

North Tyneside Council

**Retail Centres
Regeneration Study**

District Overview

FINAL

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Regeneration Study**

District Overview

April 2010

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1 Introduction

1.1 Background

Arup in association with Matrix, DTZ, and GENECON were commissioned by North Tyneside Council to undertake the North Tyneside Retail Centres Regeneration Study in March 2009.

The commission involved the delivery of Regeneration Strategies for North Shields and Whitley Bay Town Centres. Both Regeneration Strategies have been informed by a higher level of analysis of the retail issues facing the borough as presented in this report.

1.2 Suite of Documents

The following documents have been produced and signed off by the council as part of the overall commission, and should be read in conjunction with this report:

- Baseline Report;
 - North Shields Options Report;
 - Whitley Bay Options Report;
 - North Shields Final Regeneration Strategy;
 - Whitley Bay Final Regeneration Strategy;
 - North Shields Consultation Statement; and
 - Whitley Bay Consultation Statement.
- In addition, at the start of the commission we were asked to produce a Position Statement for the neighbourhood centres of Whitley Lodge and Forest Hall.

1.3 Relationship with Wider Plans and Strategies

The Regeneration Strategies for both North Shields and Whitley Bay will add to the evidence base and help inform the Council's emerging Local Development Framework, specifically the Core Strategy, Coastal Area Action Plan, and North Shields Area Action Plan.

As part of the Local Development Framework, Area Action Plans (AAP) will be developed for the town centres of Wallsend, North Shields and Whitley Bay (Coastal AAP). There has been consultation on Issues and Options for each of the AAP's.

In summary, the fit with the other main centres within the borough-

- **North Shields:** this study is intended to form the evidence base for the emerging Local Development Framework – in particular the Core Strategy and the North Shields Area Action Plan.
- **Whitley Bay:** this study is intended to form the evidence base for the emerging Local Development Framework – in particular the Core Strategy and the Coastal Area Action Plan.
- **Wallsend:** the town centre is identified as a key development site within the River Tyne North Bank Study. This is a strategy in place to guide regeneration activity in the area over the next 15-20 years. This plan, in line with the emerging Wallsend AAP, advocates the delivery of a revitalised centre through the development of new and improved retail provision - potential redevelopment of the Forum Shopping Centre and Co-op which would create a retail development of significant scale and impact within the town centre and borough.

1.4 Overview of Centres

A high level analysis of each centre reveals the following issues and roles;

- **North Shields** – A centre serving a local population, with lower end shops and areas of low environmental quality/ public realm within the town centre;
- **Whitley Bay** – A centre serving the local community and tourists and depends on business from hen and stag economy. The hen and stag night culture undermining family image. Poor way finding to Metro Station and seafront needs to be addressed;
- **Wallsend** – This centre is being reviewed as part of the River Tyne North Bank Strategic Framework Plan, we understand this is currently seeking funding from One North East.
- **Killingworth**: as set out in the Core Strategy, Killingworth town centre is a relatively recent, modern shopping centre where no substantial improvement or investment is required.
- **Whitley Lodge** – A centre serving local walk-in catchment. It has a poor quality public realm, with traffic and parking dominating the centre. Its link with Whitley Bay requires a greater understanding; and
- **Forest Hall** – A centre serving local walk-in catchment. Traffic and parking dominates the centre, which also has poor streetscape

1.5 The Need

1.5.1 The Borough

The Tyne and Wear Sub Region is the 'economic hub' of North East England. However, the travel to work footprint is particularly high, which is especially true for North Tyneside which experiences a loss of approximately half of working residents to employment in Newcastle and an influx of workers from Northumberland and Newcastle. The pattern of employment may be attributed to the good transport links within and out of North Tyneside which connects the main towns of the borough with the coast, Newcastle, South Tyneside and Sunderland.

The population of North Tyneside has been in flux, first declining for nearly two decades before stabilising through the 1990s and into the 2000s. Current population levels are thought to be in the order of 196,000 persons (mid 2006 figures) showing a rise of a little under 2% since the census was taken in 2001. Hidden within this and of significant note are the population turnover figures which suggest that on average 4% of the population are new to the borough every year. Much of this has of course been driven by significant levels of new house building and employment development in North Tyneside attracting in migration especially from Newcastle.

The North Sea to the east and the River Tyne to the south, crossed by a ferry and a tunnel, are the main geographical features limiting the catchment area of North Tyneside. The gravity of Newcastle City Centre, the Metro Centre to the west and other retail centres in the Borough, including stand alone supermarkets, are the main commercial retail influences. The green belt boundary to the north is the main administrative boundary limiting further expansion of the urban area.

These factors determine and dictate the size of the catchment population, influence shopping trends and thus the function and viability of each town centre.

Within the Borough there is significant variation of housing quality, range and price. The biggest concern of recent years has been that average house prices are above averages for Tyne and Wear as a whole while average wage rates are broadly the same. As a result

some 45% of new households cannot afford to rent in the private sector and for 70% income levels are a barrier to owner occupation. There is therefore a particular problem with affordable housing supply.

In July 2008, the CLG announced that North Tyneside had been chosen as one of the 29 local authorities and partnerships named as a 'Growth Point'. The North Tyneside Growth Point is proposed to provide approximately 5,280 homes over a nine year period and will deliver at least 9,880 homes in the longer term (2004-2023). The key objectives of the Growth Point are to maintain population levels, provide a larger amount of affordable housing, improve existing stock, and promote sustainability and high quality design. Growth will also attract new investment and employment to the area and improve existing or provide new community and transport infrastructure.

Growth in North Tyneside will also increase the population in catchment areas of local and community retail centres. However, the creation of out of town shopping units in the borough such as the Silverlink Retail Park and Royal Quays has had an adverse affect on many local centres. If the town centres are to compete they must change and begin to better serve the needs of their catchment populations and potentially attract visitors from further afield. Quality is considered to be the key to unlocking the potential of the identified centres.

1.5.2 Retail Centres

The main retail provision in North Tyneside comprises the following:

- Four main town centres of North Shields, Wallsend, Whitley Bay and Killingworth;
- The eight district centres of Battle Hill, Collingwood, Forest Hall, Longbenton, Monkseaton, Shiremoor, Tynemouth and Whitley Lodge;
- Local centres; and
- Out of centre facilities including freestanding stores, retail parks, and the Royal Quays Factory Outlet Centre.

The town centres within North Tyneside vary in terms of their physical appearance and quality of offer. Similarly, district centres also vary in terms of their quality, offer and function. The most significant factor in terms of the range of shopping provision within the centres and the Borough as a whole is the proximity and attraction of out of centre shopping such as the Silverlink Retail Park and the Royal Quays Factory Outlet Centre. Regard must also be had to the draw of Newcastle City Centre and the Metro Centre, particularly for higher order comparison goods.

The retail centres within North Tyneside vary in terms of their function, physical appearance and quality of offer. Their catchments overlap offering choice to the residents within the shared catchment and Silverlink drawing from beyond the Borough boundaries. All are influenced by the quality of retail offer in Newcastle City Centre, ahead of the Metro Centre, which is of regional significance, and the Team Valley Retail Park in Gateshead.

Silverlink's influence within the regional retail hierarchy is restricted to the car reliant shopper who places a higher value on convenience. Whitley Bay shares part of its catchment with Silverlink and North Shields, and the car reliant shopper is afforded a greater choice due to their increased mobility. This is a contrast with the North Shields catchment who demonstrate a greater loyalty based on convenience orientated spend.

Whitley Bay has experienced the loss of several key retailers and high number of vacant units. This demonstrates a fragility manifest in falling values and the length of time units remain vacant. In contrast North Shields has a different and more subtle shift taking place in the town away from the existing convenience retail offer as the stand alone supermarkets in the district compete for market share and extend the range of goods they sell to include non-food, fashion, home wares and electrical goods.

The threat to Whitley Bay and North Shields town centres is one where their primary convenience retail function is already provided in out of centre locations favouring the more independent and mobile shopper.

2 North Shields

2.1 Current Situation

The primary function of North Shields centre is to provide comparison and convenience shopping to the immediate catchment population in the south east of the Borough as well as other important town centre functions, including financial, professional, religious and civic services. The town centre, in place shaping terms, functions quite well, its has a natural compact centre, is easily reached by the surrounding residential areas and is fortunate to have one of the most significant heritage open spaces in the Tyne and Wear area; Northumberland Square.

The market perception of North Shields is poor both within the catchment population, retailers, investors and agents. There are a high level of units in the market that are either vacant or where occupiers continue to trade but are considering their future representation in the town. In addition, the owner of the Beacon Centre is considering reconfiguration options and this is creating short-term uncertainty. The effect is to blight the centre whilst plans are being finalised, and are not generally available because retailers and investors will adopt a wait and see stance. This is manifest in the postponement of shop re-fits and retailers wanting to maintain flexibility in order to take advantage of any future change when it takes place. There is market activity in the retail sector and whilst some national multiples have recently left North Shields due to falling into administration, e.g. Woolworths there are signs of activity. A small number of published requirements exist including some relocation from within the North Shields town centre.

In summary, North Shields is the largest centre in the Borough with the highest but it is showing signs of deterioration both in terms of comparison and convenience retailing. The towns shopping centre; the Beacon Centre is in need of reinvigoration its function has changed to one of providing convenience retail and service related facilities to the immediate population catchment. This is being challenged by the existing out of centre food store provision, due to their broadening retail offer, and the strength of the comparison shopping offer in Newcastle city centre.

2.2 The Opportunity

The current economic climate and the establishment of Silverlink and Royal Quays as sub regionally important retail parks tell us that perhaps a radical approach to intervention for the town centre is not a suitable or viable option. Rather, the key challenge for the town centre is to make the place perform better and be more attractive to both its residents and future visitors.

The retail offer has the potential to be improved by the emerging redevelopment proposals for the Beacon Centre. This is an opportunity to consolidate and improve the core retail centre of North Shields. The town centre will reap the benefit of improved frontages and increased permeability from Northumberland Square, through the Beacon Centre and on to other important nodes with the centre. New investment and the potential of attracting new traders can give the area a much needed boost and provide a broader retail offer.

In terms of attracting visitors, it is imperative to improve the links between the town centre and Fish Quay. Improving links will allow visitors to the Quayside to visit the town centre, and vice versa. However, the town centre requires a 'pull factor'. This could take the shape of events, festivals, food and drink establishments, or an anchor attraction to draw and retain people to the area.

In order for the town to realise its true longer term potential, which may not be a viable option in the current climate, this would require large scale intervention and the development of several large opportunity sites. Creating synergies with the Smith's Dock redevelopment and future connections to Fish Quay would also be considered in the medium term approach.

2.3 Overview of Regeneration Strategy

The Strategy for North Shields seeks to reinvigorate the town centre. To this end the objectives behind the plan have been:

- To address the range of physical environmental problems that currently undermine the attractiveness of the centre as a visitor destination;
- To stimulate growth and positive change especially to vacant/problematic sites by clearly establishing the Council's intentions; and
- To capitalise on the key assets of the town including Northumberland Square and the Beacon Centre; and
- To bolster its local retail offer.

To respond to these objectives, the Strategy addresses physical site-based development opportunities alongside a structured package of public realm enhancement projects.

The key elements of the Plan are as follows:

- The Beacon Centre presents a major opportunity to dramatically re-image the town centre. Enhancements could address the poor quality of the façade and the relationship of ground floor units to the street;
- Northumberland Square is the principal green space in the town and serves a variety of functions. The plan retains and enhances the Square through landscape treatment and addresses the uses fronting onto the Square. The street environment is proposed to be downgraded to a shared surface, improving the quality of the pedestrian experience;
- The Metro Station is already identified by Nexus as a key project in the reinvigoration programme. The plan supports the focus on redevelopment and suggests a higher density mixed use scheme that incorporates station facilities at ground level;
- Bus movements along Bedford Street are proposed to be relocated to a new bus interchange (with rail/taxi/cycle) opposite the station part redeveloping the Co-op site. This will create a seamless transport experience and greatly improve the quality of Bedford Street;
- The vacant site to the west of the Metro Station is proposed to be developed as either a residential scheme of a mixture of flats and duplex units or a park and ride location. The Bingo Hall site will be included as part of any comprehensive redevelopment proposal;
- Significant opportunity has been identified to the east of the town centre along Stephenson Street. This area is of particularly poor quality and forms an important town centre edge with adjacent residential communities. Several sites are proposed for redevelopment in this area;
- Other sites of importance include that on the corner of Albion Road / Upper Camden Street. This is a site that could contain a significant commercial/ / residential scheme benefitting from good access along Albion Road and the open green space opposite of Christ Church Parish Centre. The HSBC building and adjacent site has

also been identified for redevelopment to create a higher quality, more efficient development on this central site; and

- Public realm improvements to streets and spaces throughout the town centre have been structured into a 3-level hierarchy of design quality – Platinum, Gold and Silver. This will enable a focus of investment in the right places and will ensure consistency and coherence to the public realm as a whole.

2.4 Priorities

The following represent the key actions for the next 1-2 years in North Shields town centre:

2.4.1 Retail centre policy approach

- **Working collaboratively with the owners of the Beacon Centre** – the overall approach is to maximise the benefits for the wider retail core resulting from the re-modelling of the Beacon Centre. The owners of the Centre should be encouraged to input into the process of developing plans to enhance the immediate retail environment where the Beacon Centre interacts with the existing retail core of North Shields, in particular the frontages to Northumberland Square, Bedford Street and Saville Street. Key to progressing the regeneration of North Shields town centre will be an active and collaborative approach with owners in order to achieve positive outcomes for the town centre.
- **Support improvements to the Metro Station and immediate environment** – with a view to creating a focus for the town centre and an attractive gateway. The current proposals show an ambitious and expensive re-modelling which will require significant public sector intervention and funding to create a civic square. Further investigation is required probably resulting in a “mid-way” solution, that would have greater success of securing funding and being deliverable (particularly in relation to number of landowners involved). Public sector investment will be required to achieve this goal and targeting the vacant Co-op building and bus lay down area may provide a more viable solution.
- **Agree the way forward for the Northumberland Square enhancements including the existing library** – As a unique asset to North Shields the Council should encourage an improved interface between the Square and the Beacon Centre entrance with the aim of introducing more activity into the buildings surrounding the Square, potentially by way of a more relaxed policy approach on permissible uses. Professional services, offices, residential and restaurants uses should be encouraged that bring greater activity across a broader daily time frame in this location.

2.4.2 Retail Centre Investment

The achievement of the policy objectives set out above relies upon public sector support in the short term to improve the quality of retail/town centre environment and sense of place/civic pride. Large scale physical intervention is presented by the proposal to create a new square in front of the metro station/transport interchange and in Northumberland Square.

In addition the re-location of the public library to another part of the Beacon Centre also represents a cost to the Council. The owners of the shopping centre have the ability to re-model the Beacon Shopping Centre, subject to financial viability and existing leases, to attract new retailers to the town centre. There are also a number of vacant units in Bedford Street that present opportunities to additional retailers to relocate or re-considering North Shields as a trading destination.

Our recommendations on public sector investment in the retail centre over the next 1-2 years includes the following:

- **Support Beacon Centre owners in their plans for re-modelling of the centre by relocating the library and associated civic facilities within it** - This will provide the Council with an enhanced position from which to influence the owners final solution to the benefit of the retail core. In return for securing commitment to re-modelling the centre in the manner that best benefits the core town centre, such as seeking concessions on frontage treatments and encourage the existing centre to have a stronger outward facing retail presence in the town centre, the public sector should focus on moving bus stops from Lower Bedford Street as a priority task.
- **Investigation of the viability and alternatives for the creation of a Square in front of the Metro Interchange** - The Metro station transport interchange is an important part of regenerating North Shields town centre. Further analysis by the Council and its partners on how the proposed Square can be delivered is required as in its current form; the proposal is not regarded as being financially deliverable by the public or private sector.
- **Develop a grant programme for the exterior improvement and conversion to alternative uses of the properties fronting Northumberland Square** - Intervention should also include the enhancement and continued maintenance of Northumberland Square to maintain the attractive high quality environment.
- **Agree a strategy to improve linkages between the Fish Quay and the Town Centre** – setting out a variety of measures and enhancements to the routes, signage and marketing.

3 Whitley Bay

3.1 Current Situation

The Centre's main function is as a location for convenience, leisure and service retailing with some comparison shopping. The centre provides a dual function to a local resident and a tourists/leisure based spend. A number of significantly located units are vacant in Whitley Bay.

There is evidence of market activity but this is tempered by the poor general economic climate as values change to reflect fewer occupiers, greater vacancy rates and whether retail units are fit for purpose or require adapting.

The market feedback suggests Whitley Bay is in decline. The town centre suffers from a ribbon style layout, a large number of small shops with inadequate internal layouts and a car parking problem. This is due to the close proximity of higher density housing on narrow streets surrounding the centre with resident on-street parking. Existing shopper car parking is provided by the Park View Shopping Centre where there is a small charge. This is infrequently at full capacity and the car parking issue may be perceived rather than being an actual issue.

In summary, Whitley Bay's elongated centre stretches thinly the attractiveness of its retail offer. It also has a dual function providing convenience retail to local residents and has an appeal to tourists due to its coastal location. The wealthier sectors of Whitley Bay's shopping catchment are not very loyal and those who value convenience and choice more highly, when making decisions about where to shop, have a propensity to go elsewhere. The independent retailers provide uniqueness to Whitley Bay and maintain its special appeal however, the high number of vacancies and recent loss of some high profile names exposes Whitley Bay's vulnerability due to the length of time units remain vacant.

3.2 The Opportunity

The future role of Whitley Bay town centre should be to broaden its offer in terms of retail, leisure and community provision. It is vital to get a better quality of retail offer, consolidated around the town centre core at the junction of Whitley Road and Park View.

An improved convenience goods offer would provide for those people who live in Whitley Bay and drive to an out of town supermarket. This will involve identifying key development sites within the town centre to accommodate the floorspace and car parking requirements of such potential tenants.

There may be some merit in locating a community facility within the town centre, with associated retail and/or A3 (restaurant and café) uses. This would increase the footfall to and through the town centre and increase the importance of the public space at the junction of Whitley Road and Park View.

In order to attract visitors, and provide for families, it is imperative to increase the current leisure offer afforded by Whitley Bay town centre. The Spanish City area is a key site in terms of raising the profile of Whitley Bay and the coast. This has the potential to become a leisure attraction that will draw visitors from outside of the town and the borough, whilst accommodating residents and families that live within the Whitley Bay area.

It is important to consider the 'links' between the arrival points into the town centre for pedestrians (footpaths), motorists (car park) and public transport (metro and bus station). Important routes, e.g. Station Road, and public spaces, e.g. the Promenade, will require public realm and signage improvements to denote the hierarchy between the different town centre routes.

The impact of an improved environment along the seaside and promenade with an enhanced and consolidated retail offer within the heart of the town centre would help Whitley Bay realise its future role as a prosperous location for business and investment, as well as acting as a focal point for the local community.