanded Use Class E applies equally to both town centres and out of centre locations, and there may be unintended consequences in providing for additional flexibility across Class E outside of town centres. Accordingly, it may be necessary for the Council to apply restrictive conditions to certain forms of development in order to restrict the authorised use to that which has been justified in the application submission. This will help ensure that unacceptable impacts do not arise from future Class E development.

Town Centre Use Permitted Development Rights

3.20 An amendment was made to the General Permitted Development) (England) Order 2015 (the ‘GPD’) in March 2021. This allows for the change of use from Class E properties to residential from August 2021 (extending a right that had previously been restricted to office uses). This permitted development right is subject to maximum size requirements, the property having been in use as Class E for two years, and the property having been vacant for three months. In addition to this, ‘prior approval’ for the change of use must be sought from the planning authority. Restrictions on this right apply in conservation areas and for nurseries, as well as in areas that are covered by an Article 4 direction.

Local Planning Policy Context

Adopted Development Plan

3.21 The Birmingham Development Plan 2031 (‘BDP’) was adopted in January 2017. The BDP sets out the Council’s vision and strategy for the sustainable growth of the City for the period up to 2031. There is a recognition at Chapter 2 of the BDP that the City Centre is a centre for culture, sports, leisure and shopping, which benefits from world class venues.

3.22 However, there is also an acknowledgement that the network of over 70 other defined centres help to meet a range of shopping needs, and act as a focus for local life and successfully communities. Furthermore, the BDP notes that some centres specialise in different services (including independent retail in Moseley and restaurants in Sparkhill and Ladypool Road), which needs to be recognised in the formation of future planning policy direction. We discuss this further later in the Study.

3.23 Section 3 then sets out the Council’s vision and objectives for the plan period. In terms of the economy and network of centres, the text states at paragraph 3.19 that:

‘A thriving network of centres will be central to delivering new office and retail development and other services to support communities throughout the City. The priority will be to promote retail and office development within the defined centres and resist development that would undermine the strength of the network.’

3.24 Paragraph 3.20 then provides further consideration in respect of the objectives for the network of centres, and states that:

- **‘The City Centre, which will continue to be strengthened as a centre for financial and business services, and as a destination for shopping, business tourism and major cultural events with world class conference facilities and venues. Five wider areas of change will deliver the growth to strengthen the role of the City Centre, investing in new high-quality buildings and public spaces and creating new vibrant destinations. This growth will be coupled with a focus on promoting the distinctive character of the Quarters. The success of the City Centre will be central in promoting the international profile of the City and attracting investment and visitors.**
- **Sutton Coldfield Town Centre as a sub-regional centre is capable of accommodating significant additional comparison retail floorspace and some office space.**
- **Perry Barr, Selly Oak and Meadway as district growth centres accommodating both retail and office uses at lower levels to the City Centre and subregional centre.**
- **A network of some 70 other district and neighbourhood centres accommodating more limited levels of growth supporting local needs.’**

3.25 Chapter 7 of the Birmingham Plan 2031 relates to the economy and network of centres. Paragraph 7.20 relates to the network and hierarchy of centres in particular. The text states that:

‘One of the characteristics of Birmingham is its extensive network of centres, which provide a focus for growth in the retail, office and leisure sectors. Centres also act as a focus for local community life and ensure that services are available in accessible locations. The network and hierarchy of centres will be the preferred location for retail and office development over the plan period.’

3.26 Policy TP21 then sets out the specific guidance in respect of planning for the City’s network of centres. The Policy states that:

‘The vitality and viability of the centres within the network and hierarchy identified below will be maintained and enhanced. These centres will be the preferred locations for retail, office and leisure developments and for community facilities (e.g., health centres, education and social services and religious buildings). Residential development will also be supported in centres having regard to the provisions of policy TP24. Proposals which will make a positive contribution to the diversity and vitality of these centres will be encouraged, particularly where they can help bring vacant buildings back into positive use.

Alongside new development, proposals will be encouraged that enhance the quality of the environment and improve access.

The focus for significant growth will be the City Centre, Sutton Coldfield, Selly Oak, Perry Barr and Meadway but there is also potential for growth in several of the District centres, notably Erdington, Mere Green and Northfield. The scale of any future developments should be appropriate to the size and function of the centre.

The comparison retail floorspace requirements as set out in the table include commitments and should be treated as specific to each centre.

Except for any specific allocations in this Plan, proposals for main town centre uses outside the boundaries of the network of centres identified in policy TP21 will not be permitted unless they satisfy the requirements set out in national planning policy. An impact assessment will be required for proposals greater than 2,500 sq.m. (gross). The City Centre boundary for main

town centre uses, and the City Centre Retail Core boundary are both shown on the Policies Map. Boundaries for other centres are shown in the Shopping and Local Centres SPD.’

3.27 In terms of the hierarchy of centres, the accompanying text provides definitions for the categories of centre used in the hierarchy, as follows:

- **Regional Centre** - Very large centre, embracing a wide range of activities and serving a regional/national catchment.
- **Sub-Regional Centre** - Major centre, providing an extensive range of facilities and services for a more than local population. District Centre Growth Point - A major group of shops, identified as a focus for retail growth and office development.
- **District Centre** - A major group of shops, including at least one foodstore or superstore and a range of non-retail and public services.
- **Local Centre** - A significant group of local shops and services, usually including one or more smaller foodstore.

3.28 Policy TP22 then relates specifically to convenience retail provision, which the supporting text states is based on the findings of the 2013 BRNA Update. The Policy states:

‘In principle, convenience retail proposals will be supported within centres included in the network of centres, subject to proposals being at an appropriate scale for the individual centre. Proposals should deliver quality public realm and create linkages and connections with the rest of the centre and improve accessibility. Proposals that are not within a centre will be considered against the tests identified in national planning policy and other relevant planning policies set at local level, in particular the policies for the protection of employment land.’

3.29 In addition to the above, the BDP provides further policy guidance on independent retailing, promoting a diversity of uses in centres and tourism and cultural facilities. We summarise these policies below:

- **Policy TP23 – Small Shops and Independent Retailing.** The Policy seeks to promote and encourage independent and niche retailers across the city, ensuring that future developments consider the need for a range of unit sizes to meet needs;
- **Policy TP24 – Promotion of Diversity of Uses within Centres.** The Policy seeks to deliver a range of facilities and uses, consistent with the scale and function of the centre to meet people’s day-to-day needs. The Policy also recognises that some centres have a niche role but that it remains important to ensure that the centres maintain their predominantly retail function, and Primary Shopping Areas have been defined to help achieve this. Further guidance in respect of the proportion of ground floor units to be retained in Class A1 (now Class E) Uses is then provided.
- **Policy TP25 – Tourism and Cultural Facilities.** Policy TP25 then provides further guidance in respect of the City’s existing tourism and cultural facilities, and the importance of such uses in helping to support the city centre and other defined centres.

3.30 In addition to the above, the Shopping and Leisure Centres SPD was adopted in March 2012 and expands on the policies for shopping and local centres in the then adopted UDP. Guidance within the SPD covers matters such as the proportion of Class A1 Uses permitted in PSA’s, restrictions on hot food takeaways, and provides plans which include the defined boundaries for the centres in the authority area.

3.31 There are also a wide range of area-based documents adopted by the Council, to help guide the future of some of the principal centres within the authority area. We summarise some of these documents, and their purposes below, and provide further commentary where relevant as part of the healthcheck analysis and policy recommendations later in the Study.

- **City Centre Retail Strategy (2015)** – building on the vision of the Big City Plan, taking a comprehensive view of the Retail Core, planning for its future to ensure its integrity and attractiveness is maintained and its position as a top destination is strengthened.
- **Sutton Coldfield Town Centre Masterplan SPD (2021)** – providing detailed policy and design guidance for the town centre, building on the strategic policies within BDP. The masterplan sets out an ambitious road map to make Royal Sutton Coldfield town centre a great place for local people, visitors, businesses and investors in the short and long-term.
- **Erdington Action Plan (1998)** – focusing on Erdington High Street and the surrounding residential areas, prepared to help plan for the future vitality and viability of the centre, and reverse shopping trends, taking expenditure and footfall away from the high street.
- **Kings Heath Local Action Plan (2006)** – used to help guide land uses and transport changes in the shopping area, providing guidance for future developers and identifying potential development sites for redevelopment.
- **Northfield Local Action Plan (2000)** – focused on the high street, covering Northfield centre, the Local Action Plan sets out a framework for the physical and economic regeneration of Northfield.
- **Perry Barr Masterplan (2022)** – setting a framework for Perry Barr that will deliver long term improvements in the area.
- **Stirchley Framework SPD (2016)** – prepared to provide planning and development guidance to maximise the potential of Stirchley district centre, and the surrounding area.
- **The Wider Selly Oak SPD (2015)** – provides a vision for the area and sets out policies to guide development and to support growth, including within the district centre.
- **Urban Centres Framework (2020)** – the Urban Centres Framework provides the strategy to support urban centres to transform into diverse, well-connected and unique hubs at the heart of local communities.

3.32 In addition to the above, the Council has also now published the Draft Central Birmingham Framework for consultation, which seeks to adopt an ambitious vision for Central Birmingham to 2040.

3.33 The draft Framework sets a strategic vision for central Birmingham to 2040 to create a fair, inclusive, and green place that benefits all communities. It provides a strategy to address the challenges the city faces and unlock opportunities for all. It has been produced as a non-statutory planning document and sets an ambition for central Birmingham and will guide future planning and investment decisions.

3.34 It supports the Birmingham Local Plan review by identifying key areas with potential for change. It also sets out proposals and the infrastructure to that support the levels of growth we need to achieve.

Implications for the Birmingham Authority Area

3.35 There are a number of recurring themes identified throughout the above review which will be important to consider in the context of future development for main town centre uses within the Birmingham authority area, including:

- **Supporting flexibility in town centres** – town centre accommodation needs to be adaptable to a number of uses to address future needs. This presents both opportunities and challenges for Birmingham’s defined centres. The previous orthodoxy of protecting A1 retail uses within Primary Shopping Areas may unwittingly be restricting the ability of town centres to diversify and develop distinctive identities and associated offer to consumers.
- **Encouraging a mix of town centre uses** – town centres are increasingly diverse with the emergence of a greater proportion of leisure, food and drink uses. There is also an identified need to concentrate multi-functional public services in town centre locations to realise agglomeration benefits. However, town centres face rapidly

increasing competition from retail parks and higher order centres as well as online shopping. The integration of commercial and residential uses within town centres is important to their overall vibrancy, to encourage footfall within centres throughout the day. This includes access to high quality public transport.

- **The hierarchy of centres** - the role of each defined centre needs to be clearly articulated to provide it with a distinct and recognisable identity appropriate to its role. It will be important to identify the unique attributes of each defined centre during the production of the new Local Plan.

4. Market Research – Healthchecks

Introduction

- 4.1 Paragraph 86 of the NPPF indicates that planning policies should promote the long-term vitality and viability of town centres by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries. The same paragraph also states that town centres should accommodate a suitable mix of uses (including housing) and provide for development that reflects a centre’s distinctive character.
- 4.2 Paragraph 006 of the Town Centres PPG identifies a range of indicators that should be assessed over time in order to establish the health of a town centre. The indicators include the following:
- diversity of uses;
 - proportion of vacant street level property;
 - retailer representation and intentions to change representation;
 - pedestrian flows;
 - accessibility;
 - perception of safety and occurrence of crime;
 - the state of town centre environmental quality;
 - the balance between independent and national multiple retailers; and
 - the extent to which there is an evening and night-time economy.
- 4.3 New healthcheck assessments have been undertaken for the city, town and district centres identified in the current Birmingham Development Plan. Considering the current status of Meadway, which is identified as a District Growth Point in the adopted development plan, providing a detailed healthcheck was not possible. We provide a summary of the status and future opportunities for the ‘centre’ as part of this section of the Study.
- 4.4 The assessments are based on site visits which were undertaken in June 2022. These assessments should be taken as a ‘snapshot’ of the performance of each centre at a moment in time, and further issues may subsequently become apparent in each centre because of the ongoing negative impacts arising from the Covid-19 pandemic, rising inflation and other economic pressures at this time.
- 4.5 The healthcheck assessment for the City Centre is provided at Appendix 3. Detailed healthchecks for the town and district centres are provided at Appendix 4. We provide a summary of the key conclusions from our healthcheck assessments in respect of the City Centre, town and district centres in the authority area below.

City Centre

- 4.6 Birmingham city centre is the primary destination for shopping and leisure in Birmingham. The centre therefore provides a comprehensive offer, geared at meeting the needs of those within the authority area, but also throughout the West Midlands and further afield. According to the 2013 City Centre Retail Strategy, in 2015 the City Centre attracted over £2 billion of visitor expenditure, and more than 30 million visitors per year.
- 4.7 The retail offer in the city centre is underpinned by a strong range of key national multiple operators, which are generally located in and around the Bullring and Grand Central. These locations provide a sizeable quantum of high quality, modern retail floorspace and are augmented by a range of restaurants, bars and cafés. Elsewhere in the city centre, independent and more specialist operators are situated in and around the Great Western Arcade and Piccadilly Arcade and provide a unique retail and shopping experience. The effect of the redevelopment of the

Bullring in recent years has been to shift the focus of retailing in the city centre away from more traditional shopping area, such as New Street and Corporation Street.

- 4.8 In respect of the food and drink offer in the city centre, the greatest clusters of restaurants, bars and cafés are located primarily around New Street and Bennett’s Hill. These operators play a key role in supporting the function of the city centre, and in driving footfall and activity into it.
- 4.9 Table 4.1 below provides an overview of the unit composition in the city centre. The figures provided below include the units and floorspace covered by the Experian Goad survey area only (see Appendix 3 for the composition plan).

Table 4.1: Birmingham City Centre Unit Composition in June 2022

	Total Units	Comparison	Convenience	Financial	Leisure	Retail Service	Vacant
Birmingham city centre	1,422	21.2%	6.0%	5.8%	35.7%	6.6%	24.6%
National Average	-	27.0%	9.3%	8.9%	25.1%	15.7%	13.8%

Source: Composition of city centre derived from Nexus Planning survey of June 2022; Experian Goad national averages in July 2022

- 4.10 The vacancy rate in terms of both proportion of units and floorspace within the centre is above the national average and represents some cause for concern. Vacant units in the city centre include the former John Lewis unit at Grand Central Shopping Centre and the former Debenhams unit in the Bullring. These are significant, high-profile units, and reflect the significant headwinds faced by the comparison goods sector in recent years. Although there were a few vacancies noted within Grand Central and Bullring, these were less pronounced than those throughout the rest of the centre. However, it is noted that the former John Lewis building is subject to an as-of-yet undetermined application for the change of use of to a flexible Class E and/or F1(b) and/or F1(c) and/or sui generis uses (ref: 2023/00312/PA), which was validated in January 2023. This application represents a significant development, and a chance to secure the reoccupation and repurposing of a significant unit in the City Centre.
- 4.11 In general, Birmingham city centre is accessible to pedestrians, with significant provision of pedestrianised areas throughout the centre. Public transport is also readily available, providing connections at various points in the city centre to areas throughout Birmingham and beyond. The city centre has been subject to considerable investment in recent years, and the effect of this has been to improve the overall appearance of Birmingham city centre into a largely attractive centre whose diverse cultural offer is considered likely to drive footfall throughout the day and into the evening.
- 4.12 Birmingham is subject to continued future significant planned investment, not least including the arrival of High Speed 2 at Eastside in 2026. This development, which will enhance the City’s connectivity and create a new point of arrival, is also hoped to act as a catalyst for development and regeneration in the City Centre. One such project includes Martineau Galleries, which will become a key link between the Eastside and the Colmore Business District, with the potential to provide additional office space and residential accommodation in the City Centre.
- 4.13 Despite a noted increase in vacancies since the previous study, the significant proportion of planned and emerging investment in the city centre is considered reflective of continued investor confidence. Therefore, the centre is considered to remain a vital and viable destination.

Digbeth

- 4.14 Located to the east of the City Core, Digbeth was historically an industrial area with many factories. Since the decline of the industry in this area, and as part of the Big City Plan, Digbeth is currently subject to considerable

redevelopment. This will result in the regeneration of several historic buildings in the area into apartments, retail units, offices and arts and cultural facilities.

- 4.15 The Big City Plan sets out a vision for the area to become a core for creative and cultural businesses and uses in the city. This will be achieved through improving connections into and through Digbeth, supporting the characteristics of the area and ensuring that the needs of business, residents and cultural facilities are met. The location of the Beorma and the BBC to Digbeth are reflective of the strength that the area has in attracting creative and cultural businesses.
- 4.16 Significant opportunities for Digbeth include a range of redevelopment schemes, such as the redevelopment at Typhoo Basin and the transformation of the Wholesale Markets area, but also the opportunity presented by the arrival of HS2. The new station that will be associated with this route offers significant potential to connect Digbeth to the City Core, as well as providing the opportunity to reimagine areas of public realm to improve the sense of character and create key arrival destinations in the area.
- 4.17 The 2013 City Centre Retail Assessment considered that Digbeth, of all areas in the City Centre, had the greatest potential to accommodate independent retailers. The report noted that the area's established character for creative industries, such as the Custard Factory, have in themselves become key locations for small and independent businesses. Further promotion of Digbeth as a location for independent businesses is reflective of the character of the area, and complimentary to it. However, the report also noted that a key barrier to securing increased activity in Digbeth was posed by The Bullring insofar as it prevents movement and linkages between the City Core and Digbeth, which is key to ensuring the wider city centre functions as one. The future role of Digbeth is considered likely to continue being focused on a strong range of independent operators, which complement the wider City Centre and City Core.

Jewellery Quarter

- 4.18 As with Digbeth, the Jewellery Quarter is an area of important industrial heritage in Birmingham, historically focused on the manufacture and trade of jewellery. However, as the importance of this industry has declined, there has been significant growth in creative industries, the residential population and bars and restaurants in the Jewellery Quarter. Although located close to the City Core, the historic development of the City Centre, particularly the introduction of the Inner Ring Road in the 1960s prevented greater linkages between the City Core and the Jewellery Quarter from occurring. The barrier formed by this route, particularly for pedestrian movements, is a key challenge for improving the accessibility between the Quarter and the City Core.
- 4.19 The Big City Plan therefore seeks to build upon the strengths of the Jewellery Quarter, particularly the growth in the residential population and creative industries, but also acknowledges the need to re-establish easy links, especially for pedestrians, between the City Core and the Jewellery Quarter. Other key interventions include the need to provide additional public spaces and securing viable re-use of long vacant and underused sites along key corridors. However, the Plan also acknowledges the need to balance supporting the small manufacturing and creative businesses that have begun trading from the Jewellery Quarter, with the need to effectively manage development pressures to maintain and enhance the qualities of the historic environment.
- 4.20 The importance of the role played by the creative industries in underpinning the function of the Jewellery Quarter was acknowledged in the 2013 City Centre Retail Assessment. This report stated that the future role of the Jewellery Quarter was likely to be supported by the 'further development of art and craft independent sectors. This is likely to be augmented by a strong food and drink offer, which provides for both residents and businesses but also gradually becomes more of a destination in its own right, taking advantage of the historic and period buildings

located in the area. A key element that needs to be addressed to realise this role will be to better link the Jewellery Quarter with other areas, particularly the City Core, in order to take advantage of activity and footfall in this location.

Sutton Coldfield Town centre

4.21 Situated in the far north of the authority area around 11 kilometres to the north of Birmingham city centre, Sutton Coldfield town centre occupies the second position in the city’s retail hierarchy and is the only designated sub-regional centre. The town is an attractive, commuter town for Birmingham, with a perception as being a pleasant place to live.

4.22 The town centre itself is functionally ‘islanded’ from surrounding areas by the ring road formed by Queen Street, Brassington Avenue and Victoria Road. This reduces the permeability of the town centre ‘core’ to surrounding residential areas and makes the town centre a somewhat challenging destination to reach for pedestrians. However, the town does have a good standard of accessibility by public transport and benefits from pedestrianised areas which provide a relatively pleasant retail environment. Moreover, the proximity of the town centre to Sutton Park further adds to the identity of Sutton Coldfield and helps to differentiate it from other centres.

4.23 The town centre’s offer is underpinned by Gracechurch Shopping Centre, and the shopping centre accommodates the key national multiple retailers with a presence in Sutton Coldfield. Sutton Coldfield accommodates a diverse range of operators, which provide both for more specialist needs as well as the day-to-day needs of the local community. However, the town centre would benefit from some investment to improve the appearance and environmental quality overall. This would also likely help to address the vacancy rate in the town centre, which at the time of our visit was equivalent to 20.3% of all units in the town centre. This figure is significantly greater than the current national average figure. Table 4.2 below details the composition of units in Sutton Coldfield town centre.

Table 4.2: Sutton Coldfield Town Centre Unit Composition in June 2022

	Total Units	Comparison	Convenience	Financial	Leisure	Retail Service	Vacant
Sutton Coldfield	236	26.7%	6.4%	11.4%	20.8%	14.4%	20.3%
National Average	-	27.0%	9.3%	8.9%	25.1%	15.7%	13.8%

Source: Composition of town centre derived from Nexus Planning survey of June 2022; Experian Goad national averages in July 2022

4.24 Despite the relatively high vacancy rate, the proportion of comparison operators still equate to a greater proportion of floorspace than the current national average. Comparison operators are generally located in and around Gracechurch Shopping Centre, and include key operators such as TK Maxx, Wilko, JD Sports, Boots, River Island, WH Smith, New Look and H&M.

4.25 However, quantitatively and qualitatively there is a lack of comparison goods retailing in the centre, relative to other similarly sized centres. Whilst this may be due to leakage of expenditure to neighbouring authority areas and other retail destinations in Birmingham, including out-of-centre retail parks, it is considered highly unlikely that this pattern of expenditure will change in the future. Accordingly, the focus of the centre should be on maximising the offer in the centre and making the best of what the centre does have to maintain a strong base of operators and to reduce and repurpose vacant floor space in the town centre.

4.26 The main ‘core’ of Sutton Coldfield, around Gracechurch Shopping Centre lacks a strong element of any night-time economic offer. A particular key inhibitor to the evening economy in the town centre is the fact that Gracechurch

Shopping Centre closes at 5.30pm on most days. This reduces the quantum of active uses that are open into the evening and that may act as a draw for footfall and activity.

- 4.27 Whilst the centre is an important centre, providing a relatively good retail and leisure offer, it could clearly benefit from investment in order to ensure that the centre is vital and viable going forward. Furthermore, the proportion of vacant units does fall significantly above the national average and every effort to secure future operators or alternative uses for the vacancies should be made in the short term. To this end, the Sutton Coldfield Town Centre Masterplan SPD seeks to address these issues (amongst others) through several identified interventions.

District Centres

- 4.28 The composition of each of the district centres is set out at Table 4.3 below. Except for Stirchley and Swan, Birmingham’s district centres benefit from vacancy rates in respect of commercial stock that are below the UK national average of 13.8%. Indeed, 10 of the 18 centres have a single figure (i.e., below 10%) vacancy rate.

Table 4.3: District Centre Unit Composition in June 2022

District Centre	Total Units	Comparison	Convenience	Financial	Leisure	Retail Service	Vacant
Acocks Green	146	25.9%	11.5%	9.4%	22.3%	18.7%	12.2%
Alum Rock Road	280	56.0%	9.4%	4.5%	15.4%	6.0%	8.6%
Castle Vale	14	54.5%	9.1%	0.0%	27.3%	9.1%	0.0%
Coventry Road	296	25.2%	17.6%	12.8%	23.8%	12.8%	7.7%
Edgbaston	65	4.8%	4.8%	12.9%	48.4%	21.0%	8.1%
Erdington	248	24.2%	15.6%	12.1%	21.2%	16.5%	10.4%
Fox and Goose	85	19.3%	15.7%	14.5%	30.1%	15.7%	4.8%
Harborne	185	20.9%	7.0%	14.0%	26.2%	23.8%	8.1%
Kings Heath	233	20.9%	7.0%	14.0%	26.2%	23.8%	8.1%
Longbridge	46	25.0%	13.6%	2.3%	27.3%	22.7%	9.1%
Maypole	39	16.7%	22.2%	2.8%	25.0%	22.2%	11.1%
Mere Green	105	19.6%	6.2%	9.3%	21.7%	33.0%	10.3%
New Oscott	85	23.4%	13.0%	2.6%	20.8%	32.5%	7.8%
Northfield	192	31.0%	11.4%	10.3%	16.8%	19.6%	10.9%
Sheldon	143	23.5%	12.1%	9.1%	24.2%	22.7%	8.3%
Soho Road	279	41.2%	13.4%	11.6%	14.8%	10.1%	9.0%
Stirchley	165	19.5%	7.8%	3.9%	25.3%	16.2%	27.3%
Swan	67	25.5%	14.5%	5.5%	16.5%	21.8%	16.4%
National Average	-	27.0%	9.3%	8.9%	25.1%	15.7%	13.8%

Source: Composition of district centre derived from Nexus Planning survey of June 2022; Experian Goad national averages in July 2022

- 4.29 We provide a summary of each town and district centre below. Detailed healthcheck appraisals are provided at Appendix 4.

Acocks Green

- 4.30 Acocks Green is a moderately sized district centre located in the southeast of Birmingham. It runs along Warwick Road, from the roundabout with Westley Road and Shirley Road in the western end of the centre. Anchored by a

Morrisons and Aldi foodstore (which is relatively removed from the main retail parade of the district centre), Acocks Green has a reasonable range of operators which are considered easily capable of serving the day-to-day needs of the local community. However, the relatively strong presence of hot-food takeaways in the district centre does impact upon the impression of vitality and vibrancy during daytime hours, due to closed roller shutters at most times of the day.

- 4.31 By virtue of the centre's location along Warwick Road, the areas of public space in Acocks Green are dominated by vehicle movements. This impacts upon both the environmental quality of the centre, but also the ease of pedestrian movement through it (notwithstanding the number of controlled pedestrian crossings in the centre). However, we noted areas of planting, seasonal planting and other features of green infrastructure throughout Acocks Green which improve the overall appearance of the centre.
- 4.32 The vacancy rate at the time of our visit equates to 12.2% of units in Acocks Green, a figure marginally less than the current national average. Although the vacancy rate in parts of the district centre is such that it does impact upon the feeling of vitality in the centre, when taken as a whole, Acocks Green is a vital and viable centre. However, efforts should be made to secure the re-occupation or re-use of prominent vacant units in the centre.

Alum Rock Road

- 4.33 Located in Saltley, Alum Rock Road is a large, linear district centre that runs for a kilometre from east to west from Saltley Gate to Anthony Road/Naseby Road. The district centre serves a diverse community, and this is reflected in the nature of the operators along Alum Rock Road, and in the high level of pedestrian footfall throughout the centre that is considered reflective of the key role the district centre plays in meeting the day-to-day needs of the local community.
- 4.34 Alum Rock Road itself is a busy route through this part of the city, and the centre is therefore defined by both the road itself and the traffic moving through the centre. This is beneficial insofar as it provides a high standard of accessibility for private vehicles, but a negative influence in respect of pedestrian movements and the overall appearance of the district centre. However, the vibrancy of the centre ensures that Alum Rock Road is a characterful retail destination, which strongly fulfils its role as a retail centre.
- 4.35 There are 23 vacant units located in the district centre, which equates to 8.6% of all units along Alum Rock Road. This figure represents a lower proportion of vacant units than the current national average. By virtue of these units being located throughout the district centre, instead of in one primary area (with the small exception of retail units fronting Washwood Heath Road at the western end of the district centre), no one area feels overly dominated by vacant units. Accordingly, Alum Rock Road is a vital and viable district centre.

Castle Vale

- 4.36 Castle Vale district centre is focused on a large retail park, which is understood to have been built in the early 2000s. Situated just to the north of Junction 5 of the M6 and in the north-east of the authority area, Castle Vale Retail Park (the district centre) was built on the site of a former shopping precinct which dated from the 1970s but fell into disuse.
- 4.37 The district centre is anchored by a Sainsbury's superstore, which opened in 2000. Alongside this key operator are a range of national multiple retailers, alongside key community day-to-day operators such as a Post Office and Medical Centre. The district centre is located to the east of Jaguar's Castle Bromwich facility. By virtue of the centre's modern development, Castle Vale provides relatively easy means of accessibility by private vehicle, and has a well-maintained, if simple public realm. However, the centre lacks any real defining characteristics or

elements which typify district centres in the city and given the dominance of the larger retail units occupied by national multiple operators, the overarching 'district centre' offer is lacking in some instances.

- 4.38 In any event, by virtue of there being no vacant units identified at the time of our visit, and the wider positive healthcheck indicators, Castle Vale district centre is vital and viable.

Coventry Road

- 4.39 Coventry Road district centre includes both a traditional parade as well as St Andrew's Shopping Centre, with this offer being augmented by what is understood to be unauthorised growth of retail operators in the Parliament Street and Whitmore Road area, to the south of Coventry Road. It is therefore diverse both in terms of its offer, but also in respect of its appearance. Furthermore, the district centre also serves a relatively diverse catchment, and this is reflected in the nature and composition of operators in the district centre. The centre comprises a range of retail, leisure and service uses with additional community facilities. The district centre is vibrant, and a characterful destination that provides a range of unique operators which serve both the day-to-day needs of both the local and wider communities.

- 4.40 The proportion of vacant units at Coventry Road is lower than the national average in respect of both the proportion of units and quantum of floorspace. At the time of our survey, 21 vacant units were recorded. This equates to 7.7% of all units in the district centre. Furthermore, several vacant units were under alteration at the time of our visit, reflective of continued investment into the centre. Indeed, by virtue of the centre's vacancy rate being lower than the current national average this is considered indicative of a vital and viable retail destination that contains a broad offer capable of serving the local community's needs.

Edgbaston

- 4.41 Edgbaston is a relatively small district centre, and this is reflected in the variety in the centre's retail offer. The central and southernmost parts of the district centre are focused on serving day-to-day of needs of the local community, and the northernmost part of Edgbaston Road provides a particularly strong leisure service offer, which is likely to appeal to a large catchment area. In particular, the strong leisure offer is considered likely to draw in visitors from other areas of the city and wider area.
- 4.42 However, the centre is largely dominated by roads and vehicular traffic, which create a poor pedestrian environment in terms of legibility, accessibility and the overall aesthetic of the centre. That said, the district centre is well connected to other areas within the city by road, with easy access to the city centre to the east.
- 4.43 Notwithstanding this, it is evident that some attention has been paid to the appearance of the district centre, with further investment coming forward soon. By virtue of this, and the lower than national average vacancy rates, Edgbaston Road is vital and viable district centre.

Erdington

- 4.44 Erdington district centre is largely focused on providing for the day-to-day needs of the local population, and its retail offer reflects this role, with Erdington lacking the key convenience superstore anchor found at other comparable centres in the city.
- 4.45 The district centre appears somewhat tired and in need of investment, although it is understood that the Council have submitted a bid for Levelling Up funding to help drive the revitalisation of the Centre. The appearance of the centre, and the prominence of vacant units including within Central Square Shopping Centre, does result in areas of

limited vibrancy. These give the impression of a greater vacancy rate in parts of the district centre. Notwithstanding this, the centre is largely vital and viable, although the planned investment will improve this position.

4.46 Whilst it is understood that Birmingham City Council was unsuccessful in their bid for HSTF funding for Erdington district centre, the Erdington BID was renewed in July 2022 and aims to improve Erdington as a safe place to shop and visit. Whilst a bid for Levelling Up funding to revitalise Erdington as a centre and retail destination was unsuccessful, CIL funding for Phase 1 of the Erdington Baths scheme has been allocated. This will result in the delivery of the community and training hub proposal to be brought forward by Witton Lodge Community Association. Furthermore, Godwin Developments are also advancing proposals for a mixed-use development on the Central Square site.

Fox and Goose

4.47 Located around Bromford Lane, Coleshill Road, Stechford Lane and Washwood Heath Road, Fox and Goose is a relatively small district centre located in the east of the authority area in Hodge Hill. The centre is anchored by a Tesco superstore, alongside a key range of day-to-day retail and service operators that are sufficient to serve the needs of the local community.

4.48 Although the centre is clearly focused around meeting the needs of the local community, the presence of the Tesco superstore in the district centre is considered likely to draw from a reasonably sized catchment area. However, it is noted that the Tesco superstore functionally 'turns its back' on the district centre, and few linked trips were observed to other destinations in Fox and Goose at the time of our visit.

4.49 At the time of our visit, there were a total of four vacant units in Fox and Goose, which equate to 4.8% of all units in the district centre. This figure is significantly lower than the current national average rate in respect of vacant units. The limited proportion of vacant units in Fox and Goose district centre is such that the centre does not feel significantly impacted by vacant units. Accordingly, the Fox and Goose is a vital and viable district centre.

Harborne

4.50 Located five kilometres to the south-west of Birmingham city centre, Harborne district centre is an attractive and affluent retail destination. Focused on a strong leisure service (food and drink) and convenience offer, Harborne plays a key role in providing for both the needs of the local community, as well as a wider catchment which look to the centre as an entertainment destination. This is reflected in the quantum of national multiple leisure operators located along High Street, which generate significant levels of activity during both the day and evening.

4.51 Running approximately 1.2 kilometres from east to west, Harborne district centre is tightly defined by High Street. The centre, whilst being characterful and attractive for the most part, is dominated by vehicular traffic movements which detract somewhat from the appearance of the district centre.

4.52 At the time of our visit a total of 14 vacant units were recorded. These units equate to 8.1% of all units in the district centre. The proportion of vacant units in the district centre is lower than the current national average, and because of this the vacancy rate is not considered to provide cause for concern. Harborne is therefore considered to be a vital and viable centre.

Kings Heath

4.53 Kings Heath is anchored by a number of convenience uses, including Asda, Lidl and Sainsbury's, Kings Heath is a linear centre running approximately one kilometre north-to-south along High Street. Comparison goods operators

are diverse and include several key national multiples such as Clarkes, New Look, Poundland, Wilko and Superdrug, in addition to a number of more specialist retailers which easily provide for the day-to-day needs of the local community.

- 4.54 Whilst the centre provides a diverse range of operators focused on providing for the day-to-day needs of the local community, Kings Heath also accommodates a range of boutique retailers, cafés and bars which have turned the district centre into a popular destination.
- 4.55 This is reflected in the level of activity observed at the time of our visit, the appearance of the centre (in which the Kings Heath BID plays a key role in maintaining) and the low vacancy rate. As such, Kings Heath district centre is a vital and viable destination, providing a good range of facilities and amenities for its catchment, and a wider community offer.

Longbridge

- 4.56 The principal commercial area of Longbridge district centre, comprising of large format retail units, sits on the location of the former car plant of the same name, and was opened in 2011 when the key anchor, Sainsbury's, began trading and Bournville College opened. However, the centre also comprises a more traditional retail parade at the junction of Sunbury Road and Longbridge Lane, to the east of the redeveloped Longbridge Centre. In the years following the opening of the new retail park, further national multiple operators have added their presence to the district centre. Longbridge is therefore the most modern centre in the authority area and is subject to continual change.
- 4.57 By virtue of the modern nature of the centre, Longbridge is a well-maintained centre, with an attractive (if functional) public realm. The masterplanned nature of the centre is such that the standard of accessibility in Longbridge is high, especially in the context of other district centres in the authority area. By virtue of this, and the relatively low vacancy rate, Longbridge is a vital and viable district centre.

Maypole

- 4.58 Maypole is a relatively small district centre (in terms of units) when compared to other centres in the authority area. The district centre is anchored by a large Sainsbury's foodstore, alongside a smaller Aldi foodstore, and therefore the centre plays a key role in providing for the convenience goods needs of the local community, both in terms of the top-up and main food shopping function.
- 4.59 However, due to the centre's location adjacent to major arterial routes, the district centre feels somewhat disjointed and appears to lack a cohesive character, both in respect of appearance but also in terms of pedestrian movements, with few people observed moving crossing the major roads which divide the centre.
- 4.60 At the time of our visit, a total of four vacant units were recorded in the district centre. These units equate to a vacancy rate of 11.1% in respect of units, a figure lower than the current national average. Although the vacant units are distributed throughout the district centre, but there is a particular concentration around Idmiston Croft. This results in this area having a lower feeling of vibrancy and vitality when compared to the rest of the district centre. Notwithstanding this, the centre as a whole is vital and viable.

Meadway

- 4.61 Meadway is identified as a District Growth Point in the adopted development plan. Outline planning permission was granted in February 2016 (reference 2015/09502/PA) for a mixed-use development to include residential uses

and a new district centre. The approval refers to up to 2,730 sq.m (GIA) of a mix of commercial and community uses, which would form a new district centre and provide the catchment with much needed amenities to meet their day-to-day needs. The approved scheme was due to come forward in two phases, and part of the first phase, delivering a number of new dwellings has now been completed.

- 4.62 Further to this, it is understood that a further phase of development is currently planned. This will result in the development of around 2.5 hectares of land, and it is anticipated that a planning application for this will be submitted later in 2023. The remaining 1.5 hectares of land will be developed in line with the Urban Centres Framework for a new local centre, to incorporate retail uses alongside a mix of other provision, potentially including community, health and City Council services.
- 4.63 The actual commercial offer of Meadway is now currently very limited, comprising the Asda store off Meadway, which although is an important amenity for the local catchment, does not in itself result in a centre which functions in a manner similar to a typical district centre.

Mere Green

- 4.64 Mere Green has benefited in recent years from the 'Mulberry Walk' redevelopment at the junction of Lichfield Road, Belwell Lane, Hill Village Road and Mere Green Road. The district centre itself is relatively attractive, with the Mulberry Walk redevelopment scheme providing pleasant, modern retail units and areas of public realm, which provide for areas of café culture.
- 4.65 The centre is clearly anchored around a strong convenience goods offer, alongside a range of key community facilities, but perhaps lacks an overarching diversity of uses which meet residents' everyday needs. However, the centre's offer is continuing to evolve through forthcoming investment including a planned Aldi foodstore.
- 4.66 At the time of our visit, the vacancy rate in respect of units equated to 10.3%, a figure which is lower than the current national figure. The vacant units are distributed throughout the district centre, with a concentration of four vacant units along Lichfield Road. However, the centre benefits from high levels of activity and evidence of inward investment, and as such is considered to be a vital and viable centre overall.

New Oscott

- 4.67 New Oscott is split between the Princess Alice Retail Park and a more traditional retail parade on the western side of the A452 Chester Road North, which includes both an Aldi and Lidl foodstore. The centre therefore provides a key role in serving both the needs of the local community, but also a wider catchment drawn to the offer at the Retail Park.
- 4.68 The centre itself is considered to lack a cohesive core, with the major road forming a key barrier to movement between the two functional parts of the district centre. This results in the centre feeling somewhat disjointed, with the various parts operating separately.
- 4.69 Two concentrations of vacant units in the district centre were observed at the time of our visit, including around the former Halfords store at Princess Alice Retail Park, and at the junction of Kings Road and Chester Road North. However, the centre's vacancy rate remains lower than the national average, and although the presence of closed roller shutters in parts of the centre impacts upon the feeling of vibrancy during the day, New Oscott is considered to be reasonably vital and viable.

Northfield

- 4.70 Northfield district centre is a key retail destination in the southwest of the city. The main retail core of the district centre is focused along Bristol Road South, with Northfield Shopping Centre being located in the north. The centre also includes a Sainsbury's superstore to the west of the A38 Bristol Road South. Although Northfield performs a key role in meeting the day-to-day needs of the local community, the appearance of the district centre is relatively tired in parts. Accordingly, in June 2022 the Council submitted a bid to the Government for £11.4 million in Levelling Up funding which was proposed to be directed towards improvements to the town centre, including a remodelling of the shopping centre. However, in early 2023 it was announced that this funding bid had been unsuccessful.
- 4.71 Northfield BID was established in January 2012 and is now into its third term. It's operation and current focus is on four priority areas, Improving Northfield, Protecting Northfield, Promoting Northfield, and Supporting Northfield. The BID aims to work together with the local business community in the district centre to deliver additional projects and services that improve the business environment and the experiences of visitors.
- 4.72 At the time of our visit, a vacancy rate of 10.9% in respect of units was observed, a figure somewhat lower than the current national average. Vacant units are generally located throughout the district centre, the presence of hot-food takeaway units in Northfield (which have closed roller shutters during daytime hours) and some frontages lacking active ground floor uses around Northfield Shopping Centre. This has the effect of reducing the perception of vibrancy and vitality in the district centre. Notwithstanding this, Northfield is considered to be a generally vital and viable centre.

Perry Barr

- 4.73 Perry Barr is located to the north of the City Centre along the A34 corridor and is a key destination for the local community. The centre is well integrated into the road and public transport network, and the recent investment into the district centre has reduced the overall dominance of the road network in Perry Barr.
- 4.74 The district centre is currently dominated by the One Stop Shopping Centre, which is a covered shopping centre itself anchored by an Asda superstore, alongside a strong range of comparison goods operators. The Shopping Centre functionally 'turns its back' on other parts of Perry Barr, which limits the wider offer in the rest of the district centre and there is particularly a lack of any real evening economic offer. Perry Barr also includes retail locations to the south of Perry Barr train station, which generally have a lower standard of appearance and lower levels of activity. These areas are somewhat removed from the One Stop Shopping Centre and suffer from a greater proportion of vacant units than the One Stop Shopping Centre.
- 4.75 The centre provides a key access point and transport interchange to Alexander Stadium, which hosted the 2022 Commonwealth Games. The centre is the subject of a significant ongoing programme of redevelopment, which includes the train station and is set out in the Perry Barr 2040: A Vision for Legacy masterplan, which was adopted in February 2022.
- 4.76 Whilst the vacancy rate in parts of the centre are relatively high, by virtue of the adopted masterplan, key investment and vacancy rates lower than the current national average, Perry Barr is considered to be a vital and viable centre overall.

Selly Oak

- 4.77 Situated just to the south of the University of Birmingham campus and Queen Elizabeth Hospital, Selly Oak is a diverse centre that serves a varied catchment, which includes a particularly strong student population. The centre comprises a more 'traditional' retail parade along Bristol Road, which particularly caters for the needs of the student population and a wider commercial offer at Battery Retail Park and Selly Oak Shopping Park providing larger-format commercial space which serve a wider catchment area. As such, whilst within the same centre, the northern and southern parts of Selly Oak function as separate destinations in practice.
- 4.78 Anchored by strong range of leisure service operators (primarily along Bristol Road) as well as a range of comparison and convenience goods operators around the two retail parks, Selly Oak is considered to be a generally vital and viable district centre, notwithstanding the slightly higher than national average vacancy rate at the time of our visit.
- 4.79 The centre is subject to considerable ongoing investment, much of which is set out in the Wider Selly Oak SPD, adopted in June 2015. The SPD sets out a vision for the wider Selly Oak area and sets out policies to guide development and support growth. It provides a context for co-ordinated and focussed investment that will improve the economic, social and physical well-being of the area, and the quality of life for those who live in Selly Oak. These measures will help to ensure the future vitality of Selly Oak.

Sheldon

- 4.80 Sheldon district centre is located in the east of the authority area, and comprises a long, linear parade, which lines A45 Coventry Road. This results in the centre being dominated by vehicular movements and being somewhat difficult to navigate as a pedestrian. Sheldon offers a strong convenience goods offer (which includes Tesco, Morrisons and Iceland), which is augmented by a number of other operators which are considered likely to draw from a reasonably sized catchment area.
- 4.81 The centre's vacancy rate, in respect of both units and floorspace, is considerably lower than the current national average. By virtue of this, and the key role played by convenience foodstores in anchoring the centre and the relative draw these operators have on the surrounding catchment, the centre is considered to be vital and viable.

Soho Road

- 4.82 Soho Road is centred around three main thoroughfares within the city of Birmingham - Soho Hill, Soho Road and Hollyhead Road - all of which connect Birmingham to the Black Country. The district centre has a long, linear urban grain and is generally low density in nature. The centre is considered to be a relatively attractive retail centre, characterised by colourful shopfronts, although there are also a number of buildings and shopfronts that are not well maintained at present. The strong development pattern and scale of the centre lends itself to having a range of independent operators within Soho Road. The draw of Soho Road is wider than other district centres in light of its unique offer and nature. As a result, the operators draw trade in from a wider catchment area, which benefits the centre through additional available expenditure but does have other implications from an accessibility and sustainability perspective due to the likelihood of visitors from further afield to travel by car instead of walking or travelling by bus.
- 4.83 Soho Road district centre is currently in its second term of being a part of a Business Improvement District (BID) area, in order to fund other projects in the local area that might in turn benefit the local businesses. The second term of the BID was established in April 2019 and will run until March 2024.

4.84 Vacant units are located throughout the district centre, although there is a higher concentration of vacancies to the far west of Soho Road. This results in lower levels of activity in this part of the centre, and it is consequently less vibrant, impacting the overall impression of the centre. Notwithstanding this, the centre has a lower vacancy rate than the current national average and as such due to this, and the levels of activity and engagement in the centre, Soho Road is considered to be vital and viable.

Stirchley

4.85 Located in the south-west of the city, Stirchley is a long, linear district centre that runs for around 1 kilometre from north to south along Pershore Road, which is a key arterial route through the south of the City. By virtue of this, Stirchley is easily accessible to a large catchment (including both by private vehicle and bus), and benefits from a considerable level of passing trade. This is particularly directed to the Morrisons foodstore in the centre, as well as key community facilities, including the community hub at the former Stirchley Baths, which opened in 2016.

4.86 However, the proportion of vacant units in the district centre is such that it is considered to represent cause for concern. The vacancy rate impacts upon activity and the feeling of vibrancy in the centre, and as such the recent opening of a new Aldi foodstore, alongside the forthcoming development of a Lidl foodstore and new homes on Pershore Road are considered likely to improve this impression somewhat.

4.87 It is clear that this, and other interventions, will improve the appearance and perception of northern half of the district centre, and that increased independent and food and drink operators in the southern half of Stirchley are likely to do the same. However, the current proportion of vacant and poorly maintained units is such that at this time, Stirchley cannot be considered to be a vital and viable district centre. Notwithstanding this, once the improvements to the northern half of the centre have 'bedded in' and should the independent and food and drink offer in the southern half continue to grow, the centre may become vital and viable.

Swan

4.88 Swan district centre is focused on the Swan Shopping Centre, which is anchored by a Tesco Extra superstore. The Shopping Centre was opened in Spring 2012 and was delivered through the redevelopment of the former Swan Centre retail precinct. This provided a large quantum of modern, purpose-built retail floorspace which has attracted a number of key national multiple operators to the district centre.

4.89 Swan is located adjacent to the A45 Coventry Road. Although this ensures a high standard of accessibility by private vehicle, the location of the district centre around a key road junction limits the ease of pedestrian movements and impacts upon the environmental quality of the district centre. The focus of the centre around a purpose-built shopping centre also limits activity outside of the hours when the centre is open.

4.90 Whilst the proportion of vacant units in the district centre accounts for a higher proportion of units than the current national average, the majority of these operators are located beyond the Swan Shopping Centre and are considered reflective of the reduced levels of pedestrian activity beyond the shopping centre directed to other parts of the district centre. Interventions that could address this activity should be supported but given the nature of the centre are likely to be challenging. As such, the district centre is considered to be largely vital and viable.

5. Market Research – Shopping Patterns

Market Share Analysis: Household Survey Results

- 5.1 The NEMS household survey identifies where residents travel to undertake a range of shopping and leisure activities. The summary of results provided in this section focusses on the market share of shopping trips secured by retail venues for various types of shopping. In July 2022, a survey of 2,402 households was undertaken by NEMS within the defined Study Area in order to ascertain where residents go to undertake a range of shopping and leisure activities. The Study Area reflects the area where residents look to facilities within Birmingham to help meet their retail and leisure needs.
- 5.2 In defining the Study Area, Nexus reviewed the Study Area adopted in the 2013 Study, which covered a total of 30 core zones, and a further 10 zones which formed the secondary catchment for the authority area. Reviewing the 40 previously adopted zones (which were principally used for the purposes of understanding inflow into the city centre), we established that the majority of the authority area’s convenience and comparison expenditure was being drawn from the key core zones.
- 5.3 We also established that when exploring the population in the postcode sectors, we were also able to reorganise the zones to reduce the total number from 30 to 24. However, what is key is that the 24 zones still accord with the 30 previously adopted, which means that we are able to compare shopping patterns for the core area from 2013 to 2022.
- 5.4 We expect Birmingham’s convenience goods provision to secure almost all of the convenience goods turnover which originates within the 24 zones (as convenience goods shopping is generally undertaken as close to home as possible). Looking at comparison goods shopping, it is expected that the city centre will draw relatively high levels of comparison shopping trips, but there are also a wide range of larger centres and out of centre retail provision which also serves the comparison sector within the authority area. In particular, we expect Sutton town centre and the larger district centres of Northfield, Erdington, Longbridge and Kings Heath all attract relatively high levels of comparison expenditure from residents within Birmingham.

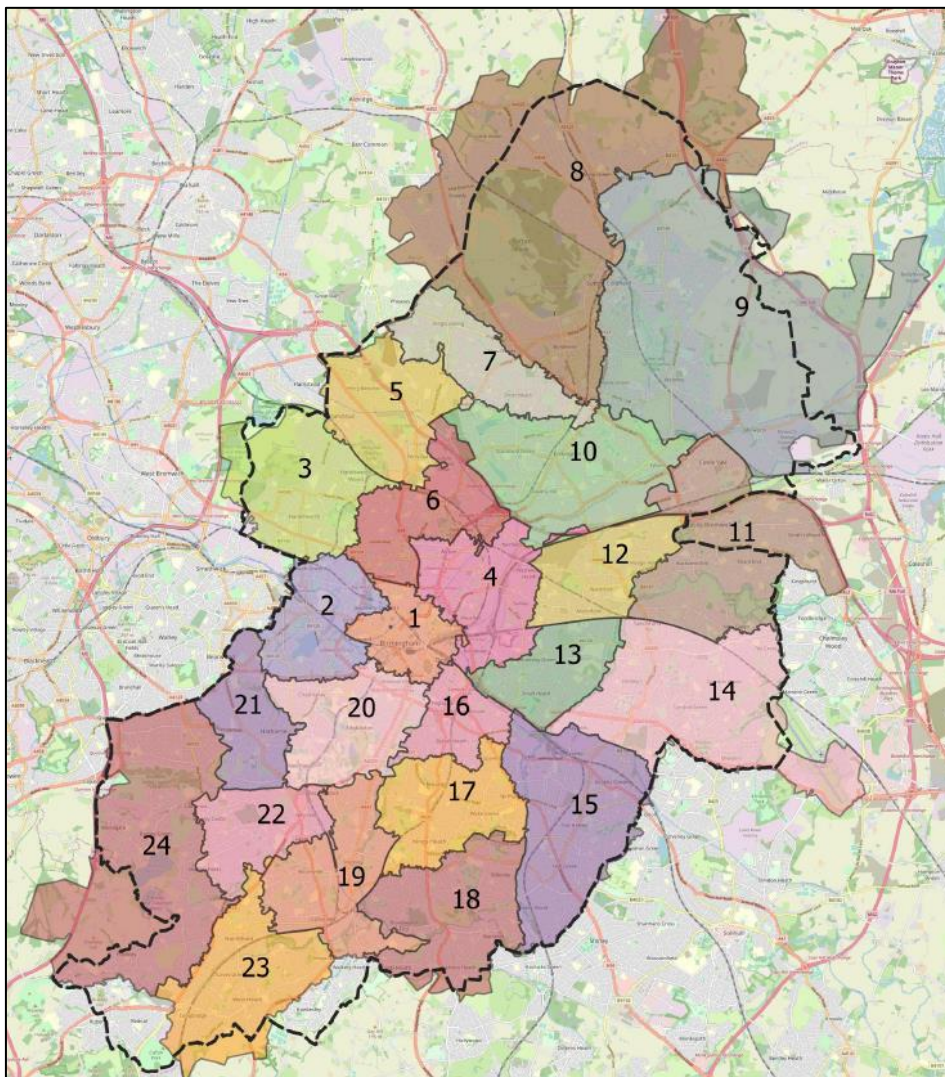
Table 5.1: Key Destinations on a Zonal Basis

Survey Zone	Key Destinations
1	Birmingham city centre
2	Dudley Road and Winson Green local centres
3	Handsworth
4	Saltley
5	Kingstanding, Perry Barr and Great Barr
6	Lozells, Newtown and Aston local centres
7	Kingstanding local centre, Erdington district centre
8	Sutton Coldfield town centre, Mere Green district centre, New Oscott
9	Sutton Coldfield town centre, Wylde Green local centre
10	Erdington district centre
11	Castle Bromwich
12	Ward End
13	Small Heath district centre

Survey Zone	Key Destinations
14	Sheldon and Yardley local centres
15	Acocks Green
16	Balsall Heath, Ladypool Road and Sparkbrook
17	Kings Heath district centre, Moseley local centre
18	Maypole and Yardley Wood local centre
19	Cotteridge and Stirchley local centres
20	Edgbaston local centre
21	Harborne district centre
22	Selly Oak district centre
23	Northfield district centre
24	Quinton

5.5 The household survey is reproduced as part of Appendix 2 of this Study. An excerpt is provided below.

Figure 5.1: Excerpt of Study Area



5.6 In retail terms, the principal purpose of the survey is to establish:

- patterns of convenience goods spending, based on the location of:
 - the shop where the respondent last visited and visited 'the time before last' to undertake their main food shop; and
 - the shop where the respondent last visited and visited 'the time before last' to undertake their top up food shop.
- patterns of comparison goods spending, based on the location of the respondent's last shopping trip to purchase the following types of comparison goods:
 - clothing and footwear;
 - books, CDs, DVDs and stationery;
 - small household goods, such as home furnishings, clocks, jewellery, glass and china;
 - toys, games, bicycles and recreational goods;
 - chemist goods, including health and beauty items;
 - electrical goods, such as televisions, washing machines and computers;
 - DIY and gardening goods; and
 - furniture, carpets and floor coverings.

5.7 The analysis which follows considers market share for the above sub-sectors. Our assessment is based on the market share of *expenditure* to particular retail destinations.

Convenience Goods Analysis

Convenience Retention Rates

5.8 The analysis begins by looking at the level of retention of convenience goods shopping trips on a zonal basis. In this regard, we are able to establish whether residents are having to travel to meet their convenience shopping needs, or if they are typically able to meet their needs in proximity to where they live.

5.9 Table 5.2 indicates that in terms of main food shopping, the highest retention rates are within Zones 13 (70.0%), 8 (63.3%), 14 (58.8%) and 22 (57.9%). In each case, the zones with the higher main food shopping retention rates, contain large format convenience foodstores, attracting high proportions of trips local to home. Of those zones with lower main food retention rates, residents are typically choosing larger format facilities still within sustainable distances from home.

5.10 Looking at Zone 4, there is a distinct lack of any large format convenience operator which would serve a typical main food shopping requirement, indicated by the 0.7% retention rate. Instead, residents from Zone 4 are typically choosing destinations in Zones 11, 12 and 13 to meet their main food shopping needs, such as the Aldi in Stechford, the Asda at Bordesley Green and the Tesco at Hodge Hill.

5.11 Looking at top-up food shopping trips, the retention rates are typically higher on a zonal basis, with the highest being recorded in Zone 14 (76.6%), followed by Zone 21 (75.0%) and Zone 23 (73.8%). Retention rates for top-up shopping are often recorded as being higher than main food shopping, due to shoppers more regularly choosing smaller, local convenience stores, to purchase their basket shops and buying products such as bread, milk and so on.

Table 5.2: Convenience Market Share Retention by Zone at 2022

Zone	Main Food Shopping Trips Retention	Top-Up Food Shopping Trips Retention
1	11.1%	32.3%
2	39.2%	44.0%
3	23.1%	56.5%
4	0.7%	21.0%
5	23.1%	35.5%
6	41.4%	59.0%
7	21.4%	37.6%
8	63.3%	69.7%
9	50.8%	69.2%
10	43.5%	57.0%
11	50.3%	60.0%
12	48.7%	63.8%
13	70.0%	63.8%
14	58.8%	76.6%
15	43.7%	45.4%
16	36.0%	61.3%
17	40.3%	57.2%
18	43.7%	55.8%
19	18.0%	42.7%
20	38.0%	33.0%
21	31.1%	75.0%
22	57.9%	68.7%
23	47.2%	73.8%
24	28.7%	19.5%
Total Study Area	85.6%	90.4%

Source: Table 3 of Appendix 5

Main Food Shopping Patterns

- 5.12 Table 5.3 below provides the principal main food convenience shopping destinations across the Study Area, looking at those which attract the highest proportions of main food shopping trips.
- 5.13 The Table indicates that the Asda in Sutton Coldfield is the principal main food shopping destination, attracting a total of 3.8% of the main food expenditure from across the Study Area. This is followed by the Sainsbury's at Selly Oak Shopping Park, attracting 3.0% and then the Tesco at the Swan Shopping Centre, which attracts 2.8%.
- 5.14 Looking at residents situated within Zones 1 and 2 (which broadly cover the city centre), we can see that the Tesco on Camden Street in Springhill is an important main food destination, attracting 15.8% and 28.9% of main food shopping trips respectively. Other main food shopping provision within Zones 1 and 2 is relatively limited.

5.15 Looking at the principal destinations identified in Table 5.3, we can see that the Asda draws main food shopping trips principally from residents in Zones 9, 10 and 11 and the Sainsbury's in Selly Oak draws from Zones 19, 20, 21 and 22. Both stores therefore have a relatively wide draw.

Table 5.3: Principal Main Food Convenience Shopping Trip Patterns

Destinations	2022 Main Food Market Share (%)
Asda, Walmley Ash Road, Minworth, Sutton Coldfield, B76 1XL	3.8%
Sainsbury's Superstore, Selly Oak Shopping Park, Birmingham, B29 6SJ	3.0%
Tesco Extra, Swan Shopping Centre, Yardley, B26 1AD	2.8%
Asda, Coventry Road, Small Heath, B10 OHH	2.7%
Tesco Extra, Princess Alice Drive, New Oscott, B73 6RB	2.5%
Asda, Walsall Road, Perry Barr, Birmingham, B42 1AB	2.4%
Aldi, Bristol Road South, Northfield, B31 2NS	2.4%
Asda, Barnes Hill Road, Barnes Hill, Birmingham, B29 5UP	2.3%
Tesco Superstore, Camden Street, Springhill, Birmingham, B18 7BH	2.2%

Source: Table 3 of Appendix 5

Top-Up Food Shopping Patterns

5.16 Turning to look at top-up convenience shopping patterns across the Study Area as a whole, we can see that the principal convenience shopping destination meeting top-up shopping needs is the Asda in Barnes Hill, followed again by the Tesco in Springhill. However, overall, shopping trips for top-up shopping are generally more distributed across a wide range of stores, demonstrating that residents will often choose smaller, local convenience operators to meet their top-up shopping needs, and will be less reliant on the larger foodstores for such trips (albeit the attraction of these stores is clearly still strong for residents).

Table 5.4: Principal Top-up Food Convenience Shopping Trip Patterns

Destinations	2022 Top-Up Market Share (%)
Asda, Barnes Hill Road, Barnes Hill, Birmingham, B29 5UP	1.6%
Tesco Superstore, Camden Street, Springhill, Birmingham, B18 7BH	1.6%
Aldi, Bristol Road South, Northfield, B31 2NS	1.4%
Morrisons, Hagley Road, Edgbaston, B15 1TR	1.3%
Asda, Walmley Ash Road, Minworth, Sutton Coldfield, B76 1XL	1.2%
Sainsbury's Superstore, 1059-1061 Alcester Road South, Maypole, Birmingham, B14 5TN	1.2%
Asda, High Street, Kings Heath, Birmingham, B14 7BW	1.1%
Tesco Extra, Swan Shopping Centre, Yardley, B26 1AD	1.1%
Waitrose, High Street, Harborne, Birmingham, B17 9PP	1.1%
Sainsbury's Superstore, Longbridge Lane, Birmingham, B31 2TW	1.1%
Aldi, Stratford Road, Sparkbrook, B11 1QS	1.1%
Morrisons, Chester Road, Castle Bromwich, Birmingham, B34 7HR	1.1%

Total Convenience Goods Market Share

- 5.17 It is useful to also understand which convenience destinations attract the highest proportions of convenience expenditure overall (i.e., both main and top-up convenience expenditure combined), and how this compares to the levels of expenditure identified in the 2013 Study.
- 5.18 We set out below a comparison of the top ten convenience destinations within the authority area, and how the level of expenditure attracted to each has altered since 2013. The market shares presented below are based on the proportion of available convenience expenditure attracted to destinations.
- 5.19 Table 5.5 demonstrates that there have been two new entries in to the top ten principal convenience destinations over the last ten years, the Aldi in Northfield and the Asda in Barnes Hill (which was identified as a commitment within the 2013 Study).

Table 5.5: Convenience Goods Expenditure Market Share – Based on Total Available Convenience Expenditure

Destinations	2022 Market Share Based on Available Expenditure (%)	2012 Market Share Based on Available Expenditure (%)
Asda, Walmley Ash Road, Minworth, Sutton Coldfield	3.4%	4.8%
Sainsbury's Superstore, Selly Oak Shopping Park	2.5%	2.8%
Tesco Extra, Swan Shopping Centre, Yardley	2.3%	1.7%
Aldi, Bristol Road South, Northfield	2.3%	-
Tesco Extra, Princess Alice Drive, New Oscott	2.2%	3.4%
Asda, Barnes Hill Road, Barnes Hill, Birmingham	2.1%	-
Tesco Superstore, Camden Street, Springhill	2.1%	0.7%
Asda, Coventry Road, Small Heath	2.0%	3.1%
Asda, Walsall Road, Perry Barr, Birmingham	1.8%	3.1%
Sainsbury's Superstore, Mere Green Road, Sutton Coldfield	1.6%	2.6%

Source: Table 4 of Appendix 5

Comparison Shopping Patterns

- 5.20 The comparison shopping pattern analysis below looks at the eight categories of goods (both 'non-bulky' and 'bulky') and focuses on the proportion of spend attracted to the city centre and the eleven defined town centres within the Birmingham Local Plan. We then provide an overview of total comparison spending attracted to the key centres and the proportions of expenditure retained within the Birmingham authority area in each case.

Total Comparison Goods

- 5.21 Looking firstly at the total level of comparison goods market share based on the total level of comparison goods expenditure available, we can see from Table 5.6 below, that the proportion of comparison goods expenditure attracted to the city centre from across the same comparable zones, has dropped considerably since 2013, from 21.8%, to 11.1%. In terms of the proportion attracted to Sutton town centre, this has also dropped from 4.8% to 3.2%.
- 5.22 However, overall, the proportion attracted to other destinations in the Birmingham authority area has increased considerably from 37.2% to 60.9%, and the total level of comparison expenditure retained by Birmingham authority

area destinations has also increased from 63.9% to 75.2%, indicating that other large-scale destinations including the number of retail parks (of which some are defined centres) attracting high levels of comparison expenditure.

Table 5.6: Comparison Goods Expenditure Market Share – All Comparison Goods

Destinations	2022 Market Share (%)	2013 Market Share (%)
Birmingham City Centre	11.1%	21.8%
Sutton town centre	3.2%	4.8%
Other Birmingham Authority Area	60.9%	37.2%
Sub-Total Birmingham Authority Area	75.2%	63.9%

Source: Table 25 of Appendix 5

5.23 We are then able to compare the proportion of comparison expenditure attracted to the top ten comparison destinations, against the same figures calculated in 2013. We can see below that Birmingham city centre still remains the principal comparison shopping destination across the Study Area, but as set out above, the proportion of expenditure attracted to the city centre has dropped considerably. However, the proportion attracted to Castle Vale Retail Park (Castle Vale district centre) has increased from 2.5% in 2013 to 5.3% in 2022, along with the proportions attracted to Sutton Coldfield and Erdington centres.

5.24 Importantly, the attraction of Battery Retail Park in Selly Oak (which forms part of the wider district centre) and Princess Alice Retail Park (which again forms New Oscott district centre), have made substantial changes in comparison goods shopping patterns within the authority area, particularly in light of them now featuring in the ‘top ten’ comparison destinations. The dominance of the retail parks (including those defined as centres) within Birmingham is clear within the patterns of expenditure shown below.

Table 5.7: Comparison Goods Expenditure Market Share to Top Ten Destinations – All Comparison Goods

Destinations	2022 Market Share (£m)	2022 Expenditure (%)	2013 Market Share (£m)	2013 Expenditure (%)
Birmingham City Centre	307.4	11.1%	682.6	21.8%
Castle Vale Retail Park, Erdington	146.6	5.3%	78.8	2.5%
The Fort Shopping Park, Birmingham	131.1	4.7%	107.1	3.4%
Battery Retail Park, Selly Oak	94.4	3.4%	70.3	2.2%
Sutton Coldfield Town Centre	89.0	3.2%	20.2	0.6%
Longbridge Local Centre, Birmingham	81.4	2.9%	-	
One Stop Retail Park, Walsall Road, Perry Barr	59.3	2.1%	95.1	3.0%
Northfield Local Centre, Birmingham	58.5	2.1%	61.5	2.0%
Princess Alice Retail Park, New Oscott	58.3	2.1%	-	
Erdington Local Centre, Birmingham	54.7	2.0%	59.4	1.9%

Source: Table 25 of Appendix 5

Clothing and footwear

5.25 We begin the comparison category by reviewing the identified clothing and footwear shopping patterns in Table 5.8 below. Firstly, we can see that the proportion attracted to the city centre from residents in the Study Area totals in 22.3%, with a further 2.0% attracted to Sutton Coldfield town centre.

- 5.26 In total, 50.5% of the clothing and footwear expenditure originating from within the Study Area is attracted to other Birmingham authority area destinations, with a total of 74.8% attracted to Birmingham authority area destinations when considered together. In addition to the city centre, other key destinations for purchasing clothing and footwear are the Fort Shopping Park (12.4%), Longbridge district centre (including M&S – 5.0%), One Stop Retail Park (2.6%), Northfield district centre (2.4%), Sutton Coldfield (2.0%) and Kings Heath district centre and Selly Oak Shopping Park (1.9% each).
- 5.27 As such, whilst the city centre is the principal destination for purchase clothing and footwear goods within the authority area, other centres such as Longbridge, Northfield, Sutton Coldfield and Kings Heath also draw levels of clothing and footwear expenditure from across the Study Area. Looking outside of the authority area, Solihull town centre draws 3.9% of all clothing and footwear shopping trips, followed by Solihull Retail Park and Ventura Retail Park at 2.7% for each. Merry Hill attracts 2.2% of clothing and footwear shopping trips.

Table 5.8: Comparison Goods Market Share – Clothing and Footwear Goods

Destinations	2022 Market Share (%)
Birmingham City Centre	22.3%
Sutton town centre	2.0%
Other Birmingham Authority Area	50.5%
Sub-Total Birmingham Authority Area	74.8%

Source: Tables 9 and 10 of Appendix 5

CDs, DVDs and Books

- 5.28 In terms of CDs, DVDs and Books, the level of expenditure attracted to the city centre is slightly higher than clothing and footwear goods at 25.0%, followed by Sutton Coldfield at 8.1%. In total 80.2% of available expenditure is retained within the Birmingham authority area.
- 5.29 Key destinations outside of the city centre and Sutton Coldfield include Kings Heath district centre (3.7%), Harborne district centre (2.9%) and the Asda in Minworth (2.4%). In terms of Sutton Coldfield, the centre draws relatively high levels of shopping trips from Zones 5, 7, 8, 9 and 10 and for Kings Heath, the draw is from Zones 16, 17, 18 and 19.

Table 5.9: Comparison Goods Market Share – CDs, DVDs and Books Goods

Destinations	2022 Market Share (%)
Birmingham City Centre	25.0%
Sutton town centre	8.1%
Other Birmingham Authority Area	47.1%
Sub-Total Birmingham Authority Area	80.2%

Source: Tables 11 and 12 of Appendix 5

Household Goods

- 5.30 Turning to household goods, the level of expenditure attracted to city centre destinations is significantly lower than the preceding categories of goods at 8.2%, and the overall level retained at destinations in the authority area is also lower at 67.3%. However, the proportion to other destinations within the authority area outside of the city centre and Sutton Coldfield town centre is higher.

- 5.31 Other principal destinations within the authority area for purchasing household goods include Apex Retail Park on Highgate Middleway (4.3%), Ravenside Retail Park (4.1%) and Castle Vale Retail Park (3.6%), indicating the overarching attraction of retail parks for purchasing such goods.

Table 5.10: Comparison Goods Market Share – Household Goods

Destinations	2022 Market Share (%)
Birmingham City Centre	8.2%
Sutton town centre	2.4%
Other Birmingham Authority Area	56.7%
Sub-Total Birmingham Authority Area	67.3%

Source: Tables 13 and 14 of Appendix 5

Recreational Goods

- 5.32 Again, in terms of purchasing recreation goods and toys, the proportion of expenditure attracted to the city centre is relatively low at 9.5%. The overarching retention rate within the authority area is 76.7%.

- 5.33 Instead, large retail park facilities such as Castle Vale Retail Park/Castle Vale district centre (which attracts 15.8% of trips), along with smaller centres such as Longbridge (which attracts 9.1% of trips) are key destinations to purchase recreation goods and toys.

Table 5.11: Comparison Goods Market Share – Recreation Goods

Destinations	2022 Market Share (%)
Birmingham City Centre	9.5%
Sutton town centre	3.1%
Other Birmingham Authority Area	64.0%
Sub-Total Birmingham Authority Area	76.7%

Source: Tables 15 and 16 of Appendix 5

Health and Beauty Goods

- 5.34 Looking at health and beauty goods, the proportion of trips and expenditure spent at the authority area's destinations is the highest of all of the eight categories of comparison goods at 88.0%. However, the proportion of health and beauty goods expenditure spent at city centre destinations is relatively low at 7.4%, again indicating that residents are instead choosing out of centre destinations, food supermarkets and smaller centres to purchase such goods.

- 5.35 For example, the Fort Shopping Centre attracts 6.5% of all trips, Harborne district centre attracts 4.5% of all trips and Kings Heath district centre attracts 4.0%.

Table 5.12: Comparison Goods Market Share – Health and Beauty Goods

Destinations	2022 Market Share (%)
Birmingham City Centre	7.4%
Sutton town centre	4.4%
Other Birmingham Authority Area	76.2%
Sub-Total Birmingham Authority Area	88.0%

Source: Tables 17 and 18 of Appendix 5

Electrical Goods

- 5.36 Turning to the first category of ‘bulky’ comparison goods, the principal destination in the Study Area includes Battery Retail Park (14.5%), Castle Vale Retail Park (10.7%), Princess Alice Retail Park in New Oscott (7.3%), followed by Apex Retail Park (6.8%).
- 5.37 Overall, the city’s retail facilities retain a total of 74.5% of electrical goods expenditure, and the city centre attracts 5.5% of this expenditure.

Table 5.13: Comparison Goods Market Share – Electrical Goods

Destinations	2022 Market Share (%)
Birmingham City Centre	5.5%
Sutton town centre	0.9%
Other Birmingham Authority Area	68.1%
Sub-Total Birmingham Authority Area	74.5%

Source: Tables 19 and 20 of Appendix 5

DIY and Gardening Goods

- 5.38 Looking at DIY and gardening goods, the proportion of expenditure attracted to city centre destinations is less than in respect of electrical goods at 0.7%. Overall, the level retained within the authority area is 70.3%.
- 5.39 Principal destinations within the Study Area for purchasing DIY and gardening goods comprise the B&Q in Erdington (9.2%), Battery Retail Park (6.1%), Homebase in Kings Heath (5.0%), other operators at Castle Vale Retail Park (4.7%) and the Homebase in New Oscott (4.6%).

Table 5.14: Comparison Goods Expenditure Market Share – DIY and Gardening Goods

Destinations	2022 Market Share (%)
Birmingham City Centre	0.7%
Sutton town centre	0.6%
Other Birmingham Authority Area	69.0%
Sub-Total Birmingham Authority Area	70.3%

Source: Tables 21 and 22 of Appendix 5

Furniture Goods

- 5.40 Finally, in terms of furniture goods, the authority area retains a total of 66.2% of all trips to purchase furniture goods, of which 60.0% is being attracted to destinations outside of the city centre and Sutton Coldfield town

centre. Principal destinations include Castle Vale Retail Park (4.2%), Erdington district centre (3.3%) and the DFS at Camp Hill (3.0%).

Table 5.15: Comparison Goods Market Share – Furniture Goods

Destinations	2022 Market Share (%)
Birmingham City Centre	4.5%
Sutton town centre	1.7%
Other Birmingham Authority Area	60.0%
Sub-Total Birmingham Authority Area	66.2%

Source: Tables 23 and 24 of Appendix 5

6. Population and Expenditure

Study Area and Survey

- 6.1 In July 2022, a survey of 2,402 households was undertaken by NEMS within the defined Study Area in order to ascertain where residents go to undertake a range of shopping and leisure activities. The Study Area reflects the area where residents look to facilities within Birmingham to help meet their retail and leisure needs. A plan of the Study Area is provided as Appendix 1.
- 6.2 The defined Study Area has been broken down into 24 separate zones based on postcode sectors. The 24 zones are considered representative of geographic areas that may accommodate broadly similar patterns of shopping behaviour. The below Table 6.1 identifies the postcode sectors which define each of the zones. The Study Area is provided above in Section 5 and at Appendix 1.

Table 6.1: Study Area Zones by Postcode Sector

Survey Zone	Postcode Sectors
1	B 4 7, B 4 6, B 5 5, B 5 4, B 3 1, B 2 5, B 3 3, B 3 2, B 1 2, B 1 1, B 2 4, B 1 3, B 19 3
2	B 18 5, B 18 4, B 18 7, B 18 6, B 16 0, B 5 6, B 16 9, B 16 8
3	B 21 9, B 20 2, B 20 1, B 21 8, B 21 0
4	B 9 4, B 8 1, B 6 5, B 6 4, B 7 5, B 7 4
5	B 42 2, B 42 1, B 44 8
6	B 20 3, B 6 7, B 6 6, B 19 2, B 19 1
7	B 44 0, B 23 5, B 44 9
8	B 73 6, B 73 5, B 74 2, B 74 4, B 74 3, B 75 5
9	B 76 9, B 76 2, B 75 6, B 72 1, B 76 1, B 75 7
10	B 24 9, B 23 7, B 23 6, B 24 8, B 24 0
11	B 36 0, B 35 7, B 36 9, B 34 6, B 33 9, B 35 6, B 34 7
12	B 8 3, B 8 2, B 36 8
13	B 10 0, B 9 5, B 10 9
14	B 33 8, B 26 1, B 25 8, B 33 0, B 26 2, B 26 3
15	B 11 2, B 11 3, B 27 6, B 27 7, B 28 8, B 28 0, B 28 9
16	B 12 0, B 11 1, B 12 9, B 12 8
17	B 13 8, B 11 4, B 14 7, B 13 9
18	B 14 4, B 13 0, B 14 6, B 14 5
19	B 30 1, B 29 7, B 30 3, B 30 2
20	B 15 1, B 5 7, B 15 3, B 15 2
21	B 17 8, B 17 0, B 17 9
22	B 29 5, B 29 4, B 29 6
23	B 31 3, B 31 2, B 38 8, B 31 4
24	B 32 4, B 32 3, B 45 0, B 31 5, B 31 1, B 32 2, B 32 1

- 6.3 The zones were used as the basis for the NEMS household survey, which is used to inform our assessment of shopping patterns as set out at Section 5 of this report. The survey results also underpin the quantitative retail capacity assessment which follows at Section 7. However, in order to consider the flow of expenditure to retail

destinations, it is first necessary to estimate the population and future convenience and comparison goods expenditure apparent in the Study Area.

6.4 An important part of the requirement of the Study was to consider the assessment of capacity based on two alternative scenarios in respect of potential population growth across the plan period within the authority area. As such, we present below the population and expenditure figures based on the following two scenarios:

- **Scenario 1** – based on Experian’s Population Projections, using Experian Micromarketer G3 data
- **Scenario 2** – a blended approach, using the population growth forecast within the Birmingham authority area to 2042 as set out in the Housing and Economic Development Needs Assessment (HEDNA), and Experian’s population projections across this period for areas falling outside of the authority area but within the Study Area.

6.5 The same scenarios are then used to calculate the potential capacity for additional convenience and comparison retail floorspace, as set out in the following Section.

Study Area Population

Scenario 1 – Experian’s Population Projections

6.6 The population within each postcode sector and each zone at 2022 has been calculated using Experian Micromarketer G3 data (2020 estimate, which was issued in February 2022). In estimating the future population of the Study Area, consideration has been given to the authority’s population projections across the period to 2042.

6.7 Table 6.2 below sets out Experian’s population projections for each zone in the Study Area for reporting years 2022, 2027, 2032, 2037 and 2042.

Table 6.2: Scenario 1 - Estimated Study Area Population by Survey Zone

Zone	2022	2027	2032	2037	2042
1	39,063	40,360	41,505	42,298	42,678
2	46,887	48,327	49,559	50,904	51,705
3	50,912	51,957	52,926	53,937	54,536
4	31,813	32,240	33,377	34,329	34,977
5	35,837	36,370	36,893	37,495	37,811
6	48,929	49,913	51,257	52,620	53,440
7	44,937	45,636	46,498	47,373	47,864
8	65,171	65,674	66,480	67,145	67,455
9	51,150	51,716	52,543	53,282	53,583
10	59,665	60,648	61,552	62,523	63,102
11	65,645	66,906	68,403	69,757	70,537
12	42,372	43,242	44,404	45,678	46,501
13	44,475	45,447	46,800	48,173	49,053
14	74,209	75,085	76,078	77,111	77,695
15	78,319	79,513	80,869	82,308	83,226
16	33,685	34,554	35,506	36,455	37,028

Zone	2022	2027	2032	2037	2042
17	44,249	44,943	45,619	46,376	46,853
18	49,482	50,197	50,929	51,637	52,133
19	43,221	43,873	44,596	45,139	45,366
20	33,452	34,109	34,624	35,158	35,425
21	27,527	27,826	28,101	28,400	28,556
22	33,640	34,322	35,040	35,504	35,724
23	45,488	46,176	46,846	47,464	47,832
24	70,156	71,174	72,223	73,434	74,217
Total	1,160,284	1,180,208	1,202,628	1,224,500	1,237,297

Source: Table 1 of Appendix 5

- 6.8 Based on Experian’s projections, the Study Area population is expected to increase from 1,160,284 persons at 2022 to 1,237,297 at 2042. This equates to an increase of 85,544 over the 20-year period.

Scenario 2 – Population Projections Based on the HEDNA

- 6.9 The second population scenario represents a blended approach, using the population growth forecast within the Birmingham authority area to 2042 as set out in the Housing and Economic Development Needs Assessment (HEDNA), and Experian’s population projections across this period for areas falling outside of the authority area but within the Study Area.
- 6.10 In order to model population growth (within the Study Zones) derived from the scenario set out below, we use 2020 as a base year and take Experian’s population projections as the base data. The population located within the Study Area but located outside of the Local Authority boundary is removed from this base data. We then calculate the proportion of population growth set out below that could be expected to occur during each year of the 22-year period between 2020 and 2042. This gives a figure of 6,071.5 (which is the HEDNA forecast level of population growth of 133,573 per annum for the period 2020 to 2042. We then attribute this level of growth on a proportional basis to the population of each zone that is both within the Study Area and the Local Authority, and areas that are located beyond the Study Area boundary but within the Local Authority, across each reporting period to 2042.
- 6.11 To this we then add Experian’s projected population growth for areas within the Study Area, but outside of the Local Authority.

Table 6.3: Scenario 2 - Estimated Study Area Population by Survey Zone

Zone	2022	2027	2032	2037	2042
1	37,626	38,621	39,616	40,610	41,605
2	46,578	47,828	49,074	50,329	51,587
3	51,134	52,486	53,838	55,190	56,541
4	31,874	32,717	33,560	34,402	35,245
5	36,322	37,275	38,223	39,169	40,125
6	49,092	50,390	51,688	52,986	54,284
7	45,490	46,693	47,896	49,098	50,301
8	65,889	67,384	68,885	70,408	71,947
9	51,703	53,083	54,446	55,792	57,129

Zone	2022	2027	2032	2037	2042
10	60,283	61,876	63,470	65,064	66,658
11	66,141	67,955	69,675	71,361	73,092
12	42,782	43,914	45,045	46,176	47,307
13	44,936	46,124	47,313	48,501	49,689
14	74,744	76,714	78,682	80,649	82,620
15	78,657	80,725	82,783	84,839	86,901
16	33,632	34,521	35,410	36,299	37,189
17	44,721	45,903	47,086	48,268	49,451
18	50,307	51,635	52,963	54,290	55,617
19	43,339	44,485	45,631	46,777	47,923
20	33,247	34,126	35,005	35,884	36,763
21	27,884	28,621	29,358	30,096	30,833
22	33,580	34,468	35,356	36,244	37,132
23	45,845	47,057	48,270	49,483	50,696
24	70,986	72,861	74,730	76,608	78,480
Total	1,166,791	1,197,463	1,228,001	1,258,523	1,289,115

Source: Table 1 of Appendix 6

- 6.12 Based on the population projections taken from the Council’s HEDNA, the Study Area population is expected to increase from 1,166,791 persons at 2022 to 1,289,115 at 2042. This equates to an increase of 122,324 over the 20-year period.

Retail Expenditure

- 6.13 In order to calculate per capita convenience and comparison goods expenditure, we have utilised Experian Micromarketer G3 data, which provides detailed information on local consumer expenditure that takes into consideration the socio-economic characteristics of the local population. The base year for the Experian expenditure data is 2020. Our methodology takes account of the fact that some special forms of trading expenditure¹ is not available to support retail floorspace, and then allows for increases in per capita expenditure growth on an annual basis.
- 6.14 Figure 5 of Appendix 3 of ERPBN20 (February 2023) provides forecasts in respect of the proportion of convenience and comparison goods expenditure that will be committed through special forms of trading both now and in the future. We have ‘stripped out’ any survey responses which relate to expenditure committed via special forms of trading and have instead made an allowance derived from Experian’s recommendations (which we consider to be the most appropriate means by which to account for such expenditure).
- 6.15 We set out Experian’s expenditure growth estimates at Table 6.4, which is provided below. It should be noted that Experian only provides growth forecasts to 2040, and, in practice, we extrapolate the annual growth rates at 2040 to provide an estimate for the subsequent years of 2041 and 2042.
- 6.16 In considering special forms of trading, it should be noted that many products which are ordered online are actually sourced from a store’s shelves or stockroom (particularly in the case of convenience goods). As such, expenditure

¹ Identified as comprising sales via the internet, mail order, stalls and markets, door-to-door and telephone sales (i.e., all expenditure not available to traditional retail floorspace)

committed in this manner acts to sustain shops and can be considered ‘available’ to support floorspace within the Study Area. Accordingly, in order not to overstate the influence of special forms of trading on retailers, our methodology utilises Experian’s ‘adjusted’ allowance for special forms of trading (which is provided at Figure 5 of ERPBN20). This allowance indicates that 5.0% of convenience goods expenditure and 28.2% of comparison goods expenditure is ‘lost’ from shops at base year 2020 through special forms of trading purchases.

- 6.17 Having made an allowance for special forms of trading, we then take account of projected changes in expenditure in accordance with the recommendations provided by Figure 6 of Appendix 3 of ERPBN20. Experian provides overall growth rates and ‘adjusted’ rates, which account for any additional increases in expenditure lost to special forms of trading. The latest growth rates suggest that growth in comparison goods expenditure should pick up in the short term as confidence in the economy returns, with this increase following a significant impact to comparison goods expenditure arising from the situation around Covid-19 in 2020.
- 6.18 For convenience goods, Experian forecasts very limited per capita expenditure growth across the entire period to 2036. The position is even more pessimistic when account is taken of future growth in special forms of trading, with Experian’s forecasts suggesting that the growth in convenience goods expenditure available to actual stores will not exceed 0.2% per annum across the entire period 2022 to 2042. Overall, it is evident that per capita convenience goods expenditure is not forecast to increase in the period to 2042.
- 6.19 The position in respect of comparison goods expenditure is more positive. Experian forecasts that per capita comparison goods expenditure growth will take place over the period to 2042 but will not exceed 2.8% per annum in the period from 2022 to 2042. Experian’s forecast suggests that there will be relatively healthy growth in comparison goods even after accounting for expenditure lost to special forms of trading.

Table 6.4: Experian Retail Planner Briefing Note 20 Convenience and Comparison Goods Annual per Capita Growth Rates

Year	Convenience Goods	Convenience Goods ‘Adjusted SFT’	Comparison Goods	Comparison Goods ‘Adjusted SFT’
2022	-6.7	-6.8	-0.4	2.0
2023	-2.4	-2.2	-1.6	-1.0
2024	-0.4	-0.7	0.3	-0.8
2025	0.0	-0.3	1.3	0.3
2026	0.1	-0.2	2.5	1.6
2027	0.1	-0.1	3.0	2.2
2028	0.1	-0.1	3.0	2.4
2029	0.1	0.0	3.0	2.5
2030	0.1	0.0	3.0	2.6
2031	0.1	0.0	3.0	2.6
2032	0.1	0.0	3.0	2.7
2033	0.2	0.1	3.0	2.7
2034	0.2	0.1	3.1	2.7
2035	0.2	0.1	3.0	2.8
2036	0.2	0.1	3.0	2.8
2037	0.2	0.1	3.0	2.8

2038	0.2	0.1	3.0	2.8
2039	0.2	0.1	3.0	2.8
2040	0.2	0.1	3.0	2.8

Source: Figure 7 of Appendix 3, Experian Retail Planner Briefing Note 20 (February 2023)

- 6.20 Growth in expenditure forecasts in the longer term (beyond the next ten years) should be treated with caution given the inherent uncertainties associated with predicting the performance of the economy over time (particularly in the current economic, health and political climates). As such, assessments of this nature should be reviewed on a regular basis in order to ensure that forecasts over the medium and longer term reflect changing circumstances.
- 6.21 In this regard, we also note that paragraph 85 of the revised NPPF requires local planning authorities to allocate sites to meet likely needs ‘...looking at least ten years ahead’, which differs from the previous requirement to meet needs across the entire plan period. We believe that this change directly reflects current economic conditions and changes in the retail sector in recent years. By applying Experian’s recommendations in respect of special forms of trading and expenditure growth, we are able to produce expenditure estimates for each survey zone and the Study Area as a whole at 2022, 2027, 2032, 2037 and 2042.

Convenience Goods Expenditure

Scenario 1 - Convenience Good Expenditure Based on Experian’s Population Projections

- 6.22 Taking into account the Study Area resident population and the available per capita convenience goods expenditure, we estimate that £2,385.1m² of convenience goods expenditure originates within the Study Area at 2022. The below Table 6.5 indicates that available Study Area convenience goods expenditure is forecast to increase to £2,492.8m at 2042.

Table 6.5: Total Available Study Area Convenience Goods Expenditure

2022 (£m)	2027 (£m)	2032 (£m)	2037 (£m)	2042 (£m)
2,385.1	2,341.5	2,384.9	2,439.3	2,492.8

In 2020 Prices

- 6.23 Table 6.5 indicates that this represents an increase in available convenience expenditure across the Study Area up until 2042 of £107.6m.

Table 6.6: Growth in Available Study Area Convenience Goods Expenditure

Growth 2022-27 (£m)	Growth 2022-32 (£m)	Growth 2022-37 (£m)	Growth 2022-42 (£m)
-43.7	-0.2	54.2	107.6

In 2020 Prices

- 6.24 We have assumed that around 75% of available convenience goods expenditure would take the form of main food shopping and that around 25% would take the form of top-up shopping (which relates to smaller purchases, often including staple items such as milk and bread)³.
- 6.25 By applying this ratio, we estimate that main food shopping trips account for £1,788.8m of Study Area convenience goods expenditure at 2022, and top-up shopping trips account for £596.3m.

² In 2020 prices, as is every subsequent monetary reference

³ This is a fairly standard split applied in undertaking this exercise

Scenario 2 - Convenience Good Expenditure Based on the HEDNA Population Growth

6.26 We then provide the estimated available convenience expenditure below based on the population projections calculated from the Council's HEDNA. Under Scenario 2, we estimate that the convenience goods expenditure is forecast to increase from £2,398.4m at 2022 to £2,583.3m at 2042.

Table 6.7: Total Available Study Area Convenience Goods Expenditure

2022 (£m)	2027 (£m)	2032 (£m)	2037 (£m)	2042 (£m)
2,398.4	2,376.0	2,436.5	2,509.5	2,583.3

In 2020 Prices

6.27 Table 6.8 then indicates that this represents an increase of £184.9m across the Study Area between 2022 and 2042. Given the static growth in per capita expenditure, this increase can be attributed to growth in the Study Area's population, based on the HEDNA calculations.

Table 6.8: Growth in Available Study Area Convenience Goods Expenditure

Growth 2022-27 (£m)	Growth 2022-32 (£m)	Growth 2022-37 (£m)	Growth 2022-42 (£m)
-22.4	38.1	111.1	184.9

In 2020 Prices

Comparison Goods Expenditure

Scenario 1 - Comparison Good Expenditure Based on Experian's Population Projections

6.28 For comparison goods, Table 6.9 sets out our estimate that the resident population of the Study Area will generate £2,770.3m of comparison goods expenditure at 2022. Available comparison goods expenditure is then forecast to grow to £4,583.6m at 2042.

Table 6.9: Total Available Study Area Comparison Goods Expenditure

2022 (£m)	2027 (£m)	2032 (£m)	2037 (£m)	2042 (£m)
2,770.3	2,920.1	3,373.7	3,928.6	4,583.6

In 2020 Prices

6.29 The identified increase in comparison goods expenditure growth is substantial, but it represents a level of annual growth that is more circumspect than that which has been achieved in the past. This is due to both a reduction in the overall level of growth when compared to that achieved in the early part of this millennium and as a consequence of further forecast increases in expenditure committed via special forms of trading (most obviously, internet shopping).

Table 6.10: Growth in Available Study Area Comparison Goods Expenditure

Growth 2022-27 (£m)	Growth 2022-32 (£m)	Growth 2022-37 (£m)	Growth 2022-42 (£m)
149.8	603.4	1,158.3	1,813.3

In 2020 Prices

Scenario 2 - Comparison Good Expenditure Based on the HEDNA Population Growth

6.30 Under the HEDNA Scenario, for comparison goods, Table 6.11 sets out our estimate that the resident population of the Study Area will generate £2,786.0m of comparison goods expenditure at 2022. Available comparison goods expenditure is then forecast to grow to £4,757.5m at 2042.

Table 6.11: Total Available Study Area Comparison Goods Expenditure

2022 (£m)	2027 (£m)	2032 (£m)	2037 (£m)	2042 (£m)
2,786.0	2,964.1	3,448.9	4,045.9	4,757.5

In 2020 Prices

- 6.31 The identified increase in comparison goods expenditure growth is substantial, but it represents a level of annual growth that is more circumspect than that which has been achieved in the past. This is due to both a reduction in the overall level of growth when compared to that achieved in the early part of this millennium and as a consequence of further forecast increases in expenditure committed via special forms of trading (most obviously, internet shopping).

Table 6.12: Growth in Available Study Area Comparison Goods Expenditure

Growth 2022-27 (£m)	Growth 2022-32 (£m)	Growth 2022-37 (£m)	Growth 2022-42 (£m)
178.2	663.0	1,259.9	1,971.5

In 2020 Prices

- 6.32 We sub-divide comparison goods expenditure into eight categories, these being: ‘DIY’, ‘Electrical’ and ‘Furniture’ (collectively referred to as bulky goods); and, ‘Clothing and Footwear’, ‘CDs, DVDs and Books’, ‘Health, Beauty and Chemist Goods’, ‘Small Household Goods’, and ‘Toys, Games, Bicycles and Recreational Goods’ (collectively referred to as non-bulky goods). The proportion of expenditure directed to each sub-category is estimated by Experian on a zonal basis. Experian’s estimates are reflected in the detailed expenditure tables set out at Table 7b of Appendix 8.
- 6.33 In considering expenditure growth, it should be noted that not all growth arising within the Study Area will be to support additional floorspace. Instead, account needs to be taken of the market share of expenditure secured by retailers within the authority area; the claim made by existing retailers on expenditure growth (the future efficiency of retail floorspace); and the expenditure that will be claimed by committed retail developments.

7. Assessment of Retail Capacity

7.1 Our retail capacity tables set out our step-by-step approach to estimating the expenditure surplus which is available to support additional retail floorspace and are provided at Appendices 5 and 6. A summary of our methodological approach, together with our findings, is provided below. Again, as we set out in Section 6 above, the capacity assessment presented below and provided at Appendices 5 and 6 have been undertaken adopting the two scenarios of population growth within the Study Area.

General Approach to Estimating Quantitative Capacity

7.2 Retail capacity modelling follows the basic principle that: Available Expenditure minus Expected Turnover of Existing and Committed Floorspace equals Expenditure Surplus or Deficit. An identified quantitative expenditure surplus indicates that there may be capacity to support additional retail floorspace (subject to there being no unacceptable impacts arising as a consequence of the increased provision). We summarise the key considerations relating to each component of the equation below.

Available Expenditure

7.3 As we set out in Section 6 of this report, available expenditure within a zone is calculated by multiplying the population at a given reporting year by the estimated per capita expenditure. We have provided two scenarios of expenditure growth, as detailed above.

7.4 The available expenditure takes into consideration:

- estimated population growth;
- forecast increases in per capita expenditure; and
- forecast increases in special forms of trading.

Anticipated Turnover of Birmingham's Retail Floorspace

7.5 The turnover relates to the expenditure required by existing retailers (and by retail commitments benefitting from an extant planning permission) to ensure that they trade viably. For convenience goods retailers, the expected 'benchmark' turnover of existing convenience goods facilities is calculated with reference to GlobalData Convenience and Comparison Goods Sales Densities of Major Grocers and Mintel Retail Rankings data⁴.

Surplus/Deficit

7.6 The expenditure surplus (or deficit) is calculated by subtracting the turnover of existing and committed floorspace from the available expenditure in the Birmingham authority area. A surplus figure effectively represents an under-provision of retail facilities within the authority area (which may indicate that additional floorspace could be supported), whereas a deficit would suggest a quantitative over-provision of retail floorspace.

7.7 Although a surplus is presented as a monetary figure, it can be converted to a floorspace requirement through the application of an appropriate sales density. In this regard, the floorspace requirement will vary according to operator and the likely sales density they could achieve. For example, in the case of comparison goods, non-bulky goods retailers tend to achieve higher sales densities than bulky goods retailers. However, within the bulky goods

⁴ These datasets provide independent analysis of key grocery retailers' declared turnover and the overall floorspace in their portfolio in order to calculate national average sales densities.

sector itself there is significant variation, with electrical retailers typically having higher sales densities than DIY or furniture retailers.

- 7.8 The turnover of destinations is generally considered with reference to retailers' net sales areas and all of the following floorspace figures relate to net sales areas. Our assessment considers convenience and comparison goods needs on an Authority-wide basis.

Consideration of Inflow

- 7.9 Our methodology in calculating comparison goods capacity necessarily departs from that used in considering convenience goods needs. This is because it is difficult to accurately estimate a benchmark turnover for comparison goods floorspace due to the large number of operators and the variation in the trading performance of floorspace, depending on its location, character and the nature of the catchment. As a consequence, we adopt the position for comparison goods floorspace that it is trading 'at equilibrium' at base year 2022 (i.e., our survey-derived turnover estimate effectively acts as benchmark).
- 7.10 We have also given consideration as to whether there would be any convenience and comparison goods turnover derived as 'inflow' from outside the Study Area.
- 7.11 The Study Area utilised for the new household shopper survey covers a lesser area than that which informed the previous Birmingham Study, which reported in 2013. The current methodological approach reflects the need to secure greatest value for the Council by focusing surveys across the area where residents look to Birmingham's facilities to meet both convenience and comparison goods shopping needs. Whilst we are of the view that it encompasses the majority of the catchment area for Birmingham's convenience and comparison goods retailers, it is recognised that some such destinations are able to draw trade from outside the current Study Area, particularly in respect of tourism inflow.
- 7.12 In order to estimate the approximate level of inflow that is claimed by the destinations in the authority area, we have compared the Study Area for the 2013 Study and that which has been defined for the current Study and reviewed the level of inflow from outside of the Study Area which is being spent at destinations within the authority area. We have therefore adopted the same approach as was accepted as part of the previous study.
- 7.13 The final stage is to apply these allowances to the current survey results in order to provide for an estimate in respect of the level of inflow claimed from outside the current Study Area.
- 7.14 Table 6a of Appendix 5 demonstrates that around £62.0m of convenience goods turnover and £270.7m of comparison goods turnover is claimed as inflow by comparison goods retailers within the Birmingham authority area (under Scenario 1). We account for future inflow on the basis that it will continue to account for the same proportion of overall convenience and comparison goods expenditure going forward.

Future Quantitative Convenience Goods Capacity – Scenario 1, Experian

- 7.15 In identifying the requirement for additional convenience goods floorspace, the estimated turnover of the existing collective provision (with reference to the shopping patterns established by the household survey) is compared to its benchmark turnover (with reference to company average sales densities).
- 7.16 As Table 7.1 demonstrates, convenience goods floorspace has an expected benchmark turnover of £1,918.8m at 2022, and an estimated survey derived turnover of £2,065.4m. When the inflow has been taken into account, the

total available expenditure at 2022 is estimated to be £2,127.3m. As a consequence, an expenditure surplus of £208.5m is evident at 2022, decreasing to £177.6m at 2042, across the authority area as a whole.

Table 7.1: Quantitative Need for Additional Convenience Goods Floorspace in Birmingham Authority Area

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Inflow (£m)	Surplus Expenditure (£m)
2022	1,918.8	2,065.4	62.0	208.5
2027	2,045.7	2,027.6	60.8	42.7
2032	2,051.9	2,065.2	62.0	75.3
2037	2,045.7	2,112.3	63.4	129.9
2042	2,045.7	2,158.6	64.8	177.6

Notes: Assumes constant market share (86.6%) of Study Area expenditure claimed by facilities within the Birmingham authority area; allows for changes in benchmark turnover sales efficiency in accordance with Table 4b of Experian Retail Planner Briefing Note 20
In 2020 prices

7.17 Table 7.2 summarises current extant planning permissions that provide for additional convenience goods floorspace. In calculating the turnover of the identified commitments, we have extracted the floorspace information from the relevant planning application documents and applied professional judgement where necessary to determine whether proposals are likely to incorporate an element of convenience goods sales floorspace once built out. This is of particular relevance to larger schemes where the market is likely to dictate how much convenience floorspace could be realistically accommodated in practice.

Table 7.2 Committed and Implemented Convenience Goods Floorspace in Birmingham Authority Area

Location	Planning Application Reference	Net Conv Sales (sq.m)	Conv Sales Density (£ per sq.m)	Estimated Turnover at 2022 (£m)
98-100 Stratford Road, Sparkhill, Birmingham, B11 1AN	2020/08868/PA	161	8000	1.3
Land to the rear of 118 Stratford Road, Sparkbrook, Birmingham, B11 1AJ	2021/09651/PA	482	8000	3.9
683-685 Stratford Road, Sparkhill, Birmingham, B11 4DX	2021/09008/PA	167	8000	1.3
1386-1392 Pershore Road, Stirchley, Birmingham, B30 2XS	2019/10502/PA	584	8000	4.7
The Lower Parade, Sutton Coldfield, Birmingham, B72 1QX	2021/03298/PA	123	8000	1.0
Land at Hazelwell Lane, Stirchley	2018/10370/PA	1004	8739	8.8
		267	8000	2.1
Former Fitness First Site, Pershore Road, Stirchley	2022/02312/PA	1139	11017	12.6
Land to the east of Sutton Road, Erdington	2021/08850/PA	1131	8739	9.9
4-6 Belwell Lane, Atlas House, Sutton	2021/08720/PA	842	11017	9.3
Total				54.8

Source Table 6c of Appendix 5

Notes: Net sales area and estimated sales density reflect operator (or likely operator)
In 2020 Prices

7.18 As Table 7.3 provides the identified capacity once commitments have been taken account of within the authority area and identifies, once the turnover of commitments are taken account of, there is an identified surplus capacity for additional convenience goods floorspace within the short, medium and longer term. By 2042, we estimate there to be a capacity for between 8,200 and 14,000 sq.m of additional convenience goods floorspace, which in practice could support around four to five medium scale foodstores (such as an Aldi or Lidl) or a range of smaller proposals across the authority area.

Table 7.3: Quantitative Need for Convenience Goods Floorspace in Birmingham after Commitments

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement	
				Minimum (sq.m)	Maximum (sq.m)
2022	208.5	54.8	153.8	11,300	19,200
2027	42.7	58.4	-15.7	-1,100	-1,800
2032	75.3	58.6	16.7	1,100	2,000
2037	129.9	58.4	71.6	4,900	8,400
2042	177.6	58.4	119.2	8,200	14,000

Source: Table 6d of Appendix 5

Notes: Assumes constant market share (86.6%) of Study Area expenditure claimed by facilities in Birmingham; allows for changes in benchmark turnover sales efficiency in accordance with Table 4a of Experian Retail Planner Briefing Note 20; minimum floorspace requirement based on an assumed sales density of £13,434 per sq.m at 2022 (which equates to the average sales density of the 'big four' foodstore operators); maximum floorspace requirement based on an assumed sales density of £8,000 per sq.m at 2022 (which equates to lower end of typical discount operator performance)
In 2020 prices

Future Quantitative Convenience Goods Capacity – Scenario 2, HEDNA

7.19 Table 7.4 provides the identified capacity under Scenario 2, once commitments have been taken account of within the authority area. The Table demonstrates that once the turnover of commitments are taken account of, there is an identified surplus capacity for additional convenience goods floorspace within the short, medium and longer term. Under Scenario 2, by 2042, we estimate there to be a capacity for between 13,700 and 23,300 sq.m of additional convenience goods floorspace.

Table 7.4: Quantitative Need for Convenience Goods Floorspace in Birmingham after Commitments

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement	
				Minimum (sq.m)	Maximum (sq.m)
2022	219.6	54.8	164.8	12,100	20,600
2027	72.7	58.4	14.3	1,000	1,700
2032	120.5	58.6	61.9	4,300	7,200
2037	191.7	58.4	133.3	9,200	15,600
2042	257.5	58.4	199.2	13,700	23,300

Source: Table 6d of Appendix 6

Notes: Assumes constant market share (86.6%) of Study Area expenditure claimed by facilities in Birmingham; allows for changes in benchmark turnover sales efficiency in accordance with Table 4a of Experian Retail Planner Briefing Note 20; minimum floorspace requirement based on an assumed sales density of £13,434 per sq.m at 2022 (which equates to the average sales density of the 'big four' foodstore operators); maximum floorspace requirement based on an assumed sales density of £8,000 per sq.m at 2022 (which equates to lower end of typical discount operator performance)
In 2020 prices

Future Quantitative Comparison Goods Capacity – Scenario 1, Experian

- 7.20 Given the disparity in the performance of comparison goods floorspace across the UK, it's generally accepted that comparison goods floorspace is 'in equilibrium' at the start of an assessment (i.e., its turnover is in line with expectations, and that the sector has evolved to meet local/regional needs.
- 7.21 Our assessment estimates that the comparison goods turnover of the Birmingham authority area is £2,082.7m at 2022. Once inflow is taken into account, we estimate that there will be a nil comparison goods surplus at 2022 and that a surplus of £57.3m is identified at 2032, increasing to £191.8m at 2042.

Table 7.5: Quantitative Need for Comparison Goods Floorspace in Birmingham

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Inflow (£m)	Surplus Expenditure (£m)
2022	2,353.4	2,082.7	270.7	0.0
2027	2,485.0	2,195.3	285.4	-4.3
2032	2,808.7	2,536.3	329.7	57.3
2037	3,224.6	2,953.5	383.9	112.8
2042	3,702.0	3,445.9	448.0	191.8

Source: Table 26a of Appendix 5

Notes: Assumes constant market share (75.2%) of Study Area expenditure claimed by facilities in Birmingham; allows for changes in benchmark turnover sales efficiency in accordance with Table 4b of Experian Retail Planner Briefing Note 20
In 2020 prices

- 7.22 Once more, the above assessment does not take into consideration existing commitments and the claim they will have on capacity. Table 7.6 summarises current extant planning permissions that provide for additional comparison goods floorspace.

Table 7.6 Committed and Implemented Comparison Goods Floorspace in Birmingham Authority Area

Location	Planning Application Reference	Net Comp Sales (sq.m)	Comp Sales Density (£ per sq.m)	Estimated Turnover at 2022 (£m)
98-100 Stratford Road, Sparkhill, Birmingham, B11 1AN	2020/08868/PA	161	4000	0.6
Land to the rear of 118 Stratford Road, Sparkbrook, Birmingham, B11 1AJ	2021/09651/PA	482	4000	1.9
683-685 Stratford Road, Sparkhill, Birmingham, B11 4DX	2021/09008/PA	167	4000	0.7
1386-1392 Pershore Road, Stirchley, Birmingham, B30 2XS	2019/10502/PA	584	4000	2.3
The Lower Parade, Sutton Coldfield, Birmingham, B72 1QX	2021/03298/PA	123	4000	0.5
Land at Hazelwell Lane, Stirchley	2018/10370/PA	251	6500	1.6
		267	4000	1.1
Former Fitness First Site, Pershore Road, Stirchley	2022/02312/PA	285	4000	1.1
Land to the east of Sutton Road, Erdington	2021/08850/PA	283	6500	1.8
4-6 Belwell Lane, Atlas House, Sutton	2021/08720/PA	210	4000	0.8
Total				12.6

7.23 As Table 7.7 below identifies, once the turnover of commitments have been taken account of, there is a surplus of expenditure identified at 2032 of between 6,400 and 10,100 sq.m of additional comparison goods floorspace. This then increases to between 19,900 and 31,200 sq.m by 2042.

Table 7.7: Quantitative Need for Comparison Goods Floorspace in Birmingham after Commitments

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement	
				Minimum (sq.m)	Maximum (sq.m)
2022	0.0	12.6	-12.6	-2,300	-3,600
2027	-4.3	13.3	-17.6	-3,000	-4,800
2032	57.3	15.0	42.3	6,400	10,100
2037	112.8	17.3	95.6	12,700	19,900
2042	191.8	19.8	172.0	19,900	31,200

Source: Table 26d of Appendix 5

Notes: Assumes constant market share (75.2%) of Study Area expenditure claimed by facilities in Birmingham; allows for changes in benchmark turnover sales efficiency in accordance with Table 4a of Experian Retail Planner Briefing Note 20; minimum floorspace requirement based on an assumed sales density of £5,500 per sq.m at 2022; maximum floorspace requirement based on an assumed sales density of £3,500 per sq.m in 2020 prices

Future Quantitative Comparison Goods Capacity – Scenario 2, HEDNA

7.24 Looking at Scenario 2, Table 7.8 below provides the identified comparison capacity once commitments have been taken account of within the authority area.

7.25 The Table demonstrates that once the turnover of commitments are taken account of, there is an identified surplus capacity for additional comparison goods floorspace within the short, medium and longer term. By 2032, we estimate there to be a capacity for between 13,800 and 21,600 sq.m of additional comparison goods floorspace, which increases to between 34,500 and 54,300 sq.m by 2042.

Table 7.8: Quantitative Need for Comparison Goods Floorspace in Birmingham after Commitments

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement	
				Minimum (sq.m)	Maximum (sq.m)
2022	0.0	12.6	-12.6	-2,300	-3,600
2027	19.0	13.3	5.8	1,000	1,600
2032	105.4	15.0	90.3	13,800	21,600
2037	194.2	17.3	177.0	23,500	36,900
2042	318.6	19.8	298.8	34,500	54,300

Source: Table 6d of Appendix 6

Notes: Assumes constant market share (75.2%) of Study Area expenditure claimed by facilities in Birmingham; allows for changes in benchmark turnover sales efficiency in accordance with Table 4a of Experian Retail Planner Briefing Note 20; minimum floorspace requirement based on an assumed sales density of £13,434 per sq.m at 2022 (which equates to the average sales density of the 'big four' foodstore operators); maximum floorspace requirement based on an assumed sales density of £8,000 per sq.m at 2022 (which equates to lower end of typical discount operator performance)
In 2020 prices

Qualitative Requirements

7.26 As we identified earlier in this section, we estimate that before any inflow is accounted for, under Scenario 1 convenience goods retail facilities in Birmingham turn over £2,065.4m at 2022, which is higher than their expected

benchmark turnover of £1,918.8m. In examining the performance of specific stores, it is evident that Aldi's discount supermarkets are performing particularly strongly and that the performance of food superstores⁵ is more variable⁶.

- 7.27 There are a total of 19 food superstores across the authority area, which collectively have an estimated convenience goods turnover of £766.4m at 2022, which is lower than their anticipated benchmark turnover of £868.1m. Indeed, our assessment identifies that just five large food superstores 'overtrade', these being: the Tesco Superstore in Springhill, the Sainsbury's in Mere Green and the Tesco Extra in New Oscott, the Morrisons in Castle Bromwich and the Sainsbury's in Selly Oak.
- 7.28 The food superstore with the strongest performance is the Tesco in Springhill, which has an estimated convenience goods benchmark turnover of £44.6m and an estimated survey-derived turnover of £49.7m at 2022 (we therefore estimate that it is overtrading by around £5.1m). The worst performing food superstore when compared to its expected benchmark average is the Morrisons in Small Heath, which has an expected benchmark turnover of £40.3m and a survey derived turnover of £24.3m and is therefore undertrading by approximately £16.0m.
- 7.29 The moderate performance of some existing food superstores is not particularly surprising, given that across the country shoppers are frequently foregoing the previously dominant foodstore operators in favour of discounters. As a consequence of this, we believe that it is highly unlikely that there will be any requirement in the foreseeable future for any further large food superstores in the area.
- 7.30 We do, however, note that a number of Aldi and Lidl foodstores across the City are performing exceptionally well. In this regard, the 15 Aldi stores in the authority area have a collective convenience goods benchmark turnover of £131.2m and an estimated survey-derived turnover of £379.3m; as such, their convenience goods floorspace very significantly overtrades by an estimated £248.1m. In addition, the existing 13 Lidl stores have a collective convenience goods benchmark turnover of £105.9m and an estimated survey-derived turnover of £184.8m; again, indicating that their convenience goods floorspace could be overtrading by £78.9m.
- 7.31 In particular, we also note that there is an absence of a large foodstore within Birmingham city centre, and no indication in the form of a formal planning application or pre-application enquiry that any city centre foodstore will be coming forward in the short term. In this regard, the likes of Aldi and Lidl have recently opened new foodstores within city centre locations, including Manchester, Liverpool and Bristol, providing that convenience floorspace to serve the growing city centre population. In this regard, just 11.1% of main food shopping trips from Zone 1 residents are being retained within Zone 1, with shoppers choosing other larger foodstores outside of the Zone to meet their shopping needs. We note that announcements were made by Lidl that they would be occupying the former retail floorspace at the bottom of the Broadway development at Five Ways, but this has since gone quiet and there is no indication as to whether it will be coming forward.
- 7.32 In addition to the above, there appears to be a qualitative gap for additional provision within Erdington district centre. However, we also note that Lidl has permission on land to the East of Sutton Road to provide for a new foodstore, which will help to provide for a qualitatively different offer for residents in the local area. Encouraging links between the proposed foodstore and the remainder of the centre will be key, helping to draw footfall into the wider district centre.

⁵ Defined as having a net sales area of more than 2,500 sq.m.

⁶ In this regard it should be noted that, whilst household survey respondents have in the past perhaps been slightly reluctant to acknowledge that they undertake their main food shop at a discounter, this no longer appears to be the case. In addition, our methodology apportions convenience goods expenditure to foodstore destinations according to their identified market share. The methodology does not take into consideration that similar items are generally cheaper in Aldi and Lidl than in one of the 'big four' operators' stores. As such, the performance of discount operators is probably overstated and the performance of the 'big four' operators is probably understated.

- 7.33 There are also indications in other certain zones, such as Zones 1 and 4, that there is a lack of main food shopping choice in particular. We cover Zone 1 above (the city centre) but in respect of Zone 4, which covers the area around Aston, Saltley and Vauxhall, there is a clear deficiency in terms of foodstore provision, and there may be an opportunity to promote opportunities within the area as part of the wider HS2 associated development.
- 7.34 As set out at Section 2 of this report, both Aldi and Lidl have substantially improved their share of the national grocery market in recent years. Notwithstanding this, the very strong performance of Aldi and Lidl foodstores across the authority area suggests that the market could support more discount foodstore provision. In this regard, we note that both Aldi and Lidl have a significant number of further requirements for new stores across Birmingham, and therefore additional proposals for such development could come forward in the short term.
- 7.35 In considering future proposals, any additional proposed food supermarkets should be considered on their merits in accordance with relevant policy tests. Most particularly, planning applications which seek to provide additional food retail provision should be considered having regard to potential sequential alternative sites, and with reference to the magnitude of impacts arising at any defined centre. The potential qualitative benefits associated with any improvement in customer choice can also be afforded weight in the decision-making process.
- 7.36 Turning to comparison goods, the importance and relative dominance of Birmingham city centre and the additional choice provided at the large out of centre retail parks such as One Stop, Princess Alice, The Fort, Castle Vale Retail Parks, mean that the majority of other centres in Birmingham have a more localised role and function than might otherwise be the case.
- 7.37 However, there are some key comparison in-centre destinations across the authority area which attract relatively high levels of comparison expenditure and therefore perform important functions for residents across the authority area. Such centres include Sutton town centre, Kings Heath, Harborne and Erdington but also the less traditional defined centres such as New Oscott, Longbridge and Perry Bar.
- 7.38 Whilst we believe that the location of these destinations is such that they make important contributions to meeting some of Birmingham residents' comparison goods needs, it will be important to try to protect and enhance the role of the other town, district and local centres moving forward. Whilst the composition of such centres is less reliant on comparison goods provision than was previously the case, this type of retailing remains an important element of larger district centres.

8. Assessment of Leisure Capacity

Commercial Leisure

- 8.1 Our approach to the assessment of commercial leisure needs necessarily deviates from our retail methodology, in part because it is difficult to source some of the required information to undertake a similar exercise for the leisure sector⁷. In addition, the commercial leisure sector is different to the retail sector; large-scale leisure uses are relatively limited in number and customers often expect to travel at least some distance in order to access them. As such, we believe it is sensible to consider the general appropriateness of provision on a Study Area basis, with reference to the typical number of persons required to support particular uses.
- 8.2 Our assessment considers the typical population required to support bingo halls, casinos, cinema screens, ten pin bowling alleys and restaurants, pubs, bars and cafes, and is based around three key stages. We firstly calculate the expected Study Area and local authority population⁸ for the relevant reporting years (2022, 2027, 2032, 2037 and 2042).
- 8.3 We then calculate the number of persons required to support a bingo hall, cinema screen and bowling alleys nationally, across the UK. We have identified the current level of provision across the UK with reference to the following sources:
- Mintel's Casinos and Bingo UK report (March 2019), which identifies that there are 350 bingo halls across the UK;
 - the UK Cinema Association website⁹ which identifies that there are 4,620 cinema screens across the UK; and
 - Mintel's Ten Pin Bowling UK report (May 2017), which identifies that there are 5,242 bowling lanes across the UK.
- 8.4 We then apply the respective ratio to the Study Area population and to Birmingham authority area's population in order to gauge the 'benchmark' level of provision. For the purposes of this Section, we have adopted the population figures calculated under Scenario 1. In respect of cafes, bars and restaurants, we convert the available expenditure into a floorspace requirement based on an average sales density.
- 8.5 We supplement our assessment with an overview of current patterns of commercial leisure trips throughout the Study Area (as identified by the NEMS household survey of July 2022) in order to identify any qualitative deficiencies in provision.
- 8.6 Our assessment below also considers the potential quantitative capacity to support additional food and drink floorspace across the authority area, and wider considerations of other commercial leisure facilities within Birmingham including competitive leisure, health and fitness facilities and cultural facilities.
- 8.7 Respondents to the household survey were asked which leisure activities they normally partake in. The top answer was visiting restaurants (54.4%), followed by visiting pubs, bars, nightclubs and social clubs (35.8%) and visiting a cinema (33.7%). A total of 9.2% of the respondents' state that they regularly go ten pin bowling, 4.9% state that they regularly visit a bingo hall and 2.0% state that they regularly visit a casino.

⁷ Experian does not forecast improvements in sales efficiency for leisure operators, which is a critical element in translating a monetary surplus into a floorspace requirement

⁸ Taken from Table 6.3

⁹ www.cinemauk.org.uk, consulted on 11 May 2021

- 8.8 The popularity of restaurants, cinemas, pubs and visits to theatres/concerts is reflective of current national trends. Equally, the low rates of participation in bowling and bingo are very much consistent with the national picture.

Bingo

- 8.9 Mintel’s March 2019 Casinos and Bingo UK report identifies that there are 350 bingo halls across the UK, which equates to a bingo hall for every 195,377 persons or thereabouts¹⁰. Accordingly, we estimate that the Study Area could theoretically support around 5.9 bingo halls at 2022, increasing to around 6.4 bingo halls at 2042.
- 8.10 We estimate that the population of Birmingham is around 98.3% of that of the Study Area as a whole at 2022. Therefore, on a pro rata basis, we calculate a need for around 5.8 bingo halls in Birmingham at 2022, increasing to 6.3 halls at 2042.
- 8.11 At present, there are five bingo halls in Birmingham, namely Mecca on Kettlehouse Road, Buzz Bingo (Gala) on Kingsbury Road, BJ’s Bingo on Mackadown Lane, Mecca in Acocks Green and Castle Bingo in Barnes Hill.
- 8.12 The results from the Household Survey indicate that, of the respondents who visit ‘bingo’ facilities, the most commonly visited facility is BJ’s Bingo on Mackadown Lane (33.1% of respondents), followed by Buzz Bingo on Kingsbury Road and Castle Bingo at Barnes Hill, at 25.2% and 9.3% respectively.
- 8.13 Table 8.1 below shows the bingo hall requirement in the Study Area and within Birmingham across the plan period.

Table 8.1: Bingo Hall Requirement in Study Area and Birmingham

Year	Study Area Population	Typical Population Required to Support Hall	Potential Number of Halls Supported by Study Area	Proportion of Study Area Population in Birmingham (%)	Potential Number of Halls Supported in Birmingham	Outstanding Potential Requirement in Birmingham
2022	1,160,284	195,377	5.9	98.3%	5.8	0.8
2027	1,180,208	195,377	6.0	98.4%	5.9	0.9
2032	1,202,628	195,377	6.2	98.4%	6.1	1.1
2037	1,224,500	195,377	6.3	98.3%	6.2	1.2
2042	1,245,828	195,377	6.4	98.3%	6.3	1.3

Note: Typical population to support bingo hall calculated with reference to the Mintel Casinos and Bingo UK 2019 report and to the ONS 2020 mid-year population estimates for the UK, England and Wales, Scotland and Northern Ireland

- 8.14 Although the level of provision in Birmingham is such that there could be a requirement for additional facilities across the plan period (at 2022 we identify a requirement for 0.8 bingo halls, increasing to 1.3 bingo halls at 2042) this is in the context of a number of facilities across the authority area which offer ‘ad-hoc’ bingo facilities, in addition to a wide variety of operators located in neighbouring authority areas such as Sandwell, Solihull and Walsall.
- 8.15 Furthermore, in considering the potential need for additional bingo facilities, it should also be noted that the sector has been significantly affected by the ban on smoking in enclosed workplaces that came into force in 2007 as a consequence of the Health Act 2006. Subsequent to the Act being enforced, new bingo hall openings are rare, and we consider it highly unlikely that there will be any need for additional provision in the Study Area in the

¹⁰ Based on the Experian 2020 Populations projections for the UK, England and Wales, Scotland and Northern Ireland, which identifies a UK population of 68,381,957 persons at 2022

foreseeable future, as such, we do not believe that there is any requirement to plan for additional bingo hall provision across the plan period to 2042.

Cinemas

- 8.16 The UK Cinema Association website estimates that there are 4,620 cinema screens in the UK (as of 2021), which equates to one screen for every 14,801 persons or thereabouts. On this basis, we estimate that the Study Area population could support around 78.4 cinema screens at 2022, increasing to around 84.2 screens at 2042.
- 8.17 Once more, we estimate that the population of Birmingham is around 98.3% of that of the Study Area at 2022. On a pro rata basis, this equates to a need for around 77.1 screens in Birmingham at 2022, increasing to around 82.8 screens at 2042.
- 8.18 There are four large multiplexes in Birmingham (Odeon on New Street, Odeon on Broadway Plaza, Vue on Watson Road and Cineworld at Fiveways Entertainment Centre) which, together with a limited number of independents and speciality cinemas (including Everyman in the City Centre, The Electric Cinema, The Mockingbird Cinema on Gibb Street and the Empire in Sutton Coldfield) provide a total of 62 screens. This suggests that there is a potential requirement for 15.1 additional cinema screens in Birmingham at 2022 with reference to national average levels of provision, increasing to 20.8 additional screens at 2042.
- 8.19 Although this would suggest that there is an existing under-supply of cinema screens in the authority area, this potential requirement for additional screens is set against the proximity of the authority area to a number of further multiplex cinemas, including Cineworld at Resorts World in Marston Green, the Empire at Birmingham Great Park and Odeon at Merry Hill, which combined provide a further 34 screens. These facilities are considered likely to help serve the needs of some residents of the Study Area. There are also a number of smaller facilities that, although not purpose-built cinema facilities, provide additional temporary screens. These include showings at community halls and theatres.
- 8.20 Notwithstanding this, the Council may wish to explore further opportunities to secure additional provision within Birmingham. In particular, we note that ‘boutique’ cinema operators, such as the Everyman at Mailbox in the City Centre (which opened in February 2022), are increasingly interested in town and city centre locations (particularly when they are able to offer an attractive environment). The ‘boutique’ model usually comprises three or four cinema screens together with a strong food and drink offer. Such cinemas can also act as a catalyst for other leisure operators to consider locating within a centre.

Table 8.2: Cinema Screen Requirement in Study Area and Birmingham

Year	Study Area Population	Typical Population Required to Support Cinema Screen	Potential Number of Cinema Screens Supported by Study Area	Proportion of Study Area Population in Birmingham (%)	Potential Number of Cinema Screens Supported in Birmingham	Outstanding Potential Requirement in Birmingham
2022	1,160,284	14,801	78.4	98.3%	77.1	15.1
2027	1,180,208	14,801	79.7	98.4%	78.4	16.4
2032	1,202,628	14,801	81.3	98.4%	79.9	17.9
2037	1,224,500	14,801	82.7	98.3%	81.4	19.4
2042	1,245,828	14,801	84.2	98.3%	82.8	20.8

Note: Typical population to support a cinema screen calculated with reference to data provided by the UK Cinema Association website and to the ONS 2020 mid-year population estimates for the UK, England and Wales, Scotland and Northern Ireland

- 8.21 Again, looking at the results of the Household Survey, the most visited cinema destinations are the Vue on Watson Road (21.6% of all respondents), the Odeon at Broadway Plaza (15.4% of all respondents) and Cineworld at Fiveways Entertainment Centre (11.6% of all respondents).
- 8.22 Looking further afield, a total of 37.4% of respondents are visiting destinations located outside of the authority area, with the most visited destination being Cineworld at Touchwood Shopping Centre in Solihull (9.7% of all respondents). It is therefore clear that a significant proportion of respondents are visiting cinema destinations located outside of the authority area.

Ten Pin Bowling

- 8.23 Mintel’s Ten Pin Bowling UK 2017 report identifies that there are 5,242 ten pin bowling lanes across the UK, which equates to a bowling lane for every 13,045 persons or thereabouts. Accordingly, we estimate that the Study Area could support around 88.9 bowling lanes at 2022, increasing to around 95.5 lanes at 2042. Given that the estimated population of Birmingham is around 98.3% of that of the Study Area at 2022, we calculate a need for around 87.5 bowling lanes in Birmingham at 2022, increasing to 93.9 lanes at 2042.
- 8.24 There are seven existing ten-pin bowling operators within Birmingham (including Tenpin at Star City on Watson Road, Hollywood Bowl a Broadway Plaza and Acocks Green Bowl in Acocks Green) which together provide a total of 107 bowling lanes. As such, there is no requirement for additional lanes at 2022, or across the plan period to 2042. Furthermore, we are aware of considerable additional bowling destinations located outside of the Birmingham authority area, which also serve the needs of Birmingham residents.
- 8.25 To some extent, this is evidenced by the Household Survey, which shows that 33.4% of all bowling trips originating in the Study Area are directed towards bowling lanes outside of the authority area. The most visited destination located outside the study area is the Hollywood Bowl at Great Park in Rubery (15.3% of all respondents). However, the most visited destination for bowling trips in the Study Area is Tenpin at Star City on Watson Road (37.6% of all respondents), followed by Hollywood Bowl on Broadway Plaza (14.5% of all respondents).
- 8.26 Whilst very few new ten-pin bowling alleys were built in the early part of this century, the market has picked up in recent years. This upturn in the sector has been partly assisted by a more modern type of offer, which is typically ‘in centre’ and aimed at those going out in the evening as much as families. As such, modern bowling alleys often incorporate other forms of leisure activity (most notably through a strong food and drink offer), such as is the case with the Lane7 in Birmingham city centre which opened in summer 2018, as well as Roxy Ball Room.

Table 8.3: Ten Pin Bowling Lane Requirement in Study Area

Year	Study Area Population	Typical Population Required to Support Bowling Lane	Potential Number of Bowling Lanes Supported by Study Area	Proportion of Study Area Population in Birmingham (%)	Potential Number of Bowling Lanes Supported in Birmingham	Outstanding Potential Requirement in Birmingham
2022	1,160,284	13,045	88.9	98.3%	87.5	-19.5
2027	1,180,208	13,045	90.5	98.4%	89.0	-18.0
2032	1,202,628	13,045	92.2	98.4%	90.7	-16.3
2037	1,224,500	13,045	93.9	98.3%	92.3	-14.7
2042	1,245,828	13,045	95.5	98.3%	93.9	-13.1

Note: Typical population to support ten pin bowling alley calculated with reference to the Mintel Ten Pin Bowling UK 2017 report and to the ONS 2020 mid-year population estimates for the UK, England and Wales, Scotland and Northern Ireland

Casinos

- 8.27 Mintel’s Casinos and Bingo UK 2018 report identifies that there are 145 casinos across the UK, which equates to a bingo hall for every 471,600 persons or thereabouts¹¹. Accordingly, we estimate that the Study Area could support around 2.5 casinos at 2022, a figure which would barely change throughout the study period. Given that the estimated population of Birmingham is around 98.3% of that of the Study Area at 2022, we calculate a need for around 2.4 casinos at 2022, a figure which again does not materially alter across the study period.
- 8.28 There are seven casino operators within Birmingham, which includes three Genting Casinos (in Chinatown on Hurst Street, at Star City and on Norfolk Road at Edgbaston) and two Grosvenor Casinos (on Hill Street and at Fiveways Leisure Complex on Broad Street). Accordingly, the current level of provision is considered to be sufficient to serve the needs of both residents within Birmingham and the wider Study Area.

Table 8.4: Casino Requirement in Study Area

Year	Study Area Population	Typical Population Required to Support a Casino	Potential Number of Casinos Supported by Study Area	Proportion of Study Area Population in Birmingham (%)	Potential Number of Casinos Supported in Birmingham	Outstanding Potential Requirement in Birmingham
2022	1,160,284	471,600	2.5	98.3%	2.4	-4.6
2027	1,180,208	471,600	2.5	98.4%	2.5	-4.5
2032	1,202,628	471,600	2.6	98.4%	2.5	-4.5
2037	1,224,500	471,600	2.6	98.3%	2.6	-4.4
2042	1,245,828	471,600	2.6	98.3%	2.6	-4.4

Note: Typical population to support casino calculated with reference to the Mintel Casinos and Bingo UK 2018 report and to the ONS 2020 mid-year population estimates for the UK, England and Wales, Scotland and Northern Ireland

Restaurants, Pubs, Bars and Cafés

Pubs, Bars and Cafés

- 8.29 In respect of visits to pubs, bars and cafes, the most visited destination in the study area is Birmingham City Centre, which secures 21.9% of all visits from across the whole Study Area. The City Centre is followed by Sutton Coldfield town centre (7.7% of all visits), with Harborne district centre being the third most visited destination (5.2% of all visits).
- 8.30 The City Centre attracts the greatest proportion of visits from the more central Zones, particularly Zones 1 and 3, at 56.0% and 54.9% respectively. Indeed, the City Centre is the most visited destination across most the Zones in the Study Area, including Zones 1, 2, 3, 4, 6, 9, 11, 13, 15, 16, 20, 23 and 24. However, in the more peripheral Zones, or where there is a centre with a reasonable pub, bar or café offer within that Zone, the City Centre attracts a lower overall proportion of market share, with a market share of just 3.7% in Zone 7 (which is located in the northern part of the Study Area, and looks towards Sutton Coldfield to meet these needs).
- 8.31 Other destinations with a high market share include Kings Heath, which attracts 48.6% of trips to pubs, bars and pubs in Zone 17. Zone 17 is the zone in which Kings Heath is located, and the strong performance of the town is considered in part, to be reflective of the strong leisure service offer in the district centre. The relative strength of

¹¹ Based on the Experian 2020 Populations estimates projections for the UK, England and Wales, Scotland and Northern Ireland, which identifies a UK population of 68,381,957 persons at 2020

Kings Heath is also reflected in the number of visits directed to it from residents in the neighbouring Zone 18, from which Kings Heath secures a market share of 38.4%.

- 8.32 However, Kings Heath is not the only town centre that secures a high proportion of visits to pubs, bars and pubs. Harborne district centre secures 79.6% of trips from Zone 21, and Selly Oak secures a market share of 30.2% from Zone 22. Again, these are the zones located immediately surrounding these respective destinations and given the relatively strong range of food and drink operators at Harborne in particular it is not surprising that the district centre attracts a high proportion of trips.
- 8.33 Turning to destinations outside of the authority area, Solihull town centre attracts the greatest proportion of visits to cafés, bars and pubs from across the Study Area with 2.6% of all trips. This is followed by Lichfield town centre (1.1% of all trips) and Central London/the West End (1.0% of all trips).
- 8.34 Whilst there is some evidence of people visiting Birmingham City Centre from more peripheral zones when visiting restaurants, bars and pubs, this becomes less pronounced, particularly when there is a strong alternative that may be more favourably located, such as Sutton Coldfield, Solihull or one of the district centres throughout the City.

Restaurants Trips

- 8.35 Again, in respect of trips to restaurants Birmingham City Centre is the most visited destination, attracting 23.4% of all visits which originate within the Study Area. A similar pattern to that identified for trips to bars, pubs and cafés is again visible, with the City Centre claiming a greater market share of trips in more central Zones (such as 1, 2, 3 and 4), than in more peripheral zones (such as Zones 7, 8 and 9) or those with a key competitor town or district centre, which provides a strong restaurant offer (such as Zone 21, Harborne district centre). The City Centre is the most visited destination in Zones 1, 2, 3, 4, 5, 6, 10, 12, 13, 15, 16, 18, 19, 20, 22, 23 and 24, with its market share ranging from 51.6% in Zone 1 to 15.7% in Zone 24.
- 8.36 The second most visited destination in the Study Area for restaurant trips is Sutton Coldfield town centre (with 6.4% of all trips) and Harborne district centre (with 5.1% of all trips). Other destinations with a high market share include Moseley local centre, which attracts 23.6% of trips to restaurants in Zone 17 and Mere Green district centre, which attracts 26.5% and 25.3% of trips in Zones 8 and 9 respectively.
- 8.37 Turning to destinations outside of the authority area, Solihull town centre attracts the greatest proportion of visits to restaurants from across the Study Area, with 4.4% of all trips. Solihull town centre is the most visited destination in Zones 11 and 14, attracting 15.2% and 22.9% of trips respectively. This is then followed by Lichfield town centre, with 0.8% of all restaurant trips.

Restaurants, Pubs, Bars and Café Capacity

- 8.38 We have undertaken an assessment of the potential capacity for additional food and beverage floorspace across the authority area utilising current market shares as identified through the household survey, population and spending growth rates and benchmarking against current levels of provision.
- 8.39 This exercise identifies the future spending available to support additional food and beverage floorspace (in the form of restaurants, pubs, bars, café etc.) over the plan period to 2042. This approach is not prescriptive, but instead provides an indication of the scope for future development to be supported, in addition to the findings of the assessments of the key centres.

- 8.40 Experian provides localised data on spending on restaurants and cafés per capita, which includes spending on alcoholic drinks (away from home) and take-away meals. This spending was shown to be £1,603 per annum for residents in the authority (2020 prices).
- 8.41 Taking into account the population growth, and anticipated leisure spending growth rates (Experian Retail Planner 20, Figure 1a¹²), we calculate in Figure 8.5 a total spend across the Study Area of £1,106m at 2022, increasing to £1,337m by 2042. This spending is then attributed to the restaurant, café and bar facilities across the Study Area. The household survey results (Q40A and Q41A) showed that restaurants, cafés etc. in Birmingham attracted approximately 75% of total food spending, whilst the authority's pubs and bars attracted approximately 79% of beverage spending. Accordingly, it is reasonable to assume that around 75% of all food and beverage spending by residents is currently spent in the authority itself.
- 8.42 Growing the 'benchmark' turnover of facilities from current levels on the basis of 1% per annum¹³ to account for growth through extensions and trading efficiencies over the plan period, we find the anticipated spending surplus (or deficit) as follows.

Table 8.5: Restaurants, Pubs, Bars and Café Spending

Year	Study Area Population	Spend Per Capita	Total Spend (£m)	Retention Rate @ 75%	Growth in Spending (£m)	Benchmark Turnover (£m)	Benchmark Growth (£m)	Residual Spending (£m)
2022	1,160,284	£1,106	£1,283	£962.32	-	-	-	-
2027	1,180,208	£1,167	£1,377	£1,032.85	£70.54	£971.94	£9.62	£60.91
2032	1,202,628	£1,223	£1,471	£1,102.88	£140.56	£1,043.18	£80.86	£59.70
2037	1,224,500	£1,279	£1,566	£1,174.39	£212.07	£1,113.91	£151.59	£60.48
2042	1,245,828	£1,337	£1,666	£1,249.58	£287.27	£1,186.13	£223.81	£63.46

Source: Nexus analysis

- 8.43 We find a total food and beverage spending surplus across the Study Area of £63.5m by 2042.

Table 8.6: Restaurants, Pubs, Bars and Café Capacity

Year	Residual Spending (£m)	Sales Density (£/sq.m)	Floorspace (sq.m)
2022	-	-	-
2027	£60.91	£5,255	11,600
2032	£59.70	£5,523	10,800
2037	£60.48	£5,805	10,400
2042	£63.46	£6,101	10,400

Source: Nexus analysis

- 8.44 Adopting an average sales density of £5,000 per sq.m at 2022 (again, projected to grow in line with a 1% sales efficiency) we calculate the typical restaurant, pub and café floorspace that could be supported by the identified surplus expenditure. This is shown as being up to 10,400 sq.m by 2042. This should be treated only as a rough guide.

¹² Note that this accounts for a substantial short-term increase in leisure spending as a result of the Covid pandemic

¹³ We are not aware of any published data for restaurant, pub, bar and café sales efficiency growth and so have assumed a figure of 1%.

- 8.45 We are also highly cognisant of the fact that the recent pandemic will have resulted in the closure of a large amount of restaurant, bar and café floorspace across the Study Area, and with the current cost of living crisis, the number of closures may increase.
- 8.46 Whilst our figures show that there is likely to be a substantial pent-up consumer demand for additional spending this area, this does not mean that all of that demand should be met through new floorspace. The potential re-occupation of vacant floorspace should be accounted for in the first instance and the opportunity to reuse existing floorspace must be the priority.
- 8.47 There will be a quantum of vacant café, restaurant and bar floorspace that can be used to accommodate new start-ups, given the national ‘town centre first’ policy. The development of main town centre uses such as cafes and restaurants are unlikely to be supported in out of centre locations, and we would expect any applications for such developments to include a proportionate assessment of impact, as well as a sequential search of existing suitable and available locations within the relevant defined centre.
- 8.48 Taking this into account and despite the level of capacity identified above, this does not, in our view, warrant any specific allocations in the emerging Plan. In this regard, future proposals for additional restaurant, pub, bar and café floorspace should be assessed against the relevant planning policies and directed to defined centres in the first instance.
- 8.49 In particular, and as has been indicated within the healthcheck analysis provided above and within the appendices, there is an opportunity to seek to diversify the offer of some of the lower order centres, such as Sutton, Perry Bar, Castle Vale, Erdington, Longbridge, Northfield and New Oscott, through the provision of additional food and drink floorspace (amongst other uses). Increasing the diversity of the offer within these centres will help to attract additional footfall, increase dwell-times and overall, increase the level of available expenditure to support businesses and the future vitality and viability of the centres moving forward.

Health and Fitness Centres

- 8.50 Despite the current uncertainties associated with available household income, the most recent research shows that the UK health and fitness industry is stronger than it has ever been as measured by number of gyms, membership and market value. The State of the Fitness Industry Report 2022, produced by the Leisure Database Company, finds that the UK industry is building back to pre-pandemic levels. In this regard, it found that 631 clubs closed early on in the pandemic, while 455 have subsequently opened.
- 8.51 Gyms and health and fitness facilities of course make an important contribution to the health of the local authority’s population across the complete spectrum of ages. The range of operators and brands within the health and fitness sector are now relatively broad, with a number of budget brands topping the market in terms of number of clubs open and who have experienced the most significant growth in recent years. Indeed, Puregym is hoping to add an additional 80 gyms to their portfolio by the end of 2023¹⁴.
- 8.52 Looking across the authority area, there appears to be a good choice of health and fitness facilities, with a number of national multiples, independents and community run gyms and fitness facilities.
- 8.53 In terms of capacity, the results of the household survey indicate that a total of 20.3% of the population regularly participate in indoor sports or health fitness activities. The results also indicate that facilities within the authority

¹⁴ <https://www.puregym.com/blog/uk-fitness-report-gym-statistics/>

area retain approximately 83% of trips, with the city centre being the most popular destination (attracting 6.5% of all trips), followed by Northfield district centre (attracting 5.9% of all trips).

- 8.54 Under Scenario 1, the Study Area population is estimated to increase by 61,210 people by 2032. Assuming that a similar gym/health club participation level would apply to the new population as has been identified for the Study Area (i.e., 20.3%) this would equate 12,242 potential new gym members over the ten year period. Based on average membership levels for major gym operators (2,897 members) and budget gym operators (3,452 members), the anticipated uplift in the population over the period to 2032 could support approximately four gyms across the authority area.
- 8.55 Bringing forward new gym and health and fitness facilities will be dependent on market demand from operators seeking space in local authority. The Requirement List indicates that as of December 2022, there are recorded requirements from three gym operators (NRG, Simply Gym and Energie Fitness) seeking space, with some smaller boutique operators also on the lookout for space. Proposals for new health and fitness facilities should be directed to defined centres in the first instance, in accordance with national policy. We do not however recommend the allocation of specific sites for such uses within the local plan, and that demand will very much be market-led.

Other Commercial Leisure

- 8.56 There has been a growth in recent years in other more specialist commercial leisure attractions, including facilities such as trampoline parks, indoor soft play centres, ninja courses and a range of competitive social destinations. The latter is a fast-paced sector and is still continuing to grow and evolve throughout 2022 and into 2023, with new formats becoming present in the market. Such uses include urban golf, bar and game formats, which include games such as axe-throwing, shuffleboard, table tennis and so on, virtual reality gaming and escape rooms. All of these commercial leisure uses fall within the defined town centre use bracket, and typically require large floorplates.
- 8.57 Calculating a quantitative need for such uses is not possible, particularly given the evolving market and relative infancy of such uses. However, we are able to review the existing offer and consider whether there may be a qualitative requirement to increase the offer across the authority area.
- 8.58 Looking firstly at trampoline parks, the authority area is served relatively well, with facilities including Inflata Nation in Stechford taking a large format, former industrial unit adjacent to the retail park and Rush UK Trampoline Park off Pershore Road in Stirchley. The existing facilities are however typically situated at out of centre locations and often not connected to defined centres in any real way.
- 8.59 Turning to competitive leisure facilities, the city centre in particular is well served by facilities such as 'breakout rooms', urban mini golf, bar and game facilities and virtual reality experiences. These facilities typically provide a wider offer including a bar and restaurant and encourage longer dwell-times. Such uses are typically found in larger centres, as demonstrated by the concentration within the city centre, but there may be a market demand for such uses within the other larger centres (beyond the city centre) in the authority area, and particularly Sutton town centre.
- 8.60 Although the market for such commercial leisure uses is still evolving, and alternative operators may still continue to require new premises across the authority area, these should be assessed on a case-by-case basis, ensuring that such uses are directed towards defined centres in the first instance. This is particularly important given the wider benefits such uses can have in terms of encouraging longer dwell-times and increasing footfall and associated expenditure within centres.

9. Summary and Conclusions

Context

- 9.1 The principal purpose of the commission was to better understand the ongoing challenges for Birmingham's high streets and opportunities for their revitalisation and reimagining, and to set out a range of recommendations to assist the preparation of the Local Plan Review for the authority area.
- 9.2 The purpose of the Local Plan Review is to assist the Council in delivering new homes and jobs, whilst safeguarding the valuable environmental assets. As part of this Review, the Council will be updating the policies of relevance to town centre and retail planning including matters such as defined town centre boundaries, the hierarchy of defined centres and local impact thresholds for retail and leisure developments.
- 9.3 In this regard, the currently adopted Policy TP21, establishes a network and hierarchy of centres in the city and sets a local impact threshold of 2,500 sq.m for main town centre uses outside of defined centre. We also note Policy TP24, which seeks to promote a diversity of uses within centres, including setting a minimum proportion of units for Class A1 uses. We provide further commentary on policy recommendations below.
- 9.4 As such, the purpose of this final section of the Study is to provide an overview of the recommendations formed as part of this Study, both on a centre-by-centre basis but also in terms of the overarching policy objectives which we consider should form an important role within the Local Plan Review.
- 9.5 We summarise the key findings of the Study below then addressing a series of planning policy considerations of relevance to the Council's emerging plan.

Key Findings: Retail

Quantitative and Qualitative Need

- 9.6 As identified at Section 7, after account is taken of existing commitments, there is an identified surplus capacity for additional convenience goods floorspace within the short, medium and longer term under both population growth scenarios. Looking at both Scenarios 1 and 2, by 2032 we identify up to 23,300 sq.m of additional convenience floorspace could be supported across the authority area, dependent on the nature of the operators.
- 9.7 The level of quantitative need identified is considered to be quite considerable, but it is highly likely that the authority area will be the subject of planning applications for additional convenience goods floorspace in the coming months and years. Given current commercial market interest, we anticipate that these applications will seek to provide for discount foodstores, local convenience stores, and the extension of existing premises. The grant of planning permissions for a number of such proposals will likely extinguish the capacity identified.
- 9.8 On this basis, we do not believe that there is a need for the Council to specifically allocate any sites for convenience goods retail development as part of the local plan process and that proposals should be assessed appropriately against the retail policy requirements of the sequential and impact tests.
- 9.9 From a qualitative perspective, we have identified a 'gap' in provision within Zones 1 and 4 in particular. In particular, we also note that there is an absence of a large foodstore within Birmingham city centre, and no indication that any city centre foodstore will be coming forward in the short term. In this regard, the likes of Aldi and Lidl have recently opened new foodstores within city centre locations, including Manchester, Liverpool and

Bristol, providing convenience floorspace to serve the growing city centre population. Similar opportunities may arise within Birmingham.

- 9.10 In terms of comparison goods, under both Scenarios, we identify that once the turnover of commitments have been taken account of, there is a surplus of expenditure identified at 2032 of up to 31,200 sq.m of additional comparison floorspace could be accommodated.
- 9.11 In practice, the current level of available floorspace within Birmingham would likely exceed the estimated requirement up to 2032 and therefore the first priority will be to encourage the reuse, refurbishment or redevelopment of vacant floorspace within the authority area. As such, we recommend that no additional sites are allocated for comparison goods retail purposes over the plan period, particularly in light of the current commercial uncertainties.
- 9.12 However, clothing and footwear retailers will continue to have a place in underpinning the future viability of the authority area's larger town centres. As such, we recommend that careful consideration is given to any further comparison goods development proposals which could impact on the viability of Birmingham's defined centres in out of centre locations in particular.

Key Findings: Commercial Leisure

- 9.13 In terms of the leisure sector, we believe that the Birmingham authority area is generally appropriately provided for in respect of bingo halls, casinos and ten pin bowling alleys (these being the commercial leisure uses that require a substantial site to accommodate them and therefore being of particular interest to a study of this nature).
- 9.14 Whilst we have identified some potential capacity for additional cinema screens, we consider that the existing offer both within the authority area and in adjacent areas such as Solihull and Merry Hill, sufficiently serves the existing population. We therefore do not recommend that the Council specifically allocates any sites within the local plan for such uses.
- 9.15 However, should any additional schemes come forward through the planning application process, in practice, we believe that any additional market interest may take the form of 'boutique' style cinema operators or independent cinema operators, which generally occupy central sites and include a strong food and beverage offer. In engaging with potential operators, consideration should be given to the potential market served and the ability to accommodate further operations of this nature within the city centre in the first instance.
- 9.16 Turning to restaurants, pubs, bars and cafes, our assessment presented above shows that there is likely to be a substantial pent-up consumer demand for additional spending in this area, but in our view, this does not mean that all of that demand should be met through new floorspace. The potential re-occupation of vacant floorspace should be accounted for in the first instance and the opportunity to reuse existing floorspace must be the priority.
- 9.17 There will be a quantum of vacant café, restaurant and bar floorspace that can be used to accommodate new start-ups, given the national 'town centre first' policy. The development of main town centre uses such as cafes and restaurants are unlikely to be supported in out of centre locations, and we would expect any applications for such developments to include a proportionate assessment of impact, as well as a sequential search of existing suitable and available locations within the relevant defined centre.
- 9.18 Taking this into account and despite the level of capacity identified above, this does not, in our view, warrant any specific allocations in the emerging Plan. In this regard, future proposals for additional restaurant, pub, bar and

café floorspace should be assessed against the relevant planning policies and directed to defined centres in the first instance.

- 9.19 Wider commercial leisure uses, such as competitive gaming operators, will be market driven and it will be important to see how the demand evolves over the plan period. Such uses should be directed towards centre in the first instance in accordance with ‘town centre first’ policy principles, given the wider benefits associated with such uses to centres through encouraging footfall and additional expenditure.

Key Findings: Principal Centres

- 9.20 The assessment as part of this Study looked at the authority’s defined town and district centres, providing an overview of the overarching vitality and viability based on the healthcheck indicators provided within national planning policy. We provide below the overarching conclusions and recommendations in respect of the defined city, town and district centres below.

Table 9.1: Overarching Town Centre Conclusions and Recommendations

Centre	Overarching Conclusions and Recommendations
Birmingham City Centre	<p>Birmingham City Centre is the primary destination for shopping, and leisure, in Birmingham. The centre therefore provides a comprehensive offer, geared at meeting the needs of those within the authority area, but also throughout the West Midlands and throughout the Country as a whole. The retail offer in the City Centre is underpinned by a strong range of key national multiple operators, which are generally located in and around the Bullring and Grand Central. In respect of the food and drink offer in the City Centre, the greatest clusters of restaurants, bars and cafés are located primarily around New Street and Bennett’s Hill. These operators play a key role in supporting the function of the City Centre, and in driving footfall and activity into it.</p> <p>Birmingham is subject to continued future significant planned investment, not least including the arrival of High Speed 2 at Eastside, currently anticipated in 2029-2033. This development, which will enhance the City’s connectivity and create a new point of arrival, is also hoped to act as a catalyst for development and regeneration in the City Centre. One such project includes Martineau Galleries, which will become a key link between the Eastside and the Colmore Business District, with the potential to provide additional office space and residential accommodation in the City Centre.</p> <p>Despite a noted increase in vacancies since the previous study, the significant proportion of planned and emerging investment in the City Centre is considered reflective of continued investor confidence. Therefore, the centre is considered to remain a vital and viable destination. Monitoring the future vitality and viability of the centre will be key, particularly in light of the recent changes to the Use Class Order and Permitted Development Rights. In this regard, it will be key to ensure that retail uses remain an important part of the offer within the city centre, but that other uses are continued to be encouraged in order to increase dwell-times and footfall throughout the centre.</p>

Centre	Overarching Conclusions and Recommendations
Sutton Coldfield	<p>Sutton Coldfield town centre occupies the second position in the city’s retail hierarchy and is currently the only designated town centre.</p> <p>The town centre’s offer is underpinned by Gracechurch Shopping Centre, and the shopping centre accommodates the key national multiple retailers with a presence in Sutton Coldfield. Despite the relatively high vacancy rate, the proportion of comparison operators still equates to a greater proportion of floorspace than the current national average.</p> <p>However, quantitatively and qualitatively there is a lack of comparison goods retailing in the centre, relative to other similarly sized centres. Whilst this may be due to leakage of expenditure to neighbouring authority areas and other retail destinations in Birmingham, including out-of-centre retail parks, it is considered highly unlikely that this pattern of expenditure will change in the future. Accordingly, the focus of the centre should be on maximising the offer in the centre and making the best of what the centre does have in order to maintain a strong base of operators and to reduce and repurpose vacant floor space in the town centre.</p> <p>Whilst the centre is considered to be a key centre within the hierarchy, it could clearly benefit from investment in order to ensure that the centre is vital and viable going forward, particularly around Gracechurch Shopping Centre. Current aspirations for the shopping centre, looking at repurposing large format vacant floorspace will significantly enhance the centre. Improving accessibility, pedestrian safety and the overarching environmental quality of the centre will also assist. Future plans may also benefit from diversifying the offer, encouraging residents into Sutton to visit commercial leisure venues in particular, including a wider food and drink offer.</p>
Acocks Green	<p>Acocks Green district centre accommodates a strong range of operators, anchored by a Morrisons and Aldi foodstore. The range of operators are considered easily capable of serving the day-to-day needs of the local community. However, the presence of hot-food takeaways in the district centre does impact upon the impression of vitality and vibrancy during daytime hours, due to closed roller shutters at most times of the day.</p> <p>Notwithstanding this, Acocks Green is considered to be a vital and viable centre, although efforts should be made to secure the re-occupation or re-use of prominent vacant units in the centre.</p>
Alum Rock Road	<p>The district centre serves a diverse community, and this is reflected in the nature of the operators along Alum Rock Road, and in the high level of pedestrian footfall throughout the centre that is considered reflective of the key role the district centre plays in meeting the day-to-day needs of the local community.</p> <p>Vacant units in Alum Rock Road are located throughout the district centre (with the small exception of retail units fronting Washwood Heath Road at the western end of the district centre), and as such, no one area feels overly dominated by vacant units. Accordingly, Alum Rock Road is considered to be a vital and viable district centre.</p>
Castle Vale	<p>Castle Vale district centre is focused around a large retail park, which is understood to have been built in the early 2000s. The district centre is anchored by a Sainsbury’s superstore, which opened in 2000. Alongside this key operator are a range of national multiple retailers, alongside key community day-to-day operators such as a Post Office and Medical Centre. By virtue of there being no vacant units identified at the time of our visit, Castle Vale district centre is considered to be vital and viable.</p>

Centre	Overarching Conclusions and Recommendations
Coventry Road	<p>Coventry Road district centre includes both a traditional parade as well as St Andrew’s Shopping Centre. It is therefore diverse both in terms of its offer, but also in respect of its appearance. Furthermore, the district centre also serves a relatively diverse catchment, and this is reflected in the nature and composition of operators in the district centre. The centre comprises a range of retail, leisure and service uses with additional community facilities.</p> <p>The district centre is considered to be vibrant, and a characterful destination that provides a range of unique operators which serve both the day-to-day needs of both the local and wider communities.</p>
Edgbaston	<p>Edgbaston is a relatively small district centre, and this is reflected in the variety in the centre’s retail offer. The centre has a particularly strong leisure service offer, which is likely to appeal to a fairly large catchment area. In particular, the strong leisure offer is considered likely to draw in visitors from other areas of the city and wider area.</p> <p>By virtue of this, and the lower than national average vacancy rates, Edgbaston Road is considered to be vital and viable district centre.</p>
Erdington	<p>Erdington district centre is largely focused on providing for the day-to-day needs of the local population, and its retail offer reflects this role, with Erdington lacking the key convenience superstore anchor found at other comparable centres in the City. However, permission has been granted for a new Lidl store which will be brought forward to the north of the centre.</p> <p>Whilst it is understood that Birmingham City Council was unsuccessful in their bid for HSTF funding for Erdington district centre, the Erdington BID was renewed in July 2022 and aims to improve Erdington as a safe place to shop and visit. A Levelling Up funding bid has also been submitted, and this funding (if secured) will help to revitalise Erdington as a centre and retail destination.</p>
Fox and Goose	<p>Fox and Goose is a relatively small district centre located in the east of the authority area in Hodge Hill. The centre is anchored by a Tesco superstore, alongside a key range of day-to-day retail and service operators that are considered to be sufficient to serve the needs of the local community.</p> <p>The limited proportion of vacant units in Fox and Goose district centre is such that the centre does not feel significantly impacted by vacant units. Accordingly, the Fox and Goose is considered to be a vital and viable district centre.</p>
Harborne	<p>Harborne plays a key role in providing for both the needs of the local community, as well as a wider catchment which look to the centre as an entertainment destination. This is reflected in the quantum of national multiple leisure operators located along High Street, which generate significant levels of activity during both the day and evening.</p> <p>The proportion of vacant units in the district centre is lower than the current national average, and as a result of this the vacancy rate is not considered to provide cause for concern. Harborne is therefore considered to be a vital and viable centre.</p>
Kings Heath	<p>Kings Heath is anchored by a number of convenience uses, including Asda, Lidl and Sainsbury’s, and comparison goods operators are diverse, and include a number of key national multiples. The centre is considered to be a popular retail and leisure destination, and this is reflected in the level of activity observed at the time of our visit, the appearance of the centre (in which the Kings Heath BID plays a key role in maintaining) and the low vacancy rate.</p> <p>As such, Kings Heath district centre is considered to be a vital and viable destination.</p>

Centre	Overarching Conclusions and Recommendations
Longbridge	<p>Longbridge district centre sits on the location of the former car plant of the same name, and was opened in 2011 when the key anchor, Sainsbury's, began trading and Bournville College opened. By virtue of the modern nature of the centre, Longbridge is considered to be a well-maintained centre, with an attractive and functional public realm.</p> <p>The relatively low vacancy rate, and the high levels of activity observed at the time of our visit, are such that Longbridge is considered to be a vital and viable district centre.</p>
Maypole	<p>Maypole is a relatively small district centre (in terms of units) when compared to other centres in the City. The district centre is anchored by a large Sainsbury's foodstore, and therefore the centre plays a key role in providing for the convenience goods needs of the local community. Although the vacant units are distributed throughout the district centre, but there are a particular concentration around Idmiston Croft. This results in this area having a lower feeling of vibrancy and vitality when compared to the rest of the district centre.</p> <p>Notwithstanding this, the centre as a whole is considered to be vital and viable and plays an important role in meeting local residents' needs. Work to improve connectivity across the centre could be explored further.</p>
Mere Green	<p>Mere Green has benefited in recent years from the 'Mulberry Walk' redevelopment at the junction of Lichfield Road, Belwell Lane, Hill Village Road and Mere Green Road. The district centre itself is relatively attractive, with the Mulberry Walk redevelopment scheme providing pleasant, modern retail units and areas of public realm, which provide for areas of café culture.</p> <p>The centre benefits from high levels of activity and evidence of inward investment, and as such is considered to be a highly vital and viable centre.</p>
New Oscott	<p>New Oscott is split between the Princess Alice Retail Park and a more traditional retail parade on the western side of the A452 Chester Road North, which includes both an Aldi and Lidl foodstore. The centre's vacancy rate remains lower than the national average, and although the presence of closed roller shutters in parts of the centre impacts upon the feeling of vibrancy during the day, New Oscott is considered to be reasonably vital and viable.</p>
Northfield	<p>Northfield district centre is a key retail destination in the southwest of the City. Vacant units are generally located throughout the district centre, the presence of hot-food takeaway units in Northfield and some frontages lacking active ground floor uses around Northfield Shopping Centre. This has the effect of reducing the perception of vibrancy and vitality in the district centre. Notwithstanding this, Northfield is considered to be a generally vital and viable centre.</p>
Perry Barr	<p>The Perry Barr Vision was adopted in February 2022, which seeks to (amongst other principles) deliver a new and improved Perry Barr Urban Centre. As such, the district centre is currently under substantial redevelopment, with a new bus interchange very recently delivered adjacent to the railway station (open in time for the Commonwealth Games). Wider improvements will see the delivery of a mix of town centre uses (including residential and office space), significant works to the infrastructure network and overall, substantial enhancements to the functionality of the centre. Furthermore, potential improvements could include the potential re-configuration of the One Stop Shopping Centre, which may further help to attract a more diverse offer and to better interact with the centre more widely.</p>

Centre	Overarching Conclusions and Recommendations
Selly Oak	<p>Selly Oak district centre is anchored to the west by Selly Oak Shopping Park and Battery Retail Park, which is situated to the north of the former Sainsbury's foodstore. We understand that proposals were put forward to redevelop the former Sainsbury's site which were eventually dismissed at appeal, for the erection of purpose-built student accommodation and commercial uses at the ground floor. The store therefore remains vacant and detracts from the overarching aesthetics of the district centre.</p> <p>To the north east is Bristol Road, which comprises of a range of smaller terraced commercial units, alongside larger more dominant uses such as the Aldi (which has a current application submitted to modernise the store). There is a clear focus on meeting the needs of the local student population, with a range of leisure and takeaway uses which meet this demand. Despite recent improvements to the cycle network through the centre, traffic passing through, still dominates the centre.</p> <p>Overall, however, the centre performs a key role in meeting the local residents' day-to-day needs, alongside the two retail parks to the south west, which have a wider draw due to their offer of national multiple operators. The two distinct elements of the district centre, the more 'traditional' retail parade along Bristol Road and at Battery Retail Park and Selly Oak Shopping Park, in practice operate separately and more could be done to address this, as well as the volume of vehicular movements through the district centre.</p>
Sheldon	<p>Sheldon offers a strong convenience goods offer (which includes Tesco, Morrisons and Iceland), which is augmented by a number of other operators which are considered likely to draw from a reasonably sized catchment area. Accordingly, the centre is considered to be vital and viable.</p>
Soho Road	<p>Soho Road is a long, linear urban grain and is generally low density in nature. The centre is considered to be a relatively attractive retail centre, characterised by colourful shopfronts, although there are also a number of buildings and shopfronts that are not well maintained at present.</p> <p>The strong development pattern and scale of the centre lends itself to having a range of independent operators within Soho Road. The centre has a lower vacancy rate than the current national average and as such due to this, and the levels of activity and engagement in the centre, Soho Road is considered to be vital and viable.</p>
Stirchley	<p>Stirchley is easily accessible to a large catchment, and benefits from a considerable level of passing trade. This is particularly directed to the Morrisons foodstore in the centre, as well as key community facilities.</p> <p>However, the proportion of vacant units in the district centre is such that it is considered to represent cause for concern. The vacancy rate impacts upon activity and the feeling of vibrancy in the centre, and as such the forthcoming development of an Aldi foodstore and new homes on Pershore Road are considered likely to improve this impression somewhat.</p> <p>It is clear that this, and other interventions, will improve the appearance and perception of northern half of the district centre, and that increased independent and food and drink operators in the southern half of Stirchley are likely to do the same.</p> <p>However, the current proportion of vacant and poorly maintained units is such that at this time, Stirchley cannot be considered to be a vital and viable district centre. Notwithstanding this, once the improvements to the northern half of the centre have 'bedded in' and should the independent and food and drink offer in the southern half continue to grow, the centre is likely to become vital and viable.</p>

Centre	Overarching Conclusions and Recommendations
Swan	Swan district centre is focused around the Swan Shopping Centre, which is anchored by a Tesco Extra superstore and accommodates a number of key national multiple operators. Whilst the proportion of vacant units in the district centre accounts for a higher proportion of units than the current national average, the majority of these operators are located beyond the Swan Shopping Centre. Notwithstanding this, the district centre is considered to be largely vital and viable.

Planning Policy Recommendations

General Policy Approach and Wider Strategy for the Authority Area

- 9.21 The adopted Birmingham Local Plan promotes a ‘town centre first’ which pre-dates but is broadly consistent with the general requirements of paragraph 86 of the NPPF (which indicates that planning policy should support the role of town centres at the heart of local communities), paragraphs 87 and 88 (which set out the sequential approach to development), and paragraph 90 (which sets out the town centre impact test).
- 9.22 In this regard, we note that paragraph 017 of the Town Centres PPG indicates that proposals for edge and out of centre retail and leisure developments should be considered with reference to the health of centres that would be impacted upon. Paragraph 017 states that:
- ‘A judgement as to whether the likely adverse impacts are significant can only be reached in light of local circumstances. For example, in areas where there are high levels of vacancy and limited retailer demand, even very modest trade diversion from a new development may lead to a significant adverse impact.’**
- 9.23 We believe it to be clear from this Study that the growth of out of centre development may have had consequences for the health of some of the proximate centres. As is typical for a city of Birmingham’s size and taking account of the wider authority area and the large catchment it serves, there are a range of significant out of centre retail and leisure developments which have, amongst other commercial matters, had implications on the performance of the defined centres within the authority area. However, the pressure from out of centre retail and leisure development has not been the only impact on the high streets and further stress from online retailing, the pandemic and now the rising cost of living have all had implications on the performance and overarching health of the centres across the authority area.
- 9.24 In this regard, the objective is to ensure that, where possible, the growth of an inclusive economy, which provides access to jobs, opportunity, skills acquisition, products and services, culture, leisure, healthy lifestyles and social connection. As is suggested above, this does not mean developing high streets that are the same as one another, it means planning high streets based on the needs of the catchment.
- 9.25 As a consequence, we believe that it is important for the forthcoming plan to clearly identify that the larger defined centres should continue to be the focus for comparison goods retail and that there is a need to direct such operators towards the centre in order for it to remain relevant and appropriately serve residents’ needs.
- 9.26 More generally, it will be important for the emerging plan to clearly set out the importance of the sequential and impact tests and explain the local circumstances which frame how they will be applied in practice. The sequential and impact tests will need to be applied in a robust manner so as to reduce the vacancy rate across the defined centres and support centres that are fit for purpose going forward. Whilst non-retail uses will be an important component of the mix of land uses in principal centres moving forward, there is still a requirement to accommodate new retailers and additional retail floorspace within defined centres wherever possible.

- 9.27 In this regard, defining a proportion of frontages within primary shopping areas which should be retained within retail (formerly Class A1) uses will no longer be appropriate across the board. Whilst retail should still be the principal use within such designations, allowing flexibility for a range of main town centre uses in town centres will be key to securing the future vitality and viability of such centres.
- 9.28 Covid-19 hasn't entirely diluted the human instinct to mix, socialise and observe others going about their business. It has, however, reduced the desire *to travel* in order to shop, eat and socialise. As such, local and district centres are assuming greater importance in serving local needs, and some of the key town centres within Birmingham (particularly Harborne, Kings Heath and Mere Green) also appear to have fared relatively well due to their local and independent offer in particular. Allowing a range of main town centre uses, including residential uses, will be key to helping secure their future and ensuring residents and tourists alike, continue to visit the centres.
- 9.29 Of course, the student population and the development which follows from this is also key within some centres, which also helps to support local businesses. However, it is important that centres continue to provide an appropriate mix of uses to meet the local residents' requirements all year round.
- 9.30 A key priority, which is already being explored by the Council and stakeholders, is the reuse of existing stock, the repurposing of important town centre assets to provide active uses such as leisure, community and residential uses, and wider aesthetic improvements to encourage safe pedestrian movement and promote pleasant town centre environments. It will also be key to explore additional leisure opportunities which would encourage longer dwell times and increasing the level of expenditure available to support local businesses. Community events, small festivals and other opportunities to use outdoor space were also discussed, building on the wider cultural and heritage strengths of the centres.

Boundaries

- 9.31 Paragraph 86 of the NPPF requires local plans to 'define the extent of town centres and primary shopping areas'. There is no specific policy requirement to identify primary and secondary frontages.
- 9.32 The Government has confirmed¹⁵ that the removal of the requirement to define frontages reflects the general need to be flexible in planning for the future of town centres due to the rapid changes taking place in the retail and leisure industries. Whilst the removal of the requirement does not preclude local planning authorities from identifying primary and secondary shopping frontages where supported by local circumstances, we do not believe that this is merited in this instance. There is a clear need to repurpose and reoccupy centres across Birmingham in the manner that Use Class E generally provides for. In this context, the designation of primary and secondary frontages would serve no useful purpose.
- 9.33 Annex 2 of the revised NPPF indicates that a primary shopping area is the 'Defined area where retail development is concentrated'. Annex 2 also identifies that a town centre is the:
- 'Area defined on the local authority's policies map, including the primary shopping area and areas predominantly occupied by main town centre uses within or adjacent to the primary shopping area'.**
- 9.34 In this regard, it is important to note that although there is the opportunity to define a PSA and a town centre boundary, there is no general requirement to do so, unless the specific context of the centre allows for it. The

¹⁵ See the July 2018 MHCLG Government Response to the Draft Revised NPPF Consultation

Government has encouraged the diversification of centres and whilst retail will still in most cases be a focus of the offer within the centres, lower-order centres are diverse, and uses are typically spread throughout the boundaries.

- 9.35 Furthermore, it is also important to recognise the purpose of defining both a PSA and town centre boundary. In this regard and in terms of applying policies, distinguishing between the PSA and town centre boundary is only of relevance when referring to the sequential and impact policy tests in relation to retail proposals. As such, if a PSA is not defined as well as a town centre boundary (instead of considering them as one boundary) what is defined as ‘in centre’ would be all uses within the town centre boundary, thus providing protection to the overarching offer within centres.
- 9.36 In this regard, we have reviewed the current boundaries of the defined city, town and district centres and provide our commentary on a centre by centre basis below.
- 9.37 In respect of the City Centre, our boundary recommendations are as follows:
- In respect of the proposed City Centre boundary, we have used the boundaries as provided in the Draft Central Birmingham Framework 2040. In doing so, we have reflect the area covered by the ‘City Heart’, which in accordance with the definition provided by the NPPF, comprises the area where the main town centre uses are focused.
 - The proposed Primary Shopping Area is relatively tightly defined around the concentration of main town centre uses in the City Centre, and includes the Bullring Shopping Centre, areas around New Street and key shopping routes along New Street, Bull Street and High Street. The proposed Primary Shopping Area reflects the City Centre Core as adopted in the current development plan and which we consider continues to represent the area where retail uses are concentrated.
- 9.38 Table 9.2 below provides a summary of the boundary recommendations for the town and district centres.

Table 9.2: Summary of Boundary Recommendations for Town Centres

Centre	Overarching Conclusions and Recommendations	Summary
Acocks Green	The extant town centre boundary is considered to be suitable, and that it includes the main town centre uses within the district centre. However, the extant PSA boundary is noted to be ‘islanded’ between three distinct parts. As such, we recommend that the boundary be adapted so that it is contiguous. Furthermore, we recommend the incorporation of units at the junction of Shirley Road and Westley Road.	District centre boundary to remain as existing, PSA to be altered to be contiguous and to expand slightly.
Alum Rock Road	The extant PSA boundary is considered to be suitable and includes the main concentration of retail units in the district centre. However, it is noted that, whilst the extant town centre boundary includes the front half of the vacant site on Alum Rock Road between Parkfield Road and Clodeshall Road, we propose that the town centre boundary be expanded to include the entirety of the whole site.	PSA boundary to remain as existing, district centre boundary to be expanded slightly.
Castle Vale	The extant boundaries are considered to be suitable, and the PSA is considered to include the main concentration of retail units in the district centre. Therefore, no change is proposed to either the District Centre or PSA boundary.	Boundary to remain as existing

Centre	Overarching Conclusions and Recommendations	Summary
Coventry Road	The extant town centre boundary is considered to be suitable, and that it includes the main town centre uses within the district centre. Generally, the extant PSA boundary is considered suitable and to reflect the concentration of retail uses in the district centre. However, we propose that the retail parade on Coventry Road between Dora Road and Mansel Road be included within the PSA.	District centre boundary to remain as existing, PSA to be expanded slightly.
Edgbaston	The extant town centre boundary is considered to be suitable, and that it includes the main town centre uses within the district centre. The extant PSA is split into three areas, focused on the Morrisons foodstore, around Park Regis Hotel and the Broadway office building. We recommend that the PSA boundary be revised to concentrate on the main retail uses in the district centre, namely the Morrisons foodstore and the retail parade at the junction of Calthorpe Road and Islington Row Middleway.	District centre boundary to remain as existing, PSA to be altered to focus solely on retail uses.
Erdington	The extant boundaries are considered to be suitable, and the PSA is considered to include the main concentration of retail units in the district centre. Therefore, no change is proposed to either the District Centre or PSA boundary.	Boundary to remain as existing
Fox and Goose	The extant boundaries are considered to be suitable, and the PSA is considered to include the main concentration of retail units in the district centre. Therefore, no change is proposed to either the District Centre or PSA boundary.	Boundary to remain as existing
Harborne	The extant boundaries are considered to be suitable, and the PSA is considered to include the main concentration of retail units in the district centre. Therefore, no change is proposed to either the District Centre or PSA boundary.	Boundary to remain as existing
Kings Heath	The extant town centre boundary is considered to be suitable, and that it includes the main town centre uses within the district centre. However, we recommend that the PSA be expanded to include the Lidl foodstore on Silver Street.	District centre boundary to remain as existing, PSA to be altered to include Lidl foodstore.
Longbridge	We consider that the extant boundaries are largely suitable, and the PSA is considered to include the main concentration of retail units in the district centre. However, we propose to amend both the district centre and PSA boundary to reflect the situation 'on the ground' to include the entirety of retail uses in the district centre. It is also proposed that the retail parade at the junction of Sunbury Road and Longbridge Lane be removed from the PSA.	District centre boundary to remain as existing, excluding small amendment to reflect the development pattern in the district centre. PSA amended to reflect location of main retail uses.
Maypole	The extant PSA boundary is considered to be suitable and includes the main concentration of retail units in the district centre. However, the defined district centre boundary includes a number of residential units on Alcester Road South, and these are therefore proposed to be removed from the defined boundary.	PSA boundary to remain as existing, district centre boundary to be slightly amended to remove residential units.

Centre	Overarching Conclusions and Recommendations	Summary
Mere Green	We propose that both the district centre and PSA boundaries be expanded to include the Lidl foodstore on the northern side of Mere Green Road. Elsewhere, we propose that the boundaries remain the same.	District centre and PSA boundaries to expand to include Lidl foodstore.
New Oscott	The extant boundaries are considered to be suitable, and the PSA is considered to include the main concentration of retail units in the district centre. Therefore, no change is proposed to either the District Centre or PSA boundary.	Boundary to remain as existing
Northfield	The extant boundaries are considered to be suitable, and the PSA is considered to include the main concentration of retail units in the district centre. Therefore, no change is proposed to either the District Centre or PSA boundary.	Boundary to remain as existing
Sheldon	We propose that both the district centre and PSA boundaries be expanded to include the Aldi foodstore to the west of the defined boundary on Coventry Road. Elsewhere, we propose that the boundaries remain the same.	District centre and PSA boundaries to expand to include Aldi foodstore.
Soho Road	We propose that the PSA boundaries be expanded to include the Lidl foodstore at the junction of Booth Street and Soho Road. We also recommend that the district centre boundary be amended to exclude non-town centre uses, such as units on Soho Road to the west of the main town centre uses after Farcroft Road, the King Edwards VI Grammar School and residential properties on Babington Road. Elsewhere, the Shri Guru Ravidass Bhawan Birmingham Ravidassia Temple is proposed to be included within the district centre boundary.	District centre boundary to be revised to exclude non-town centre uses. PSA boundary to expand to include Lidl foodstore.
Stirchley	It is proposed that the PSA and town centre boundaries be revised to exclude Stirchley Primary School, as well as the residential development under-construction on Hazelwell Lane/Hunts Road. The site of the approved Aldi is proposed to remain within the PSA and district centre boundary.	District centre and PSA boundaries to be revised to exclude non-town centre uses.
Swan	We consider that the extant boundaries are largely suitable, and the PSA is considered to include the main concentration of retail units in the district centre. However, we propose to amend the PSA boundary to reflect the situation 'on the ground' around the Tesco Extra superstore. No changes are proposed to the district centre boundary.	District centre boundary to remain as existing, the PSA to be amended to reflect the development pattern in the district centre.
Sutton Coldfield	The extant town centre boundary is considered to be suitable, and that it includes the main town centre uses within the district centre. Generally, the extant PSA boundary is considered suitable and to reflect the concentration of retail uses in the district centre. However, we propose to concentrate the PSA around Gracechurch Shopping Centre through the exclusion of units along Birmingham Road in the south of the town centre. The PSA will therefore focus on the area bound by Queen Street, Brassington Avenue and Victoria Road. However, the proposed contraction of the PSA will not impact on the centres ability to function as a sub-regional centre and that it will focus retail investment into the heart of the town centre.	District centre boundary to remain as existing, PSA to contract to focus on the area around Gracechurch Shopping Centre.

Article 4 Directions and Implications

- 9.39 It is also worth noting the importance of Article 4 Directions being imposed in appropriate circumstances.
- 9.40 In this regard, Article 4 directions give power to local authorities to withdraw a specified permitted development right within a specified area. Paragraph 53 of the NPPF sets out how Article 4 directions should be used as a means of removing permitted development rights, and states that they should be used as follows:

‘where they relate to change from non-residential use to residential use, be limited to situations where an Article 4 direction is necessary to avoid wholly unacceptable adverse impacts (this could include the loss of the essential core of a primary shopping area which would seriously undermine its vitality and viability, but would be very unlikely to extend to the whole of a town centre)

in other cases, be limited to situations where an Article 4 direction is necessary to protect local amenity or the well-being of the area (this could include the use of Article 4 directions to require planning permission for the demolition of local facilities)

in all cases, be based on robust evidence, and apply to the smallest geographical area possible.’

- 9.41 The use of Article 4 directions is further set out at Paragraph 38 of the Government’s ‘When is permission required?’ PPG, which states that:

‘Article 4 directions should be applied in a measured and targeted way. They should be based on robust evidence, and apply to the smallest geographical area possible’

- 9.42 Suitable circumstances for the use of Article 4 directions include the protection of town centres, as a July 2021 Written Ministerial Statement noted at Paragraph 53. Taken together, it is clear that an Article 4 direction applied to a town centre could support and protect the ongoing vitality and viability of the centre, and could provide local authorities a greater level of control in the context of increasing permitted development rights and the introduction of Class E.

- 9.43 Whilst we note that the Ministerial Statement also states that for Article 4 directions on high streets and town centres, the smallest area of geography (and consequently the area most easily targeted and covered) is likely to be the PSA, the introduction of an Article 4 direction is not exclusively dependent on there being a defined PSA within a centre. The Ministerial Statement goes on to confirm that, provided a local authority can demonstrate robust evidence and justification to support the introduction of an Article 4 direction, they can be used to cover any geographical area provided it accords with the basic requirements of Policy.

Hierarchy

- 9.44 Paragraph 86 of the NPPF indicates that local planning authorities should define a network and hierarchy of town centres. However, very little detail is provided in this regard and, notably, neither the NPPF nor the Town Centres PPG differentiate between different types of town centre and the role each serves.
- 9.45 The most recent definitions provided by the Government were provided by Planning Policy Statement 4: Planning for Sustainable Economic Growth (‘PPS4’), which was published in December 2009 (and was superseded by publication of the original iteration of the NPPF in March 2012). Whilst PPS4 should be considered on this basis (i.e., it is not up to date practice guidance), in the absence of any other definitions, it is of some relevance to the consideration of a retail centres hierarchy.
- 9.46 Annex B of PPS4 identifies that:

‘City centres are the highest level of centre identified in development plans. In terms of hierarchies, they will often be a regional centre and will serve a wide catchment. The centre may be very large, embracing a wide range of activities and may be distinguished by areas which may perform different main functions. Planning for the future of such areas can be achieved successfully through the use of area action plans, with masterplans or development briefs for particular sites. In London the ‘international’ and ‘metropolitan’ centres identified in the Mayor’s Spatial Development Strategy typically perform the role of city centres.

Town centres will usually be the second level of centres after city centres and, in many cases, they will be the principal centre or centres in a local authority’s area. In rural areas they are likely to be market towns and other centres of similar size and role which function as important service centres, providing a range of facilities and services for extensive rural catchment areas. In planning the future of town centres, local planning authorities should consider the function of different parts of the centre and how these contribute to its overall vitality and viability. In London the ‘major’ and many of the ‘district’ centres identified in the Mayor’s Spatial Development Strategy typically perform the role of town centres.

District centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library.

Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, large villages may perform the role of a local centre.

Small parades of shops of purely neighbourhood significance are not regarded as centres for the purposes of this policy statement.’

- 9.47 Policy TP21 of the adopted Birmingham Development Plan sets out the current hierarchy of centres. At the top of the hierarchy are the retail areas of the city centre which we agree should remain at the top of hierarchy.
- 9.48 Below the city centre in the hierarchy are the town centres, district centres and then local centres. We set out our suggested hierarchy below in Table 9.3. The principal change from that which is currently adopted under Policy TP21, is to raise a number of centres up the hierarchy from district centre to town centre status.
- 9.49 We are of the view that these centres provide for a wide range of uses to meet the local populations’ needs, and that their status’ sit firmly within the second level of centres within the authority area. Furthermore, the level of floorspace and number of units indicates the wide offer of these centres and that they perform more than a district centre role, as set out above.

Table 9.3: Recommended Centres Hierarchy Based on Five Tier Structure

Tier	Definition	Centres
City Centre	<p>The highest level of centres, sitting at the top of the hierarchy.</p> <p>A city centre will serve a regional catchment, likely to be very large and embrace a wide range of activities, including retail, leisure, service, financial and a range of community uses. A city centre will also provide for a strong night time offer.</p> <p>City centres may also include a range of areas which perform different functions.</p>	Birmingham City Centre

Tier	Definition	Centres
Principal Town Centre	<p>The top tier of town centres, being the principal town centre within the authority area, both in terms of offer and scale.</p> <p>The principal town centre will have a wide catchment and provide a wide range of both convenience and comparison shopping opportunities, and provide leisure uses to serve both the daytime and evening economy.</p>	Sutton Coldfield
Town centres	<p>The smaller but key town centres in the local authority area, providing a wide retail, leisure and service offer and a mixture of community uses.</p> <p>Town centres generally serve a wider catchment than district and local centres, drawing trade from a wider area.</p>	Acocks Green, Alum Rock, Coventry Road, Erdington, Harborne, Kings Heath, Longbridge, Mere Green, Northfield, Perry Barr, Selly Oak, Sheldon and Soho Road
District centres	<p>Usually comprising groups of shops containing at least one supermarket, range of non-retail services and public facilities.</p> <p>District centres will provide for everyday needs and be the local focus to meet leisure and service needs.</p>	Castle Vale, Edgbaston, Fox & Goose, Maypole, New Oscott, Stirchley and Swan
Local centres	<p>Local centres include a range of small shops of a local nature, serving a localised catchment and typically meeting a 'top-up shopping' need.</p>	The Council to provide a full list.

9.50 The above hierarchy does not include Meadway, which was previously identified as a District Growth Point in the current BDP. We do not consider Meadway to provide a sufficient offer to enable it to be included in the hierarchy, but should additional development come forward within the centre, this position may change. We do not envisage this happening in the short term in any event.

9.51 We note that there is an extensive wider out-of-centre offer including both retail parks and standalone foodstores and other commercial units. Whilst we consider these to play an important role in serving the needs of the local authority's residents, we do not advise that such destinations are allocated as part of the hierarchy. In this regard, continued emphasis should be placed on helping to support the future vitality and viability of the existing defined centres, which provide a wider offer and important amenities for residents.

Thresholds

9.52 Paragraph 90 of the NPPF states that it is appropriate to identify thresholds for the scale of edge of centre and out of centre retail and leisure¹⁶ development that should be the subject of an impact assessment. Any such threshold policy applies only to the impact test (all planning applications for main town centre uses that are not in an existing centre and not in accordance with an up-to-date development plan will generally be the subject of the sequential test).

¹⁶ The NPPF defines what constitutes edge of centre as follows: 'For retail purposes, a location that is well connected to, and up to 300 metres from, the primary shopping area. For all other main town centre uses, a location within 300 metres of a town centre boundary'.

9.53 Annex 2 of the NPPF specifies what comprises 'edge of centre'. The Annex states that:

'Edge of centre: For retail purposes, a location that is well connected to, and up to 300 metres from, the primary shopping area. For all other main town centre uses, a location within 300 metres of a town centre boundary. For office development, this includes locations outside the town centre but within 500 metres of a public transport interchange. In determining whether a site falls within the definition of edge of centre, account should be taken of local circumstances.'

9.54 The above NPPF definition make sit clear that 'in centre' for retail purposes comprises the primary shopping area (where defined). For all other main town centre uses, 'in centre' comprises the town centre boundary.

9.55 The purpose of applying an impact threshold within the development plan which deviates from the national threshold of 2,500 sq.m, is to allow the Council to retain appropriate control in respect of the potential for development to impact on the future health of defined centres within the authority area. By applying a lower threshold, applications for developments which could potentially have a harmful effect on the overall vitality and viability of a defined centre, will need to be supported by a proportionate impact assessment which sets out the potential trade diversion impact assumptions.

9.56 Paragraph 16 of the Town Centres PPG provides specific guidance in relation to floorspace thresholds and states:

'The impact test only applies to proposals exceeding 2,500 square metres gross of floorspace unless a different locally appropriate threshold is set by the local planning authority. In setting a locally appropriate threshold it will be important to consider the:

- **scale of proposals relative to town centres**
- **the existing viability and vitality of town centres**
- **cumulative effects of recent developments**
- **whether local town centres are vulnerable**
- **likely effects of development on any town centre strategy**
- **impact on any other planned investment.'**

9.57 Using the above guidance, we set out the justification to support our view that a lower threshold should be applied across the hierarchy of centres within the authority area. To note, the current adopted policy does not provide a locally set threshold for impact assessments.

9.58 In considering the setting of a local impact threshold, it is important to give consideration to the type of development (relating to convenience and comparison goods retail uses, and leisure uses) which would, in practice, provide space for key operators who could act to 'anchor' a centre. Should one of these anchor units or operators leave a centre, there will likely be the potential for a significant adverse impact to arise.

9.59 As such, where there is genuine potential for an application proposal to divert a material level of expenditure away from a defined centre, or potentially remove a key tenant from that centre, there will likely be a requirement to consider the impacts arising from the proposal in detail.

9.60 In respect of lower order centres, the introduction of even a small convenience store nearby (of the type operated by Sainsbury's Local or Tesco Express) may have the potential to impact on the ongoing viability of key operators. Small convenience stores operated by national multiple grocers can generate a relatively substantial turnover. If this is diverted from existing retailers in defined centres, the impact on the overall vitality and viability through the loss of spend and footfall, could be of a significant adverse magnitude.

- 9.61 Therefore, in implementing a local threshold policy, it is considered more appropriate to apply a range of thresholds in accordance with the type of centre the proposed development is proximate to. The thresholds should not only apply to new floorspace, but also to changes of use and variations of condition to remove or amend restrictions on how units operate or trade in practice.
- 9.62 We note that there are a relatively limited number of units greater than 1,000 sq.m in the City Centre, with less than 9% of the total stock of commercial units in the town having a greater floorspace than 1,000 sq.m. This includes a number of larger format leisure units, as well as retail units which accommodate national retailers. The vacancy rate equates to 20.3% of total commercial floorspace and 24.6% of all units.
- 9.63 In terms of policy recommendations relating to the impact policy threshold, this relates to the defined centre, which for the purposes of retail development comprises the primary shopping area, and for all other main town centre uses comprises the city centre boundary.
- 9.64 In this context, we recommend that the impact threshold of relevance to Birmingham city centre is set at 1,000 sq.m for both retail and leisure proposals. This threshold would effectively be the default to be applied authority wide.
- 9.65 The above recommendation is also reflective of the city centre vacancy rates and the potential for out of centre retail developments to become even stronger in the future at the expense of centres' vitality and viability. The existing out of centre commercial destinations all offer a range of comparison goods, which traditionally would have been sold from town centres. As such, the recommendation is reflective of the need to safeguard against the out of centre retail destinations becoming even stronger at the expense of the health of defined centres.
- 9.66 The findings demonstrate that in the town and district centres there are a relatively low proportion of units above the 300 sq.m threshold, and that generally the average size of units is relatively small. We do note that the average unit sizes in the context of some of the district centres which take a more traditional retail park format are significantly higher (New Oscott, Longbridge, Selly Oak, Perry Bar and so on), but we do not consider that such size and scale of units is a precedent for the average type of units in a district or even town centre. Indeed, there are some centres such as Soho Road, Kings Heath and so on, which have substantially smaller units on average. As such, and in this context, it is considered that there is a need to protect these centres against out-of-centre or edge-of-centre proposals for town centre uses.
- 9.67 We therefore consider that a policy threshold of 300 sq.m is considered appropriate for town and district centres due to their overarching offer and importance of ensuring that they continue to provide their important offer and role to their local catchments. The proposed threshold for town and district centres also demonstrates the potential implications any future out of centre developments could have.
- 9.68 In this regard, existing schemes such as the Fort Shopping Park (29,226 sq.m) and Princess Alice Retail Park (12,056 sq.m) provide for substantial levels of retail and leisure floorspace at out of centre locations across the authority area. The units within the out of centre retail parks range from 450 sq.m up to around 3,000 sq.m, with the ability to be sub-divided and provide space for operators which would typically locate in town centres.
- 9.69 These schemes provide space for operators which sell goods which are typically sold from town centres. If these destinations expand further or relax their current controls over the use of the floorspace, they could have substantial detrimental implications on all defined centres but particularly the larger centres within the hierarchy. The low threshold therefore ensures that applications at these out of centre destinations (and elsewhere in the

authority area) are appropriately assessed against the relevant impact tests and that the key centres within Birmingham are appropriately protected.

- 9.70 We believe that the proposed lower thresholds for local centres are appropriate as a consequence of their localised role and function, and the fact the opening of a small format convenience store outside of these smaller centres is likely to directly compete with type of local needs provision typically found within such centres. We therefore believe it is reasonable for applicants proposing developments of 200 sq.m gross floorspace for local centres and above, to demonstrate that their proposal will not have a significant adverse impact on smaller centres sharing part of the same catchment.
- 9.71 The proposed thresholds at local centre level are considered to reflect the relatively small size of some of the centres at the lower end of the retail hierarchy and their consequent potential susceptibility to alternative 'out-of-centre' provision. In practice, it is envisaged that a proposal of just greater than 200 sq.m adjacent to a local centre would generally require an impact assessment of proportionate length (i.e., for development of such a scale, impact may on occasion be able to be dealt with as part of the covering letter accompanying the application).
- 9.72 Where an application proposal is above the respective stated impact threshold, we would recommend that the applicant discusses and agrees the scope of the retail impact assessment with the Council prior to submission. The lower threshold of 200 sq.m for local centres is considered appropriate due to potential for convenience stores of even a relatively small nature could substantially impact upon the performance of existing operators, due to the potential higher sales densities of such proposals. This would ensure that particular protection of these smaller centres is considered appropriately.
- 9.73 For the purpose of drafting future planning policy, it is important to qualify the area to which each local impact threshold will apply. We recommend that the threshold of relevance to the town and district centres (i.e., 300 sq.m) would be applicable within 800 metres of the boundary of the relevant centre. The distance of 800 metres is broadly commensurate with the potential walk-in catchments of smaller centres and is identified by Guidelines for Providing for Journeys on Foot (The Institution of Highways & Transportation, 2000) as being the 'preferred maximum' acceptable walking distance to a centre. We consider it to be appropriate for the higher threshold of 500 sq.m to apply authority-wide (i.e., beyond 800 metres of these centres), due to the lesser likelihood of significant adverse impacts arising from retail and leisure development.
- 9.74 It is important to emphasise that, whilst the locally set threshold would require the submission of an impact assessment for all edge-of-centre and out-of-centre developments exceeding the thresholds, national guidance states that the impact test should be undertaken in a proportionate and locally appropriate way, commensurate to the scale of development proposed. The level of detail would typically be agreed with planning officers during the pre-application process in order to avoid overly onerous requirements that may otherwise restrict and delay development opportunities from coming forward. The nature and scale of the assessments will be determined on a case by case basis, having regard to the methodology provided within the Town Centres Practice Guidance, and will be dependent on the proposal and wider context of the application site and proximate defined centres. We would advise that such methodology is agreed with the local authority prior to submission at pre-application stage.
- 9.75 Based on the above, we are of the view that an impact assessment will be necessary to accompany proposals for retail and leisure uses (including those relating to mezzanine floorspace and the variation of restrictive conditions) which are not located within a defined centre where:
- the proposal provides a gross floorspace in excess of 1,000 sq.m gross; or
 - the proposal is located within 800 metres of either;

- the city centre and is in excess of 1,000 sq.m gross; or
- a town centre (including the principal town centre) and is in excess of 500 sq.m gross; or
- a district centre and is in excess of 300 sq.m gross; or,
- a local centre and is in excess of 200 sq.m gross.'

9.76 The 800 metres stipulated above would apply from the primary shopping area boundary (where defined) for the purposes of retail and the town centre boundary for leisure uses. As per the NPPF impact policy, the requirement for an impact assessment applies to retail and leisure proposals.

9.77 In our experience, it will only generally be development of a scale greater than these thresholds which could lead to a 'significant adverse' impact, which could merit the refusal of an application for town centre uses in accordance with the provisions of paragraph 91 of the NPPF. The setting of a 'tiered' threshold is consistently accepted by Inspector's at Local Plan Examination and, in our view, acts to appropriately ensure that only those proposals which could genuinely result in an unacceptable impact are the subject of an impact assessment.

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