The Future of Harrow Town Centre

Appendices & Plans

Client: London Borough of Harrow

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The Future of Harrow Town Centre

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May 2003

Appendices and Plans

Appendix 1	Background studies
Appendix 2	Relevant Council documents
Appendix 3	Profile of Harrow
Appendix 4	Questions for public consultation

Plan 1	Key Sites
Plan 2	Future of Harrow Town Centre

Appendix 1

Background studies

1. Harrow Town Centre Strategy Phase 1 Report
   – DMS Consulting 2002.

2. Report of Members Workshops – DMS Consulting February 2003.

3. Perception study – DMS Consulting, May 2003.

4. Evidence to UDP Inquiry concerning land around Harrow on the Hill Station – Urban Initiatives, March 2003.

5. Household Interview Survey
   – DTZ Pieda.

6. Health checks of Town and District centres
   – DTZ Pieda, May 1999.

7. A retailer and business workshop – DTZ Pieda.

8. Retail capacity study – DTZ Pieda, May 1999.

9. Pedestrian flow analysis – DTZ Pieda, December 1998.

10. Study of Harrow on the Hill Station and adjacent land
    – GVA Grimley, October 2002.

11. Focus Town Report, Harrow – Focus Experian (commissioned by DMS Consulting, September 2002).

12. Town Centre Statistics, London Pilot Study – ODPM.

13. Retail rental levels – Colliers CRE, 2002.

14. Shopping Centres of Great Britain – CB Hillier Parker.

15. Sustainable access to Town Centres – Halcrow Fox, March 2000.

16. Shopping survey – St. George's Centre, July 2000.

17. CACI: Consumer Expenditure in London 2001-2016 – GLA, February 2003.

Appendix 2

Relevant Council documents

1. Strategic Corporate Priorities

2. Annual “Town Centre Health” reports
   – Chief Planning Officer, 1999-2002.

3. Pedestrian flow surveys

4. Car park usage figures

5. Town Centre Management Strategy, Consultation Draft
   – Town Centre Manager

6. Unitary Development Plan, 2002.

7. Housing Strategy

8. Economic and Regeneration Strategy

9. Annual Library Plan

10. Local Transport Strategy

11. Interim Transport Implementation Plan

12. Transport Spending Plan

13. Agenda 21

14. Cultural Strategy

Appendix 3

Profile of Harrow

Harrow as a place to work

Employment rates in the Borough have been consistently higher than the national average for the past eleven years. Additionally, a recent study found that 58% of the workforce lives in Harrow. Taken together with the relatively high number of small businesses, this suggests that although there are comparatively few large office based businesses in the centre, there is nevertheless a lot of locally based economic activity. Harrow had an above average percentage of distribution, construction and manufacturing activity in 1996 that indicates that it has had a fairly wide economic base. The loss of Pentax and British Tissue would appear to reflect national economic trends and employment in Marconi we assume that likewise has declined. However, it is difficult without more detailed study to judge the general, current state of the Harrow economy.

Turning to the centre itself, it could be classified as a suburban, non-motorway and non-speculative office location with comparatively modest rentals and rental growth in rental levels. The table below illustrates the fact that there has been very limited growth in office rentals since 1996.

COMMERCIAL PROPERTY

Guide to Prime Rents

Offices	-Jan 01	£ 16.00 psf
	-Jul 00	£ 16.00 psf
	-Jul 99	£ 16.00 psf
	-Jul 98	£ 16.00 psf
	-Jul 97	£ 15.00 psf
	-Dec 96	£ 14.90 psf

(Source: Focus Information Ltd.)

The largest office occupiers represent financial and business services and public sector activity. Vacancy rates dipped in 2001, following high levels in 1995 and 1998, reflecting the end of the boom in the financial and service sector. The amount of vacant floorspace currently stands at 14,590 sq. m. There has been an increase in vacant space in the last six months of 1,611 sq. m. Recent changes of use from office to residential uses could help to reduce vacancy rates, especially as there have been no new major office developments. If there is a latent demand for office space, it should be reflected in higher rentals.

It is clear that Harrow cannot compete in the office sector either with the pull of the City or with suburban or in-town business park locations. The West End already provides a pool of accommodation for the small office user, including a media industry cluster. Many occupiers in HTC would be dependent on the town's good public transport facilities, given a perceived difficulty in access by car.

To understand the current perception of Harrow as an office location, further research will be needed. However, we would not dispute the DTZ Pieda findings that consolidation and quality are useful ambitions for the office sector in HTC.

Harrow as a place to shop

Retail competitiveness

Between the mid 1980's to mid 1990's Harrow achieved a significant improvement in standing relative to some other centres. On one index, the town centre moved from a league position of 106th (of approximately 1,000 centres) to 71st (of approximately 1,400 centres). This improvement was greater than was achieved in the competing centres of Watford, Ealing and Uxbridge over the same period.

(Source: Shopping Centres of Great Britain, 1996, Hillier Parker Research)

Employing the generally accepted vitality index system devised by Experian, Harrow has had uneven performance since 1998. In 1998, Harrow's vitality score dropped by 2%, and again dropped in 2000 by 7%. There was an improvement in 2001 with an increase of 9%. However, in July 2002, the Chief Planning Officer reported that Harrow had slipped from 67th to 83rd in a league table of 1000 centres across the country. Despite this drop in relative performance on a national scale, Harrow was still in the top 10 centres in London. It was ranked higher than Uxbridge, Ealing Broadway and Wood Green.

(Sources: Harrow Town Centre: Annual Review and Health Check, July 2002, Chief Planning Officer. Experian's Retail Centre Ranking 2002.)

Harrow's retail position compares with other centres as follows:

	Rank 2001	**Rank 2002**	**Change**
Watford	29	28	1
Harrow	**67**	**83**	**16**
Ealing	76	85	-9
Uxbridge	180	89	91
Brent Cross	107	137	-30

(Source: Experian Retail Centre Ranking 2002)

Retail rental levels

Retail rental levels also reflected the improvement in overall vitality in HTC between the mid 1980's and mid 1990's. Rent per square metre grew from £85 in 1987 to £110 in 1998 (an average annual increase of 2.6% with a total of 29.5% over the 11 year period). Between 1998 and 2002, rental levels continued to rise from £110 to £125. This represented a total of 13.6% over four years, giving an annual growth rate of 3.4%. The annual average growth in rents in the period 1987 to 2002 was 3.1%.

However, by comparison, average annual rental growth for the same period, in other London locations was much higher, as follows:

Uxbridge	11% p.a.
Watford	14% p.a.
Brent Cross	16% p.a.
Twickenham	13% p.a.
Ealing	5% p.a.
Richmond	5% p.a.
Southall	19% p.a.
Wembley	5% p.a.

(Source: Retail Rents 2002, Colliers CRE)

N.B. The St. Ann's centre opened in the base year of 1987, which would have boosted rental levels initially.

Vacancy rates

As at July 2002, the centre continued to have a relatively low vacancy rate that has been a feature since 1997. Only 9 units were vacant out of 264 in the combined prime and secondary frontages. This represented 3.4% of all units. Demand for units in the St. George's Centre remained strong and the number of vacancies (6) reported in 2001 had been reduced.

The pattern of low vacancy rates has continued. In April 2002, 5.3% of the total units surveyed were vacant compared to a national average of 10.78%. These vacancies represented 3.68% of the total floor space, compared to a national figure of 8.3%.

Retail mix of uses

The table below provides a broad analysis of the retail mix in Harrow compared to competing centres.

	Convenience	Comparison	Service	Vacant
Harrow	**6%**	**51%**	**33%**	**6%**
Watford	5%	58%	27%	6%
Uxbridge	5%	53%	27%	11%
G.B. Av.	9%	49%	30%	11%

(**Note**: The category "Service" includes uses such as restaurants, building societies, travel agents.)

(Source: Experian)

The mix of multiple retailers in Harrow and a comparison with competing centres is shown below:

	Convenience	Comparison	Service	Vacant
Harrow	**3%**	**51%**	**33%**	**6%**
Watford	4%	68%	25%	4%
Uxbridge	5%	54%	26%	11%
G.B. Av	9%	49%	30%	11%

(Source: Experian)

As the table above shows, whilst the proportion of non-food (comparison) provision in Harrow is higher than the national average, it is slightly less than in Uxbridge and very significantly less than in Watford. This difference is particularly acute when considering the importance of multiple retailers whose presence greatly enhances the appeal of a centre to consumers. The strong branding and comprehensive range of products offered by multiple retailers is often sufficient in itself to attract customers in a centre.

Since 1997, Watford has increased the proportion of comparison and service shopping and reduced the number of vacant units by almost identical proportions. In approximately the same period, Harrow has increased its service sector but the proportion of comparison floor space has been more or less static.

Retail tone

In the index system used to rank retail centres, one factor that is taken into account is the number of what are described as "key retail attractors". Under this ranking system, it is assumed that a centre will have stronger appeal the greater the number of such attractors it contains. It should be noted that this index is a measure of a centre's pulling power and not a measure of the quality of the retail offer although several "up market" retailers appear in the list of key retail attractors.

At May 2001, 22 key retail attractors occupied HTC out of a possible total of 53. It is noteworthy that some of the better quality department stores such as John Lewis, Bentalls and Allders do not have a presence, and that more up market fashion or specialist multiplies such as Gap, Ottakers, Principles and Warehouse are not represented.

(Source: Experian)

Retailer demand

Based on a survey dated April 2002, Harrow was ranked 63rd in a league table based on the amount of demand from retailers to have a presence in the town This compares with a position of 56th achieved in 1998 when interest in Harrow had been stimulated by the opening of the St. Georges Centre. The highest ranking that Harrow has achieved was 49th in April 2000. Since then, the centre's standing has slipped down in four successive six-month periods. This downward trend may be indicative of a perception amongst retailers that Harrow is a less attractive place than other places in which to trade.

(Source: Focus Information Ltd. Report 2002)

In the most recent survey, 79 retail related businesses expressed an interest in having a presence in Harrow in April 2002. This amounted to a total expressed demand of 404,450 sq. ft, of which 16% was for units of less than 3,000sq.ft.

(Source: Focus Information Ltd. Report 2002)

It should be noted that in the same survey, Watford was ranked 19th in the top 50 towns countrywide based on retailer demand. There was, however, an overall fall in demand for units in Watford between 2001 and 2002, which resulted in that town falling 8 places in the ranking. In a Greater London context, demand was greatest in Watford, exceeding the West End. Harrow achieved a position of 6th, behind Ealing, Wimbledon, West End, the City and Watford. Uxbridge was ranked 20th against the Greater London centres, but Ealing achieved 4th position ahead of Harrow and Wimbledon.

Brent Cross was ranked first countrywide amongst regional shopping centres. It had a total demand of 362,525 sq.ft. of which 14% was for units of 3,000 sq.ft. or less expressed by 52 businesses.

The performance of Harrow and competing centres needs to be set in a national context where overall demand for retail space in town centres increased between 2001-2002 by 15%. In Greater London the number of individual businesses seeking space increased by 9%, but the total amount of space required actually fell by 9%. An increase of 10% in demand for units less than 3,000 sq.ft. suggests that, generally, the demand in London for units of that size is strong.

(Source: Focus information Ltd. 2002 Report)

These demand figures should be treated with some caution. First, any level of expressed demand only becomes real if there is suitable accommodation available in terms of unit size, proximity to prime pitch and the cost of occupying. Secondly, these demand figures will include similar types of retailers expressing a wish to have a presence when in practice there may be only be enough demand from shoppers to sustain one such unit. Finally, the total figures include some businesses that are already present in a town centre that are looking to move to bigger or better premises.

The most recent information on retailer demand for space in Harrow itself indicates that there are approximately 76 businesses seeking premises in the town centre. The table below categorises those businesses that are not currently in the centre.

Type	Number
Convenience (Food)	4
Restaurants/coffee shops	2
Bars/Pubs	10
Comparison	32
Department stores	3
Leisure	1
Services	8
Hotel	1

(Source: Focus Information Ltd.)

It is noteworthy that three department stores are expressing an interest in a presence in Harrow. However, it has to be recognised that they are likely to set very high standards in terms of their space and locational requirements and attitude to environmental quality, before even considering the very major capital investment that a new department store implies. Also since this survey was conducted, confidence in the retail sector has weakened. However, two of the retailers concerned fall into the category “key retailer attractors”.

Slightly disappointing is the fact that two department stores are the only key retailer attractors expressing an interest in Harrow. Generally, better quality multiples are not well represented in the list of businesses seeking a presence in HTC. However, the apparent absence of the retailers that generally attract people most strongly should be a matter for concern, if the Council wishes to see Harrow maximise its pull as a retail centre.

Preferences for location are as follows:

Prime pitch/High Street	53
Good secondary/Fringe of Prime	51
In town shopping centre	21
Proximity to/in railway station	9
Off pitch tertiary/Main Road	1

[**Note**: Many businesses expressed several preferences for location so this table should not be interpreted as presenting total demand.]

(Source: Focus Information Ltd.)

The apparent readiness of some businesses to occupy good secondary locations or locations on the fringe of the prime shopping core has particular relevance to Harrow, given the prevalence of this type of accommodation in Station Road and College Road.

The size of the units being sought in the H.T.C. is as follows:

Size of unit	**No. of Businesses**
Less than 3,000 sq.ft	44
3,001 – 10,000 sq.ft	14 (of which 6 are pub/restaurants)
10,001 – 20,000 sq.ft.	3 (Dept. store + 2 Home furnishing/Accessories)
20,001 – 30,000 sq.ft.	1 (Leisure/Sports)
30,001 – 60,000 sq.ft	2 (Department stores)

[Source: Focus Information Ltd.]

Even when making an allowance for the tendency for retailer demand figures to be optimistic, it is encouraging that there is apparently quite a large number of small space users interested in HTC. However, even assuming that there was a good supply of accommodation available for them, it would need a large influx of such smaller businesses to make a significant impact on retail tone and shoppers' overall perceptions. The demand for non-food and drink units in the range 3,001 – 10,000 sq.ft. appears to be particularly weak. There does, however, seem to be a good level of demand for food and drink premises in this size range. The apparent demand for medium to large space users is also grounds for some optimism.

Town Centre Activity & Movement

Pedestrian flows

In the period 1996 to 2001, pedestrian traffic in HTC increased. During the last two years surveyed, there was a year on year increase of 3.8% (2000) and 3.2% (2001).

In a study carried out for the Council, a comparison was made between footfall in Watford and Harrow. At the time of the survey (1997), the average weekly flow for Watford was almost 19% higher than for Harrow. This was in spite of Harrow benefiting from the improved retail offer provided by the then recently opened St. George's Centre. DTZ also found that the growth in footfall in Harrow over the period 1985-96 was slight when compared to that achieved in Watford.

We do not have current information about pedestrian flows in Watford so as to be able to make a more current comparison about footfall or growth trends. There is no reason to believe, however, that anything has happened since 1997 that will have increased average footfall in Harrow relative to Watford, once the initial positive effect of the opening of the St. George's Centre is taken into account.

The highest pedestrian flows in Harrow are concentrated at the eastern end of St. Ann's Road. Most recent figures highlight a number of points about the workings of the town centre as follows:

- Monday to Fridays, the College Road entrance to St. Ann's records the highest pedestrian flows of any location, but is less significant on a Saturday (though still high).

- Sites on the east side of Station Road have significantly lower footfall (in some cases approaching 100%) than premises on the western side, although this differential reduces somewhat in the southern end of Station Road.

- This highlights how much the current traffic arrangements in Station Road act as a psychological and actual barrier to pedestrian movement. Some of the locations on the eastern side of Station Road were also recorded as having suffered a fall of 0.9% in pedestrian activity.

- Debenhams is a vitally important anchor for the northern end of Station Road. However, to the north, beyond Debenhams footfall drops significantly.

- The Greenhill Way entrance to the St. George's centre has one of the lowest footfalls despite proximity to a large residential area.

- Perhaps surprisingly, the south side of College Road east of the Station has higher footfall than the north side, which is closer to the shopping core. This could reflect the importance of the Post Office Counter Service, and highlights the impact of moving this facility from one side of the road to the other will have.

At present, no counts are taken in Clarendon Road. However, casual observation suggests it is a very important part of the pedestrian network, especially after hours when the route through the St. Ann's centre is closed.

Car Park usage

The most recent car park survey, conducted in (2001) showed an increase in car park usage. It would be dangerous to conclude from this that activity in the town centre as a whole has increased. People may simply be changing their parking habits and using a different car park in response to factors such as pricing, proximity to preferred shops, accessibility and perceptions about personal security without there necessarily being an increase in overall activity. The fact that some of the car parks away from St George's and St Ann's are not being used to their working capacity suggests that this may be happening.

Use of the car parks is very uneven. So, for example, Gayton Road is well used despite being a little way outside the core area. The same applies to the small car park opposite the Cumberland Hotel in St John's Road. By contrast, Greenhill Way is not used to its working capacity and the same applies to the Queens House multi-storey.

The most recent car park survey showed that evening use of the St. George's car park had dropped in the last 12 months. Again, this may not necessarily mean that the evening economy had weakened since for whatever reason people may prefer to park elsewhere or are more prepared to walk or use public transport. Nevertheless, the quality of the evening parking facilities needs to be critically evaluated if the town centre is to successfully develop a flourishing evening economy.

Spending Patterns

Whilst trends in footfall, visitation rates and car park usage can indicate whether activity in a centre is increasing or decreasing, the amount people actually spend is obviously a critical factor. As a very crude alternative to spending levels, we have examined turnover in HTC and other centres. The results are as follows:

Turnover (£000,s)

	Convenience	Comparison	Service Retail	Restaurant & Pubs	Arts & Entertainment
Ealing	39,563	152,211	34,383	53,579	11,236
Uxbridge	72,729	135,887	29,284	18,482	8,815
Richmond	29,729	135,790	34,714	39,699	12,960
Brent Cross	-	418,747	2,612	-	-
Harrow	**6,365**	**206,370**	**64,874**	**20,048**	**10,984**

(**Note**: No figures were available for Watford. The figure for Harrow excludes Tesco)

[Source: Producing Boundaries and Statistics for Town Centres – London Pilot Study]

Attitudes towards the Town Centre

In 1999, households were surveyed on behalf of the Council that yielded some valuable insights into what people felt about the town centre and how they used it. More recently in August 2001, the St George's Centre manager commissioned some market research that used a focus group and questionnaires to collect information. The main points to emerge from these studies, which showed a degree of consistency can be summarised as follows:

- The population of Harrow has in general a more affluent profile than the national average. This is not, however, reflected in the profile of the people who shop in the town centre. Harrow is not as successful as Watford in attracting more affluent shoppers.

- Harrow's population has a greater proportion than the national average in some of the younger age groups (e.g.16-34). This is not, however, reflected in the age structure of people shopping in Harrow.

- Given the ethnicity mix of the Borough, the town centre is not attracting people to shop in the same proportions. For example, the DTZ study found that overall there is a tendency for people of Asian ethnicity living in the Borough to shop at Brent Cross in preference to Harrow. (The DTZ study did not probe the reasons for this preference)

- Watford and Brent Cross were the choice of main shopping destination for a significant proportion of the shopping population (14% and 15% respectively). They were also the most common second choice.

- A very high percentage of people living in the Borough (40%) do not regard the town centre as their main shopping centre.

- A higher percentage of Borough residents (approximately 30%) mainly shop elsewhere.

- There is a huge leakage of shoppers away from Harrow during the Christmas shopping peak (41%).

- Whilst the use of public transport and walking for shopping trips is high, nearly 50% of shoppers travel to the town centre by car. This is, however, less than the number that travel to Watford and Brent Cross by car.

- People said they would shop in Harrow as opposed to competing centres if the quality of the shops was improved and parking facilities were good. This suggests that some shoppers could be persuaded to shop in Harrow since they have "weak" loyalty to the other centres. Ironically from a sustainable transport point of view, one of the keys to winning back business and increasing the amount of spending in the town centre is to appeal to the more affluent shoppers in the outer areas. However, these people are able to exercise choice about where they shop because of their car-based mobility. If the Council decides that efforts should be made to attract such shoppers, accessibility by car to Harrow Town Centre and the quality of parking facilities needs to be considered.

- 30% of people in the Borough do not use <u>any centre at all</u> for social or leisure purposes. This suggests there may be a degree of latent demand for social/leisure facilities.

- There is a high use of the town centre for healthcare (e.g. dentists, doctors, chiropodists).

- The main attractions for shoppers were perceived to be:
    1) Quality shops/good choice of clothing/footwear
    2) Free parking
    3) Attractive shopping environment

- The most common suggestions for improvements to Harrow were:
    1) Better range of shops
    2) More/cheaper car parking
    3) Better overall shopping environment.

- People in the outer areas of the Borough and beyond, who can choose where to go because they have cars, tend not to use HTC for food and drink. However, overall the town centre is still a strong draw for those who live in the Borough as a food and drink destination.

- A large proportion of respondents (60%) felt that St. George's and St. Ann's should be linked to create a bigger covered area.

A stakeholder workshop held in 1999 concluded that it would be difficult to compete with Watford and Brent Cross because this would involve "major redevelopment and expansion". The preferred response was to improve the quality of space not just the amount, with a strong drive to attract businesses not currently represented in the town. It was recognised that any development strategy needed to be underpinned by a program of environmental improvements.

Harrow Town Centre as a place to live

Until recently, there have been only a few private dwellings within the boundary of the town centre. Just outside the town centre boundary are mainly low-density residential areas. However, there have been a number of proposals for housing in the centre that will significantly change its character. A total of approximately 540 units have been constructed in the last four years or are currently under construction. A further 158 units have received planning permission. In the units that have been built, approximately 90 units of affordable accommodation have been provided.

Over the past 5 years, led by cities such as Manchester, there has been an increasing interest shown in high-density residential provision in central locations by house builders and developers. There is evidence that this trend has arrived in Harrow Town Centre. Its location on the tube line and eventually on Cross Rail makes the whole area from Harrow-on-the-Hill to Harrow and Wealdstone stations very attractive, particularly if Platinum House proves successful. (Advertising for Platinum House refers to the sixteen-minute travel time to Baker Street as a strong selling point.)

Though the buoyant economy has increased the rate of provision of up-market 2 and 3 bedroom units in England, general demographic trends are the main reason for this interest. The number of single person households continues to grow and this is a main concern of the London Plan. More central provision for the elderly may also be appropriate for HTC.

The Council's current housing strategy notes as follows:

> *"With a buoyant private rented sector and sales market and high levels of homelessness, the Council faces a continuing problem in meeting the demand for affordable housing. This is common to many London Boroughs. However, harrow's problems are particularly acute in that it has a lower proportion of social housing than any other borough in the capital."*

Harrow has been characterised as having a "district sized housing stock and a London sized homelessness problem".

Appendix 4

Questions for public consultation

Q1 to seek agreement about the **aim** of the strategy

Q2a to ask for support for increasing the number of activities in the centre (Objective 1) and 2b to ask what kind of business/activity should be encouraged.

Q3a to ask if the 10 proposals do add variety and character and 3b to ask for further suggestions

Q4 to do with the importance of establishing access priorities (Objective 2)

Q5 to seek agreement that public transport improvements are essential to the future of the centre.

Q6 to ask if action needs to be taken to make the centre feel safer and more attractive (Objective 3)

Q7 to seek support for the 7 proposals to achieve it.

Q8 to seek support for the idea that diversity, history and greenery are important in making HTC more interesting (Objective 4).

Q9 to ask for ideas about important local features.

Q10 to ask where there should be more greenery and where a meeting place or places would be best located.

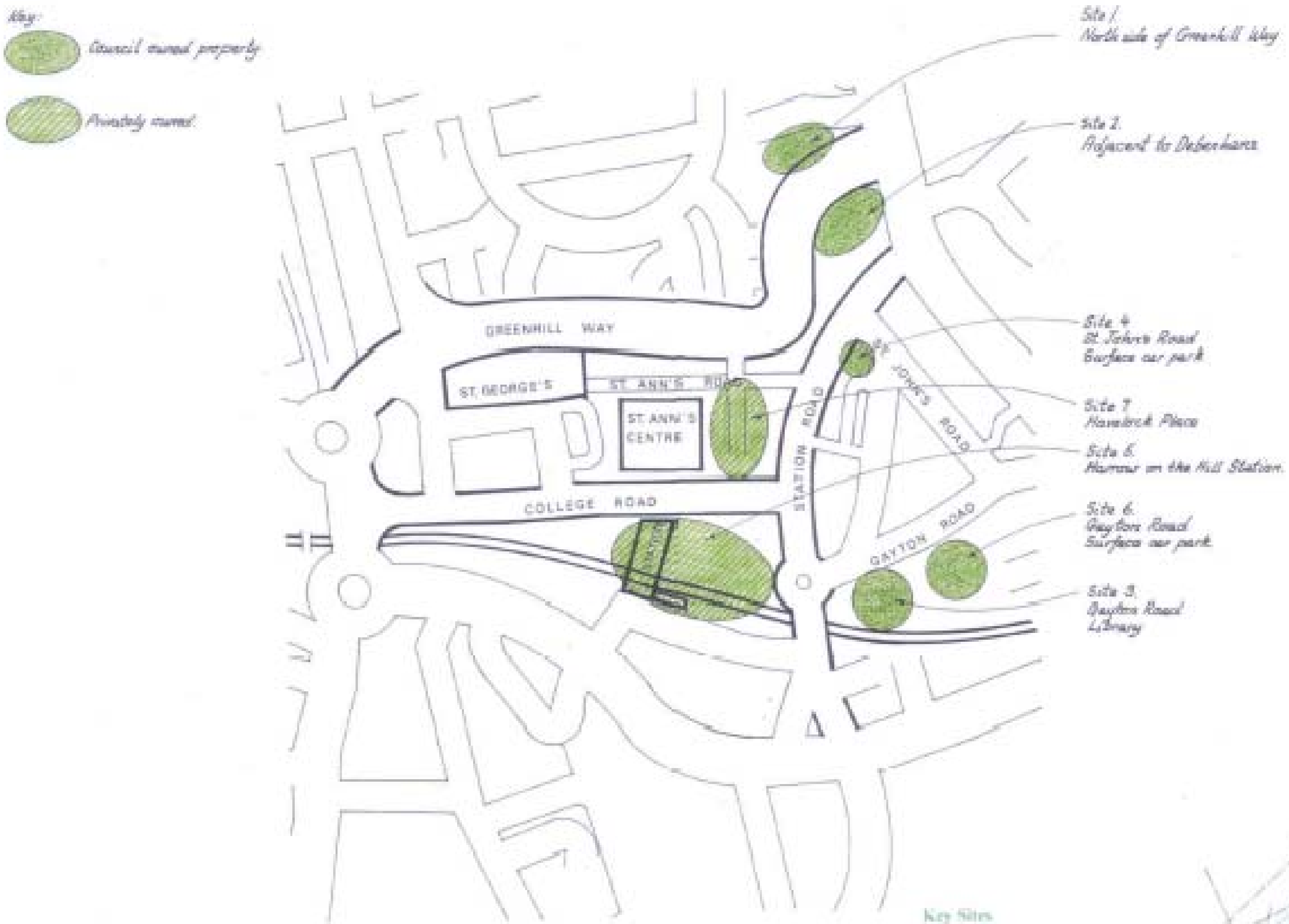
Q11a to seek agreement that HTC needs to be livelier (Objective 5) and 11b to ask for suggestions.

Q12 to seek agreement that HTC should have more community and civic activity (Objective 6)

Q13 to seek ideas on how to encourage this.

Q14 to ask if there is anything missing from the strategy.

Q15 to ask who should help the Council take the strategy forward.



Key Sites

Plan 1

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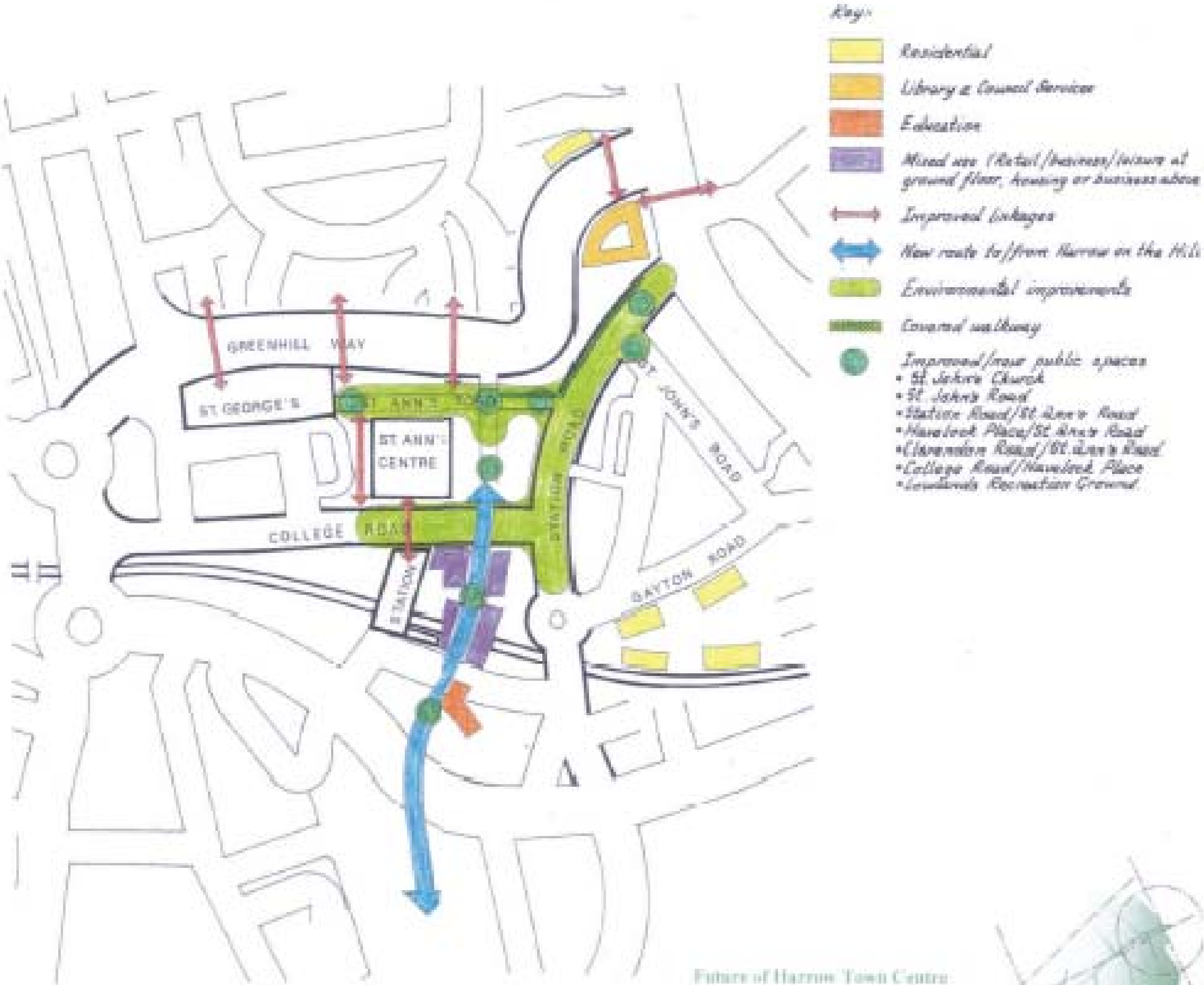

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