Town Centres Team – Planning Services

HECKMONDWIKE TOWN CENTRE
ANNUAL STATEMENT OF KEY ECONOMIC INDICATORS
OCTOBER 2007

INTRODUCTION

The health and vitality of shopping centres in the Kirklees District is monitored on an annual basis through the Town Centre Audit Programme undertaken by the Council's Planning Services. Performance data is collected and analysed to allow the role of individual town centres to be assessed and to identify scope for change, renewal and diversification.

Since 1997, the performance of Heckmondwike town centre has been assessed against a series of key economic indicators which have been reported in annual publications. In this 2007 edition, the following indicators of vitality and viability are assessed:

- Shop unit and floorspace occupancy
- Retail development in the pipeline
- Vacancy rates
- Retailer demand
- Pedestrian footfall
- Prime retail rents

This year, the document also gives an assessment of the usage levels of shoppers' car parks.

FLOORSPACE, SHOP UNITS AND VACANCY

The annual survey of shop unit occupancy was undertaken in July 2007. Within the Heckmondwike Town Centre study boundary (see map on last page) there is approximately 11,100sq.m. of net retail floorspace. Of this, around 40% is occupied by comparison (non-food) goods with a further 44% of floorspace accommodating convenience goods (food) sales. In terms of shop units, there are a total of 70 currently in retail use with a further 45 occupied by services and 36 that were vacant at the time of the survey. Figure 1 gives the breakdown of sales floorspace and shop units in Heckmondwike compared to last year.

Figure 1: Heckmondwike floorspace and shop unit statistics

	2006		2007		% change 2006-2007	
	Sales fl'space sq.m.	Shop units	Sales fl'space sq.m.	Shop units	Sales fl'space sq.m.	Shop units
Convenience (food)	4,914 (45.2%)	9 (6.0%)	4,914 (44.2%)	9 (5.9%)	0	0
Comparison (non-food)	4,636 (42.6%)	65 (43.3%)	4,543 (40.8%)	61 (40.1%)	-2.0	-6.2
Service	N/A	43 (28.7%)	N/A	45 (29.6%)	N/A	+4.7
Vacant	1,333 (12.2%)	33 (22.0%)	1,549 (13.9%)	36 (23.7%)	+16.2	+9.1
Under refurbishment	N/A	N/A	118 (1.1%)	1 (0.7%)	N/A	N/A
TOTAL	**10,883 (100%)**	**150 (100%)**	**11,124 (100%)**	**152 (100%)**	**+2.2**	**+1.3**

The most noticeable change from last year's assessment is the increase in vacant floorspace and units (16.2% and 9.1%). Whilst the net increase in vacant shop units is only 3, this takes the proportion of vacancy to nearly a quarter of shop units in the town – significantly above the national average of 10.8%. The vacancy rate in the town has been a long term problem which is exacerbated by a general lack of investor confidence. However, 15 national multiple retailers do have a continuing presence in the town along with a range of successful long term independent retailers.

Figure 2 illustrates the make-up of other town centres in the Kirklees District. In terms of proportions, Heckmondwike shows the highest percentage of convenience goods provision and has the highest unit vacancy rate in the District. Unit vacancy rates are lowest in Batley and Holmfirth. However, Cleckheaton has the highest floorspace vacancy rate of all the towns in Figure 2. This year, Cleckheaton is the only town not recording some commercial refurbishment activity and Dewsbury exhibits the lowest proportion of convenience goods retailing – mainly due to its larger overall size.

Figure 2: Comparisons[1] with nearby towns (sq.m. net)

	Heck'wike	Cleckheaton	Batley	Dewsbury	Holmfirth
Convenience	4,914 (44.2%)	1,927 (23.4%)	7,420 (25.9%)	9,923 (20.4%)	1,509 (23.5%)
Comparison	4,543 (40.8%)	5,085 (61.9%)	19,692 (68.8%)	33,220 (68.1%)	3,991 (62.1%)
Vacant	1,549 (13.9%)	1,211 (14.7%)	1,441 (5.0%)	5,520 (11.3%)	343 (5.3%)
Under refurbishment	118 (1.1%)	0 (0%)	76 (0.3%)	94 (0.2%)	582 (9.1%)
Total retail floorspace	**11,124 (100%)**	**8,223 (100%)**	**28,629 (100%)**	**48,757 (100%)**	**6,425 (100%)**
Vacant units	36 (23.7%)	20 (12.1%)	20 (9.6%)	49 (14.2%)	10 (6.6%)
Units under refurbishment	1 (0.7%)	0 (0%)	1 (0.5%)	3 (0.9%)	4 (2.6%)
Total no. of units	**152 (100%)**	**165 (100%)**	**209 (100%)**	**344 (100%)**	**152 (100%)**

PEDESTRIAN FOOTFALL

Since 1997, pedestrian footfall counts have been undertaken annually in Heckmondwike town centre to measure the volume and pattern of visitor/shopper movement. These assessments cover 7 locations including key access points into the town centre, the entrance to Morrisons and the pedestrian links from the foodstore to the rest of the town (see map on last page). Morning and afternoon hour-sample surveys are undertaken on two weekdays (market day and non-market day) and a Saturday. Figure 3 gives the summer 2007 pedestrian count results and the changes recorded since the last assessment.

Figure 3: Heckmondwike pedestrian numbers 2006-07 [2]

		2006	2007	% change
Market day	a.m.	1307	1410	+7.9
	p.m.	883	1075	+21.7
Non-market day	a.m.	1305	1482	+13.6
	p.m.	1060	1257	+18.6
Saturday	a.m.	1586	1715	+8.1
	p.m.	1477	1456	-1.4
TOTAL (into town only)		**7618**	**8395**	**+10.2**

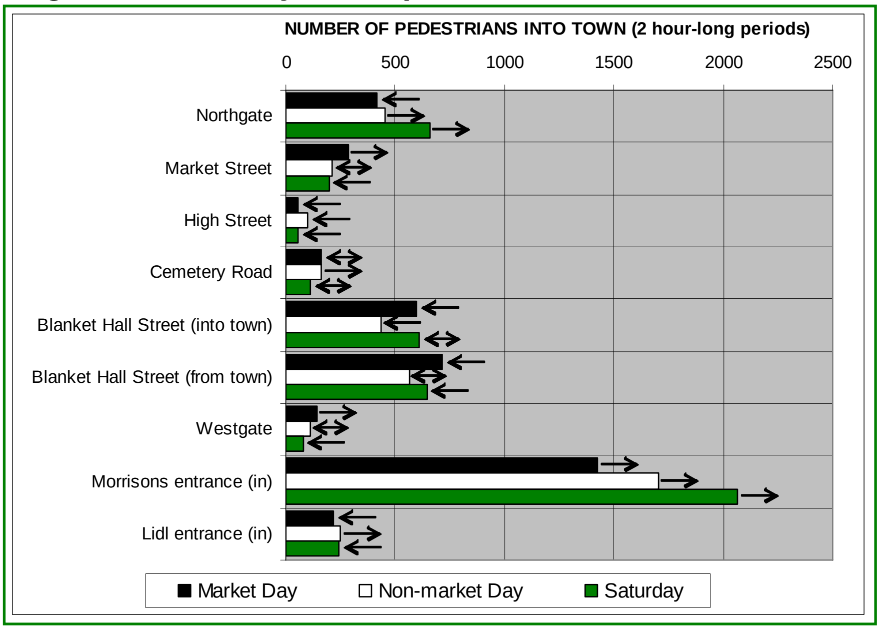
It is clearly evident that the town has recorded a higher level of footfall this year compared to last – with improvements registered in each survey period except the Saturday afternoon, giving an overall growth of more than 10%. However, the general pattern masks the fluctuations recorded at the street by street level which show that much of the growth achieved is attributable to the Morrisons supermarket. Numbers recorded at the more detailed level are given in Figure 4, which also shows arrows to indicate trends in pedestrian numbers since last year's assessment.

Figure 4 clearly illustrates the dominance of the Morrisons supermarket as a destination for visitors to the town. However, Blanket Hall Street and Northgate both attract significant numbers of pedestrians. This shows that the pedestrian links between Morrisons and its car park, and the rest

[1] Figures relate to activity within the Town Centre Audit Study Boundary of each centre at the most recent published survey date.
[2] Morning counts were conducted for 1 hour between 10:30 and 11:30. Afternoon counts were conducted for 1 hour between 2:30 and 3:30. Totals exclude the pedestrian circulation route along Blanket Hall Street and the Lidl entrance (introduced in 2003) to allow for consistent year on year comparison of key access points to the town.

of the town centre, remain relatively strong. These links are enhanced by the operation of the market on Blanket Hall Street during Saturday and market day. Northgate is the principal location for visitors to use local bus services to surrounding areas.

Figure 4: Street by street pedestrian numbers 2007

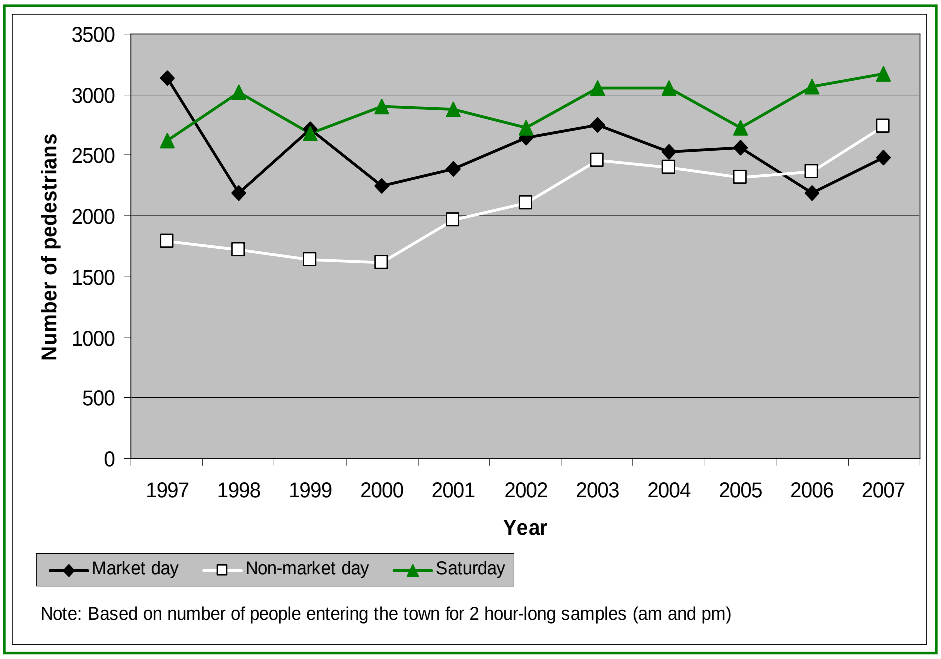


It is also evident from Figure 4 that there only 9 instances of increases in visitor numbers being recorded, with 12 showing a reduction and 6 remaining static.

Figure 5 gives the trend in pedestrian numbers recorded in Heckmondwike since 1997 on each of the 3 survey days. This shows the steady increase in non-market day numbers and a slight general increase in Saturday numbers. However, the overall trend on Market day does follow a downward slope despite its obvious recovery in 2007. Saturday continues to attract more visitors than the weekdays, which is particularly evident in the past 2 years.

Shopping areas in the town

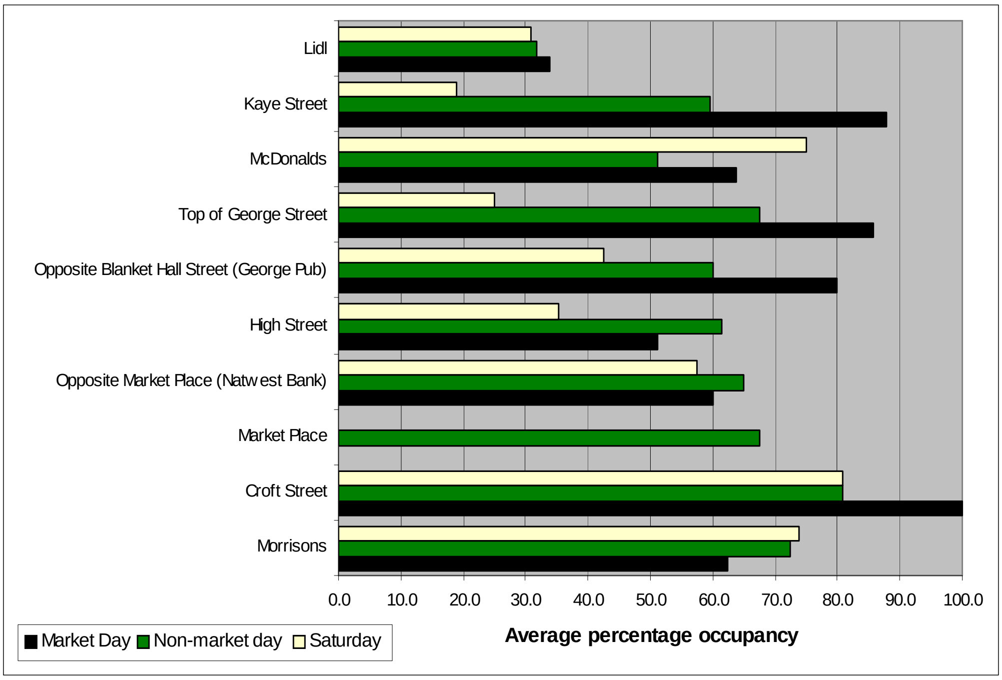
Figure 5: The pattern of footfall 1997 – 2007



CAR PARK OCCUPANCY LEVELS

Since 2000, occupancy levels within Heckmondwike town centre car parks have been measured using 'spot' checks on the same days as the pedestrian footfall assessments. At four separate times throughout the day, the number of vehicles occupying parking spaces within each of 10 car parks is recorded. From this, the average daily occupancy rate can then be calculated. Three of the car parks assessed are privately owned (Morrisons, McDonalds and Lidl), with the others being public car parks. All of the car parks in this assessment are free of charge but do have time restrictions. Figure 6 shows the 2007 average occupancy rates in each of the car parks comparing market day, non-market day and Saturday.

Figure 6: Car park usage 2007



It is evident from Figure 6 that the market day does generate higher car park usage in some cases than the non-market day or Saturday. This includes the Croft Street car park, which is predominantly used on market days for traders parking, and also car parks at Kaye Street, George Street and outside the George Pub. With the exception of car parks at Morrisons and McDonalds, occupancy is highest on weekdays which perhaps indicates that some of the spaces are being utilised for long stay parking by workers in the town. High Street car park was utilised to a greater extent in this year's weekday assessments due to the presence of contractor's vehicles for the building works behind the High Street shops. On the basis of these surveys, the car park at the shopping area around Lidl is least used. This consistently achieves less than 50% occupancy, perhaps due to its perceived distance from the rest of the shopping streets in the town.

DEVELOPMENT AND INVESTMENT ACTIVITY

Heckmondwike has seen some development and investment activity during the last 12 months, along with the submission of several planning applications for future development. Construction activity which has commenced this year most noticeably includes a housing development off High Street which will provide 24 dwellings and 9 town houses. In addition to this there has been some refurbishment works to existing shop units within the town centre including the public house in Market Place formerly known as The Commercial – now due to re-open as the Wike Horse, and various changes of use and shop front improvements/alterations.


New housing development

Further potential investment in the town centre is predominantly residential and service led. Planning applications include the demolition of the former New Inn public house on Greenside to provide 11 apartments and a ground floor retail unit which has yet to be decided; a 3 storey primary care centre with a non-retail pharmacy at Algenon Firth Park on Union Street which was granted permission in September 2007; and a block of 9 apartments on a site at the head of Kaye Street which was approved in July this year.


New bandstand

Heckmondwike town centre has also seen a number of environmental improvement projects implemented during the past 2 years – many of which have been part of the Local Public Service Agreement (LPSA) programme of investment. Property improvement schemes have seen the refurbishment of the covered market hall including new canopies and entrance doors, and a grant scheme for individual traders has assisted in improvements to shop fronts around the town. A scheme of new paving and lighting on Blanket Hall Street, followed by the installation of public art, also forms part of the investment programme. In addition to these, the

Green has been refurbished to provide new planting and lighting and a new bandstand for events; and the Dempster Lister Memorial Park on Market Street has been refurbished. Future plans for the town include the development of a new Library and Information Centre along with streetscape and road improvements and a proposed new bus facility which will be developed in conjunction with West Yorkshire Metro. Public consultation on these projects is due to take place in the town in 2008.

RETAILER DEMAND

As at October 2007, there is only one registered interest for representation in Heckmondwike – one less than last year. This demand for space comes from a fast food operator requiring a unit of around 2,900sq.ft. However, this operator has expressed preference for an edge of town shopping centre environment for this business. On this evidence, it appears that demand for town centre prime pitch units has stagnated. The assessment of demand, however, does not include the requirement for office or commercial space which may exist in the town, nor does it account for those businesses already present in the town that might be looking to re-locate to bigger or better premises within Heckmondwike.

Westgate

Market Place clock

PRIME RETAIL RENTAL LEVELS

During the 12 months to May 2007, the average UK prime retail rent rose by 2.9%. This rate of growth represents a weakening of the market which has seen slowing growth rates for 3 consecutive years. In the Yorkshire and Humber region, rental gain during the same period reached only 1.5% compared to the 4.0% of the previous year.

At the local level, independent evidence provided by Colliers CRE on behalf of the Council reveals that peak retail rental levels in the town remain at £269 per sq.m. achieved by the units adjacent to Morrisons. Within the rest of the town centre, no new lettings have taken place during the last 12 months and units on Market Street continue to command a maximum of £194 per sq.m. This lack of change further indicates that commercial activity in the town has stagnated.

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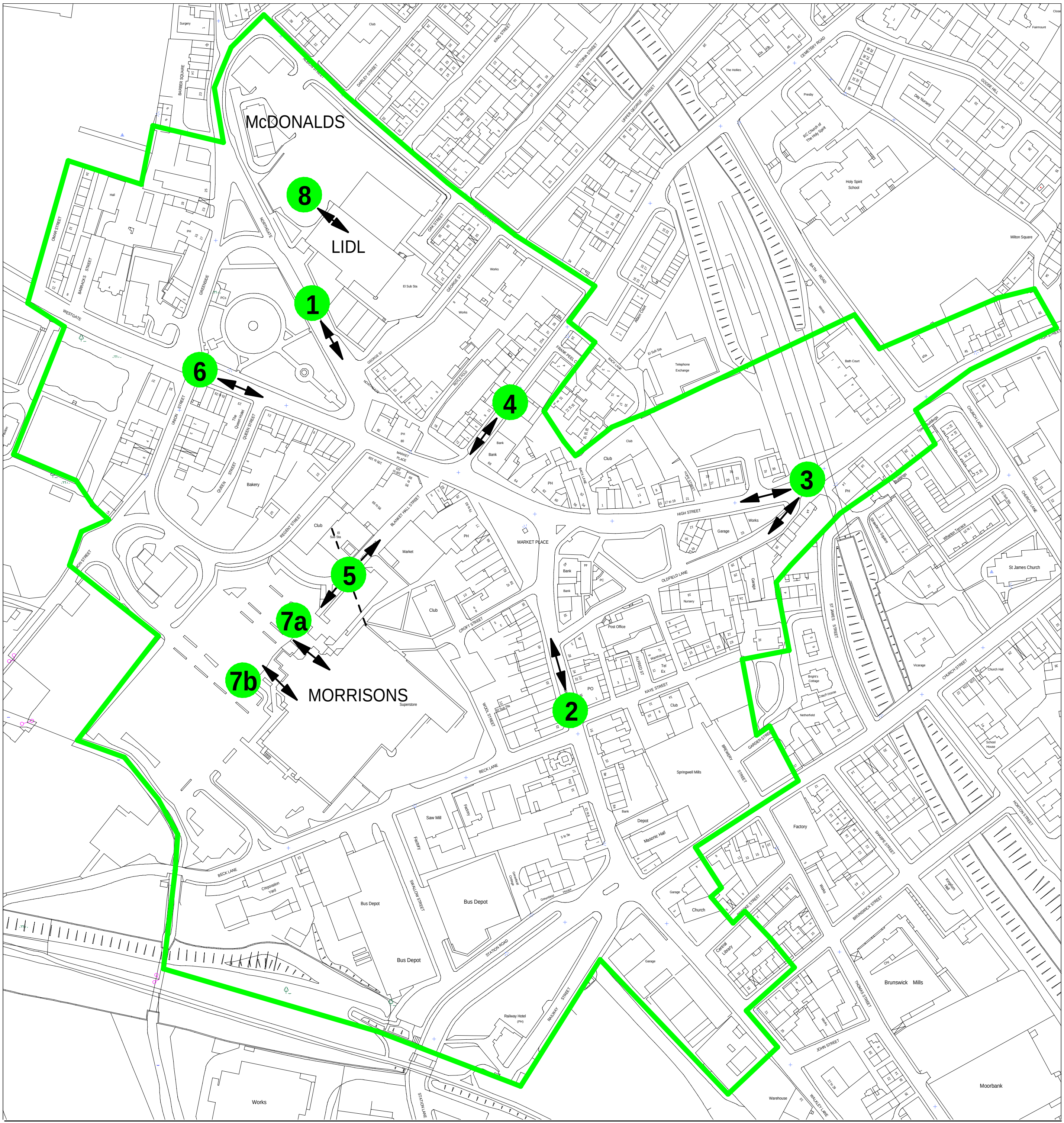
Although every care and effort has been made to ensure the accuracy of the data and statements contained in this publication, Planning Services does not accept responsibility for any errors or inaccuracies which may have occurred therein.

HECKMONDWIKE TOWN CENTRE STUDY BOUNDARY AND PEDESTRIAN COUNT POINTS



Key to map:

Position/direction of count
Study boundary

1: Northgate
2: Market Street
3: High Street
4: Cemetery Road

5: Blanket Hall Street
6: Westgate
7a and 7b: Morrisons entrances
8: Lidl entrance

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