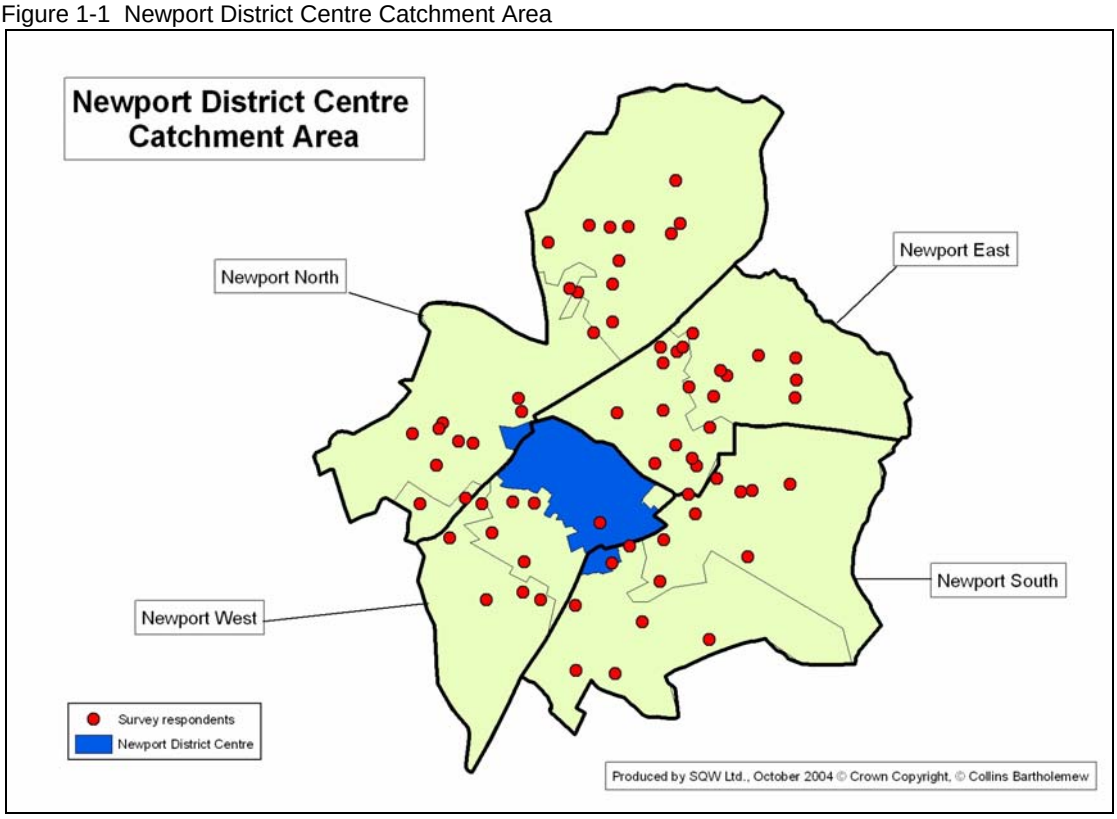
1 Newport District Centre Analysis

The catchment area

1.1 The catchment area for the Newport District Centre has been determined by postcode data from the shopper survey respondents. Respondents living in the four wards of Newport East, Newport West, Newport South and Newport North comprised 86% of the survey sample. These four wards have a total population of just over 11,000 people, and comprise the current core catchment area for the DC (see Figure 1-1).

Figure 1-1 Newport District Centre Catchment Area



2 Socio-economic profile of Newport DC catchment area

Densely populated, with an ageing population

2.1 Newport DC catchment has the highest population density of the seven DC catchment areas, 27 people per hectare. There are especially high population densities (approximately 35 people per hectare) in Newport West and Newport East wards.

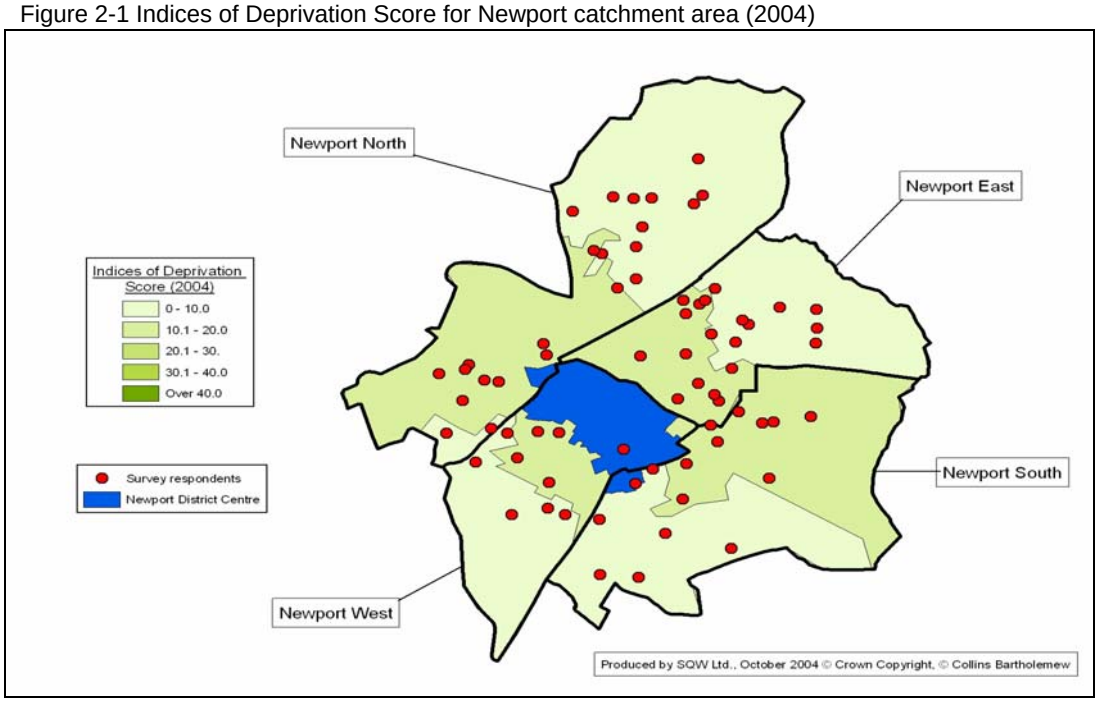
2.2 Newport catchment area also has an ageing population: 16.2% of the population are aged 65 and above, significantly higher than the Borough average of 12.4%. Compared against Borough averages, the 30-64 age group in Newport is slightly over-represented, whereas those aged 30 and under are under-represented. Notably, the under 16 age group constitutes only 19% of the population compared to average of 23% across Telford and Wrekin.

2.3 Newport's working age population, at 66.5%, is in line with the Borough average.

Very low levels of deprivation

2.4 The average Indices of Deprivation score for the Newport catchment area is 10.3, half the Borough level (21.2).

Figure 2-1 Indices of Deprivation Score for Newport catchment area (2004)



A highly qualified population

2.5 The Newport catchment area has the highest proportion of people educated to degree level or above: 18.6% are graduates, compared to an average of only 14.2% across the wider Borough, the proportion of graduates rises to almost one quarter of people (aged 16-74) in the Newport North Ward.

2.6 One quarter of the 16-74 age group do not have any qualifications (for Telford and Wrekin the figure is 31.8%)

High levels of economic activity and employment

2.7 Economic activity and employment rates in Newport catchment area are both well above the Borough average, comprising 69.6% and 64% of the population (aged 16-74). Economically active residents are twice as likely to be self-employed in Newport compared to any other DC.

2.8 Unemployment levels for Newport catchment area are very low: 2.2% of the 16-74 age group classify themselves as unemployed, and only 0.7% of the working age population claim Job Seekers Allowance (compared to 1.6% across the Borough).

2.9 Approximately 30% of the 16-74 age group are economically inactive, almost half of which are retired.

Income levels slightly below average, but Income Support claimant rate remains low

2.10 The gross weekly pay (2003) for employees (working full time and part time) residing in the Newport catchment area is £336, increasing to £348 when only full time employees are taken into account. Earnings in the Newport catchment are slightly below the Borough average.

2.11 Newport catchment area is slightly more dependent on service sectors, such as education, health, social work and public administration, than the Telford and Wrekin average.

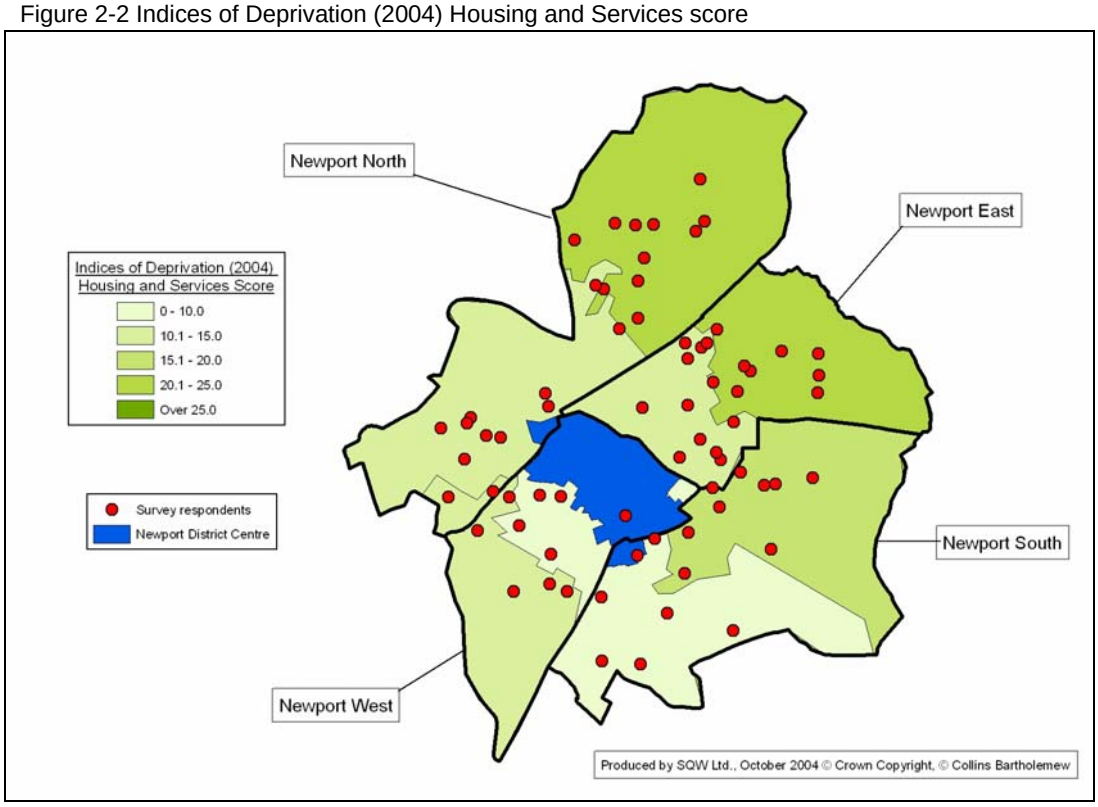
2.12 The proportion of Newport catchment area dependent on Income Support Benefits is 6.8%, compared to an average of 11% across the wider Borough.

High levels of car ownership

2.13 Just under 17% of households in the Newport catchment area do not own a car, compared to a Borough average of 22.4%.

2.14 As Figure 2-2 shows, housing and key services are relatively accessible compared to other DCs, although some barriers are experienced in the more peripheral areas of Newport East and Newport North wards.

Figure 2-2 Indices of Deprivation (2004) Housing and Services score



A healthy population – low Incapacity Benefit and Disability Allowance claimant rates

2.15 The proportion of the population in the Newport catchment area with a limiting long-term illness (17.8%), which is very slightly below the Borough average (18%).

2.16 Incapacity Benefit and Disability Allowance claimant rates in Newport DC are substantially lower than the Borough average, and all other DCs. 2.7% of the total population claim Incapacity Benefits (compared to a Borough average of 4.3%), and 3.7% claim Disability Allowance (the Telford and Wrekin average is 5.2%). Claimant rates are particularly low in Newport North Ward.

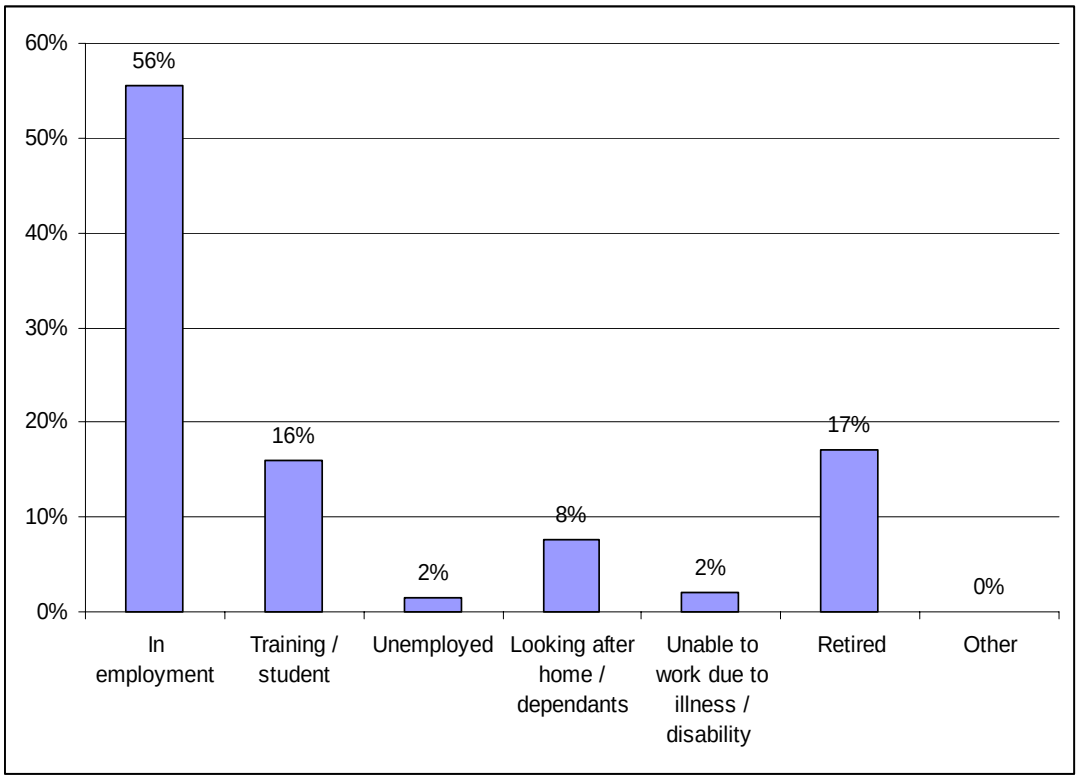
3 Shopper survey in Newport DC

Shopper profile

3.1 The largest age group responding to the survey was those people aged between 45-64 (35% of responses). Despite having a comparatively old population, young people between 16-24 comprised 24% of respondents, the highest level among any of the DCs.

3.2 Over half of the survey respondents were in employment, with a further 16% in training or full time education (see Figure 3-1). These groups both make up a substantially higher proportion of the sample than in any other DC survey.

Figure 3-1 Employment status of Newport DC survey respondents



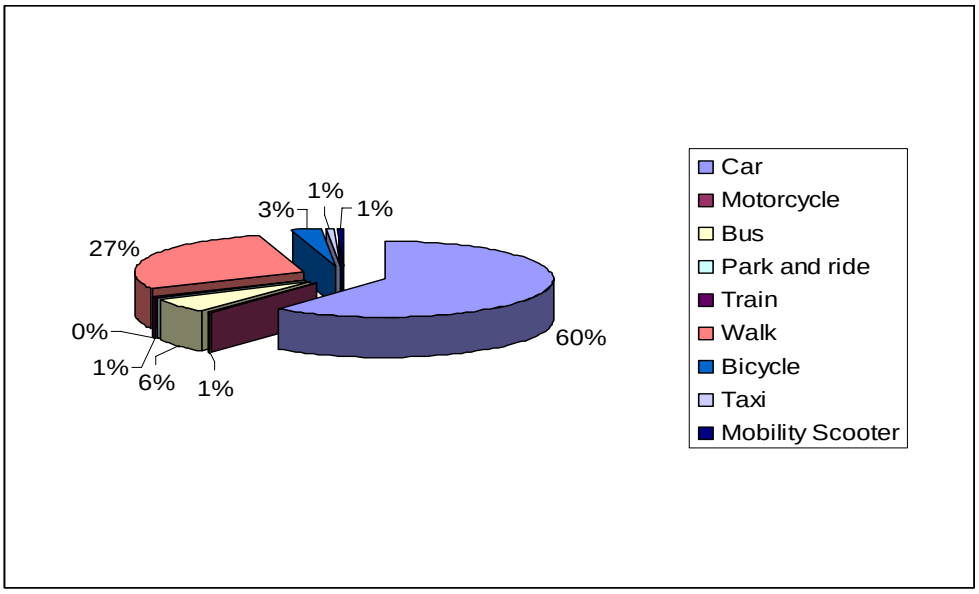
Usage

3.3 The shopper survey indicated that Newport is predominantly used for top-up shopping, followed by specialist shopping (15.3%), social activities (11.2%) and work (10.7%).

3.4 The majority of respondents travelled to the DC from home (87.8%) and a further 6.6% travelled from work. As Figure 3-2 illustrates, the majority of respondents used a car to

reach Newport DC. Over one-quarter travelled on foot, although this proportion is lower than in almost all other DCs surveyed.

Figure 3-2 Mode of transport used by respondents to reach Newport DC



3.5 Newport DC is very popular compared to other DCs – respondents were more likely to visit the DC regularly, and for much longer periods of time. One fifth of respondents visit the DC for over 2 hours, and over 40% visit daily.

3.6 Over two-thirds of respondents regularly visit Telford town centre (64.3%). The other two popular DCs for Newport's shoppers are Donnington and Wellington, which were regularly visited by 16.3% and 14.3% of respondents respectively. Newport's respondents were primarily attracted to other DCs by specialist shops (67.6%) and facilities for food shopping (66.2% do their main food shopping in other DCs, and 58.8% do their top-up shopping elsewhere). Approximately one quarter visit other DCs for financial services, the Post Office and eating out.

Spend

3.7 The level of spend in Newport DC is high – respondents spent above average in all categories, except clothing and footwear, compared to other DCs surveyed. One quarter spent, or intended to spend, between £10 and £19, and a further 20% spent between £20 and £49. The proportion of people spending £50-99 (10%) was twice the average for other DCs.

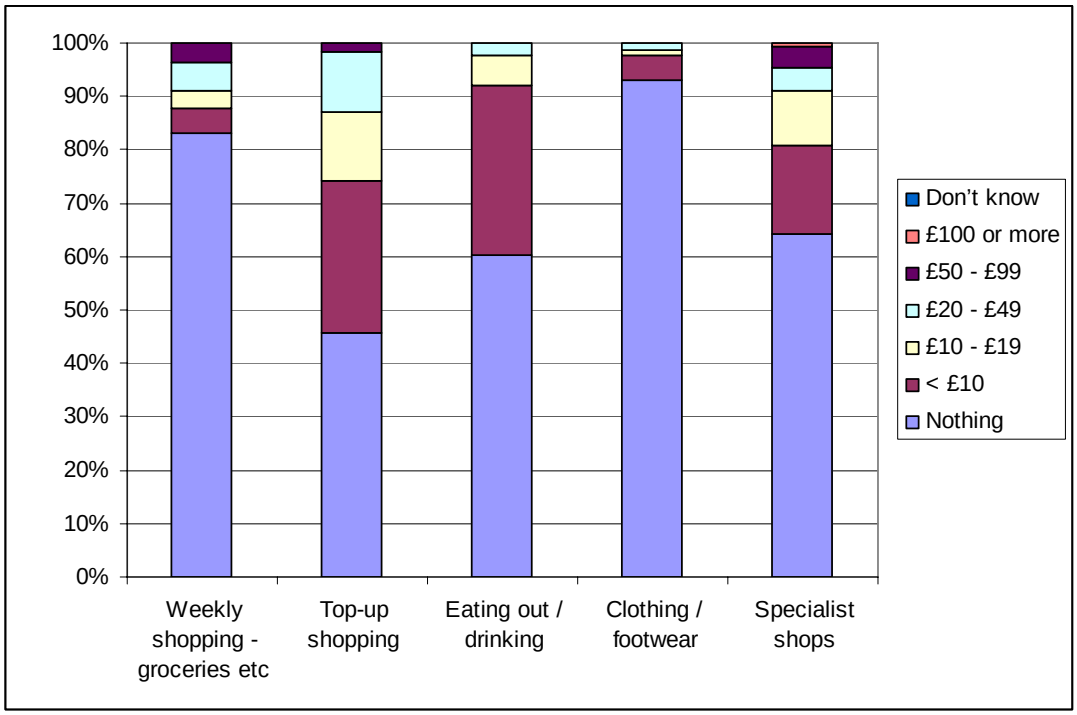
Table 3-1 – Mean expenditure of shoppers in Newport DC

Spend type	Mean spend
Weekly shopping - groceries etc	£5.17
Top-up shopping	£8.44
Eating out / drinking	£3.23

Clothing / footwear	£0.81
Specialist shops	£7.68

3.8 Figure 3-3 confirms the tendency of shoppers in Newport DC to spend most on top-up shopping. The proportion of respondents spending on eating out and drinking is also relatively high, but this amounts to a lower sum than, for example, the amount spent in specialist shops.

Figure 3-3 Respondent spend, by category



Night usage

3.9 Newport DC is popular in the evenings: 40.3% of respondents used the DC at night, compared to an average of 23.1% across all DCs surveyed. The main reasons for visiting Newport DC at night are to go for a drink (70.9%), eat out (53.2%), get a takeaway (36.7%) and rent a DVD/video (15.2%).

3.10 Over 91% of respondents feel safe in Newport at night, which may account for the DC's high levels of activity in the evening. Newport has the highest mean rating for safety, compared to other DCs surveyed. Groups of youths were the main cause of any fear in the DC.

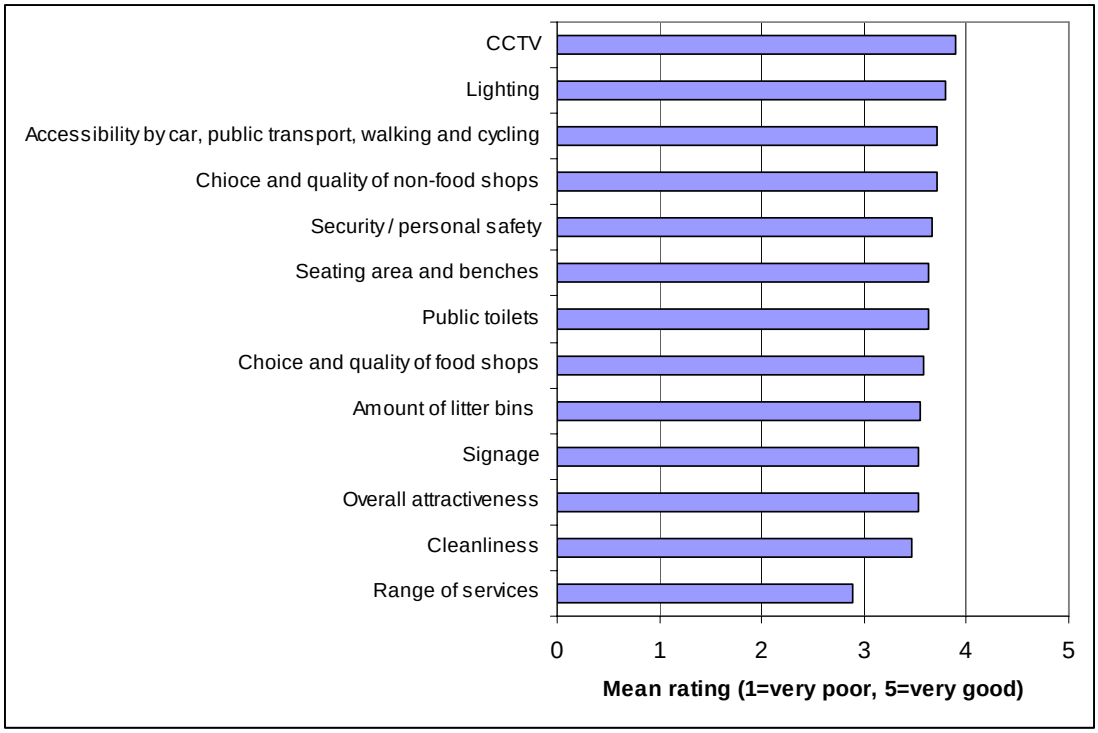
3.11 Almost 60% of respondents do not use Newport at night, mainly due to the lack of anything of interest in the DC (70.9%).

Satisfaction ratings

3.12 Overall, respondents were relatively complimentary about what Newport DC currently has to offer. CCTV and lighting were rated as 'good' by 44.4% and 65.8% of respondents respectively; factors which may contribute to the above average feeling of safety in the DC at night.

3.13 Respondents were more critical of the overall physical attractiveness and cleanliness of Newport's DC. The range of services on offer was also rated quite poorly, although this was mainly due to passive, rather than negative, attitudes.

Figure 3-4 Mean rating of Newport DC by shopper survey respondents

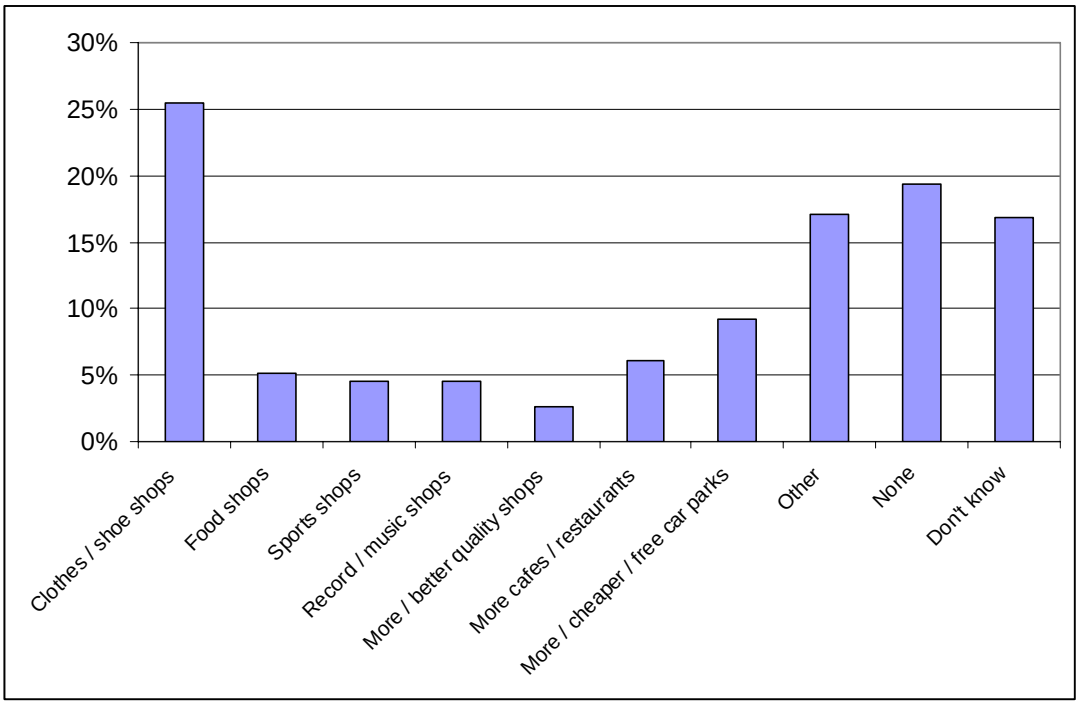


Suggestions for the future

3.14 Figure 3-5 overleaf illustrates the most common suggestions made by respondents to improve Newport DC in the future. The 'other' category includes all ideas which were raised by 2% or less of the sample.

3.15 Over one quarter of respondents would like to see more clothes and shoe shops, although these does not feature as key reasons for respondents regularly visiting other DCs. It is also clear from Figure 3-5 that the provision and expense of car parking in Newport DC is an issue for a number of respondents.

Figure 3-5 Additional shops and services that respondents would like to see in the future



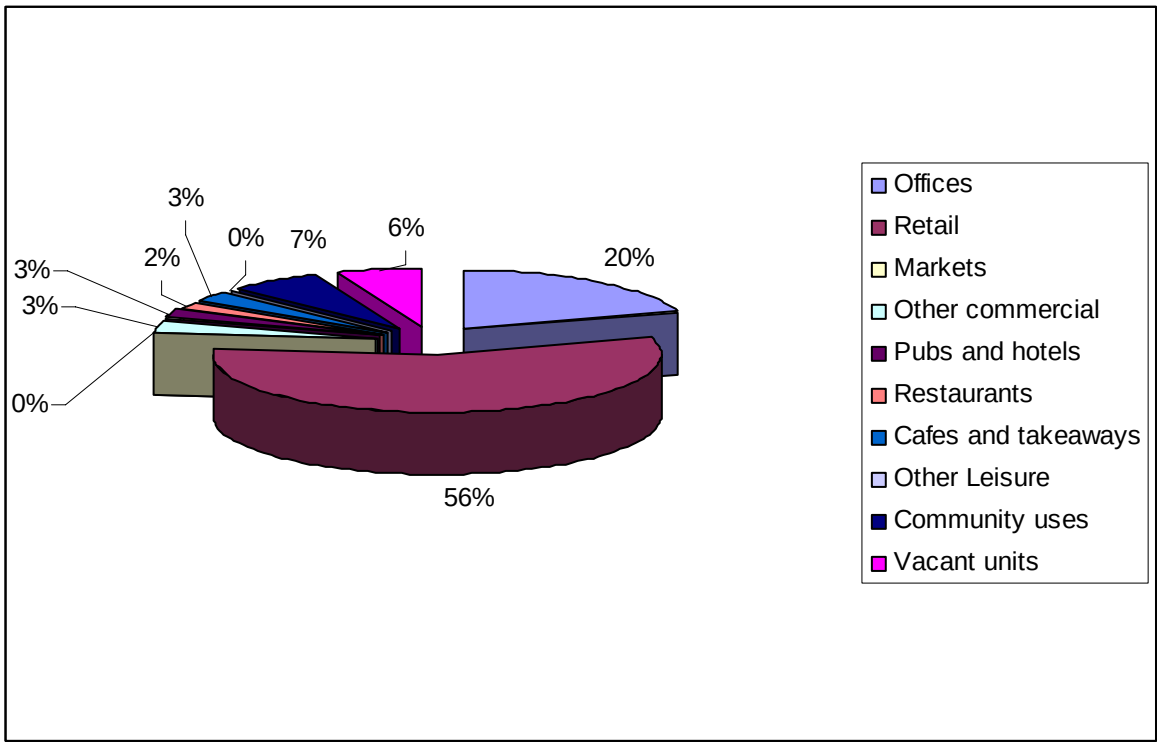
4 Retail space

4.1 With over 215,000 sq ft of total space in the centre, including 50,000 sq ft business space and approximately 120,000 sq ft retail space, Newport is the second largest district centre in the study.

4.2 Figure 4-1 shows the current breakdown of Newport's commercial property space. Retail is clearly the dominant use, accounting for 56% of the centre's total accommodation. Six percent of these units however, are currently vacant. The next largest user type is offices, which accounts for 20% of space.

4.3 Nearly 95% of total properties within Newport were classified as being in either 'average' (47%) or 'good' (47%) condition. Six percent of units were deemed to be in 'poor' condition, but none were 'very poor'. Public realm was classified as 'good'.

Figure 4-1 Commercial space usage in Newport



Local Property Market

4.4 Newport is a thriving centre with strong demand for a range of retail and office uses. The presence of Harper Adams College (higher education) means that there is a substantial and active student population, which contributes to a lively evening economy. Core data on the local property market is set out below.

Table 4-1 – Newport DC Property Market data

Newport Property Market	Key issues
Retail rents	£20-25 ZA in prime areas; £15-19 ZA in secondary areas
Retail use – supply and demand	Although a survey of the centre's retail units indicated a vacancy rate of 6%, local agents reported that take-up is good. In particular, there is a shortage of modern units – any which come onto the market are quickly let
Office rents	Modern space is capable of achieving up to £12 psf. Second hand suites above retail units achieve £6 psf
Office use – supply and demand	Overall demand is strong. There is a lack of supply, particularly of modern office accommodation. Local agents report strong demand for units of 5,000-10,000 sq ft, but the constrained supply means even second hand space on upper floors is fully let
Leisure rents	N/A
Leisure use – supply and demand	There is a swimming pool immediately outside the study area. There are a number of bars and pubs along the High Street and one nightclub. There are very few quality restaurants in the centre – local agents were divided as to whether there was adequate demand for additional provision
Residential values	Terraced houses (2 bed) - £125,000 Semi-detached houses (2 bed) - £130,000-150,000 Detached houses (4 bed) - £200,000

Retailer Surveys - Comments on Newport

4.5 Retail interviews suggest that the majority of shoppers visit Newport to enjoy a combination of convenience and comparison shopping within a traditional retail environment (which is not available in other proximate centres). The new Waitrose supermarket is considered to one of the centre's strongest draws. The proposed development of Telford Town Centre is not expected to have detrimental consequences for Newport, because the latter is considered to possess a strong enough retail identity and be located far enough away from Telford to protect its customer base. However, retailers did express the view that if public transport links to Telford were to improve, the town could see a reduction in shoppers, especially at weekends. The introduction of car parking charges, which at the time of the interviews was imminent, was considered a small - medium threat to the centre's future (small retailers were more concerned about its potentially negative impact). Other problems within the centre included:

- Vandalism / anti-social behaviour, particularly after business hours in the evenings

- The centre's rising number of vacant units.

5 Projections

Assessment of low, mid and high turnover / floorspace projections

5.1 Retail turnover and the amount of floorspace dedicated to retail and other uses through to 2011 has been determined in accordance with the generic methodology attached as Annex A.

5.2 The current "retained" retail spend within the centre – in other words the level of retail spend within Newport centre which emanates from Newport residents (shown in the table below), has been sub-divided between convenience, comparison and leisure activities. The catchment area wards which have been used for the following analysis are as set out in paragraph 1.1.

Table 5-1 – Annual expenditure Newport residents (2003)

Newport District Centre	Total Estimated Annual Spend
Total Composite Spend	£64.39m
Total Retail Spend	£44.70m
Total Leisure	£18.33m

5.3 The retention of retailing, both convenience and comparison, within Newport is considered to be high; similarly, leisure outlets, which account for 10% of the total floorspace in the centre, also have strong retention levels. These characteristics are a consequence of Newport's relative isolation when compared to the other centres and its strong retail and leisure offer.

5.4 Externally generated spend is also relatively high - due largely to the offer available and in particular, the attraction of Waitrose to a wide customer base. The total current turnover for Newport and corresponding floorspace, is set out in Table 5-2 below, together with the split between the 3 main categories of spend.

Table 5-2 – Total Newport DC turnover

Newport District Centre	%'age Spend between Sectors	Total Estimated Turnover
Total Newport Turnover		£46.45m
Comparison Goods	42%	£19.35m
Convenience Goods	45%	£20.97m
Leisure Spend	13%	£6.13m

5.5 Table 5-2 shows that expenditure levels for both comparison and convenience retailing are broadly similar, demonstrating the balance in the mix of units that Newport provides.

5.6 As set out in Annex A, "check" calculations have been undertaken to confirm that turnover figures adopted for Newport centre are broadly representative of the businesses operating from that location. This calculation therefore takes account of any known turnover figures (as a result of occupier interviews, etc.) together with a comparison of floorspace / rental levels against the turnover of the businesses in occupation.

5.7 The total turnover estimate arising from this calculation is £52.24m (compared with £46.45m above). This is considered to represent a reasonable match – and in order to provide a single working assessment of turnover for the purposes of the projections in the next part of this exercise – the lower turnover figure of £46.45m has been adopted.

Trend analysis – demographics / floorspace

5.8 In order to understand the likely performance of the centre in the period to 2011, consideration has been given to critical trends over the last 10 years – which will continue to influence the nature of the Newport population base, such as disposable income levels, the composition of households, etc. These are set out in the Table 5-3 below:

Table 5-3 – Population and income data 1991 – 2001

Population	**1991**	**2001**	**Change**	**% Change**
Total	9,644	11,015	1,351	14%
Split for Age				
under 16	2,007	2,065	58	3%
16-29	1,748	1,873	123	7%
30-64	4,365	5,297	932	21%
65+	1,553	1,780	227	15%
Split by economically active				
Total active	4,795	5,605	810	17%
Full-time	3,063	3.553	490	16%
Part-time	905	1,018	113	12%
Split by housing tenure				
Total households	3,709	4,556	847	23%
Total owner-occupier	2,888	3,520	632	22%
Total private sector rental	171	305	134	78%
Total public sector rental	657	611	-46	-7%
Income	**2002**	**2003**	**Change**	**% Change**
Total gross weekly pay	290	336	45	16%

5.9 It can be seen that there are some important trends demonstrated by this table which will influence the future performance of the centre. For example, population figures overall have increased over the 10 years to 2001. Within the population base, all age groups have seen a significant increase, but this is most marked in the working age group from 30 – 64 which has increased by 21%.

5.10 There have also been significant moves within the housing stock with owner occupation increasing by almost a quarter over the 10 year period and the private rented sector rising by 78%. Conversely, the numbers of property rented by the public sector have declined slightly. Finally, income levels have increased by 16% over a one year period.

5.11 Projecting these trends through until 2011 produces the results set out in Table 5-4. The impacts which the above projections will have on the centre can be primarily categorised through the increased disposable income levels resulting from the change in privately rented and owner occupied stock. Estimates have been made of the increase in retail expenditure likely to flow from these increased numbers of households and these have been utilized to increase the overall expenditure levels anticipated within Newport over the next five years.

Table 5-4 – Population and income projections 2011

Population	**2001**	**2011**	**Change**	**% Change**
Total	11,015	12,555	1,540	14%
Split for age				
under 16	2,065	2,125	60	3%
16-29	1,873	2,007	134	7%
30-64	5,297	6,428	1,131	21%
65+	1,780	2,040	260	15%
Split by economically active				
Total active	5,603	6,552	947	17%
Full-time	3,553	4,121	568	16%
Part-time	1,018	1,145	127	12%
Split by housing tenure				
Total households	4,556	5,596	1,040	23%
Total owner-occupied	3,520	4,290	770	22%
Total private sector rental	305	544	239	78%
Total public sector rental	611	568	-43	-7%
Income	**2002**	**2003**	**Change**	**% Change**
Total gross weekly pay	290	336	45	16%
Increase in retail expenditure for households				
Owner - occupied		£7,417		£5.71m
Market rent		£12,379		£2.96m
Total increased expenditure				**£8.67m**

5.12 The calculations to apply retention levels of spend within the district and to take account of any incoming expenditure from the residents outside the district (including the increase in spend levels in other centres resulting from their individual medium projections) have been re-run to take account of the above increases. Apart from the inherent "medium" projection impacts on Newport as a result of the trend analysis – there are some additional "drivers of change" expected to develop in the area over this next 5 year period. These are not necessarily incorporated into the "straight line" projections discussed above.

5.13 First, Newport is very much a "stand alone" community, compared to all other District Centres within the current study – and consequently will not be as influenced by the development proposals for Telford Town Centre as other centres.

5.14 Second, there are several strands of activity which will influence turnover and floorspace levels over the next 5 years, particularly –

- An increasing tourism focus and potential to develop this further
- An increase in residential development within the core of the District Centre – representing a change in use for sites from traditional commercial / industrial – and introducing a critical mass of new residents into the heart of the area
- An increase in small business uses and accommodation
- A continuing strength in convenience retailing as a result of the draw of the Waitrose supermarket
- A consequent increase in retailing spend – as a result of all the above trends

5.15 All of the above factors have resulted in a revised predicted level of total turnover for Newport as set out in the table below – the figure as before being sub-divided between convenience, comparison and leisure expenditure. The conversion factor for this expenditure into floorspace has also been re-run and the revised floor space calculations for the centre provided to reflect the medium position at 2011, see Table 5-5.

Table 5-5 – Medium projections

Newport District Centre MEDIUM PROJECTIONS 2011	%'age Spend between Sectors	Total Estimated Turnover	Total Floorspace Estimates (sq ft)
Total Newport Turnover		£54.23m	167,000
Comparison Goods	42%	£22.56m	79,000
Convenience Goods	45%	£24.40m	62,000
Leisure Spend	13%	£7.25m	26,000

Low Projections

5.16 In order to assess the impact of low projections within the centre it is assumed that the decrease in spend levels resulting from the low scenario forecasts for the other centres, is incorporated within Newport's low projection. Further, it is assumed that despite the increasing demographic and household forecasts set out above, the retention levels of retail (and other) spend - both from Newport residents and particularly from those external to the District Centre – fall in comparison with current levels.

5.17 This could be primarily attributed to the following –

- The influence of further retail developments / growth within Telford Town Centre, in particular attracting a higher level of comparison goods expenditure from those in adjacent Districts

- The influence of a new focus on leisure / the night time economy within Telford Town Centre, in particular attracting a higher level of expenditure from those in Newport and adjacent Districts

- The insular nature of the Newport economy / community adversely impacting upon the opportunities to grow the tourism / leisure economy and attract increasing numbers of visitors / shoppers from external catchment areas.

5.18 In these circumstances overall expenditure is reduced across comparison shopping in particular, which relies heavily on local catchments. The leisure aspects of the Centre's activities would also reduce as a result of the impact of growth in Telford Town Centre. This would result in a number of additional vacancies within the existing property portfolio, as operators experience lower trading levels.

5.19 The convenience retailing outlets (particularly Waitrose) would not be particularly influenced by these trends – and should remain profitable during this period.

5.20 In terms of a changing role for the centre, under these circumstances, it is considered that the vacated premises would either be taken over for residential uses (there are already examples of previous commercial premises coming forward for residential purposes) or for other small business use (for which there is already an apparent demand in the centre). Any vacant land in the centre would also be likely to be developed over a period of time for residential purposes.

5.21 These projections have been re-cast and result in the following turnover and floorspace levels for the centre in this scenario as at 2011, set out in Table 5-6:

Table 5-6 – Low Projections

Newport District Centre LOW PROJECTIONS 2011	%'age Spend between Sectors	Total Estimated Turnover	Total Floorspace Estimates (sq ft)
Total Newport Turnover		£41.59m	121,000
Comparison Goods	42%	£17.53m	54,000
Convenience Goods	46%	£19.15m	49,000
Leisure Spend	12%	£4.89m	18,000

High Projections

5.22 The main strands of activity mentioned in the medium scenario above, are expected to perform even better in the high projections – both as a result of retaining more spend from within the existing population and particularly attracting spend from external areas (which have increased spend levels as a result of their individual high projections).

5.23 These upward trends would particularly concentrate on the increasing tourism potential, the expansion of small business uses and accommodation, and the continuing strength in the convenience retailing offer compared to adjoining districts. This would show a growth in floorspace across the centre, with the need for new retailing and leisure accommodation – which could be accommodated in the refurbishment of existing buildings and particularly the development of former industrial / agricultural facilities to the rear of the High Street.

5.24 The other main strand which would need to be accommodated at enhanced levels within the high growth scenario, is the demand for development of the residential sector within the core of the District Centre. This could potentially be accommodated on vacant / underused sites (previously used for agricultural or related purposes) or in the former "business" areas to the rear of the main retail streets.

5.25 The resulting figures with regard to estimated turnover and required floorspace within the centre are set out in Table 5-7.

Table 5-7 – High Projections

Newport District Centre HIGH PROJECTIONS 2011	%'age Spend between Sectors	Total Estimated Turnover	Total Floorspace Estimates (sq ft)
Total Newport Turnover		£54.30m	168,000
Comparison Goods	42%	£22.59m	80,000
Convenience Goods	45%	£24.43m	62,000
Leisure Spend	13%	£7.27m	26,000

5.26 It can be seen that these have a significant impact upon the requirements for the centre. Clearly, the projections have only been forecast up to 2011, but it is likely that these trends could continue particularly if the leisure / tourism, small business accommodation and residential strands can be successfully capitalised upon.

Prognosis for Newport DC

- Newport is experiencing a significant growth in population, private sector households (owner occupied and rented) and income levels

- The District Centre itself has a strong identity and a good mix of uses – particularly its current convenience sector offer

- It is also relatively isolated from the larger Centres to the south - Oakengates and Wellington - as well as Telford Town Centre itself

- There is a strong move towards the concentration of leisure / tourism, small business activities and new residential development within the Centre – which will lead to enhanced spend within both the convenience and comparison retailing sectors

- There is also the scope within the town centre to accommodate an increase in both turnover levels and floorspace – as a result of significant areas of land behind the main retail streets – previously used for agricultural and associated industrial purposes.

- A development of these strands should have the potential to develop / re-focus Newport for leisure, community, sporting, small business and residential uses if land can be released and support given to change of uses