Town Centres Team, Planning Services

DEWSBURY TOWN CENTRE

ANNUAL STATEMENT OF KEY ECONOMIC INDICATORS

OCTOBER 2004

INTRODUCTION

Since 1996, the Planning Service of Kirklees MC has undertaken a programme of research into the health and vitality of shopping centres in the District. The annual collection of key performance data enables the role of individual town centres to be assessed, identifying the scope for change, renewal and diversification.

The first assessment of Dewsbury town centre was published in July 1997. Since then, full audit reports have been produced in 1999 and 2001, with annual updates also covering the 7 main indicators of town centre health and vitality. These are:

- Shop unit and floorspace occupancy
- Vacancy rates
- Pedestrian footfall
- Development pipeline
- Retailer demand
- Prime retail rental levels
- Prime retail yields

FLOORSPACE, SHOP UNITS AND VACANCY

A survey of shop unit occupancy undertaken during October 2004 revealed that Dewsbury town centre provides a total of 43,891 sq.m. (472,279 sq.ft.) of net retail floorspace, and 340 shop units. Comparison goods retailing represents 70.3% of that floorspace compared to 67.4% in the previous year. Figure 1 illustrates the make up of the town centre in both 2003 and 2004.

Figure 1: Dewsbury shop unit and floorspace statistics

	2003		2004	
	Sales fl'space '000 sq.m.	Shop units	Sales fl'space '000 sq.m.	Shop units
Convenience	10.05 (23.1%)	22 (6.4%)	10.01 (22.8%)	20 (5.9%)
Comparison[1]	29.35 (67.4%)	188 (54.5%)	30.84 (70.3%)	189 (55.6%)
Service	N/A	80 (23.2%)	N/A	79 (23.2%)
Vacant	4.12 (9.5%)	55 (15.9%)	3.04 (6.9%)	52 (15.3%)
TOTAL	**43.52 (100%)**	**345 (100%)**	**43.89 (100%)**	**340 (100%)**

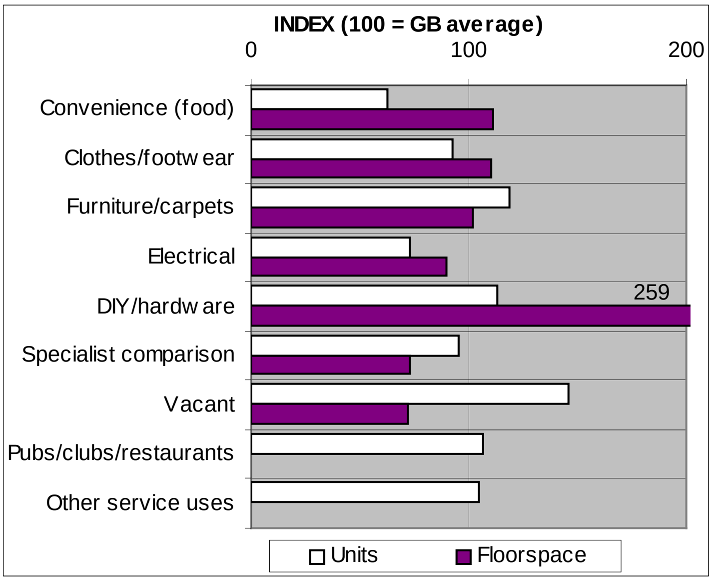
There has been a decrease in vacancy over the past 12 months, mainly as a result of unit take-up on the retail warehouse park and the occupation of a long-term vacancy at the Galleries on Halifax Road. There have also been a number of changes between retail and service/office uses and some unit amalgamation which has led to a drop in the overall number of retail units within the study area.

Figure 2 illustrates the representation of floorspace and shop units in different categories of use against the national town centre average. This shows that the representation of DIY/Hardware retailers in Dewsbury remains at 2½ times the national average. This is largely due to the presence of retailers from this sub-sector trading from large unit accommodation on the retail warehouse park and has been reinforced by the recent arrival of Topps Tiles.

The proportion of convenience goods floorspace remains above the national average, despite the closure of two small convenience goods retailers over the past 12 months. Specialist (or 'niche') comparison goods and electrical retailers continue to be under-represented in the town both in terms of floorspace and number of units.

The number of vacant units in the town has dropped, but nevertheless, still exceeds the national town centre average. Importantly, the proportion of vacant floorspace declined further below the national average with the take-up of two large units within the retail warehouse park.

Figure 2: Comparison with national averages[2]



Below: Some of the convenience goods provision in Dewsbury

Below: New DIY/Hardware store and new car accessories retailer

PEDESTRIAN FOOTFALL

Since 1999, annual pedestrian footfall counts have been undertaken in Dewsbury town centre to measure the volume and pattern of visitor/shopper movement. These assessments cover key locations including both primary and secondary shopping frontages and important pedestrian links, which together provide a yearly 'snapshot' of pedestrian activity. Surveys are undertaken on a market day, non-market day and Saturday. The map overleaf identifies the count locations.

Figure 3: Pedestrian footfall 2004*

Date / Weather	26th May 2004 Market day, Dull/warm		27th May 2004 Non-market day, Dry/sunny		22nd May 2004 Saturday, Hot/sunny	
Time	a.m.	p.m.	a.m.	p.m.	a.m.	p.m.
Train sta'n (out)	84	69	55	69	106	88
Bus station (out)	1250	470	510	312	925	584
P of W P'ct	2316	1354	1727	903	2252	2256
Westgate	1571	1173	899	739	1020	1210
RWP Subway	1608	1128	820	676	2088	1088
Longcauseway	2384	1487	1270	1003	4788	2936
Market Place	2448	1708	1177	811	4018	1976
Northgate	810	591	545	482	799	434
Foundry Street	4248	2091	198	99	3567	3261
Halifax Road	186	161	236	174	182	182
TOTAL	**16905**	**10232**	**7437**	**5268**	**19745**	**14015**

*Figures relate to hour samples (from 10:30am and from 2.30pm) taken from the wider profile counts. Counts are in both directions unless stated.

Figure 3 gives a breakdown of the volumes of pedestrians recorded on a street by street basis for one hour counts in the morning and afternoon. This clearly shows that footfall is highest on Longcauseway, Princess of Wales Precinct, Foundry Street and Market Place, especially on a market day and Saturday.

Figure 4 identifies the percentage change (2003-04) in pedestrian numbers recorded at all 10 locations during the morning and afternoon hour samples on each of the survey days. Overall, the town has achieved an increase of 8.3% in pedestrian numbers since 2003. A large increase in pedestrian numbers has been noted for the market day in both the morning and the afternoon. The decrease in non-market day morning footfall suggests that the large increase exhibited last year was an anomaly.

As figure 5 shows, pedestrian footfall has remained fairly constant over the past 5 years although market day and non-market day footfall is now slightly higher than at any time during this period.

Figure 4: Pedestrian footfall percentage change 2003-4

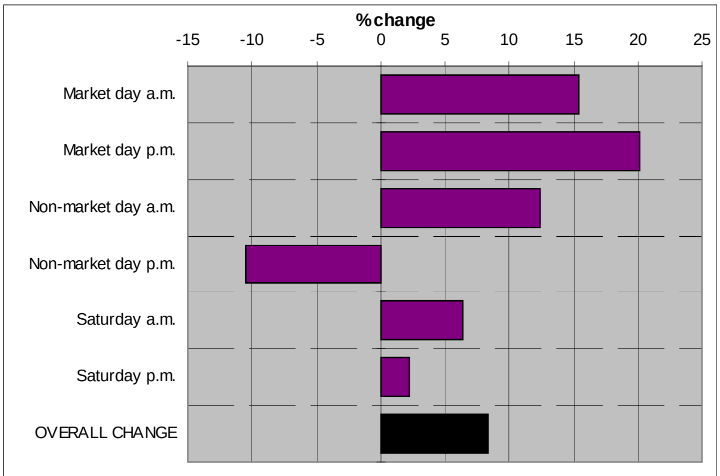


Figure 5: Pedestrian numbers 1999 – 2004

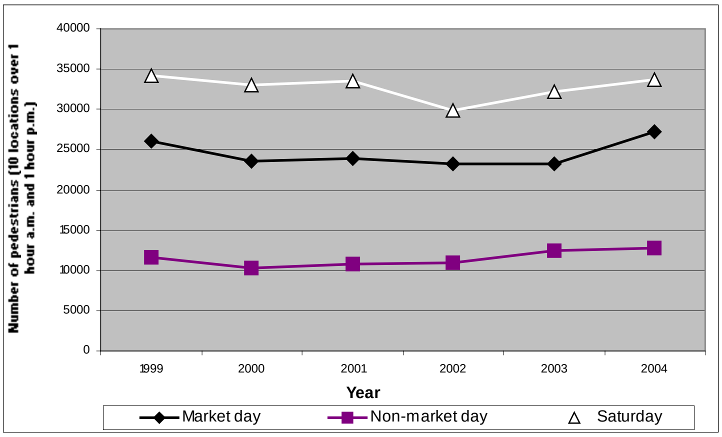
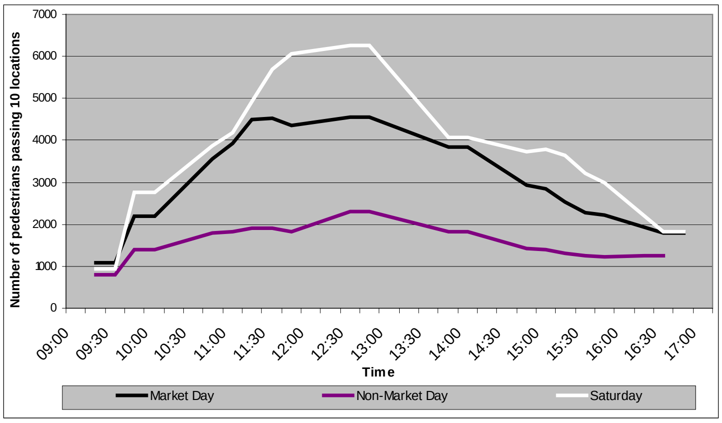


Figure 6 shows the daily profile of pedestrian numbers, plotted using 'pinch' counts either side of the hour-long samples. The profile has remained very similar to that in the 2003 assessment. The Saturday profile peaked at around 11:30am-12.30pm, reaching more than 6,000 people per 15 minutes, followed by a short steep decline in numbers, and then a gradual tailing off in the afternoon. The profile continues to illustrate the influence of the market on pedestrian numbers, compared to a non-market day.

Figure 6: 9am – 5pm profile of pedestrian volumes, 2004



DEVELOPMENT PIPELINE

Recent developments of interest include:

- The opening of ASDA (2002)
- Construction of a Wilkinsons store (2002)
- Matalan extension (890 sq.m.) (2003)
- Conversion of Spinkwell Mill into apartments (2003)

Work has recently started on the former car showroom site on Aldams Road (opposite the bus station) to provide 2 retail units. The Victoria Centre off Wellington Road has been demolished to provide accommodation for the Primary Healthcare Trust. Also, the former library on Wellington Road is currently undergoing refurbishment with the intention of accommodating retail.

As a result of the LPSA (Local Public Service Agreement) a number of environmental schemes have been implemented including the Rishworth underpass murals and two statues near the ring road at the Bradford Road / Halifax Road junction.

This brief assessment of development does not include changes of use and refurbishment works to existing units within the town centre of which there are numerous examples.

RETAILER DEMAND

A general assessment of demand for retail floorspace in Dewsbury was undertaken during February 2004. Figure 7 shows the numbers of retailers who have expressed interest in being represented in the town, and their maximum floorspace requirements.

Figure 7: Retail / leisure requirements 2004

Category	Number of registered interests	Maximum floorspace requirement sq.m. (sq.ft)
Convenience	4	3,253 (35,000)
Clothing/footwear	2	418 (4,500)
Furniture/carpets	1	186 (2,000)
Motor accessories	1	418 (4,500)
Variety/department	4	3,996 (43,000)
Specialist comparison	9	3,676 (39,550)
Restaurant/take-away	2	465 (5,000)
TOTAL	**23**	**12,412 (133,550)**

Source: FOCUS Information Ltd and KMC

The number of registered interests for securing representation in Dewsbury has remained the same over the last 12 months although the nature of some of the interests has changed. The total maximum floorspace requirement for the town in 2004 is 12,412 sq.m. None of the registered interests are currently represented in the town and hence would provide valuable additions to the town's offer.

There are 9 interests from specialist goods retailers, equating to a maximum floorspace requirement of 3,676 sq.m. The convenience and variety/department store sub sectors have 4 interests (equating to a maximum floorspace of 3,253 sq.m. and 3,996 sq.m. respectively). Much of the interest for premises in Dewsbury relates specifically to prime pitch retail locations (identified by 52% of all interested companies).

Further requirements may exist from other retailers who wish to relocate or establish themselves within the town centre but have not registered their interests. This assessment does not address the demand for office accommodation from financial, professional or other commercial uses.

PRIME RETAIL RENTAL LEVELS

At the national level, average prime zone A retail rents have grown by 3.1% during the 12 months to May 2004. This represents a similar rate of growth to that experienced the previous year. The Yorkshire and Humberside region recorded an increase of 4.4% between 2003-04 compared to a rise of 2.4% during the 2002-03 period.

Figure 8: Prime zone A retail rents for selected towns[3]
£ per sq.m. (£ per sq.ft)

	1998	2000	2002	2003	2004
Dewsbury	409 (38)	484 (45)	538 (50)	538 (50)	700 (65)
Huddersfield	915 (85)	1,076 (100)	1,130 (105)	1,130 (105)	1,130 (105)
Wakefield	861 (80)	969 (90)	1,076 (100)	1,130 (105)	1,237 (115)
Halifax	753 (70)	915 (85)	915 (85)	915 (85)	969 (90)
Barnsley	915 (85)	1,076 (100)	1,238 (115)	1,291 (120)	1,291 (120)
Regional average[4]	1,066 (99)	1,237 (115)	1,314 (122)	1,346 (125)	1,405 (131)
National average	947 (88)	1,076 (100)	1,131 (105)	1,165 (108)	1,201 (112)

Source: Colliers CRE and KMC

Figure 8 identifies rental levels of selected towns in the region and compares the regional and national averages since 1998.

Of the towns shown, Dewsbury, Wakefield, Halifax and Barnsley have all experienced growth in prime retail rents during the past 12 months. Prime retail rents in Dewsbury have risen by 30% to £700 per sq.m. (£65 per sq.ft.) following two years of static rental levels. This rise contributes to the 71% increase in retail rental levels in the town since 1998. For comparison, the nearby Kirklees towns of Batley and Heckmondwike both continue to achieve a maximum prime rent of £269 per sq.m. (£25 per sq.ft.), although recent activity in Batley is showing a move towards £323 per sq.m. (£30 per sq.ft.).

Below: Public Art – Rishworth Underpass murals (left, right) and statues close to the ring road (centre)



Below: The Aldams Road development and healthcare centre on the former Victoria Centre site


PRIME RETAIL YIELDS

The town's 'all risk' yield has improved significantly to 8.0%. This reflects a growing confidence in the town centre as an investment location. Strengthening retailer demand particularly for prime pitch locations has resulted in Zone A rents touching £700 per sq.m. in 2004. This has been a further contributor to the improvement in prime retail yields. Figure 9 shows the 'all risk yield' for selected towns in the region. Many of the towns assessed have seen changes in yields during the past 12 months.

Figure 9: Prime retail yields for selected towns [5] (%)

	1998	2000	2002	2003	2004
Dewsbury	9.0	10.0	10.0	10.0	8.0
Huddersfield	8.0	8.0	8.0	7.5	7.5
Wakefield	6.5	8.0	8.0	8.0	7.0
Halifax	8.0	9.0	9.0	9.0	8.0
Barnsley	7.0	7.0	7.25	7.25	7.25

Source: Valuation Office Property Market Reports (Summer)

Notes:

1 Comparison goods figures include A1 uses such as opticians and travel agents etc.

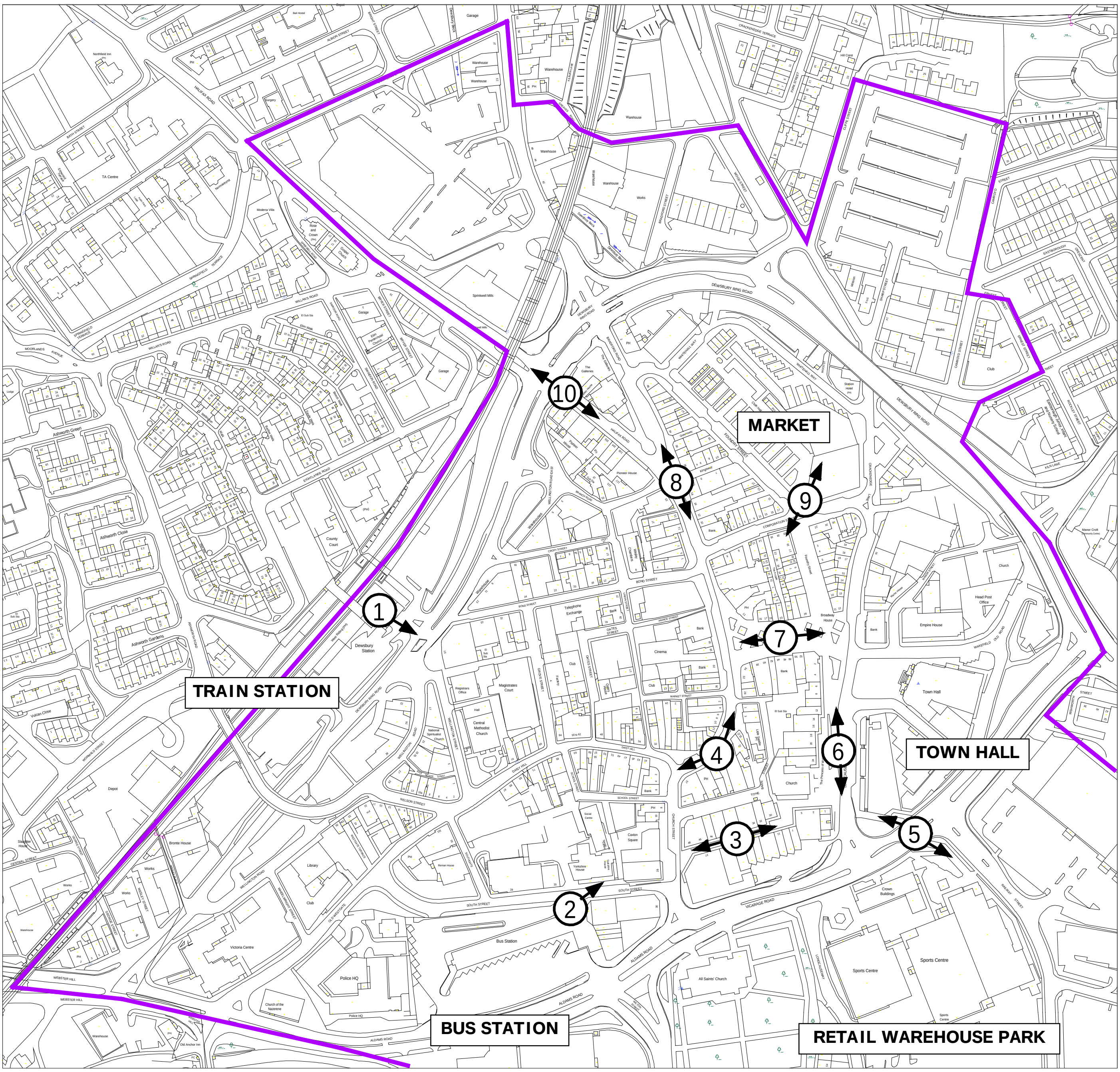
2 Based on the UK average, 100 being the average proportion of floorspace or number of units for certain categories of use in a UK town, not including markets.

3 These values relate to the zone A rent for a modern standard sized shop unit (6.1m frontage, 18.3m depth and 30sq.m. of storage or staff accommodation, and a full insuring and repairing lease). The assessment date is May of each year.

4 Regional averages relate to Yorkshire and Humberside.

5 'All risk yields' are calculated by dividing the annual rent as though it had been received as a single sum at the year end, by the capital value or sale price of the property. This is a simple benchmark which the property market uses to assess the comparative attractiveness of different shopping centres. Values from April of each year.

MAP OF THE TOWN CENTRE SHOWING PEDESTRIAN COUNT POINTS AND STUDY BOUNDARY



NOT TO SCALE

Key to map:

Study boundary

Count point and direction

1	Train station	6	Longcauseway
2	Bus station	7	Market Place
3	Princess of Wales Precinct	8	Northgate
4	Westgate	9	Foundry St/Corporation St
5	Subway	10	Halifax Road

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