

8. Development Markets

Overview

- 8.1 This section provides an analysis of the key markets that could underpin the Wirral Waters opportunity. It considers residential, employment (commercial offices), retail and leisure markets, both in terms of the existing position and future issues of demand and supply. The key findings are as follows.
- 8.2 **Residential** – Wirral’s housing market is polarised, with rural and semi-rural, higher value housing in the west and parts of the east, and the Housing Market Renewal Initiative enveloping the dock estate in “Inner Wirral”. At present, in Inner Wirral, there is a large supply of relatively affordable, smaller (mainly terraced) units. A programme of intervention is planned for certain key stress areas, including Birkenhead North, adjacent to the Dock Estate.
- 8.3 Wirral has not developed a town/city centre living culture to date, with only a small number of apartments and other schemes completed. To support a major upturn in economic fortunes in Inner Wirral and to attract higher value-added business sectors, additional high quality housing must be provided in sustainable locations. Wirral Waters offers an opportunity to deliver significant levels of high value apartment type housing in a dramatic waterside location, with “family” and other types of higher-value housing potentially deliverable around the periphery of the dock estate.
- 8.4 **Commercial** – the national and regional office markets are buoyant. Liverpool city centre is the key driver for the City Region, and has good short to medium term supply. However, in the longer term, significant additional floorspace will be needed and is unlikely to be provided in what is a constrained city centre.
- 8.5 To date, Inner Wirral has not attracted major higher value office accommodation in any significant volume. More recently, Wirral International Business Park / Riverside Park has sought to attract major occupiers through a publicly subsidised initiative at Riverside Park.
- 8.6 Wirral Waters offers significant potential to provide a major new commercial destinations that will drive the future economic success of the City Region in a more central location within the city centre’s “surrounding inner area” and without the need for major public sector support. Creating the right business environment necessary to attract large commercial space users is a key strand to the delivery of Wirral Waters.
- 8.7 **Retail** – In the broadest terms, the retail market continues to be strong, and demand for retailing floorspace will no doubt continue to grow. However the 2003 household survey shows that there continues to be a considerable leakage of comparison retail expenditure from Wirral to surrounding centres including Liverpool, Chester and Cheshire Oaks.

- 8.8 Birkenhead Town Centre is a relatively poor quality and weak centre compared to competing centres and other retail destinations. It is in threat of further decline, principally due to the imminent opening of the Paradise Street Project in Liverpool city centre – the largest urban retail project in Europe. Opportunities for the significant growth of Birkenhead Town Centre are limited, due to infrastructure constraints, although the redevelopment of the Grange and Pyramids Centre could provide for some degree of upturn in fortunes. There are however no major proposals for redevelopment in the immediate/short term other than the proposed new food supermarket at Oliver Street and the non food retail development proposed at Hind Street to the south of the town centre.
- 8.9 Potential retail uses at Wirral Waters can be made accessible by sustainable modes of transport but will need to help strengthen the local retail economy, and should be designed so not to undermine existing centres. Wirral’s retail study, Core Strategy and Allocations will establish the future of retailing in Wirral and, hence, to help define the best use of the Wirral Waters opportunity for new retail facilities.
- 8.10 **Leisure, Tourism, Culture & Entertainment** – Wirral’s most popular attractions are its coast and its countryside. In addition, Wirral does however offer a wide range of leisure, tourism, cultural, recreational and entertainment facilities, including a number of parks, open spaces, heritage assets and modern facilities. The Woodside /

Hamilton areas of Birkenhead offer a concentration of facilities, both existing and proposed, as well as opportunities to create synergies with future related uses at Wirral Waters to make Wirral a better overall destination.

- 8.11 The tourism and leisure catchment is large for Wirral Waters and ideas for creating a destination and key attractions through such uses will be explored. This will not only assist Wirral Waters but the wider Wirral tourism economy which has much to offer but which currently performs below its full potential in terms of bringing people to Wirral.

Residential Markets

- 8.12 The “Catalysts for Change” section sets out the key policy drivers and the successes being experienced in other parts of the sub-region, principally Liverpool City Centre through the creation of attractive conditions for urban living in central areas. This trend reflects the urban renaissance seen in urban centres in the UK over the past 10 years. As noted in Section 2, inner Wirral and Birkenhead have yet to see such activity on a comparable scale. The catalysts for achieving this are more limited with the Woodside area being the only major opportunity where development proposals are currently being promoted.
- 8.13 In creating sustainable development and achieving a balanced, integrated, mixed-use approach to Wirral Waters, it is considered

that residential uses will need to feature prominently. The housing market context for Wirral Waters is complex and multi-layered. The national and regional contexts are considered below, but it is at the sub-regional and local levels that the housing market is best understood.

National and Regional Context

- 8.14 The national housing market continues to grow and respond to the fall in average household size coupled with the increase in household numbers. Higher density residential development in central urban areas has been encouraged by national policy and market conditions, with most key regional centres and other significant urban centres having experienced significant growth in the numbers of people choosing to live in and around town and city centres.
- 8.15 Key national issues relate to the availability and affordability of sufficient housing in areas which are experiencing economic growth. This has resulted in the promotion of growth areas mainly in the South East of England, an acknowledgement that not enough housing is being built. Indeed the planning system is again being reviewed by Government, with one of the key criticisms being the delivery of new housing.
- 8.16 Numerous Government publications, including the recent Housing Green Paper, have highlighted an emphasis on the delivery of new housing to ease housing pressures. The accessibility of communities to a high quality housing choice in their areas of choice, close to employment opportunities and transport accessibility preference, is a fundamental objective of the Government.
- 8.17 At present, however, in many parts of the country, there are major issues of a shortage of housing. Where housing is available, it is generally at prices that are unaffordable to large sections of the population. This is particularly a problem in areas of high demand for “key workers” such as teachers, nurses and those working in the emergency services. Acute shortages are not a problem associated with Inner Wirral where the main issues relate to the range of quality and choice in the local housing stock, and the socio-economic issues which underpin the low-value housing market of the inner areas (see Section 6).
- 8.18 House prices in the UK have grown considerably since the late 1990s and continue to grow in most areas, despite many analysts having predicted sharp corrections as a result of over-inflated markets. Table 8.1 below shows that the increases have also been felt at regional and local levels.

- 8.19 Economic growth has been able to sustain these high house prices and is set to continue, with most analysts now predicting steady growth. Government, through the Bank of England, also plays a key role in managing the rate of growth through its control of interest rates.
- 8.20 In lower demand areas, where economic and housing pressures are less acute, the emphasis is on creating balanced yet mixed communities through understanding housing markets at the local and sub-regional levels. In areas of particular housing market decline and/or stagnation, the Government has responded by allocating funding to the HMRI Pathfinders. The NewHeartlands Housing Market Renewal Initiative (HMRI) Pathfinder (see Section 2 under “Partners”) is the Merseyside response, with large parts of inner Liverpool, Sefton and Wirral designated under the initiative.
- 8.21 Elsewhere in the North West, housing markets are widely polarised. Cheshire remains a highly attractive housing market, in particular in those areas within commuting distance of Manchester, Liverpool and Chester. Urban conurbations show large disparity, with HMRI areas in Salford/Manchester, Oldham/Rochdale and East Lancashire (in addition to Merseyside) whilst some areas such as large parts of Trafford, Stockport, South Liverpool, West Wirral and North Sefton, command very high prices and continue to provide an associated quality of life.

Area	1996	1999	2002	2005	Change	% Change
Wirral	54,015	63,469	88,262	140,720	86,705	161%
Merseyside (Met County)	51,870	60,373	80,408	130,894	79,024	152%
North West	54,920	66,289	88,382	137,804	82,884	151%
England	73,117	98,385	141,108	192,247	119,129	163%

Source: Land Registry © Crown Copyright

- 8.22 Recent restrictions on the supply of new housing in certain areas (resulting from the emphasis on regeneration and restricted housing numbers in RSS) have successfully stimulated some parts of the region but have also caused further overheating in others. A major issue in the North West is that people choose not to live in inner areas, close to employment locations, because of perceptions about the quality of local services and the environment. This has resulted in increased commuting patterns around the larger centres and an ongoing need for renewal in many inner urban areas, principally through HMRI activity and investment.

Sub-Regional and Local Housing Market Areas

- 8.23 A report undertaken by ECOTEC on behalf of the North West Regional Assembly in September 2006 (Study into the **Identification and Use of Local Housing Market Areas for the Development of the Regional Spatial Strategy in the North West – Final Report**) analysed the housing markets across the region. It was drawn up to inform

housing allocations and was based on employment centres and travel to work patterns, rather than on administrative boundaries.

- 8.24 At the “upper tier” level ECOTEC identified Wirral as being within the Liverpool Housing Market Area, where the report recognises (page 29) the need to concentrate housing provision more strongly in core areas (see Appendix 1 – Draft RSS policy LCR2).
- 8.25 At the “lower tier” level, Birkenhead and Wirral form a single Housing Market Area. The analysis shows a high level of containment within Birkenhead/Wirral, with 70.6% of house moves made being within Wirral (source: Census 2001). Only three other lower tier markets across the region show higher self-containment – Stoke (counted as part of the NW market), Blackburn/Accrington/Darwen and Burnley/ Colne/ Nelson.
- 8.26 Only 1% of movement was from Wirral to Liverpool, with 3% of movement from Liverpool to Wirral. Movement between Wirral and Chester is higher at 4% each way. Whilst the upper tier housing market includes both areas, the extremely low level of movement between Wirral and Liverpool shows that, within that upper tier, there are lower tiers which are largely self contained. By comparison other adjacent parts of major conurbations show much higher levels of migration, for example between Manchester and Salford. The barrier effect of the River Mersey is perhaps the most likely explanation for the lack of movement.

8.27 Following the ECOTEC work, GVA Grimley produced the **Liverpool City Region Housing Strategy** in March 2007, which is supported by Merseyside Authorities (including Wirral). It includes the identification of sub-regional housing markets. Despite lack of movement between inner Wirral and Liverpool (evidenced by ECOTEC), both were identified as being within the same housing market area – the Northern Housing Market Area (NHMA) – which incorporates Wirral, Liverpool and Sefton, together with parts of West Lancashire , Knowsley, St Helens and Halton. The NHMA is therefore a large area, with the study undertaken at a higher spatial level than the ECOTEC work.

8.28 The Strategy, and accompanying Assessment of the NHMA, look at the likely growth of the city-region under different scenarios and identify increased housing demand in the NHMA to 2021, particularly if the recent strong link between demographics and economic success continues. The key findings and recommendations of the strategy, as relevant to Wirral Waters, are as follows:

- There is a need for minimum thresholds of significant housing delivery, to support economic growth;
- Wirral Waters is located within one of the sustainable growth locations in the city-region;

- There is a need for all types of new housing across the NHMA, but a particularly pressing need for good quality, aspirational, larger forms of housing;
- Within the inner core (which includes Wirral Waters), the objective should be to create balanced housing markets through the delivery of market and affordable housing to respond to local established needs within the NHMA;
- There is a need to deliver circa 24% of all additional housing as affordable housing within the NHMA, both intermediate (shared ownership) and social rented.

Local Development Activity

8.29 As noted in Section 2 “Catalysts for Change”, the regenerative activity that has been experienced in Liverpool City Centre has not been felt to the same extent in Inner Wirral. Analysis by Liverpool Vision suggested that, over the period 1995 – 2012, there was potential for 13,750 new units in Liverpool City Centre alone. This figure did not include the major opportunity at Central Docks, which will add considerably to the quantum of new housing achievable in Inner Liverpool.

8.30 By contrast, activity in Inner Wirral has been low, with few notable projects either completed or in the pipeline. Signs of a new “urban living” market have only recently started to emerge, for example in

the conversion of the former grain warehouses scheme at East Float (by Gregor Shore).

Wirral’s Housing Market Dynamics

8.31 The designation of the Housing Market Renewal Initiative (HMRI), NewHeartlands, was in direct response to the problems of market failure within some neighbourhoods of Liverpool, Sefton and Wirral, as opposed to these districts as a whole. Areas of East Wirral, including the entirety of the docks system and the adjoining areas to both the north and south, fall within the boundaries of this initiative.

8.32 In line with national trends, house prices in Wirral have grown considerably over the last decade. By the end of 2005 average house prices in the district had risen by 161% (+£86,700) to £140,720 from £54,015 in 1996. This high figure is skewed due to the high prices for larger, more suburban properties available in West Wirral. However, as with other socio-economic indicators in the district there is a marked difference between house prices.

8.33 Wirral Council monitors house price trends in the HMRI part of the Borough through the Wirral Area Mapping Project (WAMP). The ‘House Price Trends to June 2006’ document (published December 2006) provides the following insight into house prices in Wirral’s HMRI area.

Table 8.2 HMRI House Price comparison 2005-06

	2 nd quarter 2005 (£)	4 th quarter 2005 (£)	2 nd quarter 2006 (£)
Merseyside	115,000	120,000	120,000
Liverpool	94,700	105,000	100,250
Wirral	119,000	125,000	131,250
NewHeartlands	70,000	75,000	77,500
Wirral HMRI	67,950	77,000	78,000
Seacombe & Egremont	73,438	78,512	80,917
Birkenhead	70,041	67,740	74,762

Source: Wirral Council, 2006

8.34 It is clear that the HMRI areas show much lower house price averages compared to those in the Wirral as a whole, Liverpool and Merseyside, with prices in the HMRI areas being approximately two-thirds of the wider averages.

8.35 There is also a marked difference in the tenure and type of housing within the district. Table 8.3 below compares the type of tenure within HMRI and in Wirral as a whole (including HMRI).

8.36 Assessing neighbourhoods in East Wirral where HMRI funding has been directed, it is clear that intervention has been necessary. Of the properties within the HMRI area in 2003, 55% were small, pre-1919 terraced houses and approximately 5,000 of these were in poor

condition (New Heartlands Prospectus, October 2003; cited in ECOTEC (2006) Wirral Position Statement 2006).

8.37 Owner occupation is also significantly below the district average, with high levels of private and Registered Social Landlord (RSL) renting. A comparison of the tenure position in 2003 at the HMRI level, to that of Wirral as a whole (using data taken from Census 2001) clearly shows these differences within the district.

8.38 The ECOTEC report also highlighted how vacancy rates were still relatively high in Tranmere & Birkenhead at 7% of all properties, whilst long-term vacancies, for over six months or more, stood at 4% in Birkenhead. The HMRI initiative has made some progress, but it is clear that stimulating demand for residential properties in this area continues to be a challenge.

Integrated Regeneration

8.39 Amongst the major challenges facing the HMRI team and their partners are the need to encourage a reinvigoration of the economic base within and around HMRI communities, to ensure that these areas are able to offer a better quality of life (through action on crime, public realm etc.) and to ensure a greater social mix of residents. One of the key factors which can drive demand for housing is employment. Hence, with decreasing employment opportunities in these areas in recent decades, there has been a



reduction in demand for housing and a continuous loss of population, especially from amongst the younger age groups.

Tenure	HMRI	Wirral
Owner Occupied	42%	66%
Private Rented	24%	4%
RSL	15%	14%
Local Authority	19%	14%

Source: ECOTEC (2006) Wirral Position Statement 2006, and Census 2001

8.40 In order to stimulate these areas, major new economic opportunities are needed. This is recognised as a key objective in the HMRI/Wirral Council Strategy for Inner Wirral. Section 7 of the Baseline Study “Community Cohesion” explains the need to secure the regeneration benefits of Wirral Waters for local communities, and sets out a number of possible means and mechanisms of achieving this, which will be taken forward through the SRF.

Mixed Communities in Inner Wirral

8.41 The definition of mixed communities set out Appendix 1 (review of DCLG Guidance “A Decent Home”) includes a number of important elements presently lacking in Wirral’s HMRI areas. These largely correspond with the objectives set out in the Strategy for Inner Wirral (also reviewed in Appendix 1).

8.42 What these documents say, as reflected in many other key sustainable communities and HMRI guidance and policies, is that sustainable mixed communities are areas which feature:

- Households with a range of incomes – at present higher income households are severely under-represented in Inner Wirral.
- Balanced housing markets across the area - at present Wirral has a highly polarised housing market.
- Good quality housing with a range of types catering for the needs of the community – at present Inner Wirral has an overprovision of terraced stock in poor environments and a lack of higher value homes, both large and small.
- Strong local economies – the socio-economic analysis demonstrates that the economy of Inner Wirral is very weak.

8.43 It is evident that, at present, large parts of Inner Wirral are not achieving the Government’s aspirations for mixed communities. There is a need for a wider range of housing and improved quality, alongside greater economic strength. Some improvements are occurring through HMR activity in improving terraced stock, clearing the worst problem areas and allowing new build in HMRI areas.



- 8.44 The sector that is evidently under-represented in Inner Wirral is the higher end of the market. This market is essential in attracting higher-value economies and business to stimulate the inner Wirral economy, without which many of the other objectives and aspirations will be difficult to achieve. As noted above and in Section 2 “Catalysts for Change”, the higher-value urban living market has not been realised in Inner Wirral to any major extent.
- 8.45 Wirral Waters offers an opportunity to realise this market in a dramatic waterside setting, as has been achieved in many other waterside and former port areas around the world. The nature of waterside living and the potential constraints in terms of the amount of available land means that the dock side sites are particularly suited to the development of large buildings containing a mixture of apartment types. Innovative design solutions will however also be explored to seek to deliver a range and balance of types within the dockland setting.
- 8.46 Alongside dockland developments, it is also recognised that there is a need for a greater quantum of quality “aspirational” family housing in Inner Wirral and that this will need to be explored with Peel’s partners. Wirral Waters offers the opportunity to create the quality of environment in which high value family housing can be delivered both to an extent within the docks, and also through acting as a catalyst, to areas surrounding the docks, for example at the interfaces with HMRI areas such as North Birkenhead and Seacombe.

- 8.47 Another important factor for Wirral Waters is that the HMRI area housing market is more fragile than wider more prosperous markets, principally due to lower demand but also due to comparatively high vacancy levels. Introducing significant additional amounts of new housing at the lower end of the market in Inner Wirral could result in further imbalance by attracting existing residents of HMR areas to new housing, resulting in more empty stock and continual decline for those areas. It is, therefore, important that any future housing at Wirral Waters positions itself, in terms of quality/market offer, location and type, in such a way that HMR activity and local housing needs are positively assisted rather than undermined.

Local Housing Needs

- 8.48 Local housing needs have been explored in detail through the Housing Market Renewal Initiative. This has effectively established that the major need in Wirral is to reverse structural decline and overcome major deprivation in “Inner Wirral”. Section 2 sets out the role and activity of NewHeartlands, Wirral Council and other partners in the HMRI areas.
- 8.49 The Government’s policies on affordable housing state that, where there are local needs for social housing, policies should be introduced to ensure that provision is made for affordable housing. At present it is not clear whether any residential component at Wirral Waters will require the provision of affordable housing. The position will be informed by the Council’s housing market assessment and taken forward through the Core Strategy.

- 8.50 Any future approach to affordable housing will need to consider the possible implications for adjacent HMR areas and potential “imbalance” identified above.
- 8.51 The WAMP December 2006 Report provides evidence and points out that due to the lower house prices, none of the Wirral HMRI areas suffer from a lack of affordability, based on the Council’s standard calculation of 3.5 x average income.
- 8.52 However, it is also acknowledged that average incomes are not achieved in these areas. Hence, there is a need to increase economic opportunities and incomes in Inner Wirral, whilst also improving the quality and offer of housing as acknowledged above.
- 8.53 Possible other “needs” will also be established through the LDF, for example key workers, elderly people, students or other (special) needs. This will assist in shaping the detailed make-up of future proposals.
- Housing Supply, Restraint and Capacity***
- 8.54 New housing supply in Wirral has declined over the past 20 years. The historic figure in the Wirral UDP from 1986 to 2001, set by Strategic Guidance for Merseyside (1988) and RPG13, equated to 700 units per annum. Wirral’s completions were around or above that figure during those 15 years. This did however result in pressure in rural areas in West Wirral, through backland and greenfield development.
- 8.55 Regional Planning Guidance 13 (March 2003), which is now adopted as RSS for the North West, reduced that figure considerably to 160 net per annum, against which Wirral now has a considerable oversupply due to historic commitments and ongoing regeneration needs in the inner areas. As a consequence Wirral Council introduced an Interim Housing Policy in December 2003, which was further revised in October 2005, to focus new development in Inner Wirral and restrict development in West Wirral.
- 8.56 This has been successful as a development control tool and has achieved the objective of resisting new housing development in West Wirral, and other forms of housing which do not contribute to regeneration of Inner Wirral and are not needed in numerical terms.
- 8.57 Wirral’s housing figures as at April 2006 showed that 3,582 units had planning permission. In terms of adopted RSS (160 units per annum) this represents a 23 year supply. If the Panel’s recommended figure of 500 per annum is adopted in the replacement RSS, this supply will be immediately reduced as a result.
- 8.58 PPS3 – Housing came into force in April 2007 (see Appendix 1). This requires Local Authorities to have at least a five year forward supply of deliverable housing land. Land included in this supply must be available, suitable and achievable. Accordingly there will be a need

for the Council to adjust its housing supply figures in line with PPS3 criteria and the revised RSS figures. This will certainly lead to a significant reduction in the identified forward supply, since there will have been a tripling of the RSS annualised requirement and it seems unlikely that all of the 3,582 units which have been included in the current housing commitments will meet the PPS3 deliverability criteria.

- 8.59 The capacity of Inner Wirral for the provision net new housing has historically been considered to be very limited (see Appendix 1 – Merseyside Housing Capacity Study, which establishes urban capacity of 1,440 dwellings), and this has resulted in further development pressure in west Wirral where market demand is highest. Wirral Council is, therefore, rightly cautious about the higher housing provision likely to be required by the new RSS resulting in further pressure in West Wirral. However, Wirral Waters offers an opportunity to deliver population increase on a significant scale within the inner area.
- 8.60 The Draft RSS provision (EiP figures equivalent to 500pa) could comfortably be met in Inner Wirral through the bringing forward of Wirral Waters and other regeneration initiatives. Furthermore, even if the Expressions of Interest for New Growth Point status is confirmed by Government and the EiP figure is raised by 20% to 600pa, Peel and Wirral Council consider that the requirements can be met through Wirral Waters.

Future Housing Markets

- 8.61 In respect of housing, it is important to recognise that the potential timescales for the implementation of Wirral Waters are likely to exceed all current planning policy, sustainability guidance and housing strategies. The Wirral Waters Baseline will need continually to adapt and change as the context evolves.
- 8.62 In particular, the sustainability agenda is likely to have a major bearing on the type and form of housing required, with the recently introduced Code for Sustainable Homes and future technologies needing to be embraced within the Wirral Waters proposals. Additionally, society will continue to change through the evolution of working habits, life choices, technology, transport, retailing and other influences. Living formats will need to respond to contemporary lifestyles.
- 8.63 Whilst there is no market evidence of this, and although it is difficult to foretell who might occupy the residential accommodation to be provided within Wirral Waters, Peel considers that, in the short to medium term, there is a level of demand from ‘early adopters’ for a new and, to date, unfulfilled “urban living” market within Inner Wirral and the wider City-Region, which can be attracted to Wirral Waters. Based on experience in other cities and major urban areas, the provision of a new form of accommodation and lifestyle within a high quality mixed use, waterside environment is expected to allow the creation of a critical mass and a new community at Wirral

Waters. This can help support the creation of higher-value economic development at Wirral Waters and vice-versa.

- 8.64 In the longer term, the attraction of a significant quantum of higher-value added sectors to Inner Wirral through the employment markets (see below) will generate an inherent need for high quality residential development. However, it is too early, at present, to try to set out the planned occupancy and numbers of new homes that will eventually be provided.
- 8.65 It will however be possible to identify broad urban design capacity parameters through the Masterplanning stages of work. Housing markets and needs will need to be continually assessed as Wirral Waters evolves and emerges through the Wirral LDF and Wirral Waters Baseline.

Employment Markets

- 8.66 This section provides an overview of the performance of commercial and industrial property markets, reviewing performance both locally and sub-regionally but also considering the wider regional and national contexts. The main focus is on commercial (office) property markets. The maritime sector, driven by the Port of Liverpool, is discussed in Section 2 Catalysts for Change.
- 8.67 Strong economic and employment growth is closely linked with increased demand for commercial floorspace. Accordingly, this

study also considers the possible volume and sources of demand for commercial property under the different economic and employment scenarios outlined in Section 8.

National Context

- 8.68 Across the UK, the commercial and industrial property markets have experienced strong and sustained growth for some considerable time. This has been driven by good and (importantly) relatively stable levels of economic growth, low inflation and strong employment growth. Since 1995 growth in GDP has stayed close to the long term average (2.7% per annum 1983 – 2005), whilst avoiding the boom-and-bust cycles of earlier decades. This stable and sustained economic growth has provided a good macro-economic environment in which commercial property markets have been able to strengthen considerably (attracting increased investment and generating strong investment returns).
- 8.69 During this period, commercial property has been seen to be one of the best performing asset classes and a large volume of institutional, property company and other private investment has been drawn into the market. In the ten years to September 2006, commercial property returns averaged approximately 14% per annum compared to circa 7% per annum for equities and 3% for gilts (5-15 years) (source: UK Economic and Property Market Review, GVA Grimley, Quarter 4 2006).

- 8.70 The limited supply of new product compared to the weight of investment in the sector in recent years – for example, £13.9 bn in Q3 2005 alone – has helped to push down yields more recently (although many industry observers expect this downward trend to level off in the near future). However, in the three years to September 2006, commercial property returns have averaged 18.3% per annum, almost identical to equities and much higher than 5-15 year gilts (c. 5% per annum).
- 8.71 A large proportion of total UK demand for office accommodation is accounted for by the distinct markets that operate within London and the South East (for example, the City, Docklands and the West End). Here, more so than elsewhere, the market is tied into developments in international markets (most notably in the financial, professional and business services sectors). It is therefore useful to consider the performance of UK regional markets as a separate group.
- 8.72 A recent Regional Office Markets report by GVA Grimley (*Regional Office Markets Outlook*, GVA Grimley, Autumn 2006) assessed the performance and prospects of the UK's top nine regional office centres – Birmingham, Bristol, Cardiff, Liverpool, Manchester, Leeds, Newcastle, Edinburgh and Glasgow. This report found that take-up of Grade A office space across these nine centres has averaged 180,000 m² (1.95m ft²) per annum over the five years to 2006.
- 8.73 In terms of future demand, the key driver of demand nationally - the financial and business services sector - is expected to continue to drive UK economic and employment growth. The report notes that the regional office markets should be in a strong position to take advantage of this growth, especially given factors such as the continued movement of public sector jobs away from London and the South East (in part due to the strength of the professional, financial and business services sectors which have served to push up property costs) and the increasing cost advantages that regional centres have over the central London markets.
- 8.74 Take-up over the next five years in regional markets is expected to outstrip that of the previous five years, driven by increases in new Grade A supply (enabling companies to relocate or expand) and stronger employment growth (particularly in the financial and business services sector).
- 8.75 As in the UK market as a whole, the high level of investment in the property sector has resulted in strong downward yield movement in the regional centres, with average prime office yields across the nine centres falling from over 7% in June 2001 to approximately 5.2% in June 2006. However, as a result of strong capital growth (i.e. increases in the market value of office property, realised through asset sales) in the regional office markets, 2006 was expected to be another strong year for investor returns (forecast at approximately 15.5%).

Key Markets in the North West

- 8.76 The office markets of Manchester and Liverpool have performed strongly in recent years. The record rent achieved in Manchester city centre (at June 2006) was £307 per m²/ £28.50 per ft². In **Manchester city centre** take-up of Grade A office space has averaged over 28,000 m² (300,000 ft²) per annum in the five years to 2005 (second only to Birmingham amongst the UK's top nine regional office markets). In June 2006 the level of Grade A space available immediately in Manchester city centre was limited (8,900 m²/ 95,000 ft² compared to 15,500 m²/ 165,000 ft² in the previous year).
- 8.77 However, there was a large volume of floorspace in schemes under construction in June 2006. Construction activity in the city centre totalled 188,000 m² (2m ft²), representing 35% of all of the construction activity across the nine regional centres. 40% of this floorspace under construction was in pre-let schemes, with the remainder in speculative developments.
- 8.78 Between June 2006 and December 2009 GVA Grimley expect completions to total almost 322,000 m² (3.4m ft²). Adding space currently available and deducting one year's Grade A take-up (to reflect the need for some slack to provide fluidity) gives a total supply of 90,000 m² (970,000 ft²) per annum. Whilst this is more than three times the current average take-up per annum, the large amount of pre-let space, improving take-up rates and strong

economic growth prospects (particularly in the financial and business services sector) should serve to mitigate any potential oversupply.

- 8.79 Immediately adjacent to the Wirral Waters site, **Liverpool city centre** has – after many years of weak development and market activity – seen a major improvement in the performance and prospects of the office market. As noted in Section 6, new developments have added significantly to the total volume and choice of Grade A accommodation and, as a consequence of improved supply and strengthening demand, strong rental growth (7.5% in 2005) has been achieved. A record rent of £194 per m²/ £18.00 per ft² has been achieved and observers expect a number of schemes (e.g. the Unity building) to break through the £20 per ft² barrier (a rental level which will attract further developer and investor interest).
- 8.80 Property industry analysts have observed that investors' perceptions of Liverpool have changed significantly in recent years, with new development and improved corporate demand underpinned by comparatively low rents, indicating a margin for potential rental growth. It is noted that "prime office yields in Liverpool have been subject to greater compression than in any other UK regional city" (source: *Liverpool market activity report, Autumn 2006*, Knight Frank, 2006). Yields have fallen from 10% in 2001/02 to 5% in 2005.
- 8.81 Grade A take-up over the five years to June 2006 averaged almost 14,000 m² (150,000 ft²) per annum, although take-up in 2005 was

almost twice that level (over 50% of which was accounted for by a major pre-let to a major legal firm (Hill Dickinson) relocating to new premises, the largest single letting in Liverpool for 30 years). In recent years Grade A take-up has been driven by pre-lets, reflecting the low level of speculative development in the city centre. However, this is expected to change in the next few years as a number of important speculative schemes are completed.

- 8.82 A total of 110,000 m² (1.2m ft²) of new Grade A space is expected to be available or projected to be completed between June 2006 and December 2009. Again, deducting one year's take-up to allow for market fluidity, the GVA Grimley report estimates that there will be a total of 97,000 m² (1m ft²) available, equivalent to approximately 27,500 m² (300,000 ft²) per annum. Whilst this is much higher than the five year average annual take-up (14,000m²/ 150,000 ft²), the report notes that recent strengthening in occupier demand, economic prospects and the relative lack of immediately available space suggest there is "considerable scope for average take-up over the forecast period to be considerably higher than that over the last five years" (source: Ibid). The financial and business services sector is expected to lead this increase in take-up, with GVA Grimley noting that output is expected to grow by an average of 5.3% per annum compared to 1.7% per annum in Liverpool as a whole.
- 8.83 Although there is currently very limited Grade A space available in Liverpool, this healthy pipeline should ensure that there is adequate high quality floorspace available to facilitate Liverpool's (and

Merseyside's) economic growth and restructuring in the short term. Observers note that limited development opportunities within the traditional office core – much of which is in a conservation area - and the increased confidence within the commercial market has led to a number of tall office building schemes coming forward in the "fast emerging area of Old Hall Street" (source: Ibid).

- 8.84 In terms of longer term supply, Liverpool Vision is currently working with partners to progress an expansion of their Commercial Quarter masterplan. This redevelopment at Pall Mall will expand the City's commercial; centre significantly (providing 140,000 m²/ 1.5m ft² of commercial space, public space and car parking) and is expected to take 10-15 years to complete. Beyond that, Liverpool will need major new economic expansion space in what is a constrained centre.
- 8.85 Total take-up in Liverpool City Centre (including secondary space) in 2005 rose to 46,450 m² (500,000 ft²), reaching a record level of take-up for the second successive year (source: *Liverpool City Centre: Commercial Office Market Review 2005*, Merseyside Property Forum, 2005). The five year rolling average take-up across Liverpool city centre was 39,950 m² (430,000 ft²). This reflected both the availability of new Grade A accommodation and the continued strength of traditional Liverpool office market mainstays (the Royal Liver, Cunard and Port of Liverpool buildings and India Buildings).
- 8.86 In contrast to previous years, take-up in Liverpool city centre was driven by private sector demand (accounting for 82% of the total).

As a result of this stronger occupancy, the public sector's share of total occupancy has fallen from 25% in 2003 to 14.9% in 2005 (falling back in line with the national average).

8.87 Over 50% of total take-up was by the professional services sector, driven by a surge in demand from Liverpool's indigenous professional sector, most notably the Hill Dickinson letting. In recent years the professional services sector has accounted for approximately 30% of take-up but this rose to 51.7% in 2005. Although the Hill Dickinson letting may be regarded as exceptional, a range of industry observers are confident that the professional services sector will continue to drive increased levels of take-up.

8.88 The financial services sector accounted for a further 10% of take-up (rising from just 4.2% of a lower total in 2003), whilst the public sector accounted for 18%, driven by relocations into and within Liverpool (for example, a number of Home Office functions). The creative and media industries absorbed 5.5% of Liverpool's office take-up in 2005, although it is much more significant in markets on the fringe of the city centre (for example, areas such as Ropewalks, Hope Street and Rodney Street).

8.89 In addition to Hill Dickinson, other major recent transactions include:

- Brabner Chaffe Street (41,000 ft²) – Professional services (legal);
- Charity Commission (36,800 ft²) – Public administration;

- Immigration and Nationality Department (Home Office, 9,500 ft²) – Public Administration;
- CMA Shipping – (27,500 ft²) – Shipping;
- Kirwans (28,800 ft²) – Professional services (legal);
- Intrum Justitia (16,700 ft²) – Business and financial services; and
- Maersk (20,700 ft²) – Shipping.

8.90 In addition to record Grade A rents achieved, there has also been a strengthening of Grade B rents. These have increased by 50% in ten years, reaching £14 per ft², and providing evidence of strengthening demand across city centre markets. The strength of refurbished schemes such as The Plaza on Old Hall Street (Bruntwood) suggests that there is considerable scope for further improvements in the volume and quality of supply.

Wirral's Office Market

8.91 A snapshot review of Wirral's commercial property markets in 2004 found that there is 3.1 million square feet of office floorspace in Wirral. Of this, there is 73,400 square feet of vacant office space. Although this does not take account of some future pipeline developments, this level of provision will not be sufficient to house the volume of businesses needed to close the business stock gap with the North West average (identified in Section 6).

8.92 If the business stock gap is to close there would need to be at least 130,000 m² (1.4 million ft²) of additional office space (based on a

calculation of average employment in the sectors which need to grow, projected employment numbers, the land use requirements of these sectors, and employment density for these types of land use). Against this large requirement the Council's Annual Monitoring Report (2007) shows that only 8,542 sq m of new office development was completed in the Borough in the year to 31st March 2007.

- 8.93 If Wirral is to take a prominent role in the growth of the economies of Greater Merseyside and the North West there will need to be a much more substantial increase in the provision of high quality office accommodation.
- 8.94 Consultation with Wirral Council has confirmed that, with some exceptions, much of this vacant and occupied floorspace is of poor quality, aged and in locations which do not offer the profile or environment required by firms in higher value added sectors. Hence this existing stock will not enable Wirral to overcome its economic challenges. A major change in the volume and nature of supply of office accommodation is required.
- 8.95 However, Wirral is currently not a strong, recognised office location and both new development and take-up has been low in recent years which means that there is little in the way of detailed statistical evidence available regarding trends. A number of public and private partners believe that the market in Wirral has been constrained by the lack of modern, high quality supply, and that this has restricted

Wirral's ability to grow and restructure its economy. A number of local and sub-regional developers have more recently come forward with new higher quality schemes, which should enable Wirral to compete more effectively with neighbouring areas.

- 8.96 New B1 development within Wirral is largely focused on Wirral International Business Park (WIBP) in Bromborough. Two newly built Grade A units (totalling 4,460 m²/ 48,000 ft²) were completed in August 2006 at Riverside Business Park (part of WIBP). These developments are available at £11.50 - £12.00 per ft² and both required public sector (NWDA and ERDF) support in order to proceed. However the partners involved in the development of WIBP are optimistic that future phases will benefit from substantial rental growth, attracting rents of circa £16 per ft² and will be able to proceed without public sector support.
- 8.97 There is currently planning permission for a further six speculative new buildings to follow at Riverside Park. In February 2007 the development attracted its first tenants, a professional services advisory firm providing professional support (e.g. HR, business development, legal and tax services) serving national markets. Another recent addition to Wirral's office market – also at WIBP - is The Gateway, with two buildings together offering 40,000 ft².

Employment Land

- 8.98 The North West Employment Land Study (ELS) by the North West Regional Assembly in 2005 found that Greater Merseyside (Merseyside plus Halton) had a total of 947 hectares of employment land (in sites over 5 ha). 66% (627 ha) of these sites were on previously developed land (the highest proportion in any of the five sub-regions of the North West). A total of 93 ha (10%) was judged appropriate for B1 uses alone, with a further 7% considered suitable for B1 and B2 uses and 58% (558 ha) suitable for general B1, B2 and B8 uses.
- 8.99 This study also considered the market deliverability of sites across the region, taking into account a range of factors including market interest, ownership, the current supply of sites and the internal environment, giving each sub-region an aggregate weighted score. In terms of deliverability, the overall score for Greater Merseyside was the second lowest in the region. Although market interest in the sites across Merseyside was found to be high when compared to other sub-regions and the regional average, the overall assessment of deliverability reflected a number of serious constraints, most notably contaminated land and the poor internal environment of the sites (with Greater Merseyside ranked as the weakest sub-region here). Ongoing and long term sectoral change in the local, regional and national economy will drive increased demand for high quality B1 accommodation, as identified in the North West ELS. The need to

deliver a sufficient quantity and choice of attractive and readily available sites and premises will become increasingly important. As such, this deliverability issue represents cause for concern.

- 8.100 Wirral Council will shortly be undertaking a study of employment land in the district, in order to assess the extent to which sufficient land of appropriate quality is available to meet the needs of occupiers and investors and to help facilitate the restructuring of Wirral's economy. This will be part of the evidence base for the Local Development Framework.
- 8.101 However, some useful evidence is provided by the Merseyside Employment Land Study (MELS, North West Regional Assembly, November 2004.) prepared in 2004, and which offers a primarily quantitative assessment of employment land take-up and supply across Merseyside (including Halton).
- 8.102 MELS found that, in the ten years to 2003-04, Wirral had the third highest average employment land take-up rate amongst the six districts, averaging 11.73 ha per annum. A very high proportion of this take-up has been for B2 and B8 uses (Wirral has achieved the highest rates of B2 and B8 take-up across Merseyside), but take-up for B1 uses has been much more limited. Take-up over this period peaked in 1995-96 at 25.4 ha, of which 96% was for B2 uses. Whilst Wirral's relative success in attracting B2 and B8 uses is to be welcomed, the very low levels of B1 take-up reflect the difficulties

that Wirral has experienced in growing and restructuring its economic and employment bases.

Employment Demands and Future Markets

8.103 This subsection provides a brief assessment of current and future demand for office floorspace from a number of broad sectors across the Liverpool City Region, based upon a “model” developed by Regeneris Consulting and drawing on the economic scenarios developed by Cambridge Econometrics and SQW Consulting in support of the ongoing development and implementation of the Liverpool City Region Development Programme, (CRDP, as discussed in Section 6) in a document called ‘*Liverpool City Region Economic Projections and Prospects*’, October 2007.

8.104 This represents an **initial and indicative** assessment of the scale of employment-driven change. Further, more detailed, analysis of this issue will be required in due course as the Strategic Regeneration Framework for Wirral Waters is developed.

8.105 This model is based upon three sets of simplifying assumptions:

- Future projections of employment by broad sector – total employment as projected under each of the CRDP scenarios adjusted to reflect current levels of part-time working. It is assumed that levels of part-time employment remain as at 2005 – 8% in the ‘Manufacturing’ sector, 24% in the ‘Banking, finance

and insurance’ sector (applied to the broad CRDP sector, *Financial and business services*) and 32% across all other sectors (i.e. the average across the economy). Adjusting for levels of part-time working minimises the risk of over-estimating total demand for floorspace. However, as many employers do, and will continue to, provide dedicated workspaces for part-time staff this may be seen as a conservative approach.

- Employment by land use class for each broad sector – all employment in *Financial and business services* is assumed to be in B1 accommodation (although a proportion is also in A2 units); 5% of employment in the following sectors is assumed to be in B1 accommodation: *Manufacturing; Utilities; Construction; Distribution, hotels and catering; Transport and communications; Other Services.*
- Employment densities for each land use class – employment densities are informed by national guidance (Employment Densities: A simple guide’ English Partnerships, 2001). For B1 accommodation, it is assumed that employment density is 205 ft² per workspace. However, there can be significant variation in office employment density which can be driven by a range of factors, including nature of operation (e.g. Headquarters, Call Centre functions), age of accommodation and so on.

8.106 This approach to estimating demand, which is notably pre Liverpool and Wirral Waters, is driven by changes to net employment in

individual sectors, and there are, therefore, a number of factors which should be taken into account when interpreting these estimates:

- It does not capture potential demand for floorspace from those sectors undergoing net negative employment change. Sectors such as manufacturing, in which employment is expected to continue to decline, will still generate demand for new floorspace (e.g. from investment in new modern premises from both inward investors and existing occupiers) but the quantum of this cannot be included in a model driven by employment change.
- It does not take into account the need for the replacement of outworn stock or the appetite of the market to deliver new stock. This applies to all sectors.
- It does not take into account any future changes in average employment densities (for example, as the result of evolving working and employment practices).

8.107 These issues would need to be addressed through a detailed assessment of property market conditions. However, this approach does provide a good indication of the direction and pace of travel that property markets will be required to adopt in order to support future economic and employment growth and restructuring in the Liverpool City Region, under each of the scenarios considered through the development of the CRDP.

8.108 The CRDP scenarios are set out in Section 6 above (with a more detailed summary provided at Appendix 5). Table 8.4 below shows how the estimated level of B1 office accommodation under the baseline scenario in 2005, 2010 and 2020 under which the performance of the Liverpool City Region, relative to the North West and the UK as a whole, continues into the future.

Table 8.4 Estimated B1 Accommodation under the Baseline Scenario, Liverpool City Region

	GVA (£2003 m)	Jobs (000s)	Implied Occupan cy (m ft ²)	Change	
				m ft ²	%
2005	35,108	1,152. 2	56.53	-	-
2010	39,347	1182.8	57.95	1.4	3
2020	49,023	1,241. 0	64.97	7.0	12

8.109 Under the Baseline Scenario, total estimated B1 occupancy across the Liverpool City Region will need to rise from 56.53m ft² in 2005 to 64.97m ft² in 2020, a rise of 8.44m ft² or 15%. This implies an average annual increase in occupied B1 accommodation of 0.6m ft² (excluding the need to bring forward new accommodation to replace dated stock). The majority of this increased demand for office accommodation will be driven by the broad *Financial and business services* sector.

8.110 However, given recent and ongoing investment in economic development and regeneration, it may be expected that the Liverpool City Region will improve its performance relative to those of the North West and the UK. There will therefore need to be a major increase in the supply of new office space, to both accommodate increased employment and economic activity, as part of the ongoing renewal of the office stock and in order to provide the kind of higher quality office *product* required to support the growth of higher value-added activity.

8.111 As part of the development of the these Scenarios, Cambridge Econometrics have identified the *gross* impact of all strategic regeneration projects currently in or soon to enter the delivery phase, where these schemes are thought to be *above trend* (i.e. over and above what might be expected to happen under the trends-based Baseline scenario) and based on the assumption that each project reaches its full potential impact. As gross estimates, these estimates do not consider the potential for displacement (e.g. where a proportion of the jobs created in one project are at the expense of jobs that would otherwise be created elsewhere within the City Region). As such these estimates should be seen as overly optimistic but do give a good indication of the potential growth in employment.

8.112 These figures can be used to arrive at estimates of additional demand for B1 accommodation over and above the Baseline Scenario. These projects are estimated to generate an additional

114,000 jobs across the City Region by 2020, with strong growth in the Business and Financial Services sectors. Using our assumptions above, this implies an increase in occupied B1 accommodation of 9.2m ft² by 2020 over and above that implied by the Baseline Scenario.

8.113 Looking across all projects reviewed as part of the development of Scenario 2 and Scenario 3, Cambridge Econometrics estimate that displacement will be approximately 50%. Applying this to our gross estimates for additional floorspace we can produce a *rough and ready* estimate of a net increase in demand for B1 accommodation over and above the Baseline Scenario of circa 4.6m by 2020 i.e. an additional 13m ft² over and above estimated occupancy in 2005. This analysis excludes any consideration of the impacts of both Wirral and Liverpool Waters, both of which are modelled as not coming *on-stream* until after 2020.

8.114 It is clear that if the Liverpool City Region is to achieve the higher levels of longer term growth sought by partners there will be a substantial increase in the occupancy (and hence supply) of office accommodation. Some of this increase in occupancy will be accommodated through reduced vacancy levels, whilst some will be accommodated by an intensification of use of occupied stock. However, it is also clear that a major expansion in the volume of high quality office accommodation within the City Region is needed.

8.115 In order to meet the growth aspirations of partners in the Liverpool City Region, it will be necessary to attract or develop an increased representation of higher value functions, as well as higher value-added sectors. This will include regional, national and divisional headquarter functions as well as major service centres. The City Region will also need to attract, develop and retain a much stronger Small-Medium Enterprise (SME) body of companies in key growth sectors.

8.116 It is therefore vital that the City Region is able to provide both the volume and quality of office *product* such companies require, but also to create and provide business or investment destinations which offer a high profile, a strong and distinctive sense of place, vibrancy and prestige. There is evidence to suggest that the Liverpool office core is already constrained and demand in the short-to-medium terms will need to be accommodated via an expansion of the existing commercial district. The scope for Wirral to provide the scale and development and the profile of business environment required is currently highly limited, as a result of the quantity, quality, location and profile of the existing sites and premises. A major change in the nature and volume of the *supply-side* offer would be required for Wirral to play a leading role in City Region's office market.

Commercial Office Markets: Key Messages

- Nationally, commercial property markets have performed strongly over the last ten years, attracting increasing levels of investment and generating strong returns.
- Although performance has been strongest in the markets of London and the South East, the major regional office centres have also experienced major increases in take-up and development activity.
- The Liverpool office market has seen a substantial and sustained increase in take-up. This has been driven by growth in demand from the business, financial and professional services sectors. Good rental growth (both for Grade A and secondary space) has been achieved, and yields have fallen in recent years as investors have shown an increased interest in the city.
- Currently, the supply of Grade A space in Liverpool is limited. However, there is currently a strong supply of new accommodation in the pipeline (including a number of major speculative schemes).
- There is evidence that there are limited development opportunities within the traditional office core – much of which is in a conservation area. Increased confidence within the commercial market has led to a number of tall office building schemes coming forward in the Old Hall Street area.

- In terms of longer term supply, Liverpool Vision is currently working with partners to progress an expansion of their Commercial Quarter masterplan.
- Wirral is not currently recognised as a strong office market and development activity has been limited. This is reflected in low levels of take-up of employment land for B1 uses (with take-up in the 10 years to 2004 dominated by B2 and B8 uses). This limited provision of office accommodation has served to constrain the economic growth and restructuring of Wirral's economy.
- A number of recent schemes have been developed more recently, enabling Wirral to compete more effectively for and win new investment. However, these have required public sector support (which will be in reduced supply in the next few years), reflecting the continued weakness of the local office market.
- Economic scenario analysis suggests that a major increase in the supply of office accommodation across the Liverpool City Region will be required in order to meet the economic growth aspirations of sub-regional partners.
- It is vital that the supply of office accommodation across the Liverpool City Region is able to meet the requirements of occupiers in higher value added markets and engaged in higher value added activity. This will require a large amount of quality product in quality business environments, in particular within and close to the

existing city centre, well served by public transport, with attractive amenities and services.

- Peel recognise that attracting large scale commercial occupiers is essential to deliver Wirral Waters.

Retail Markets

8.117 In considering the baseline position for Wirral Waters and looking ahead to consideration of appropriate uses, it is necessary to understand the retail market and associated retail planning issues. This section therefore sets out national retail trends and influences and then considers local issues in further detail, including where Wirral shops, capacity issues, Birkenhead Town Centre and the need for a fresh retail study to inform the Wirral LDF.

National Influences and Trends

8.118 Retailing is notoriously variable in its fashions and changing success stories. Research on on-going trends in retail expenditure recently published by MapInfo in association with Oxford Economic Forecasting (the retail planning industry's main source of research information) shows that consumer spending has been erratic in recent months and has responded to short term fluctuations resulting from events such as the Football World Cup and Christmas shopping.

8.119 During 2006, consumer confidence did recover slightly from its low

point in 2005, but MapInfo report that there is still some pessimism about the outlook for the general economy and consumer spending as interest rates, and household utility bills, have continued to rise. The recent interest rate rise to 5.25% will have underlined this pessimism.

8.120 The particular trends that will affect shopping patterns in the Wirral can be summarised as follows:

- Comparison goods account for the majority of household spending, and annual growth rates in this category have been higher compared to convenience goods. Nevertheless convenience goods businesses (particularly the larger superstores) have been expanding their business by taking a share of the non-food comparison good market to compensate for sluggish growth in the convenience sector.
- Price deflation has been occurring in the retail economy since 2000, and prices have fallen at an average annual rate of 0.6%, particularly amongst comparison goods. Prices of domestic appliances, audio and other electrical equipment have fallen since 1993, but the largest falls have been in the last 5 years in line with changes in technological advances and the movement of production to lower cost countries.
- Whilst continuing growth in real terms is anticipated in the non-food and comparison goods market, MapInfo forecasts a slight increase in the long term trend rate from 3.6% to 3.8%, with even higher levels more likely if recent trends are set to continue. Demand in particular

for household goods is expected to increase as housing construction and home ownership continues to rise, and growth is expected within the recreational goods and services to remain robust.

8.121 A further key trend that many commentators, including recent BCSC research, identify is the polarisation occurring both in terms of investment in new development and in shopping patterns amongst town centres. The larger centres are becoming more dominant (for example Liverpool, Chester and Cheshire Oaks) whilst the smaller centres are losing market share (including Birkenhead Town Centre), as explored below.

8.122 Those centres with easy accessibility from a wide catchment area (these tend to be out-of-town stores and centres such as Cheshire Oaks and the retail parks in the Wirral) will always have an advantage over traditional town centres, where access is more constrained, parking difficult and expensive, and space constraints make expansion difficult to implement (Birkenhead again being a prime example).

8.123 In many parts of the country, strategies for new investment in town centres, encouraged by government policy, are leading to increased competition amongst those centres for that new investment. Areas in need of regeneration such as Birkenhead need to secure their future role by encouraging new investment on a scale that will make an impact, and in a format that will be commercially viable.

8.124 The RTP study for Wirral Council has already set out one option for such investment which is to target an expansion of Birkenhead Town Centre's market share.

Wirral's Retail Catchment

8.125 With a population of 320,000, Wirral presents a substantial retail market. The RTP study estimated that the total comparison expenditure generated by this population amounted to some £737m at 2003.

8.126 The profile of the overall catchment area, upon which existing businesses and future developments rely for day to day business, is predominantly mid to lower market. There is however a relatively low presence of managerial and professional households in the area compared with the UK average (17.8% compared to 21.7% nationally), and a consequently higher proportion of semi-skilled and skilled manual households including those on state benefit. Car ownership is lower than average and unemployment levels area above the national average. There is also a predominance of public sector organisations in the employment profile of the area.

8.127 The borough-wide analysis does however hide major imbalances of fortunes within Wirral. These are explored in **Appendix 5**. Issues of major deprivation, low earnings and low skilled employment in East Wirral means that the immediate catchment for Birkenhead is less affluent and mobile than the remainder of (West) Wirral.

Where Wirral Shops

8.128 The main source of retail information is the Roger Tym & Partners' "Wirral Retail Strategy" March 2004. This is a comprehensive study of shopping patterns in the Wirral and employed a household survey carried out throughout the Wirral area in 1,500 randomly selected households.

8.129 Further information is available from the Regional Spatial Strategy (RSS) undertaken by White Young Green in 2005. In addition, used has also been made of published market research such as Focus and Javelin.

8.130 One of the fundamental drivers of shopping patterns in the area is the provision of convenience food shops and superstores within the Borough. These enable the Borough to be very self-contained for its regular food shopping trips, in contrast with a relatively low retention of its comparison, non-food shopping expenditure.

8.131 The RTP surveys in 2004 showed that Birkenhead Town Centre, other smaller centres and retail parks in the area only managed to retain 55% of comparison spending generated in the catchment area: see Table 8.5.

Table 8.5 Where Wirral Shops

Centre/Park	Floorspace (1) (sq m)	Share of OCA Comparison Spending 2003(2) (%)	Turnover 2003 (3) (£m)
Birkenhead/Roch Retail Park	74,500	33.8	288.2
Liverpool	N/A	18.9	N/A
Chester	N/A	9.0	N/A
Bromborough Village/S	8,100	8.0	74.6
Wirral/ Craft Retail Park			
Liscard	27,600	4.5	37.8
Cheshire Oaks	N/A	4.2	N/A
Chester Retail Park	N/A	1.5	N/A
B&Q Ellesmere Port	N/A	1.5	N/A
Birkenhead Grange Road W/ Oxton Road	4,600	1.5	12.2
Heswall	14,900	1.3	11.0
Bidston Moss Retail Park	N/A	1.3	N/A
West Kirby	11,900	1.1	8.9
Ellesmere Port Town Centre	N/A	1.0	N/A
Broughton Retail Park	N/A	1.0	N/A
Hoylake, New Ferry, Preston and Moreton	38,800	0.8	7.4
Other Centres/ Parks	N/A	6.2	N/A
Catalogue and Internet	N/A	4.4	N/A
Total	N/A	100.0	N/A

Sources & Notes:

- (1) Wirral Centres – based on RTP 2004 and include “net” convenience, comparison, service and vacant floorspace.
- (2) RTP2004, Table CGB2: shares are the proportion of spending on comparison goods, (£832m), generated by the population living in the Wirral’s, “Overall Retail Catchment Area” (OCA – 321,000).

8.132 A factor of retailing life in the Wirral is that any existing or proposed scheme has to compete with major competition. Table 8.6 below sets out the key facts illustrating the scale and value of retailing in each of the main city and town centres:

Table 8.6 Hierarchy of Main Centres Serving Merseyside, 2003/04

	Total Floorspace (sq m)	Prime Rent £ per sqm	UK Ranking
Liverpool	169,650	£2,960	14
Chester	145,500	£2,152	22
Southport	132,554	£861	62
St Helens	c.90,000	£1,076	92
Birkenhead	87,000	£1,022	98
Widnes	c.57,000	£538	329
Runcorn	c.50,000	£645	435
Wallasey (Liscard)	c.48,000	£592	1,545
Bootle	c.35,000	£700	229

Source: WYG “Town Centre Assessment Study”, based on Management Horizons Europe, Experian Goad and FOCUS Database

8.133 **Birkenhead Town Centre** is the major comparison goods centre serving the Wirral. However the RTP study shows that it attracts only 34% of spending and that there is strong evidence of weaknesses in the town centre offer. Although local consumers might always be expected to travel to higher order centres such as Liverpool City Centre for part of their comparison shopping needs it is likely that this low retention rate also reflects a high outflow of expenditure to out of centre stores and a consequent presence of unsustainable shopping trips. With a total gross floorspace of 87,000 sq m and rents at half the level of those in Chester and almost two-thirds of those in Liverpool City Centre, Birkenhead town centre does not have the same appeal and strength as its competitors. The Wirral Retail Study 2004 found that Birkenhead had lost ground in the wider regional hierarchy since the mid-1990 as a result of investment

in competing centres like Chester, Liverpool and particularly the competition posed by large out-of-centre developments. This position is likely to deteriorate further once Liverpool One (Paradise Street) is fully open in Liverpool City Centre...

8.134 At present, two thirds of the retail floorspace in Birkenhead is accounted for by two shopping centres: **The Grange** (513,000 sq ft) and **The Pyramids** (160,000 sq ft). Both are owned by Agora Shopping Centre Fund (a joint venture between Warner Estates and Bank of Scotland). The tenants are high street brands like Next, Marks & Spencer and River Island, plus a small food court. They currently share a paid car park with about 750 spaces. There is an indoor market with over 300 stalls, including specialist food traders. The market was rebuilt and moved to its present location during the 1970s after the 19th Century market was destroyed by fire.

8.135 Overall, the retail offer in Birkenhead is relatively weak, particularly in the higher order fashion/ quality boutique segments, suggesting that Wirral residents who are spending in these categories are doing so elsewhere.

8.136 Additionally, there is a large amount of new retail stock currently planned in nearby centres. In total, there could be over 200,000 sq m of new floorspace developed in the next few years from a number of schemes as reviewed below. That is equivalent to between two and three centres the size of Birkenhead Town Centre. Development issues in respect of Birkenhead are explored below.

8.137 **Liverpool City Centre** attracts just under 20% of the Wirral's comparison goods expenditure. It has an improving retail offer after years of underinvestment, including the high profile recently completed Met Quarter, which is mainly occupied by fashionable clothing brands. Liverpool itself currently offers just 170,000 sq m of retail floorspace (that is over 1.8m sq ft). Prime rental levels are also high at £2,900 per sq m (£275.00 per sq ft) and the city centre already is in the UK's Top 20 in terms of its retail ranks.

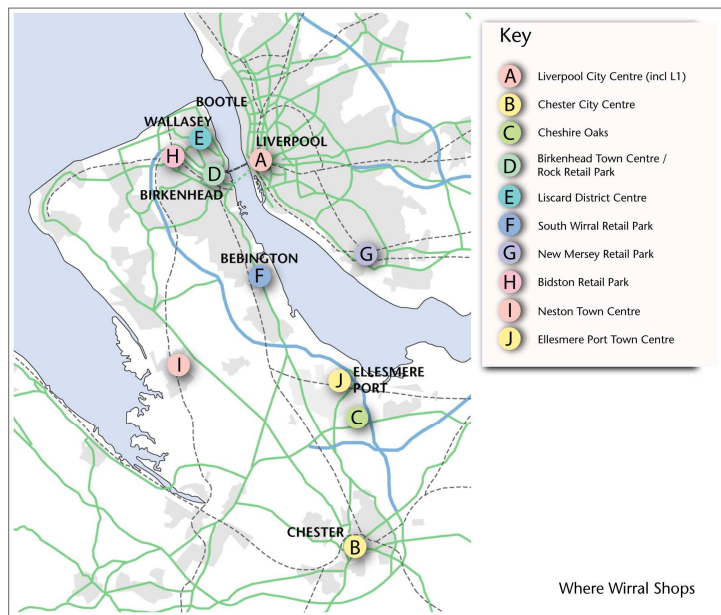
8.138 The Paradise Street development (Liverpool One Project) in the city centre will enable the city's position to rise substantially. It will include three new department stores (with John Lewis and Debenhams as anchor tenants), together with a large range of new fashion stores and comparison goods retailing supported by extensive restaurants, cafés and leisure facilities including an Odeon cinema. It is expected that Liverpool's ranking will move up into the Top 10 UK centres as a result of the opening of Liverpool One.

8.139 **Chester City Centre** is an historic central shopping precinct with a cluster of upmarket and specialist retailers. It also has a daily market, two shopping centres and a good range of mainstream mid-market brands. Chester City Centre currently comprises 145,000 sq m of town centre floorspace and rents not far short of those achieved in Liverpool (£2,152 per sq m). The Northgate scheme is 44,000 sqm including a House of Fraser. Planning permission has been granted although a CPO could delay implementation.

8.140 **Cheshire Oaks** is less than thirty minutes drive from Birkenhead. It is a vast designer outlet shopping centre, the largest in the country, operated by McArthurGlen. It comprises 140 retailers ranging from high street fashion to sporting goods to homewares. It is the second most visited out of town shopping centre in the region

8.141 Figure 8.1 below shows the retail locations that influences where Wirral shops.

Figure 8.1 Where Wirral Shops



Redevelopment of Birkenhead Town Centre

8.142 In view of its poor performance Birkenhead is in need of major investment to recapture its proper status as sub-regional centre with “sustainable high quality retail facilities”. Initial discussions with Warner Estates, owners of the **Pyramids and Grange Shopping Centres**, have indicated that there are no plans for large scale redevelopment or significant changes to the overall offer, although minor improvements are being considered.

8.143 Wirral Council and Peel Holdings are supportive of any proposals to redevelop/improve Birkenhead’s two shopping centres. Such development would assist in securing the long term viability and sustainability of Birkenhead town centre, and is important to Wirral Waters, which will need to establish effective links with the town centre. It will also help to ensure a critical mass of retail, leisure and office attractions across inner Birkenhead.

8.144 This should allow Birkenhead to address some of the key issues it currently faces, including:

- Main stores are generally too small to compete against larger modern city centre formats in nearby centres;
- Poor quality services (cafés, restaurants) discourage higher spending shoppers;

8.145 Birkenhead town centre’s future ability to compete significantly with

surrounding centres will however hindered by a number of constraints, including:

- Physical constraints of the road network, in particular flyovers;
- Poor quality environment (especially on entrance roads) and lack of management;
- Traditionally low to mid market pitch, with discount/value stores as the main attraction. Changing the pitch will be a significant challenge;
- The centre’s position has worsened through 2002-2004, and current demand for retail premises in Birkenhead is low as the latest survey shows:

Table 8.7 Retail Demand in Birkenhead

	No. of Requirements	UK Ranking
2006	28	321
2005	35	238
2004	36	205
2003	34	207
2002	22	275
2001	30	196
2000	32	186
1999	28	193
1998	36	156
1997	38	148

Source: Town FOCUS Report, November 2006

8.146 It is however expected that significant improvements can be made in the quality of the centre, even if the “pitch” remains broadly similar. Some increase in quantity may also be possible, with an additional 150,000sqft being discussed (source: EGi, 13 February 2007).

8.147 Alongside the redevelopment of the Grange and Pyramids shopping centres, two other significant sites have been promoted, one in the town centre and one at (or beyond) the edge of the town centre.

8.148 The **Oliver Street Car Park** site is proposed for a 75,000sqft food superstore and the Council has recently resolved to grant permission (subject to the completion of a legal agreement) for a revised scheme on the site. Although convenience expenditure leakage is not a major issue the implementation of this proposal would clearly assist in building up the critical mass of the town centre.

8.149 The other significant proposal is in the **Hind Street regeneration area** to the south of the town centre, which is proposed for retail warehousing. Planning permission for this development is now in place. The implementation of these proposals will add to the retail offer within Birkenhead. However as retail warehousing development, the proposal will have limited potential to strengthen the town centre to any major degree.

8.150 Although new investment in Birkenhead is to be welcomed, it seems

unlikely that, on their own the proposals for Oliver Street and Hind Street will result large numbers of new shoppers visiting the town centre in preference to other centres or achieve any significant reversal of the current levels of expenditure leakage. The need for further investment and development which can transform the content and appeal of Birkenhead town centre and thereby achieve the objectives set for the town centre by national and regional policy is therefore likely to remain.

8.151 Overall there seem to be few opportunities within or immediately adjacent to the town centre that would provide the opportunity for a new shopping development of any substantial scale. Certainly it seems unlikely that there is scope for a new shopping development of a type and scale that has real potential to make a major impact on current shopping patterns. In the absence of such a major, transformational development in Birkenhead, the effect of the major schemes which are already underway, for example in Liverpool and Chester, is likely to be that substantial comparison shopping expenditure will continue to flow out of the Wirral area and that this leakage may increase rather than decrease.

8.152 To summarise, the issues affecting Wirral Waters from a retail perspective focus largely on defining a future realistic and achievable role for Birkenhead Town Centre. The RTP study carried out in 2004 identified the strengths and weaknesses of Birkenhead and quantified its future capacity requirement based on very modest aspirations. What it did not seek to do, however, was identify a

vision or future role for Birkenhead and Inner Wirral, which could help to shape and guide the type of new investment that should be attracted.

8.153 The study did recognise the problems of attracting investment to the town centre and suggested that, if this cannot be achieved, the Council should promote comparison goods development in out-of-centre locations.

8.154 In view of the continuing poor performance of Birkenhead town centre relative to competing locations, and the substantial leakage of shopping expenditure from the Wirral area, it is considered that a wider analysis of Birkenhead Town Centre's future role, which takes account of its cultural, educational, residential and other attractions, is required. This will properly consider where Wirral should seek to position itself in the retail hierarchy.

8.155 The Council has been addressing these issues and is committed to undertaking a retail/leisure/town centre study as key evidence to its Core Strategy and Land Use Allocations. The comprehensive and holistic approach which the new Local Development Framework (LDF) system encourages will help to crystallise realistic options for the future of the town centre.

Review of Capacity for Retail Developments

8.156 As noted above, Wirral experiences **major leakage of comparison goods** spending with up to 45% of all spending taking place outside of the Borough. The main beneficiaries of this leakage are Liverpool City centre (42% of all leakage) and Chester City centre (20% of all leakage). A smaller amount of leakage (9%) goes to Cheshire Oaks.

8.157 The capacity for major new non-food retail development is driven by growth in retail expenditure. Peel has reviewed the RSS study by White Young Green and the Wirral Retail Study 2004 by RTP. The full review is contained in Appendix 1. **Peel’s key comments on these previous retail studies are set out below** – these are provided to inform the debate about future retailing in Wirral and the approach sought to the next Wirral Retail Study, due to be commissioned in early 2008. **The Council considers that it would be premature to either endorse or not support the following points relating to the previous studies and Peel’s suggested approach to the next Retail Study,** but they are presented in the Baseline Study for completeness, to inform the future debate about retailing. The Council has confirmed that it will take an objective approach to the Study, and will appoint consultants to advise on the formulation of options and the identification of a vision and strategy for an appropriate position for Wirral and Birkenhead in the retail hierarchy, alongside the wider regeneration of the area.

8.158 The RTP and WYG studies show that expenditure growth in the next five years is already committed to supporting existing developments

in Birkenhead, Liverpool City Centre and Chester City centre. The Wirral study predicts little capacity for major development outside Birkenhead town centre until after 2011 and the RSS study mirrors this by suggesting that Merseyside commitments will soak up capacity until beyond 2010.

8.159 Table 8.8 illustrates the range of forecasts that could be available to support further development in the Wirral:

Table 8.8 Forecasts of Comparison Goods Capacity for Wirral’s Centres

	(A) Constant Share	B (Increased Share)	(C) Reduced Share
(A) Wirral Centres			
1. Growth in OCA Spending (2003-2011):	+£324.4m	+£324.4m	£324.4m
2. % Retained for Wirral’s Centres:	55%	60%	50%
3. Amount Retained:	£179.0m	£236.9m	£121.2m
4. Less Claims on Capacity:	-£92.8m	-£95.7m	-£89.9m
5. Residual to support new development:	=£86.2m	=£141.2m	=£31.3m
6. Floorspace equivalent (net sales) sq m	26,700	43,700	9,700
(B) Merseyside Centres (includes Liverpool, Sefton, Southport, Huyton and Wirral)			
	2010	2015	2020
1. Surplus Spending	£383m	£885m	£1,665m
1. Floorspace equivalent (net sales sq m)	102,000	218,000	375,000
2. Less Commitments	- 123,000	- 123,000	- 123,000
4. Residual floorspace capacity (net sales sq m)	- 21,000	95,000	252,000

Notes:

- (A) Wirral (RTP 2004)
- 1. Growth in OCA population and spending increases (at 4.2% per person per year).
- 2. Retention scenarios reflect RTP options.
- 4. Claims include allowances for increased sales for existing businesses, reduction in vacancy levels, increases in intranet shopping and committed floorspace.
- 6. Derived from “Residual” (5) at a ratio of £3,230 per sq m net sales.



- (B) Merseyside (WYG 2005)
1. Surplus spending to Merseyside is based on assuming it retains a constant 15.9% share of the North West Region's forecast spending. Spending growth forecast at 3.7% pcpa.
 2. Derived from surplus spending at a ratio of £3,770 per sq m in 2010, increasing by 1.5% per year thereafter.
 3. Commitments are mainly the Paradise Street project in Liverpool.

8.160 In considering these forecasts it is however important to note a number of the key assumptions which are adopted in the RTP and WYG studies. First, the WYG study assumes that all existing centres maintain their current share of the expenditure available within their defined markets catchment, whilst the RTP Study, for the Wirral centres, assumes a very modest increase in market share.

8.161 Secondly the scope of both studies is such that they look at capacity based on the expenditure forecasts only, and do not go on to how the market shares currently enjoyed by Birkenhead and the other Wirral centres could be increased to any significant degree. For example the RTP study estimates what additional floorspace might possibly be accommodated if the borough's market share was to increase from the current 55% to 60%. However it was not part of the brief to set out an assessment as to the type and quality of new shopping development that would be required to enable the Borough to achieve this increase in market share, and the additional 43,700 sq m (net sales) area of floorspace that RTP estimate that this increase would support is given only as a possibility rather than as a target that the Council should aim for.

8.162 The key point here is that any significant increase in market share can only be achieved through the provision of a quantum and quality of new shopping development that provides effective competition with those stores and centres to which substantial expenditure is leaking, The development of new floorspace which does not properly achieve this competing shopping offer is only likely redistribute the expenditure that is already retained in the catchment. It may not therefore succeed in increasing the market share. The briefs for the RTP and WYG studies were limited in their scope and purpose, and did not include consideration of how any material change in market share could be achieved. This is an issue that will need to be explored in the Council's consideration of options in its LDF evidence and DPD formulation.

Key Retail Issues for Wirral Waters and Wirral LDF

8.163 On the basis of the above analysis, current retail issues for Wirral Waters and the Wirral LDF are as follows:

- Current capacity forecasts do not allow for major retail development in an edge or out of centre locations in Wirral until after 2011. The predicted growth in convenience goods expenditure is provided for by the grant of permission for a major new food store within Birkenhead town centre;
- Based on the previous study, in the period from 2011 to 2015,

comparison goods expenditure is forecast to grow significantly;

- Birkenhead has been identified as a weak, middle to low order centre in need of investment to stem expenditure leakage to higher order centres. Development opportunities within the town centre are limited to the Oliver Street convenience store and aspirations by Warner Estates for enhancement of the Grange and Pyramids but with limited opportunity for the creation of a significant volume of additional floorspace.

8.164 It is considered that the opportunities for new investment in retail infrastructure in Wirral require a more thorough assessment than has been made so far, particularly in the light of aspirations for Wirral Waters and the limited opportunities for major development in Birkenhead town centre. With competition growing nearby, both in Liverpool and elsewhere, the identification of new retail investment opportunities for the Wirral will be the more important if the outflow of expenditure is to be stemmed or reversed. Any such opportunities do therefore need to be thoroughly assessed, in the context of realistic visions and targets for Birkenhead, and Wirral's other town centres, so that the benefits of the investment are maximised for all stakeholders – including shoppers, businesses and investors.

8.165 An updated analysis of retail capacity is to be undertaken in 2008 by Wirral Council as part of the evidence base for the LDF. This will entail a fundamental review and assessment in order to provide for a full and coherent exploration of options for growth and

development in both retail and leisure provision in Wirral, including the exploration of development options for Wirral's town centres and other major retail and leisure opportunities like Wirral Waters.

8.166 A study which is limited to being an update of the earlier expenditure estimates is likely to result in a rolling forward of the previous forecasts of capacity because market shares are unlikely to have increased since the last study and may indeed have fallen further (because there has been no major investment in the intervening period and because other competing centres have continued to growth in their relative strength and attraction).

8.167 Accordingly the new study will need to consider what the future is for retailing in Birkenhead in particular, beyond that it is to be one of the region's 24 defined centres where facilities should be enhanced and encouraged to provide a high quality retail offer. Goals should be set and assessments made of how Birkenhead will achieve them, what sectors of the retail, or indeed other commercial leisure or cultural markets, might be targeted to achieve these objectives. An analysis should also be made of whether the objectives themselves are achievable.

8.168 Future scenarios will need to test what is likely to be the most appropriate and realistic development strategy; how such a strategy might create a range and adequate supply of retail facilities to meet the needs of the Borough over the next 15- 20 years; how opportunities both within and adjacent to existing centres and in

new areas such as Wirral Waters can be brought forward in a complementary way; and how any retail and leisure development at Wirral Waters can serve to act as a regional/sub-regional destination, attractor of new urban workers and residents, and provider of new infrastructure and public realm.

8.169 Key questions will relate to Paradise Street – and other planned developments – which may increase leakage from the Wirral; so how far can new development on the Wirral be allowed to fight back? Similarly, how far can, or should, a development strategy go before impacts become critical in planning terms?

8.170 These are the key questions that need to be tested and examined in a new shopping study for the Wirral. At the same time it should also test the effects of alternative population and household growth strategies in the area together with updating spending forecasts and examining the sensitivity of the forecasts to possible changes in internet shopping etc.

8.171 In progressing with its Stage 3 and 4 work, Peel will carefully consider proposals involving retail and leisure uses, and consult with stakeholders on achieving the following objectives:

- Ensure retail/leisure do not threaten the viability/vitality of existing centres (particularly Birkenhead) and as far as possible actually complement existing centres, through increasing population, increasing spending power and making Wirral a more attractive

place to visit and shop in the wider sense;

- Create a high quality destination, that will itself attract investors and occupiers (and residents) to the area, thus stimulating the local economy and underpinning existing retail functions;
- Maximise accessibility by sustainable modes of transport; and
- Deliver maximum regeneration benefit through local employment creation and the cross-funding of infrastructure and public realm, which may include investment in facilitating the high density mixed-use opportunity at East Float.

Leisure, Tourism, Culture & Entertainment Markets

A Growing Market

8.172 The successful realisation of a major urban regeneration opportunity at Wirral Waters will require consideration to be given to the role that the leisure, culture and entertainment markets can play in creating a living, working and visiting destination.

8.173 A 'tourist' visit is usually defined as a trip away from the traveller's normal place of residence with at least one night away. They are otherwise known as 'staying visitors' (as opposed to day visitors, who are visiting from home). The main national surveys typically

underplay the significance of visiting friends and relatives and business tourism - both rapidly growing markets.

8.174 The most recent national survey, the 2002/3 Leisure Day Visits Survey, indicated that approximately 1.1 billion tourism day trips were made from home in Great Britain. The survey also indicated that:

- Average spend per trip is about £28;
- Trips lasted an average of about 3.5 hours, with an average of just under 2.5 hours spent at the destination;
- The car was the chosen mode of transport for three trips in every five;
- Most day visits were made to a town/city (70%). About a quarter were to the countryside and 5% were to the seaside/coast;
- The average distance travelled for trips varied by destination: town/city (13 miles), countryside (19 miles), and seaside/coast (30 miles); and
- The most popular activities undertaken on day trips are eating and drinking, shopping and visiting friends and relatives. Only around 3% of trips are made to see a visitor attraction.

8.175 In 2006 Wirral Council commissioned visitor research by Ipsos MORI. The research included a telephone survey and focus groups targeted at potential visitors. The findings suggest that:

- Almost two in five potential visitors have visited Wirral on a day trip in the past five years. This is a comparable market penetration to the Peak District but below the major regional destinations of Liverpool (55%) Manchester (58%), North Wales (65%) and Chester (67%).
- About one in five potential visitors had taken a short break in Wirral in the last five years, compared to 60% visited the Lake District and 62% who North Wales.
- Non-visitors lacked awareness and knowledge of Wirral as a destination. More than 40% did not know what they would do on a visit to Wirral, compared to 16% who said they might cycle or walk on the sea front and 15% who might go shopping.
- Having examined marketing material for Wirral, participants in the focus groups regarded the coast and countryside as the main attractions (more so than cultural and historical attractions).

8.176 The MORI research also included an on-site visitor survey. This suggests that:

- Most visitors (80%) were on day trips. Of those staying overnight in Wirral about two-thirds were staying with friends and relatives
- Wirral attracts a high proportion of repeat visitors who live in the area or nearby – many of the respondents were local residents making one trip out from home
- Average spend at the site of the interview was £14 and spend in the rest of Wirral was £22.
- About two in five respondents had visited a coastal or country park in the last year. Lady Lever Art Gallery and Port Sunlight were the most popular cultural and heritage attractions.

A Large Catchment Population

8.177 Counting cumulatively, about 1.6 million people live within a half-hour drive and about 6 million within a one hour drive of the Birkenhead Docks. However, many of these people reside on the Liverpool side of the Mersey. Despite the ease with which it can be traversed, the Mersey acts as a psychological barrier and, to a lesser extent (because of the toll), as a financial barrier. Additionally, as demonstrated in Section 6 the Socio-Economic context, the local area is not prosperous.

Table 8.9 Estimated population within different drive time zones

Drive Time Zone (minutes)	Approximate Population
0 to 15	600,000
15 to 30	1,040,000
30 to 45	1,550,000
45 to 60	2,680,000

Source: Locum Consulting

Figure 8.2 Drive time zones originating from Birkenhead Docks



Source: Locum Consulting

8.178 Beyond a 60 minutes drive time, the business market within a 90 minute catchment is 6.5 million (source: NWDA/Wirral Council).

The Liverpool Opportunity

8.179 Liverpool is the 6th most visited city in the UK by overseas visitors and has risen up the league table of UK towns and cities over the last few years.

Table 8.10: Visits to Liverpool by Overseas Visitors, 2005

<i>Year</i>	<i>Visitors</i>	<i>Ranking</i>
2005	438,000	6
2004	210,000	16
2003	270,000	= 9
2002	190,000	15
2001	130,000	= 18
2000	190,000	14

Source: International Passenger Survey

8.180 Liverpool's increasing success with overseas tourists is probably a function of a number of factors:

- Publicity from Liverpool's success in becoming European Capital of Culture in 2008 (albeit, when questioned in 2005, most visitors to Liverpool, although aware of the Capital of Culture title, stated it had not influenced their decision to go);
- Rapid growth of the Liverpool John Lennon Airport. In 2004 the Airport recorded 3.3 million passenger movements. A gateway survey revealed 60% of inbound passengers planned to spend

some time on Merseyside. However, seven out of every eight passengers is a UK resident;

- Rapid growth in the quantity and quality of hotel accommodation;
- General regeneration and improvement in image; and
- Designation of the waterfront area as a UNESCO World Heritage site (although only 36% of visitors were aware of this status).

8.181 Mersey Ferries will be key in terms of attracting a significant number of staying visitors in Liverpool across to Wirral Waters. Many visitors to the Liverpool take a river 'cruise', which stops at terminals in Woodside and Seacombe. One of the objectives of the new Spaceport attraction at Seacombe is to give people a reason to get off the ferry.

8.182 The RoRo Ferry Terminal in Birkenhead offers some potential for visitors to Wirral, but currently there is a limited amount of passenger accommodation on the ferries and the main focus is on freight transport. It is usually difficult to persuade ferry traffic to stop locally because people tend to be focused on their ultimate destination.

Domestic Visitors to Merseyside

8.183 The UK Tourism Survey is a national survey, carried out on a continuous basis. It monitors the number of trips, involving one night or more away from home, made by UK residents to UK destinations. It records that, in 2005, there were about 4 million trips to Merseyside, each involving an average stay of 3 days. About 50% of this total were visiting friends and relatives.

Overseas Visitors to Merseyside

8.184 The volume of trips made to the UK from overseas has doubled since the early 1980s, although the rise tailed off after sterling appreciated in value against most currencies in 1997, and, as in the domestic market, much of the increase is people visiting friends and relatives and business tourism.

8.185 Overseas tourism across the North West has recovered from the crises of 2001. A total of around 540,000 international visitors came to Merseyside in 2005, staying for an average of 7 nights. Approximately 200,000 of these were not on business or visiting friends or relatives.

Business Tourism

8.186 The volume and value of the conference business in Merseyside has increased rapidly over the past decade. In 2004 The Mersey Partnership handled 714 conference enquiries. The new Kings Dock

Arena will bring about a step change in the provision of conference facilities in Liverpool City Centre.

Figure 8.3 Kings Dock Arena



8.187 Business tourism is one of the main sources of business for the new hotels that have proliferated in Liverpool, although they also do well on short breaks to the city and on people visiting for the football and for weddings and other social functions.

Visitors to Wirral

8.188 The most recent economic impact assessment (in 2006 using the STEAM model) suggests that day visitors made about 10.7 million trips to Wirral and staying visitors about 670,000 trips.

Table 8.11 Estimated number of visitors to Wirral

	2003	2004	2005	2006
Serviced Accommodation	185,000	168,000	168,000	200,000
Non-Serviced Accommodation	14,000	18,000	17,000	18,000
SFR	479,000	485,000	484,000	484,000
Day Visitors	9,043,000	9,985,000	10,600,000	10,699,000
Total	9,721,000	10,655,000	11,268,000	11,401,000

Source: Wirral STEAM 2006.

8.189 The economic impact assessment estimates that visitors to Wirral generated £194 million for the local economy, including £43 million on food and drink, £11 million on recreation and £29 million on shopping.

Visitor Accommodation

8.190 Wirral has a number of good quality “traditional” hotels such as the Hillbark, Thornton Hall and Peel Hey. However, there is a shortage of the type of hotel that is popular in current market conditions – modern business-oriented hotels with a strong short break leisure offer at weekends. The majority of establishments in Wirral are small and at the lower end of the quality range but standards are improving. Most visitor accommodation in Wirral is now graded. Table 8.12 below sets out the number of establishments and rooms in Wirral, compared to other Merseyside areas.

Table 8.12 Serviced accommodation stock in Wirral and other areas

	ESTABLISHMENTS				ROOMS			
	10 Rooms	11 to 50 Rooms	50+ Rooms	Overall Total	10 Rooms	11 to 50 Rooms	50+ Rooms	Overall Total
Knowsley	1	3	4	8	2	108	275	385
Merseyside Port And Neston	7	5	4	16	37	143	299	479
Halton	8	9	4	21	37	243	446	726
Wirral	31	25	5	61	170	517	343	1,030
Sefton	61	29	5	95	443	530	430	1,403
Chester	131	31	15	177	567	743	1,582	2,892
Liverpool	33	28	23	84	192	622	3,019	3,833

Source: Distribution of tourist accommodation by area; NWDA; 2006.

8.191 The Mersey Partnership uses a research tool called the LJ Forecaster to estimate occupancy levels and bookings at hotels based on a small sample of participating establishments. The October 2007 report estimates average occupancy at 72% for the year to date. Wirral occupancy rates are understood to be higher than those for Liverpool.

Cruise Passengers

8.192 Wirral Waters may derive some tourism benefits from the new Liverpool cruise terminal. The north European cruise market has expanded rapidly over recent years as new port facilities become available. However, most of the business generated by cruise passengers is likely to be from people getting off a ship. To attract high value staying visits to hotels Wirral Waters would need to be



positioned as a point of embarkation rather than merely as stop-off point. Wirral Waters' role could however for example involve the provision of a major leisure attraction for cruise passengers.

8.193 The recently announced Liverpool Waters scheme, at Central Docks in Liverpool, may offer better potential for serving the cruise market. Assessing the potential of the cruise market for Wirral Waters and Liverpool Waters will require further work and discussion with The Mersey Partnership and other partners.

Regional Research

8.194 The Northwest Regional Development Agency commissioned research in 2006 about the popularity of destinations around the region for "special trips". Via an internet panel survey, 2,000 people living in and around the region were asked which of 65 listed destinations they had visited in the past 2 years. The table below shows the proportion who claim to have visited each destination.

Table 8.12 Visits to individual destinations

Ranking	Destination	% Visited in last 2 years	Ranking	Destination	% Visited in last 2 years	Ranking	Destination	% Visited in last 2 years
1	Lake District	65%	25	Leeds	25%	44	Bolton	13%
2	Blackpool	56%	25	Harrogate	25%	46	Clitheroe	12%
3	Manchester	51%	25	Fleetwood	25%	46	Wirral	12%
4	York	50%	26	Newcastle	24%	46	Ironbridge	12%
5	Chester	47%	27	Morecambe	23%	49	Wigan	11%
5	Blackpool Pleasure Beach	47%	28	Lancaster	21%	49	Knutsford	11%
7	Trafford Centre	43%	29	Salford Quays	20%	49	Bamburgh	11%
7	North Wales Resorts	43%	30	Knowsley Safari Park	19%	52	Eden Valley	10%
9	Yorkshire Dales	41%	30	Nottingham	19%	52	Stockport	10%
10	Southport	40%	32	Bakewell	18%	52	Ostwaldtwistle	10%
11	Peak District	39%	32	Tatton Park	18%	52	Nantwich	10%
12	Liverpool	38%	32	Preston	18%	52	Hoylake	10%
12	Kendal	38%	35	Carlisle	17%	57	Barrow in Furness	9%
14	Keswick	34%	35	Sheffield	17%	57	Settle - Carlisle RWay	9%
15	Chester Zoo	33%	35	Hadrians	17%	57	Bradford	9%
16	Scarborough	31%	38	Kirkby	16%	60	Birkenhead	8%
17	Cheshire Oaks	30%	38	Botany Bay	16%	60	Blackburn	8%
17	Snowdownia	30%	40	Durham	15%	60	Whitehaven	8%
17	Alton Towers	30%	40	Forest of Bowland	15%	63	St Helens	7%
20	Whitby	29%	40	Delamere	15%	64	Oldham	6%
20	Albert Docks	29%	43	Grange Over Sands	14%	65	Rochdale	5%
22	Lytham	26%	44	Warrington	13%	65	Burnley	5%

Source: Locum Consulting Market Segmentation Study for NWDA; 2006.

8.195 The research showed the relative strength of major retail destinations – 30% reported at least one visit to Cheshire Oaks and 43% at least one visit to the Trafford Centre during the last two years. By contrast, only 8% of the surveyed population reported visiting Birkenhead during the previous two years and only 12% of respondents reported visiting Wirral.

Visitor Attractions – Liverpool

8.196 Liverpool has a relatively high number of attractions for a city of its size. This is a legacy of the city's rich history and a result of the efforts over the years to stimulate regeneration. Most attractions are free and many have a local heritage or maritime theme. With the exception of Mersey Ferries, the ticketed attraction with the most admissions in the city centre is the Beatles Story with about 140,000 visitors, which is not high in a national context.

8.197 The cluster of iconic cultural and heritage attractions around the Albert Dock is internationally famous – the Merseyside Maritime Museum, The Museum of Liverpool Life, the Tate Liverpool and the Beatles Experience.

Table 8.13 Visits to attractions in 2006 (limited list)

<i>Attraction</i>	<i>District</i>	<i>Visitors</i>	<i>Entry</i>
Albert Dock	Liverpool	6,000,000	Free
Tate Liverpool	Liverpool	557,002	Free
Mersey Ferries	Liverpool/ Wirral	546,872	Varies
World Museum	Liverpool	524,032	Free
Knowsley Safari Park	Knowsley	512,962	£8.00
Merseyside Maritime Museum	Liverpool	439,318	Free
Liverpool Anglican Cathedral	Liverpool	401,019	Free
Formby (NT)	Sefton	400,000	Free
Southport Pier	Sefton	310,000	Free
Metropolitan Cathedral of Christ The King	Liverpool	262,946	Free
The Walker	Liverpool	248,107	Free
Walker Art Gallery	Liverpool	248,107	Free
Haydock Park Racecourse	St Helens	210,191	Varies
Lady Lever Art Gallery	Wirral	201,576	Free
Aintree Racecourse	Liverpool	178,522	Varies
Croxteth Hall & Country Park	Liverpool	172,000	£4.50
Beatles Story	Liverpool	144,114	£8.99
Liverpool Football Club Museum	Liverpool	131,896	£10.00
Tam O'Shanter Urban Farm	Wirral	80,000	Free
Speke Hall	Liverpool	79,196	£6.50
Conservation Centre	Liverpool	50,992	Free
Liverpool Ducks	Liverpool	49,725	£11.95
Atkinson Art Gallery	Sefton	31,306	Free
Model Railway Village	Sefton	23,064	£2.95
National Wildflower Centre	Liverpool	18,000	£3.00
Mersey Valley Visitor Centre	Liverpool	12,035	Free
Forthlin Road, 20	Liverpool	4,750	£13.00
59 Rodney Street (NT) Home of Edward Chandra	Liverpool	4,000	£4.70
North West Museum of Road Transport	St. Helens	3,200	£3.50
University of Liverpool Art Gallery	Liverpool	2,374	Free

Source: Visit Britain Annual Survey 2006; Northwest Regional Attractions Survey 2006.

Source: Visit Britain Annual Survey 2006.

8.198 There are other destinations in Merseyside attracting in excess of 100,000 visitors per year which are not listed in the latest regional or national surveys. Popular attractions in Wirral that

are not listed include Spaceport, Voirrey Embroidery at Brimstige Hall, New Palace Fun Centre and Wirral Country Park.

8.199 It was recently announced that the controversial plans for a new Museum of Liverpool on the waterfront had secured Stage 1 approval for an £11.4 million grant from HLF. The proposal is for a £65 million museum in an iconic X-shaped building, to display the collections of the National Museums of Liverpool in 8,000 sq m of public space. It will be based on four themes: port city, global city, people's city and creative city. The visitor projection is 750,000.

8.200 A challenge for Wirral Waters will be that of how to attract as many as possible of the large volume of visitors to the Liverpool waterfront across the Mersey, either as part of the same trip or on another occasion. As mentioned above, Mersey Ferries could provide a mechanism for doing so.

8.201 The day visitor research for NWDA in 2006 found that 29% of the surveyed population had visited the Albert Docks during the last two years. It is one of the few places on the Mersey waterfront where visitors can eat and drink overlooking the water. However, the retail offer in the Albert Docks has always struggled and the positioning is weak.

Figure 8.4 The Albert Docks



8.202 Of more importance for Wirral Waters, however, is attracting visitors from other parts of the North West and beyond. The development could play a key role in attracting greater numbers of visitors from Cheshire, Manchester and the rest of the region and UK to Wirral.

8.203 In Cheshire, Chester Zoo and the Blue Planet Aquarium are both ticketed attractions that attract large numbers of visitors. Substantial investment in the redevelopment of Chester Zoo is likely over the coming years. Substantial investment in the

redevelopment of Chester Zoo is planned over the coming years.

Visitor Attractions – Wirral

8.204 Wirral has a variety of attractions, although most have relatively low visitor numbers. Only Voirrey Embroidery Centre, Ness Gardens and the Lady Lever Art Gallery are of significant size in a national context. Lady Lever doubled its visitor numbers in 2006 to 200,000 and it attracts more visitors from outside of Merseyside than any other National Museums Liverpool venue.

8.205 However, the underlying visitor trend stretching back into the 1990s has not generally been positive, in keeping the national trend in visits to attractions, particularly heritage attractions. This is, in part, due to the clear strength of Wirral’s coast and countryside assets, as reviewed further below.

8.206 Spaceport attracted a reported 100,000 visits during its first year of operation. It is a £10 million attraction telling the story of space and space travel at the Seacombe terminal of Mersey Ferries. Visitors can purchase a combined ticket including the ferry trip and entry to the attraction.

Figure 8.5 Main attractions in Wirral



Lady Lever Art Gallery - one of the few attractions in Wirral of truly national importance. It has an outstanding collection of Pre Raphaelite works and is located in the interesting environment of Port Sunlight. It is part of the National Museums of Liverpool. With investment, it could be one of the star cultural attractions in the region and a key attractor on the south east side of the Mersey Waterfront Regional Park



Port Sunlight - a model village built by the industrialist William Lever. The Sunlight Vision Museum focuses on the social history of the village during the 19th and early 20th centuries.



Tam O'Shanter Urban Farm - a family and educational attraction near Bidston Hill. It is a working urban farm run by a trust and supported by Wirral Borough Council.



Ness Botanic Gardens - an important botanical collection in Neston. It is owned by the University of Liverpool and places a strong emphasis on conservation, research and education activities. A new visitor centre (picture) opened in 2006 at a cost of £2 million.



Voirrey Embroidery - a successful needlework and craft centre based in 12th Century Brimstage Hall. Inside are exhibitions, workshops and retail.

Visitor Attractions – Birkenhead

8.207 Birkenhead offers a number of interesting small heritage attractions. Birkenhead Park is of international significance as the inspiration for Central Park in New York, among other public parks. Mirroring the situation in Wirral as a whole, there is a weakness in terms of leisure and family-oriented attractions.

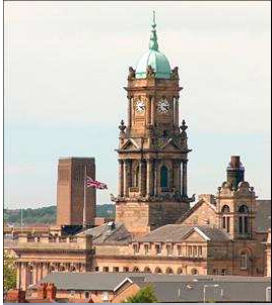
8.208 Birkenhead was one of the greatest centres of shipbuilding in the world and it played a full part in the maritime history of Merseyside. The immense docks systems, although not a welcoming visitor destination at the moment, remain an important heritage asset and the wealth generated by the maritime economy has left a rich legacy of historic buildings.

8.209 Between the Woodside Ferry Terminal and the town centre, Hamilton Square and the adjoining streets provide the focus of one of the largest collections of Grade I listed buildings in the country. J. Gillespie Graham, one of the architects of Edinburgh’s New Town, designed Hamilton Square during the first half of the nineteenth century.

8.210 Over £80 million was invested in “The Hamilton Quarter” during the 1990s to develop attractions, support arts and culture, refurbish historic buildings, improve the shopping and business area, improve traffic and environment, and enhance security. In particular, the Town Hall and Birkenhead Priory were restored and the successful International Guitar Festival and Hamilton Jazz Festival were organised.

8.211 The NWDA day visitor research suggests that Birkenhead has not yet achieved its potential as a visitor destination. Despite the improvements to the public realm and the considerable investment in the built environment over the last decade the town centre still lacks vibrancy and consistent quality, especially the food, beverage and retail offer.

Figure 8.6 Attractions in and around Birkenhead



Following refurbishment, the 19th Century Town Hall on Hamilton Square was reopened as the **Wirral Museum** in 2001. The Museum contains collections relating to Wirral's history. One of the collections tells the story of the Cammell Laird shipyards. It is not entirely successful as a museum because the building tends to overpower the exhibits.



Birkenhead Park - reputed to be Britain's first publicly funded park. It was designed by Sir Joseph Paxton, is Grade I listed and is said to have inspired the design of Central Park in New York. It provides a venue for cricket, tennis, football, bowling and fishing. It has recently been refurbished at a cost of £11 million with the majority of funding from the Heritage Lottery Fund.



The Williamson Art Gallery & Museum - run by Wirral Museums Service. It possesses a reasonable art collection and a display of model ships focusing in particular on Cammell Laird. Its location is not ideal, however. Entry is free.



Historic Tramway - Birkenhead was the site of the first street tramway in Europe in 1860. The tramway ran from Woodside to Birkenhead Park. It was electrified in 1901 but closed in 1937 and now operates a route from Woodside to Taylor Street, where a small visitor centre is open weekends and holidays.



Spaceport - located adjacent to the Mersey Ferries terminal at Seacombe. The attraction focuses on space and space travel. It was built at a cost of £10 million to encourage visitors to disembark for the ferry and is reported to have received 100,000 visits during its first year of operation.



Birkenhead Priory - the 12th Century Priory is one of the oldest buildings in Merseyside. The site is used for concerts and events. It adjoins the Cammell Laird shipyards.

Coast and Countryside

8.212 Wirral's recreation and leisure emphasis is focussed on its strong coast and countryside assets. Through its beaches and estuaries, Wirral has a strong outdoor recreation offer.

8.213 This is reinforced through the parks and nature reserves, which are plentiful in Wirral. In addition to Birkenhead Park (see Figure 8.6) there are important local venues for leisure and recreation such as walking, jogging, bird-watching, and picnicking. Some of the most important are:

- Wirral Country Park – A park along 12 miles of former railway line on the Dee Estuary. There is a visitor centre at Thurstaston;
- Eastham Country Park – A 100-acre park along the Mersey with a visitor centre open year-round and concessions during summer. Two pubs along the waterfront;
- North Wirral Coastal Park – A park covering four miles of coastline used for sailing, sea angling, cycling, ball games, and horse riding. The ranger service is based at Leasowe Lighthouse; and

- Central Park, Wallasey – A visitor and education centre and facilities for a range of sports, including football, bowls, cricket, basketball and fishing.

8.214 A regeneration initiative will develop cycling facilities and community woodlands at Bidston Moss, a 68 hectare brownfield site near Birkenhead town centre. £2 million funding is being provided by NWDA. This is described further in the Landscape section of the Baseline Study.

Golf

8.215 Golf is a particular strength of Wirral. A 2006 report suggested that even with significant competition golf clubs in Wirral maintain good membership numbers with higher than national average membership and joining fees. There are 14 public and private courses in Wirral and 110 courses in total within a 30 mile radius of the Royal Liverpool at Hoylake.

8.216 The Northwest coast is being promoted as England's Golf Coast by the Northwest Regional Development Agency. The Mersey Partnership takes the lead in promoting this. It is in recognition that the NW coast is the location of three of the four championship courses in England (Royal Liverpool, Birkdale and Lytham St Annes) where The Open is staged, in addition to many other courses. The Open was most recently staged in Wirral in 2006.

8.217 The accommodation product in support of the golf offer is currently not strong. Wirral Council is working on the possibility of creating a Golf Resort on the site of the Municipal Golf Course adjacent to the Royal Liverpool between Hoylake and West Kirby (Hoylake: A Future Golf Resort Detailed Needs Assessment; Capita Symonds for MBW; November 2006). The site is in the green belt, however, so it will not be easy to deliver, requiring very special circumstances to be demonstrated.

Cinema & Commercial Leisure

8.218 Wirral is well-provisioned for cinemas, with two multiplexes. The first is located within a large commercial leisure development, Wirral Leisureland at Bromborough (170,000 sq ft), owned by the Universities Superannuation Scheme. The anchor tenants are an Odeon Multiplex, Bowling, Gala Bingo and Fitness First. The food and beverage offer is limited to Frankie & Benny's and Ritzy.

8.219 The second multiplex is a standalone cinema at the Vue Conway Park. A Wetherspoons bar, Mecca Bingo and Blockbuster are located in Europa Park.

8.220 The New Palace Leisure Centre is an indoor leisure complex on Marine Promenade in New Brighton with a family amusement arcade, indoor adventure and play area and an outside fairground.

Section 8: Development Markets

Public Sports & Leisure Centres

8.221 The largest facilities in Wirral are:

- The Oval, Old Chester Road – A complex built in 1974 with a wide range of sports facilities: tennis courts, sport shall, fitness centre, astro-turf and football pitches, squash courts, dry ski slope, food and beverage;
- Europa Pools, Birkenhead – A family leisure facility with a swimming pool with flumes and wave machine, food and beverage;
- Wirral Tennis & Sports Centre, Bidston – 6 indoor and 7 outdoor championship standard tennis courts plus a sports hall and fitness centre; and
- Leisure centres providing swimming pools, sports halls, gyms and other sports facilities are also located in Seacombe, Woodchurch, West Kirby, Leasowe and Birkenhead (Grange Road West).

Live Performance

8.222 Wirral has three main performance venues:

- Pacific Road Arts Centre – An events and conference venue near the Woodside ferry terminal. It is established on the



national touring circuit for musicians and attracts some famous names;

- Floral Hall – Medium-sized proscenium arch theatre on the promenade at New Brighton. A mixed programme of music and theatre productions. It received about 230,000 visitors in 2003, the last year for which figures are available. A comprehensive redevelopment is to be undertaken as part of the redevelopment of New Brighton by Neptune Developments; and
- Gladstone Theatre – Small theatre run by a trust set within Port Sunlight. The programme is mainly amateur, with some professional touring productions.

Water Based

8.223 The River Mersey is not well suited to smaller boats due to the strong currents and levels of pollution. On the Wirral side of the Mersey, there are deep water moorings for larger vessels at Rock Ferry and between Egremont and New Brighton.

8.224 Two marinas operate on the Liverpool side, Liverpool Marina and the Albert Dock. Liverpool Marina at Coburg Wharf is the largest, with 400 berths and a waterfront bar and restaurant. The Albert Dock Marina has only 20 berths but can handle crafts up to 55 metres long.

8.225 Near Warrington, the Fiddlers Ferry Yacht Haven has 200 berths and there are further marinas in North Wales at Conwy, Dinorwic and Hafan Pwllheli. Wirral is home to seven amateur sailing clubs and there is a dinghy sailing school at the West Kirby Marine Lake.

Events & Festivals

8.226 One of the most popular free events in Merseyside is the Wirral Show, held over a weekend in July. It is a family-oriented outdoor funfair with a variety of shows and displays, held on Kings Parade in New Brighton. Other attractions include the Kite Festival, The International Guitar Festival and the Food and Drink Festival.

Table 8.14. Attendance estimates for major events in Merseyside in 2006

Paid Admission		
<i>Event</i>	<i>District</i>	<i>Visits</i>
John Smith's Grand National	Liverpool	148,000
Liverpool Summer Pops	Liverpool	100,000
Southport Air Show	Sefton	100,000
Southport Flower Show	Sefton	80,000
Creamfields	Halton	41,000
Northwest Masters	Liverpool/St Helens	18,000
Liverpool Comedy Festival	Liverpool	17,000
Truckfest North West	St Helens	15,000
Southport Summer Classics	Sefton	15,000
Wirral Food & Drink Festival	Wirral	13,000
Free Admission		
<i>Event</i>	<i>District</i>	<i>Visits</i>
Matthew Street Festival	Liverpool	375,000
Liverpool Biennial	Liverpool	360,000
Wirral Show	Wirral	300,000
St Helens Show	St Helens	300,000
Southport Jazz Festival	Sefton	50,000
RNLI Open Day	Wirral	40,000
Africa Oye	Liverpool	40,000
Tranmere Show	Wirral	20,000
Thornton Hough Scarecrow Festival	Wirral	19,000
Kites over the Mersey	Wirral	15,000

Source: TMP Digest of Tourism Statistics 2007

Summary of Issues and Opportunities

8.227 The leisure, culture, tourism and entertainment market is a growing market. Wirral sits within a very large catchment for this market. Within the Liverpool City Region, these markets are well developed and boast some of the region's most visited and popular attractions, such as Albert Dock, the World Museum and Knowsley Safari Park.

8.228 The Liverpool Capital of Culture celebrations in 2008 and further improvements to the attraction of Liverpool city centre through Kings Dock and the Liverpool One scheme will consolidate its position as the key driver for the leisure economy in the City Region.

8.229 Wirral benefits from strong recreational assets in the form of country and coastal parks, golf courses and other 'rural' attractions, as referred to above. The most successful and highest profile is the Open Championship, and the feasibility of expanding the facilities at Hoylake is being considered. Most of these are highly successful and reflect the strong quality of landscape and the affluence of West Wirral.

8.230 By contrast, Birkenhead itself has not yet fulfilled its potential as a visitor destination, as acknowledged by the NWDA, despite a large catchment, good accessibility and a number of attractions such as the Birkenhead Park, the Historic Tramway, Spaceport and Mersey Ferries.

8.231 Inner Wirral also provides local retail and leisure facilities for residents for example through commercial and public leisure facilities such as the cinema and swimming pool; however these do not attract a visitor economy. Similarly, Birkenhead does have a food and drink market and night-time economy; however it does not compare favourably with the quality and quantity of competing centres such as Liverpool, Chester and to a lesser extent Cheshire Oaks.

8.232 There are some prospects for improvement in Inner Wirral's leisure and tourism economy, notably through the Woodside Masterplan proposals and the redevelopment of New Brighton. These will be important projects in generating wider interest in visiting Wirral. It is clear however that there are further opportunities for major leisure/tourism facilities in Birkenhead.

8.233 This is an important factor in considering the Wirral Waters opportunity. All successful major urban regeneration projects in waterside locations rely on visitor markets and tourism to create and sustain destinations. There is a clear opportunity to utilise the waterside location at Birkenhead Docks, and proximity to the River Mersey waterfront, to create this type of attraction in a high quality, safe, attractive and well designed environment.

8.234 This could involve, for example, a major new destination for the food and drink market, a cultural hub or set piece commercial leisure project. Consideration will be given through the Development Frameworks and spatial masterplans to the type of facilities and their suitability at Wirral Waters, drawing upon case studies from around the world.