

Blackpool, Fylde and Wyre Borough Councils

Fylde Coast Retail Study



Volume 1: Main Report

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GLOSSARY

Abbreviation	
DPD	Development Plan Document
LDF	Local Development Framework
LPA	Local Planning Authority
MAA	Multi Area Agreement
MHE	Management Horizons Europe
OCA	Overall Catchment Area
OE	Oxford Economics
ONS	Office for National Statistics
PBBI	Pitney Bowes Business Insight
PPS	Planning Policy Statement
RTP	Roger Tym & Partners
SFT	Special Forms of Trading
sq.ft	Square Feet
sq.m	Square Metres
VOA	Valuation Office Agency
WYG	White Young Green

1 STUDY BRIEF, CONTEXTUAL BACKGROUND AND OUTLINE OF REPORT STRUCTURE

1.1 The three Fylde Coast authorities (Blackpool Council, Fylde Borough Council and Wyre Borough Council), commissioned Roger Tym and Partners to undertake this study in November 2010. The study forms part of the evidence base for the preparation of the Core Strategies of each of the authorities. As such, the study reflects the requirements for the preparation of such documents, as set out in PPS4 and PPS12.

Study Brief

1.2 The study brief identifies five main tasks, as follows:

- i. an overview of current and emerging national retail trends that are likely to have an impact on the retail sector in the Fylde Coast sub-region;
- ii. an assessment of the vitality and viability of existing town and district centres, incorporating health checks that reflect the advice in Annex D of PPS4, the centres being Blackpool, Bispham and South Shore in Blackpool Borough; Lytham, St Annes and Kirkham in Fylde Borough; and Cleveleys, Fleetwood, Poulton-le-Fylde, Garstang and Thornton in Wyre Borough;
- iii. an assessment of retail spending patterns and destinations for various leisure activities;
- iv. an assessment of quantitative and qualitative needs, with a forward time horizon up to 2026, but with separate outputs in relation to the short term period up to 2016 and in the medium term from 2016 to 2021; and
- v. an assessment of options and recommended strategy for improving the Fylde Coast's sub-regional retail offer.

1.3 The study represents an update of the previous Fylde Coast Retail Study, published by White Young Green (WYG) in June 2008, and reflects the significant changes which have occurred over the past three years, most notably:

- the extension to the Houndshell Shopping Centre in Blackpool;
- the impact of the recession on retail and leisure expenditure growth rates;
- the introduction of a new test of soundness for development plan documents in PPS12; and
- the publication of PPS4, and its accompanying Practice Guidance in December 2009.

1.4 The study is informed by the findings of a household telephone survey of comparison goods shopping patterns which was commissioned by RTP in January and February of 2010, for the purposes of the Tithebarn call-in Inquiry in Preston, and the findings of a more recent survey of convenience goods shopping patterns, undertaken in November 2010. To inform the health check assessments, we have also undertaken land use audits of the study centres, in February and March of 2011.

Contextual Background

- 1.5 The Fylde Coast sub-region is home to around 340,000 people, the majority living within the coastal urban belt, which stretches from Lytham in the south, to the Port of Fleetwood in the north. To the east of the urban belt, the sub-region is predominantly rural, and is characterised by a number of market towns and small villages which extend to the Bowland Fells. The sub-region demonstrates a high level of self-containment in terms of housing markets, travel to work patterns and economic functionality.
- 1.6 Blackpool is sub-regional centre, and the UK's top tourist destination, and the sub-region depends on its performance as a centre for retail and leisure. To the south of Blackpool are the classic resorts of Lytham and St Annes, and to the north are the coastal towns of Cleveleys and the Port of Fleetwood. In addition to the strong tourism offer, the sub-region possesses other strategic assets, including Blackpool International Airport, a strong advanced manufacturing business sector, specialising in aerospace and nuclear fuels.
- 1.7 Regeneration of the sub-region is ongoing. Current major investment projects in Blackpool include the regeneration of Talbot Gateway, the refurbishment of Blackpool Tower and the Winter Gardens and the redevelopment of the Central Station site. Beyond the town centre, other projects include further improvements to the promenade, tramway and sea defences.
- 1.8 In Fylde, the resort town of St Anne's has seen a programme of regeneration to the main retail and commercial core, and it is proposed to continue this strategy over the forthcoming years. Similarly, it is proposed to strengthen the commercial cores of Lytham and the market town of Kirkham through ongoing and planned enhancements to the town centres.
- 1.9 In Wyre, Garstang Town Centre has been regenerated through the development of new Booths supermarket and town square. Sea defences have been improved at Cleveleys through the construction of the award winning 'New Wave' promenade, and the Sea Change programme will create a 'cultural coast' between Cleveleys and Fleetwood, including new public artwork, and improvements to the Marine Hall and its environs. Enhancements are planned for Poulton-le-Fylde Town Centre, following on from the Market Towns Initiative, and the tramway has been upgraded at Cleveleys and Fleetwood.
- 1.10 These investment projects will directly or indirectly assist a key objective for the sub-region, which is to enhance the retention of retail expenditure so as to promote the vitality and viability of the sub-region's network of town centres. At present, around £129m of comparison goods expenditure flows from the Fylde Coast to Preston City Centre and Deepdale Retail Park, with the reverse flow amounting to only £44m. Moreover, there is risk that this net outflow of expenditure will increase if the sub-region's town centres are unable to respond to the enhanced level of competition that will be posed by an expanded Preston City Centre as a result of the Tithebarn project; hence the importance of a successful strategy for the region's network of town centres.
- 1.11 However, the sub-region faces a number of challenging and complex issues, including:
 - high levels of worklessness and low levels of economic inactivity;

- poor quality housing in the inner areas of Blackpool and Fleetwood, and low levels of education attainment;
- inadequate transport infrastructure that fails to connect parts of the Fylde Coast with the wider region; and
- low levels of GVA per head.

1.12 Given these sub-regional characteristics, the need to implement a successful strategy for the sub-region's network of centres is made all the more urgent.

Outline of Report Structure

1.13 The remainder of this report is structured as follows:

- **Section 2** provides a brief resume of the requirements of national, regional and local policy insofar as they relate to town centres, and the location of town centre uses, planning for sustainable development, and the nature of Core Strategy Development Plan Documents.
- **Section 3** provides an overview of national trends in the retail sector, and the implications these may have for the Fylde Coast.
- **Section 4** provides our qualitative analysis of the performance and health of Blackpool Town Centre and the other centres across the Fylde Coast¹. This assessment draws on our own on-foot surveys of the centres, undertaken in February and March and 2011 and desk based research, which has been undertaken throughout the preparation of the study.
- **Section 5** provides our analysis of current patterns of retail and leisure expenditure, based on the surveys of households which were undertaken by NEMS Market Research in January and February of 2010 for comparison goods, and in November 2010 for convenience goods.. These findings establish the existing catchments the Fylde Coast centres.
- **Section 6** builds on the patterns of retail expenditure as set out in Section 5, and provides an assessment of quantitative need in the retail sector up to 2021, and more tentatively up to 2026.
- **Section 7** provides our appraisal of qualitative retail needs.
- **Section 8** provides the vision, strategic objectives and delivery strategy insofar as they relate to retailing, and the town centres of the Fylde Coast. This section is informed by the preceding quantitative and qualitative sections of the report, and is based on the guidance contained within PPS12 on the preparation of Core Strategy DPDs.
- **Section 9** sets out a summary of our findings and our recommendations to the Fylde Coast authorities.

¹ In addition to Blackpool, the remaining ten study centres are Bispham, South Shore, Lytham, St Annes, Kirkham, Garstang, Cleveleys, Fleetwood, Thornton and Poulton-le-Fylde

- 1.14 This main report is accompanied by a separate volume of Figures and Spreadsheets (Volume 2), and a Health Check Volume (Volume 3).

Note on Base Year and Prices

- 1.15 The base position for our assessment of future retail needs is established by the survey of households undertaken by NEMS Market Research in January and February of 2010 for comparison goods and November 2010 for convenience goods. Thus, 2010 represents the base date for our assessment of quantitative and qualitative needs. The base per capita expenditure data derive from Pitney Bowes Business Insight's (PBBI) 2008 database. However, all monetary figures in our report have been converted from 2008 prices to year 2006 prices, unless otherwise specified, because all of the work presented to the Tithebarn Inquiry was in 2006 prices.

2 THE REQUIREMENTS OF NATIONAL, REGIONAL AND LOCAL POLICY FOR TOWN CENTRES AND ECONOMIC DEVELOPMENT

Introduction

- 2.1 Since the completion of the 2008 WYG Fylde Coast Retail Study, the policy context within which Local Authorities should prepare their evidence bases has changed. Of most relevance to the preparation of the Core Strategies for the Fylde Coast Authorities is the publication of PPS12 in June 2008 and PPS4 in December 2009. First, however, we emphasise three aspects of PPS1, which was published in February 2005.

PPS1: Delivering Sustainable Development (February 2005)

- 2.2 PPS1 sets out the Government's overarching planning policies on the delivery of sustainable development. There are three aspects of PPS1 that we wish to emphasise; each of these relates to the promotion of social inclusion and to the need for high and stable levels of employment.
- 2.3 First, we note that the very first paragraph of PPS1 states that:
- 'Good planning ensures that we get the right development, in the right place and at the right time.'*
- 2.4 Secondly, we wish to emphasise that two of the Government's four aims for sustainable development relate to 'social progress' and to 'the maintenance of high and stable levels of economic growth and employment'. Hence the need to secure outcomes that promote economic and social objectives as well as environmental and natural resource objectives.
- 2.5 Thus, in promoting social cohesion and inclusion, there is recognition, in paragraphs 14 to 16 of PPS1, that:
- community cohesion '*...means meeting the needs of all people... promoting personal well-being, social cohesion and inclusion and creating equal opportunity for all citizens*';
 - regeneration of the built environment alone cannot deal with poverty, inequality and social exclusion; and that
 - development plans should seek to ensure:
 - that the impact of development on the social fabric of communities is taken into account;
 - a reduction in social inequalities;
 - good access to jobs and housing;
 - good access to health, education, retail, leisure and community facilities; and
 - support for the promotion of health and well being by making provision for physical activity.
- 2.6 Paragraph 23 of PPS1 goes on to state that in promoting a strong and productive economy that brings jobs and prosperity to all, planning authorities should, amongst other things:

- recognise that economic development can deliver environmental and social benefits;
- recognise the wider sub-regional, regional or national benefits of economic development, alongside any adverse local impacts;
- ensure that suitable locations are available for industrial, commercial, retail, public sector and leisure developments, so that the economy can prosper;
- provide for improved productivity, choice and competition; and
- identify opportunities for future investment to deliver economic objectives.

2.7 Thirdly, we note the provisions of paragraph 29 of PPS1, which states that;

'In some circumstances, a planning authority may decide in reaching a decision to give different weight to social, environmental, resource or economic considerations. Where this is the case, the reasons for doing so should be explicit and the consequences considered'

PPS4: Planning for Sustainable Economic Growth (December 2009)

Planning for Sustainable Economic Growth

2.8 PPS4 was published in December of 2009, and outlines the Government's overarching objective for sustainable economic growth. In seeking to achieve this, the Government's objectives for planning are to:

- build prosperous communities by improving the economic performance of cities, towns, regions, sub-regions and local areas;
- reduce the gap in economic growth rates between regions, promoting regeneration and tackling deprivation;
- deliver more sustainable patterns of development;
- promote the vitality and viability of town and other centres; and
- raise the quality of life and environment in rural areas.

Plan Making Policies

2.9 Thus, in promoting positive planning, PPS4 advises that through their development plan, LPAs should prioritise areas with high levels of deprivation for regeneration, identify a range of sites to accommodate a broad range of economic development and encourage new uses for vacant or derelict buildings (policy EC2).

2.10 In planning for their centres, PPS4 requires that LPAs set flexible policies that define a network and hierarchy of centres, make choices about which centres will accommodate any identified need - taking into account the need to avoid an over concentration of growth - and plan proactively to promote competitive town centre environments, which provide consumer choice (policy EC3).

PPS4 Policy EC4: Planning for Consumer Choice and Promoting Competitive Town Centres

Local Planning Authorities should proactively plan to promote competitive town centres and provide consumer choice by:

- supporting a diverse range of uses;
- planning for a strong retail mix, so that the range and quality of the comparison and convenience retail offer meets the needs of the local catchment;
- supporting small scale economic uses in local centres and villages;
- identifying sites in the centre, or failing that, on the edge of the centre, capable of accommodating larger format developments where a need has been identified;
- retaining and enhancing existing markets; and
- taking measures to conserve and, where appropriate, enhance the established character and diversity of their town centres.

- 2.11 When identifying sites for main town centre uses, LPAs should ensure that: there is a need for the development; the development is of an appropriate scale; the sequential approach has been applied to site selection; the impact on existing centres has been assessed; and that regeneration benefits have been considered. When selecting sites, PPS4 also gives preference to sites that best serve the needs of deprived areas (EC5).

Development Management Policies

- 2.12 PPS4 advises that local planning authorities should adopt a positive and constructive approach towards planning applications for economic development². All planning applications for economic development should be assessed against the following impact considerations:
- whether the proposal will limit carbon dioxide emissions, and minimise vulnerability and provide resilience to, climate change;
 - the accessibility of the proposal by a choice of means of transport;
 - whether the proposal secures a high quality and inclusive design;
 - the impact on economic and physical regeneration in the area; and
 - the impact on local employment.

² For the purposes of PPS4, economic development includes development within the B Use Classes, public and community uses and main town centre uses. Main town centre uses include retail development, leisure, offices and arts, culture and tourism development.

- 2.13 In determining planning applications for main town centre uses that are not in an existing centre, and not in accordance with an up to date development plan, LPAs should ensure that applicants have had regard to the sequential assessment as set out in policy EC15.
- 2.14 Policy EC16.1 of PPS4 requires that planning applications for main town centre uses that are not in a centre and not in accordance with an up to date development plan be assessed against the following impacts:
- impact on investment in centres located within the catchment of the proposal;
 - impact on town centre vitality and viability;
 - impact on allocated sites outside town centres;
 - impact on in centre trade / turnover and on trade in the wider area;
 - whether the proposal is of an appropriate scale; and
 - any locally important impacts on centres under Policy EC3.1.e.
- 2.15 Policy EC17.1 requires LPAs to refuse planning permission where an applicant fails to demonstrate compliance with the sequential approach under policy EC15, or where there is clear evidence that the proposal is likely to lead to significant adverse impacts in terms of any one of the impacts set out under EC10.2 and EC16.1.
- 2.16 However, where no significant adverse impact has been identified, Policy EC17.2 requires LPAs to exercise a balancing approach, whereby they take account of the positive and negative impacts of the proposal in terms of policy EC10.2 and EC16.1, and any other material considerations.

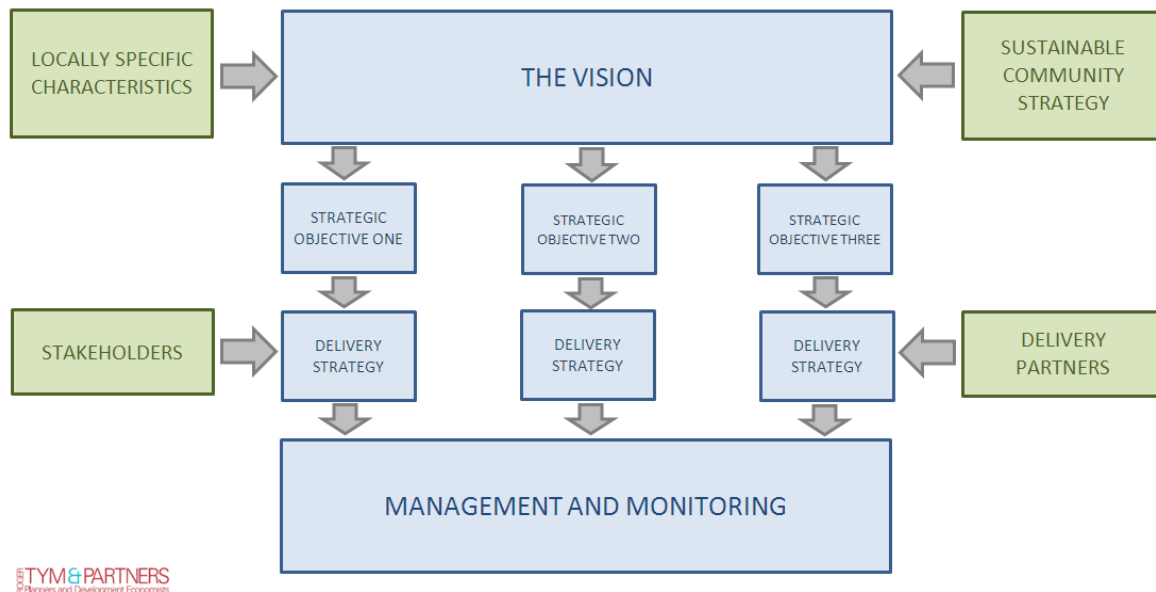
PPS4 Practice Guidance – Need, Impact and the Sequential Approach

- 2.17 The PPS4 Practice Guidance on Need, Impact and the Sequential Approach (hereafter referred to simply as the Practice Guidance) was published alongside PPS4 in December 2009. The Guidance does not constitute a statement of Government policy, but forms guidance to support and inform the policy contained within the PPS.

PPS12: Local Spatial Planning (June 2008)

- 2.18 Paragraph 4.1 of PPS12 requires that each core strategy must include:
- an overall **vision** which sets out how the area and the places within it should develop;
 - **strategic objectives** for the area, focusing on the key issues to be addressed;
 - a **delivery strategy** for achieving these objectives, which should set out how much development is intended to happen, where, when and by what means it will be delivered and with locations for strategic development indicated on a key diagram; and
 - clear arrangements for the **management and monitoring** of the delivery of the strategy.
- 2.19 In turn, the vision should closely relate to the Sustainable Community Strategy (paragraph 4.2 of PPS12), and the strategic objectives should form the link between the vision and the delivery strategy (paragraph 4.3 of PPS12). This relationship is graphically illustrated in Figure 2.1.

Figure 2.1 The Nature of Core Strategies, as Required by PPS12



2.20 PPS12 emphasises that it is the delivery strategy which is central to the process.

Paragraph 4.4 advises that a delivery strategy must:

- show how the objectives will be delivered, whether through actions taken by the Council as planning authority, such as determining planning applications, or through actions taken by other parts of the Council, or other bodies;
- set out, as far as is practicable when, where and by whom these actions will take place;
- demonstrate that the agencies / partners necessary for its delivery have been involved in its preparation, and that the resources required have been given due consideration; and
- have a realistic prospect of being provided in the life of the strategy.

2.21 If any of these are not possible, the Core Strategy will be considered undeliverable.

2.22 Paragraph 4.6 of PPS12 states that Core Strategies may allocate strategic sites for development, provided these sites are ‘...*considered central to achievement of the strategy*’. The strategy should not be held up by the inclusion of non-strategic sites, however, in general, the strategy will not include site specific detail which can date quickly.

2.23 Paragraph 4.54 of PPS12 introduces a new test of soundness for Core Strategies. To be considered ‘sound’, a Core Strategy should be **justified, effective** and **consistent with national policy**. Justified, means that the document must be founded on a robust and credible evidence base, and that the document contains the most appropriate strategy when considered against the reasonable alternatives. Effective means that the document must be deliverable, flexible and able to be monitored.

2.24 Thus, the guidance contained with PPS12, insofar as it relates to the preparation of Core Strategies, places emphasis on the need for DPDs to:

- ‘...demonstrate that the plan is the most appropriate, when considered against reasonable alternatives.’ (Paragraph 4.38 of PPS12, our emphasis); and
- ‘... show how the vision, objectives and strategy for the area will be delivered and by whom, and when.’ (Paragraph 4.45 of PPS12, our emphasis).

PPS12 Test of Soundness for Core Strategy Documents

To be ‘sound’, a Core Strategy should be JUSTIFIED, EFFECTIVE and consistent with NATIONAL POLICY.

Justified means that the document must be:

- founded on a robust and credible evidence base; and
- the most appropriate strategy when considered against the reasonable alternatives

Effective means that the document must be:

- deliverable;
- flexible; and
- able to be monitored.

The Requirements of the Current Regional Spatial Strategy

- 2.25 At the time of writing our Report, the Regional Strategy for the North West remains part of the Development Plan, but it is anticipated that the regional framework within which applications must be considered will be subject to further change, and we note that the Government’s intention to abolish this tier of planning should be treated as a material consideration.
- 2.26 Nevertheless, in the absence of any other guidance on the regional hierarchy of centres, the RSS provides an indication of what the role and function of centres should be within the wider regional hierarchy, and provides guidance on issues which are of more than local importance. Moreover, the Government’s letter of 6th of July, which sought the revocation of regional strategies, explained that ‘*evidence that informed the preparation of the revoked Regional Strategies may also be a material consideration, depending on the facts of the case*’. Thus, the overarching objectives and policy direction provided by the RSS, which were informed by a substantial evidence base, are still worthy of consideration where relevant.
- 2.27 Policy RDF1 sets out the Regional Spatial Framework, and is the cornerstone of the RSS. Policy RDF1 identifies Blackpool as a third priority for growth, behind the regional centres of Manchester and Liverpool, and the inner areas surrounding these centres. In turn, policies DP1 through to DP9 set out the spatial principles that underpin the RSS, which include the policies for promoting sustainable communities and economic development, and the priorities for marrying opportunity with need.

- 2.28 The sustainable economy policy of most relevance to this study is Policy W5. Policy W5 proceeds on the basis of an opening paragraph which seeks to promote retail investment that assists in the regeneration and economic growth of the region's town and city centres, subject to three key tests to the effect that such development should:
- be consistent with the scale and function of the centre;
 - not undermine the vitality and viability of any other centre; and
 - not create unsustainable shopping patterns.
- 2.29 Policy W5 goes on to state that:
- i) Manchester/Salford and Liverpool city centres will continue to function as the North West's primary retail centres;
 - ii) comparison retail facilities should be enhanced and encouraged in the 26 centres that it lists (which substantially overlap with the third tier locations identified in Policy RDF1, and include Blackpool);
 - iii) investment, of an appropriate scale, in centres not identified in ii) above will be encouraged in order to maintain and enhance their vitality and viability, including investment to underpin wider regeneration initiatives, to ensure that centres meet the needs of the local community, as identified by local authorities; and that
 - iv) there will be a presumption against new out-of-centre regional or sub-regional comparison retail facilities, requiring local authorities to be proactive in identifying and creating opportunities for development within town centres.
- 2.30 Finally, policies CLCR1 and CLCR2 aim to support the vision to develop the Central Lancashire City Region as an area where investment is focused in the City of Preston, and the three towns of Blackburn, Blackpool and Burnley (CLCR1), and where development is pursued in a manner that addresses worklessness, enhances urban quality and contributes to the enhancement of the natural setting of the city/towns (CLCR2).
- 2.31 The RSS identifies that one of the strengths of the Central Lancashire City Region is its polycentric nature. Thus, in keeping with W5, growth in the CLCR should be sustainably distributed across the centres, so as to prevent any one centre within the polycentric region becoming unduly dominant.

Relevant Local Policy, Plans and Strategies

- 2.32 The three Fylde Coast Authorities have collaborated with one another in the preparation of their LDF evidence base documents. Indeed, all three authorities recognise that the Fylde Coast sub-region, although possessing a broad range of strengths and characteristics, effectively functions as a single housing and employment market area. Thus, there is an acknowledgement of a need for a more co-ordinated review and updating of Plans, based on a better understanding of the sub-regional market area as a whole. It is recognised that

such joint working will greatly improve the quality and consistency of assessments of future development needs, and will contribute towards a more efficient use of resources.

- 2.33 Blackpool Council approved its Core Strategy Preferred Option in April 2010 and is now progressing towards its Submission document. Fylde and Wyre Council's Core Strategies are currently at the public participation stage (Regulation 25), and are being informed by a number of joint assessments, such as this Retail Study undertaken on behalf of all three Fylde Coast Authorities.

Blackpool

- 2.34 The Blackpool Local Plan was adopted in 2006, with policies automatically saved for three years (to June 2009). The Council applied to the Government Office for the North West (GONW) to issue a saving direction for those policies in the Local Plan which remained relevant; the saving direction was issued on the 9th June 2009. Insofar as retail and town centres is concerned, we note that all the policies in Chapter 3 of the Local Plan - 'Establishing a Thriving Resort' - were saved, along with Policies BH11 and BH17, which focus retail development on the existing town centre, and Blackpool's hierarchy of district and local centres.
- 2.35 Blackpool's Sustainable Community Strategy (SCS), 2008, sets out the vision on which the future development of planning policy in the Borough should be based. The document has been produced by the Blackpool Strategic Partnership (BSP), whose main aim is to set out the vision for Blackpool and coordinate and drive the delivery of local services. The Strategy sets out four goals, which together aim to deliver the vision of improving the quality of life for those who live, work, study in and visit Blackpool; the four goals are as follows:
- improve Blackpool's economic prosperity – creating jobs and opportunities for local people;
 - develop a safe, clean and pleasant place to live, work and visit;
 - improve skill levels and educational achievement; and
 - improve the health and well-being of the population.
- 2.36 The SCS³ states that it will be reviewed annually by the BSP to ensure that actions are being delivered which meet the needs and aspirations of the local community, and that the long-term vision remains on-track.
- 2.37 Formal consultation on the Core Strategy took place in the summer of 2008, and the most recent iteration of the Core Strategy – the Preferred Option – was published for consultation in April 2010. Following consideration of all comments received in relation to this document, the Council will publish its Pre-Submission document, which, after final consultation, it is anticipated will be submitted to the Secretary of State by the end of 2011.

³ page 42 of the Sustainable Communities Strategy, although we note that the document has not been reviewed since publication in 2008.

- 2.38 The overarching objective of the emerging Core Strategy is a dual focus on regeneration and sustainable growth throughout the Borough. Insofar as retailing and town centres are concerned, the Core Strategy seeks to ensure that much of the new development will be achieved by promoting urban regeneration and resort renaissance to sustainably restructure the town centre and the resort core. The Core Strategy acknowledges that increasingly intense competition has led to a decline in the town centre shopping offer, so that major new investment and development is needed if Blackpool is to clawback lost expenditure and achieve its full potential as the main centre at the heart of the Fylde Coast urban area.
- 2.39 Thus, with this background in mind, proposed Policy R5 of the emerging Core Strategy (Preferred Option, April 2010) seeks to *'promote and pursue the development, enhancement and re-branding of the town centre as the centre-piece of 'The City on the Beach', with its own distinctive and unique offer.'* Such a change will be achieved through focusing all major retail development in the town centre and strengthening the prime retail area, including high quality niche shopping.

Fylde

- 2.40 The Fylde Borough Local Plan comprises two separate documents - the Fylde Borough Local Plan 1996 to 2006 and the Fylde Borough Local Plan Alterations Review 2004 to 2016. The adoption of the Alterations Review in October 2005 replaced parts, but not all, of the existing plan. The Local Plan is currently being replaced by the LDF.
- 2.41 The Fylde Borough Local Plan was adopted on 19th May 2003, and the policies saved until 27th September 2007. In order to retain specific policies which remained relevant within the wider context of national planning policies and regional and local objectives, the Council was required to seek the Secretary of State's agreement to issue a saving direction. The Secretary of State issued the direction on 18th September 2007, saving all policies except Policy TR9: Car Parking within New Developments.
- 2.42 The policies introduced in the Alterations Review to the Fylde Borough Local Plan were subject to consideration by the Secretary of State, and all policies were saved except Policy HL1: The Quantitative Housing Issue / Affordable Housing, which had expired given the recently increased requirement in the Regional Spatial Strategy.
- 2.43 The Fylde Sustainable Communities Strategy (July 2008) sets out how local organisations and agencies should work together to improve the economic and social well-being of the area. There are three key themes that run throughout the strategy, these are:
- community cohesion;
 - equality and diversity; and
 - improving quality of life for residents
- 2.44 The Fylde Core Strategy is in the early stages of preparation. A community engagement exercise was undertaken in February 2011 on an Issues, Objectives and Vision for the Core Strategy. It is expected that an Issues and Options Core Strategy will be published in late 2011.
- 2.45 The broad objectives which have been identified, are as follows:

- to create sustainable communities;
- to improve the environment;
- making services accessible;
- to regenerate the local economy; and
- to develop socially cohesive, diverse and healthy communities.

Wyre

- 2.46 The Wyre Local Plan was adopted in 1999. The Council sought the Secretary of State's agreement to save the relevant policies of the Local Plan in March 2007, and a decision was issued on 18th September 2007. The relevant policies relating to retail and town centres which were saved in the direction are: SP2 – Strategic Location for Development, SP5 – Definition of Main Rural Settlements, SP8 – Definition of Small Rural Centres, TC1 – Town Centre Boundaries, TC2 – Primary Shopping Area, TC7 – Secondary Shopping Areas and TC11 – Mixed Development Area at Parkhill Road Garstang.
- 2.47 In early 2004, the Council produced a First Deposit Draft of the Wyre Borough Local Plan, covering the period 2001 to 2016; this remains a material consideration. However, due to changes in legislation, work on this document has ceased in favour of the production of the Council's LDF.
- 2.48 Prior to preparation of its Core Strategy, Wyre has prioritised the preparation of the Fleetwood Thornton Area Action Plan (AAP). However, following the adoption of this Development Plan Document (DPD) in September 2009, the Council is now committed to progressing the preparation of its Core Strategy. The Local Development Scheme for Wyre indicates that the Core Strategy is scheduled for adoption in the latter part of 2012
- 2.49 The LDF for Wyre will be prepared with the local community, including residents, local businesses and key stakeholders. A fundamental aim of Wyre's LDF is to fully engage local people, and provide clear links between the LDF and the Sustainable Communities Strategy.
- 2.50 Consultation on the Core Strategy Issues and Options took place in 2008. The spatial planning objectives in the Issues and Options document are as follows:
- ensuring opportunities for work are provided locally;
 - providing homes to meet local needs;
 - reclaiming contaminated land;
 - enhancing green infrastructure and Wyre's natural environment;
 - respecting local distinctiveness and promoting high quality design;
 - ensuring accessibility to services;
 - keeping communities safe;
 - providing places for people to meet; and
 - improving performance in sustainable building.
- 2.51 In this context, the Issues and Options paper sets out three policy options for achieving the aforementioned objectives across the Borough:

- i. reducing inequality gaps;
- ii. a range of jobs to reduce the need to travel; and
- iii. responding to the Communities of Wyre (six smaller Core Strategies, based on the Great Wyre Jigsaw)

2.52 The Wyre Sustainable Communities Strategy, prepared by the Wyre Strategic Partnership, was approved on October 27nd 2007, and provides a framework for future investment in the Borough up to 2025. The Sustainable Communities Strategy is underpinned by the following vision:

'By valuing, listening to, respecting and empowering the people of Wyre, together we will build safe, healthy, skilled, planned and diverse communities, based upon the principles of sustainability, enterprise, civic pride and fair trade.'

2.53 The Fleetwood-Thornton Area Action Plan (AAP) was adopted in September 2009 and sets out a comprehensive vision and spatial planning framework to 2021 for the Fleetwood-Thornton area. The AAP focuses on delivering significant growth and development in the area, so as to secure the sustainable regeneration of this strategically important site.

2.54 The basis of the AAP vision is:

- the importance of improvements to the road infrastructure, both inside and outside of the area;
- the regeneration of business activity;
- the importance of environmental protection and enhancement; and
- the need for improved provision of community facilities and for sustainable patterns of development as major aspirations for the future of the area.

3 REVIEW OF KEY RETAIL TRENDS

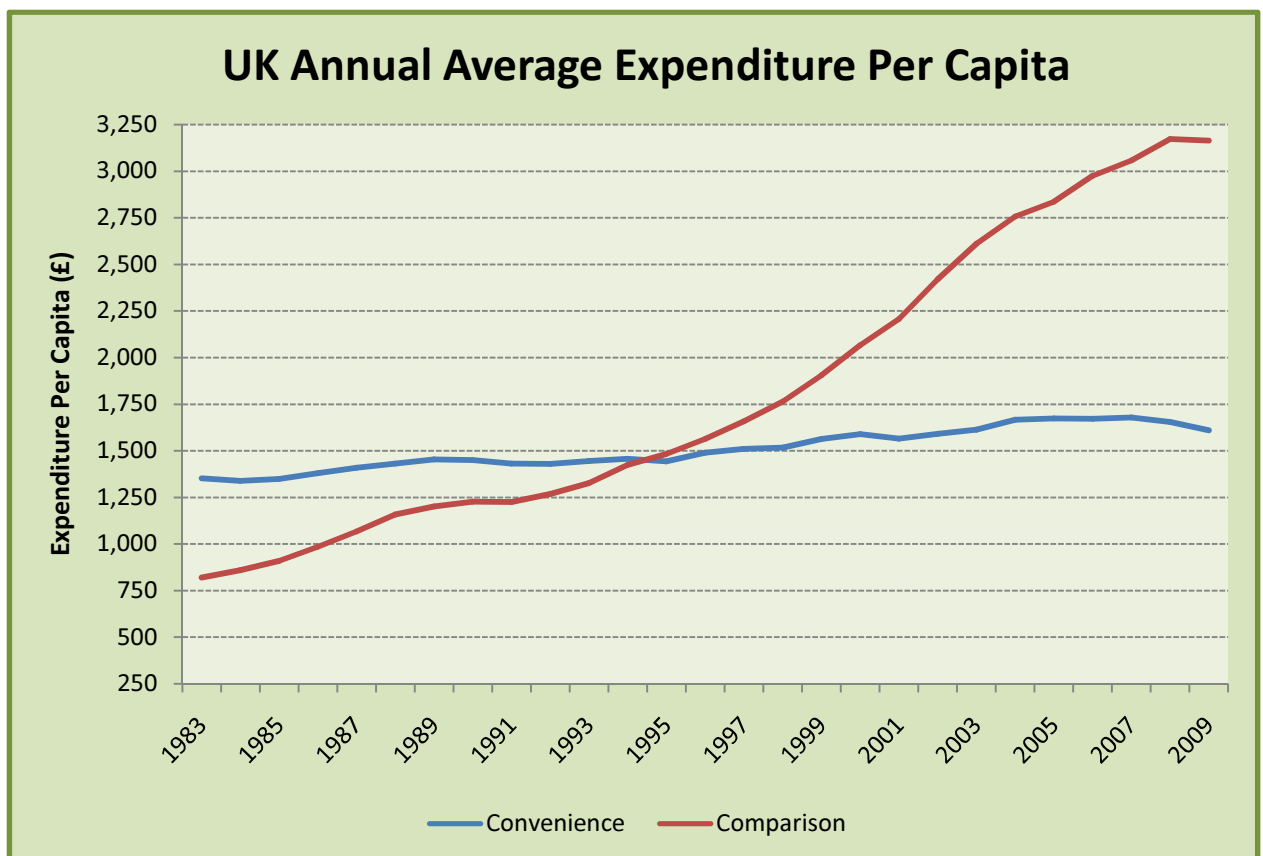
Introduction

3.1 This section provides an overview of current national trends in the retail sector, highlighting, wherever appropriate, those that we consider could have – or are already having – an impact in the Fylde Coast sub-region. The review is drawn from a range of published data sources, including research carried out by Verdict, PBBI/OE, the New Economics Foundation, CB Richard Ellis and Colliers CRE.

Expenditure Growth

3.2 Graph 3.1 illustrates the growth in comparison goods retail expenditure per capita and in convenience goods retail expenditure per capita in the UK since 1983, in constant year 2006 prices. The growth in the comparison goods sector has far surpassed that in the convenience goods sector, and has averaged 5.6 per cent, per capita, per annum since 1983, compared to a growth rate for convenience goods expenditure since 1983 of just 0.9 per cent, per capita, per annum.

Graph 3.1 UK Annual Average Expenditure Per Capita



Source: Oxford Economics/PBBI Information Brief 2010/2011, Table 3.2 (2006 prices).

3.3 Graph 3.1 also illustrates the beginning of the recession in late 2008 and in 2009 (the latest year for which data are available). Indeed, there was a fall in per capita expenditure on comparison goods in 2009 of -0.3 per cent, which is the first fall since 1991. Moreover, in

the convenience sector, there has been negative growth in both 2008 of -1.5 per cent, and in 2009 of -2.7 per cent. Experian and PBBI/OE anticipate a return to growth in per capita spending on comparison goods in the range 2.4 per cent, per annum to 3.8 per cent per annum as early as 2012, but both forecasters do not envisage a return to levels of previous growth in the period up to 2020, with growth between 2015 and 2020 anticipated to be just over 3 per cent, per capita, per annum.

- 3.4 Latest research⁴ indicates the depressed wage growth and rising inflation will see consumer spending grow by just 0.6 per cent in 2011 and 1.3 per cent in 2012, before rising to 2.2 per cent in 2013. The squeeze on consumer spending is going to accelerate some of the societal shifts that have occurred over the last few years; shoppers are going to be a lot more cautious about when, where and how they shop so that whilst they may be shopping more often, they are spending less on each visit.
- 3.5 In the past, the consistent growth in expenditure has supported growth in new retail floorspace, and particularly in the 1980's and 1990's, the growth in large out-of-centre development. However, these levels of growth in floorspace are unsustainable in the context of the current economic climate. Indeed, not only has the economic downturn resulted in lower forecast levels of spending, but it has also had an effect on investor and developer confidence, meaning that in many town centres across the country, retail schemes have either been put on hold, or are now only viable with huge amounts of public sector pump priming.
- 3.6 Nevertheless, there are early signs that stalled schemes are being re-evaluated and re-worked to achieve viability in the current market, and the growing support for new finance initiatives – such as Tax Increment Funding, and Accelerated Development Zones – will help to encourage development in smaller town centres where development was previously thought of as being unviable.

Effect of Economic Downturn on Retailer Demand

- 3.7 The effects of lower levels of expenditure growth in the future are likely to suppress retailer demand for floorspace. Indeed, following the VAT increase to 20 per cent in January 2011, retailing will be vulnerable to the impact of tax rises, public sector pay freezes, and job cuts. This squeeze on growth in consumer expenditure will create a tougher trading environment for retailers, with knock-on effects likely to include the scaling back of store expansion plans for some retailers, rationalisation to concentrate on only the most profitable stores, and an emphasis on cost containment across the board. All of these will restrain demand for new retail floorspace, and curb rental growth.
- 3.8 The impact of suppressed retailer demand is that where retailers are looking for more space, they are more likely to look to higher order centres, including competing locations such as Preston. Thus, demand from operators in the Fylde Coast sub-region is likely to be

⁴ Ernst and Young, ITEM Club Report, 16th May 2011

strongest in Blackpool Town Centre, and the weakening of demand in smaller centres will necessarily influence the strategies that are devised for them.

- 3.9 Nevertheless, the effects of the recession and suppressed levels of retail expenditure growth are already evident in Blackpool, where vacancies are prominent even in the extended Houndshell Centre. Moreover, where vacancies have recently been occupied, the quality of the occupier has declined, so that there has been a growth in the number of discount and charity shops in many of the Fylde Coast centres. Indeed, the negative impact of the recession on town centres is twofold; visitors are spending less, and investors and developers are taking longer to commit to schemes. These effects are compounded by the collapse of a number of national operators⁵ as a result of the recession.

The Development Pipeline

- 3.10 In terms of future supply, there is concern that the longer developments remain in the pipeline, the more difficult it will be for retailers to expand. Much of the existing secondary and tertiary stock in town centres is unfit for the purposes of mass-market retailing. This is particularly evident in Blackpool Town Centre, indeed, once outside the confines of the Houndshell Shopping Centre, the retail stock is small, of poor quality and too dated to successfully attract better quality high street multiples.
- 3.11 Therefore, as the economy recovers, and retailer requirements return to pre-recession levels⁶, the development pipeline is going to find it difficult to keep pace, and thus it is important that, where possible, public sector partners remain committed to supporting schemes which will help support the future recovery of their town centres.
- 3.12 The economic shift that has occurred as a result of the recession may, in the longer term, bring some positive benefits to town centres such as Blackpool and the smaller centres of the Fylde Coast. The unprecedented growth in consumer expenditure, which fuelled the large scale developments seen in many of the larger town and city centres throughout the country over the last decade are now unsupportable.
- 3.13 As such, it is likely that in the future we will see a shift from large scale town centre developments such as Liverpool One and Highcross Leicester, with large department store anchors, to smaller and simpler schemes which are anchored by a range of retailers and which are more deliverable in what is likely to be a much more restrained market sector. In Blackpool, this shift reinforces the need to support smaller, more deliverable town centre retail schemes such as Houndshell Phase II, which will help to consolidate and enhance the retail offer of the town centre, rather than undermining what is already a weak offer through the promotion of large scale schemes which might run the risk of flooding the market with units that cannot be let.
- 3.14 This shift to smaller schemes could also be encouraged by greater certainty in the planning environment, as DPD documents are adopted throughout the country, and Local Authorities

⁵ Woolworths, Borders, Zavvi and MFI to name but a few.

⁶ Source: CBRE

accept that town centre schemes cannot fund all planning obligations if they are to be viable and deliverable. Thus, whilst the recession may have made retailers and developers more cautious, there is still interest in town centres - albeit now on a smaller and more modest scale.

- 3.15 There are also early signs that stalled schemes are being re-evaluated; whilst developers and investors remain cautious, many schemes which had previously been victims of the downturn, are now being re-worked and re-negotiated to achieve viability again. There is also growing support, both within the public and private sector, for new finance initiatives such as Tax Increment Financing and Accelerated Development Zones, both of which unlock revenue streams to support development in areas where it would otherwise not have been viable.
- 3.16 Nevertheless, it remains to be seen whether or not retailers and developers will be willing to buck the polarisation trend, whereby they are increasingly attracted to larger stores in the larger centres, offering a full range, rather than supporting a wider network of smaller stores. At the moment, as town centres, and the public and private partners involved in town centre development emerge from the recession, it remains the case that developers are opportunists, and are less prejudiced towards any one particular channel, with commercial viability being the overriding concern. In this context, it is crucial that the Fylde Coast Authorities remain proactive in attracting investment to their centres, particularly in the face of increasing competition from out of centre locations and higher order centres.

Polarisation Trend in the UK

- 3.17 A significant and long term trend is the continuing polarisation by retailers towards larger stores in larger centres. Retailers recognise that greater efficiency can be achieved by having a strategic network of large stores offering a full range, rather than having a large network of smaller stores, and are therefore increasingly seeking to serve larger population catchments from larger stores. This trend is also driven by consumers, who are becoming more discerning and are increasingly prepared to travel further.
- 3.18 We are therefore witnessing a growing concentration of comparison goods expenditure in a smaller number of larger centres. Indeed, CB Richard Ellis estimates that half the population currently shops in just 70 or so major locations, down from 200 locations 30 years ago⁷.
- 3.19 This concentration of retailing in larger centres is likely to threaten some medium and smaller towns, such as those located throughout the Fylde Coast. Indeed, many of the study centres do not have the size or quality of retail units required to attract national comparison multiples, and in a climate whereby retailers are looking to cut costs and increase efficiency, they are unlikely to be willing to accept constrained or deficient units for the sake of gaining representation. Indeed, this trend is reinforced by the fact that these

⁷ Source: CB Richard Ellis, *UK Retail Briefing*, September 2008

retailers can serve parts of the Fylde Coast catchment from competing centres such as Preston, where they can operate from larger and more efficient units.

- 3.20 However, it is also worth bearing in mind that the economic downturn might, in the longer term, result in a departure from this trend. As previously discussed, it is likely that developers will no longer be willing to take the risks associated with large scale, complicated town centre schemes. The result of this is that we might begin to see smaller, simpler schemes which are much more viable in town centres such as Blackpool, than the more ambitious projects of the last decade.
- 3.21 The growth in market share of the large foodstore operators, and the decline in the number of independent convenience traders poses similar challenges for small town centres and district/local centres which rely on their convenience/service base. A clear picture is emerging of a network of large dominant superstores, and corresponding decline/diversification in the traditional smaller centre. Again, CB Richard Ellis suggest that half the population now shop for main groceries in less than 1,000 of the country's 10,000 plus main grocery stores: the majority located out-of-town⁸. This has implications for the smaller centres located within Fylde and Wyre, many of which rely on a strong convenience and service base to underpin and support their vitality and viability.

Special Forms of Trading

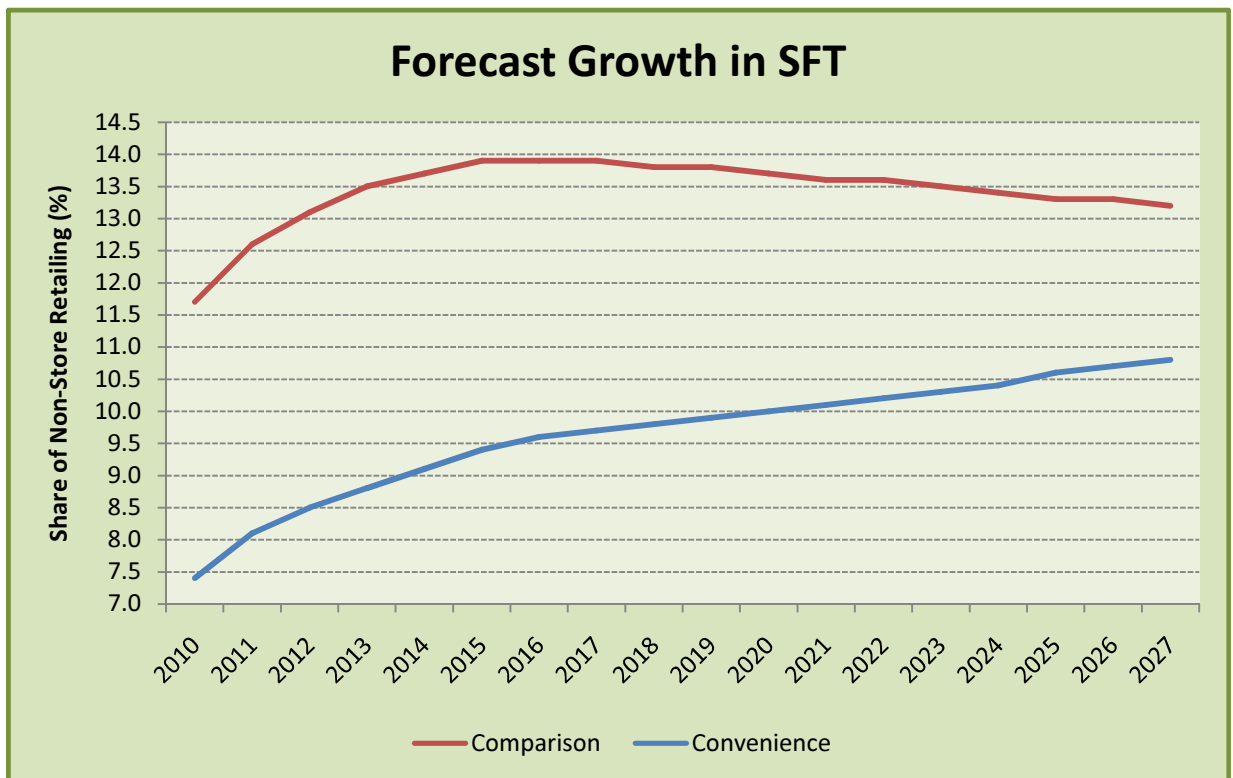
- 3.22 New forms of retailing have emerged in recent years as popular alternatives to traditional high street shopping, with the expansion of the sale of retail goods over the internet (e-tailing) increasingly becoming an issue when planning for retail development.
- 3.23 The value of non-store retail trade (known as Special Forms of Trading) in 2009 was approximately £26.1bn; this represented 8.8 per cent of all retailing⁹. Experian projects that non-store retailing will grow to reach a peak of 13.9 per cent of comparison goods expenditure in the year 2017, followed, thereafter, by gentle decline (as shown in Graph 3.2). In the convenience goods sector, Experian projects that this will continue to grow up to 2027, to reach 10.8 per cent of convenience sales at that date, but with a significant proportion of these sales representing goods taken off supermarket shelves, and with little impact on demand for floorspace.
- 3.24 It is important to bear in mind when considering these forecasts, that there is a high degree of uncertainty about future trends in internet usage, A recent move was Asda's announcement in August 2010 that it is to open a warehouse dedicated to internet orders in Enfield, following the Ocado approach of distributing goods from warehouses rather than stores. If this trend continues, demand for convenience goods retail floorspace as a result of internet shopping may reduce as supermarkets move to a centralised system to ease pressure on stores.

⁸ Source: CB Richard Ellis, *UK Retail Briefing*, Issue 2, 2007

⁹ Experian, Retail Planner Briefing Note 8.1, August 2010

3.25 Nevertheless, the findings of the November 2010 household survey indicates that SFT represents just 1.67 per cent of the convenience goods expenditure of Fylde Coast residents; this compares to Experian’s estimate for 2008 of 5.0 per cent, as set out in its August 2010 Retail Planner Briefing Note 8.1, which in turn is markedly different from the PBBI/OE estimate for 2008 of 1.3 per cent. PBBI/OE excludes internet based sales by companies with conventional retail outlets, and this probably explains the difference between its estimate for convenience goods, and that of Experian.

Graph 3.2 Forecast Growth in SFT Share of Retail Expenditure



Source: Experian Retail Planner Briefing Note 8.1, August 2010

3.26 In the comparison goods sector, the January 2010 household survey reveals that the market share of SFT for comparison goods within the Fylde Coast is just 8.22 per cent; this compares to the Experian estimate of 11.7 per cent for 2010.

Vacancies Outlook

3.27 The current UK retail unit vacancy rate is 12.8 per cent, and our health checks have shown that Blackpool and South Shore have vacancy rates way in excess of the UK average, and that Fleetwood is also above the UK average. In contrast, all of the centres in Fylde are below the UK average, as is Cleveleys, Garstang and Bispham. Poulton-le-Fylde and Thornton are more or less in line with the UK average.

3.28 A recent report by the Local Data Company (LDC) has shown that vacancy levels in the North and Midlands are significantly higher than in the South of England, particularly in large towns with over 400 shops. In Blackpool Town Centre, however, there has been a

marginal reduction in the vacancy rate since the time of the 2009 GOAD survey. Nevertheless, we are concerned that many of the previously vacant units that have now been occupied in Blackpool have been taken by low quality discount shops, and there is even a vacancy issue in the Houndshell Shopping Centre.

Understanding Vacancies

When assessing centres with high vacancy levels, it is important to consider the reasons why this is occurring. High vacancy rates in a centre could be a result of any of the following factors:

- structural failings in the town centre;
- the wider impacts of the recession on town centres;
- as a result of redevelopment in a particular area of the centre, thereby altering the centre of gravity within the town;
- due to commercial reasons, for example lease renewals;
- a lack of retailer demand; or
- as a result of units which are unfit for purpose, and a lack of modern, more efficient units.

- 3.29 Insofar as the growth in discount retailers is concerned, we note that discount store Poundland has announced plans to open 50 new stores in 2011, whilst Poundstretcher are looking to expand from 325 properties in 2010, to 500 by 2012. This is at a time when retailers such as HMV, Waterstones and O2 are looking to close stores in response to declining sales.
- 3.30 Research undertaken by Colliers¹⁰ indicates that it is the smaller and / or less well located units that are having the most difficulty in attracting tenants. This indicates that the market is polarising; good, prime units are beginning to let more quickly, whereas the significant stock of poor quality, secondary units are finding it virtually impossible to attract occupiers. This is reflected in many of the Fylde centres, particularly in centres such as South Shore, Fleetwood and Kirkham, where the findings of our health checks have revealed notably high vacancy rates. In many cases, this is a result of small, inefficient retail units, which do not match the requirements of modern retailers, who are increasingly seeking larger floorplates in modern units.
- 3.31 In Blackpool, the situation is somewhat different, and our own observations confirm the existence of vacancies within the primary shopping area; indeed, we note that there are two

¹⁰ National Retail Barometer, Winter 2010, Colliers CRE

prominent vacancies adjacent to the Debenhams in the Houndshell Centre, despite these being large, modern units, located in a prime location.

The Growth of Discount Food Operators

- 3.32 The effect of the recession on food shopping behaviour amongst consumers has led to a less frivolous and more frugal attitude to spending, and grocers must now respond to the needs of this new post-recessionary consumer. In the UK, the hard discount sector comprised three players: Aldi, Lidl and Netto. However, with the purchase of the third largest, Netto, by Asda (announced in May 2010), the sector is now likely to shrink.
- 3.33 Indeed, Verdict¹¹ reports that following a period of outperformance in 2008 and 2009, as a result of greater consumer price sensitivity and awareness of discounters' offers, the discount sub-sector is now showing signs of slowing to its previous, much lower, rate of growth.
- 3.34 Thus, whilst grocery hard discounters performed well at the height of the recession, *'they have had their day in the sun'*, as, despite being price-led, they have struggled to provide the essential quality element of value credentials to the same effect as the larger supermarket operators such as Tesco and W M Morrison.
- 3.35 An inability to convey value credentials due to the lack of quality of product or store environment is one of the reasons Netto failed in the UK. Larger supermarkets are better placed to provide price-led, value driven offers through the quality of their own brand ranges, a focus on freshness, quality and a relentless focus on competitive pricing.
- 3.36 However, in response to these consumer attitudes, Aldi has been working hard to improve perceptions of the quality of its product by investing in its private label ranges. Indeed, in its efforts to develop high quality products, Aldi has won numerous awards, which will help convey quality and change consumer perception about the retailer.
- 3.37 The challenge for Aldi and Lidl is for them to redefine their offers and improve the communication of them in a way that encourages permanent defection of consumers for their regular weekly grocery shop, rather than simply using grocery discounters for an occasional offer-driven visit.
- 3.38 In 2008, Aldi set out ambitious plans to open up one store a week, however, whilst this was almost fulfilled during that year, there has been a change of policy towards much more modest growth, totalling only 15 stores in 2009, and expected to only reach 10 during 2010. Insofar as property requirements are concerned, Aldi is seeking sites with main road frontages, located in, or on the edge of town and district centres¹².
- 3.39 Thus, there continues to be pressure on Local Authorities – as evidenced by previous applications in Blackpool and Fylde¹³ in particular – to permit edge and out of centre

¹¹ Verdict, Food and Grocery Retailers 2010, September 2010

¹² We note, however, that three of Blackpool's five discount foodstores are in out of centre locations.

¹³ At the time of writing our report, we note an out of centre Lidl is currently under construction in Lytham

foodstores, and the potential adverse impact that such development may have on nearby centres must be carefully taken into account. Indeed, in considering any future applications for edge and out of centre discount foodstores, Local Planning Authorities should ensure that development is appropriate in scale, in keeping with the role and function of the catchment which it is intended to serve, and must not undermine the vitality or viability of existing retail provision. Moreover, only those sites which relate well to existing centres should be considered for convenience retail development.

- 3.40 Lidl has also enjoyed impressive growth over the past five years, with more than 30 store openings a year being a major contributing factor to this growth. Insofar as property requirements are concerned, in addition to prominent sites located within and on the edge of town centres, Lidl also seek to locate their stores in out of centre locations. Again, such a strategy puts pressure on Local Authorities in determining applications, and ensuring the protection of existing town and district centres.
- 3.41 Verdict report that the restrictive planning regime in the UK has made physical expansion difficult for Lidl, and as a result, Lidl has shown signs of becoming more flexible in its criteria for new store sites. Indeed, in August 2008, Lidl opened a trial convenience outlet of less than 600 sq.m, trading under the 'Lidl Express' banner. In 2008 as a whole, some ten smaller stores of between 200 sq.m and 500 sq.m were opened, with the same number opening in 2009, also.
- 3.42 However, in common with Aldi, Lidl has more recently moved from a phase of rapid expansion, to a virtual halt in growth in 2010. In addition to new competition from the 'big four' operators in the discount sector, a further factor for this change could be the greater competition for smaller format locations from operators such as Tesco and J Sainsbury.

The Sale of Comparison Goods in Foodstores

- 3.43 In recent years there has been an increasing emphasis on foodstore operators increasing the proportion of floorspace dedicated to the sale of comparison goods, as expenditure growth rates for comparison goods are much higher than those of convenience goods.
- 3.44 The leading food superstore operators are ideally placed to secure a greater share of consumer spend on comparison goods, taking advantage of the shift from frivolous to frugal competition. Verdict¹⁴ anticipate that non-food will continue to be a key driver for Asda, Sainsbury and Tesco as they invest in their non-food propositions to boost growth and drive footfall, mitigating against subdued growth in convenience expenditure.
- 3.45 This trend serves as a growing threat to smaller town centres, which now face increased competition as foodstores continue to expand their comparison goods offer. In this context, it is crucial that the Fylde Coast authorities continue to ensure that any new foodstore permissions are supported by conditions to limit the amount of floorspace which can be used for the sale of comparison goods. Existing foodstores are also being extended, with, in most cases, the extended floorspace being used for the sale of comparison goods.

¹⁴ Verdict, UK Food and Grocery Retailers, November 2010 (Revised Version)

4 THE CURRENT PERFORMANCE OF THE FYLDE COAST CENTRES

Introduction

- 4.1 PPS4 (Planning for Sustainable Economic Growth) requires that LPAs should use their annual monitoring reports to keep the vitality and viability of their centres under review. This will inform consideration of the impact of policy and assist in determining planning applications at the local level.
- 4.2 Moreover, PPS4 makes it clear that LPAs should proactively plan to promote competitive town centre environments and provide consumer choice by:
- supporting a diverse range of uses;
 - planning for a strong retail mix;
 - supporting small scale economies;
 - identifying sites for development where such a need has been identified;
 - retaining and enhancing existing markets; and
 - taking measures to conserve and enhance the character and diversity of their town centres.
- 4.3 The health check exercise that we have undertaken serves two purposes: it informs the assessment of impact in the retail sector, as detailed in Policy EC16.1 of PPS4, and it will provide the base position for future monitoring of town centre vitality and viability, as required by EC9 of PPS4.
- 4.4 The findings of the health check assessments are informed by on-foot surveys of the study centres, undertaken in February and March of 2011. In undertaking our desk-based research, we have sought to provide published information on each centre's performance using time-series data, which is more useful than presenting current data, as this can simply present a 'snap-shot' picture of the health of a centre. Where possible, we have also sought to compare the performance of Blackpool Town Centre, against the comparator centres of Preston and Blackburn.
- 4.5 Insofar as the data on retail rankings is concerned, it is worth noting that whereas MHE's 2003/04 Index ranked the UK's top 1,672 retail centres, its 2008 Index now considers some 6,720 centres in the UK. Caution, therefore, needs to be exercised in considering slippage or climbs in the retail rankings of low-ranked centres (particularly local centres) between 2003/04 and 2008, which might in part be due to the greater number of centres included in the different Indexes, rather than a particular deterioration of the centres' retail offer.

- 4.6 Table 4.1 provides a summary of the floorspace composition of the study centres, based on the latest available data provided by GOAD (October 2009), and provides a guide for the existing size of the centres, and their position with the retail hierarchy. Indeed, Table 4.1 demonstrates that Blackpool Town Centre is by far the dominant centre in retail floorspace terms, serving a higher order role for residents of the Fylde Coast as a whole. In contrast, the market town of Kirkham serves a much smaller catchment, with a more localised function, and this role is reflected in its retail floorspace composition.

Table 4.1 Floorspace Composition of Study Centres¹⁵ (sq.m gross)

Centre	Convenience	Comparison	Service	Vacant	Total
Blackpool	8,430	63,850	21,190	15,880	109,350
St Annes	5,340	17,510	11,340	4,430	38,620
Lytham	3,130	9,750	8,520	3,010	24,410
Kirkham	3,770	4,510	2,970	690	11,940
Cleveleys	4,160	23,500	9,210	3,080	39,950
Fleetwood	13,830	11,300	7,470	4,540	37,140
Garstang	5,510	4,480	3,180	1,230	14,400
Poulton-le-Fylde	3,110	5,730	6,130	830	15,800

- 4.7 The detailed findings of our health checks are set out in Volume 3, including the most recent data on diversity of uses, rents and yields and vacancies. Thus, below, we provide a summary and our conclusions in respect of the vitality and viability of each of the study centres.

Blackpool Borough

Blackpool Town Centre

- 4.8 The most recent survey of households, undertaken by RTP in 2010, indicates that there has been a slight clawback of comparison goods expenditure to Blackpool Town Centre, with the retention level increasing modestly by 3.9 per cent from 29 per cent in 2008, to 32 per cent in 2010, following the opening of the Houndshell Phase I Extension. We consider, however, that given the dominance of Houndshell in terms of retail provision in Blackpool, the level of clawback that has occurred as a result of this development is somewhat low; this suggests that the Houndshell extension is only a short term fix in terms of reversing the town centre's decline. Indeed, the longer term trend indicates that since 1998, at the time

¹⁵ Data is not available for the following centres: Bispham, South Shore and Thornton

of the Hillier Parker Retail Study, Blackpool Town Centre's retention rate for comparison goods has fallen from 43 per cent to 32 per cent, a fall of 11 percentage points.

- 4.9 The nature of the retail offer in Blackpool is generally poor quality, and whilst there are some signs that this is gradually improving, with representation from new national multiple retailers attracted by the redevelopment of the Houndshell Centre and a slight fall in the vacancy rate, the overriding image of the centre's retail offer is that it does not provide the quality or range of retail offer that is necessary for clawing back the expenditure of residents.
- 4.10 Indeed, whilst a health check can only ever provide a 'snap shot' perspective of the health of the town centre, the overriding conclusion which emerges from the analysis is the necessity for the Council to provide a clear and focussed strategy to guide the regeneration of the town centre, and to help to reposition Blackpool as the first choice for residents of the Fylde Coast. If the Council and its partners are to build on the work which has been achieved so far, with schemes such as the Hounds Hill Phase I Extension and public realm improvements, there needs to be a significant step change in the town centre's retail offer and its environs so as to secure the clawback of comparison goods expenditure which is currently leaking to competing and out of centre destinations.
- 4.11 Since 1995 Blackpool has fallen by a total of 41 places to its 2008 position of 98th in the Management Horizons ranking of shopping centres. More recently, however, the fall in rankings has not been as steep; Blackpool dropped just nine places between 2003 and 2008. When compared to the centres of Blackburn and Preston (both of which are positioned within the same tier in the regional hierarchy), the performance of Blackpool in the national retail rankings appears rather poor. Whilst Blackburn's 2008 position in the rankings is lower at 141st, it has only fallen 11 places since 1995. Similarly, Preston, which was ranked 42nd in 2008, has maintained the same position.
- 4.12 The quality of the convenience offer in Blackpool is primarily focused towards the middle and lower end of the retail spectrum. This is confirmed by the presence of an Iceland and a Cool Trader store in the town centre, and by the absence of any leading foodstore operator in the town centre. Similarly, the comparison offer in Blackpool is predominantly focused towards the middle, and lower end of the retail spectrum, particularly more recently, as vacant units have been taken up by lower order retailers – for example pound shops and charity shops. There is very little representation from higher end or 'luxury' retailers in the town centre.
- 4.13 Service uses in Blackpool account for 32 per cent of total units, and as one would expect for a town with a strong visitor economy, there is healthy representation from units within the '*restaurants, cafés, coffee bars, fast food and take away*' subcategory; indeed, there are 107 such units, which collectively account for 19 per cent of total town centre units.
- 4.14 Blackpool achieves an overall fashion rating of 'middle' in the Management Horizons Index, with 48 per cent of retailers in the 'fashion middle' category, a further 31 per cent in the 'fashion lower middle' category, and a further 13 per cent in the 'fashion value' category.
- 4.15 There were 114 vacant units in Blackpool Town Centre in March 2011, which equates to a vacancy rate – as measured by the total proportion of retail and service units – of almost 20

per cent; this is somewhat higher than the UK average¹⁶ in 2011 of 12.8 per cent. We note, however, that the vacancy rate has fallen very slightly from 21 per cent, as recorded at the time of the GOAD survey in October 2009.

- 4.16 Nevertheless, this improvement should not necessarily be seen as positive, as many of the recently occupied vacant units have been taken up by discount retailers and charity shops, so that the nature of the retail offer in Blackpool Town Centre has declined. Indeed, research by the Local Data Company records that five new pound shops and four new charity shops opened in Blackpool Town Centre in 2010.
- 4.17 Moreover, the findings of our land use audit indicates that prominent concentrations of vacancies remain throughout the town centre, most notably along Victoria and Bank Hey Street, both of which are located in the core shopping area. Indeed, we note that there are two large and prominent vacant units in the Houndshell Centre adjacent to Debenhams, which detract from the quality of the core town centre retail environment.
- 4.18 Some of the more prominent and larger vacant units which are currently unfit for purpose should be refurbished, so as to encourage their re-occupation, possibly with the offer of incentives. Such incentives could include business rate relief, refurbishment of units and working with businesses (including retailers and landlords) to find new roles for empty shops and improve the appearance of vacant units.
- 4.19 In the comparison goods sector, the opportunities presented by the Houndshell Phase II extension, the Central Station Site, and the Winter Gardens redevelopment, all present opportunities to enhance the comparison goods offer through growth and change.
- 4.20 Talbot Gateway also presents an opportunity for the enhancement of Blackpool, although the Council should ensure that any comparison floorspace promoted as part of this scheme, does not undermine the existing town centre offer. Talbot Gateway will secure regeneration to the north of the town centre, an area which is currently characterised underutilised land and buildings, and which makes for an unwelcoming entrance to the town centre for visitors who arrive by train. The scheme will predominantly comprise civic, hotel and convenience retail uses, and thus in retail terms, will seek to fill the qualitative gap that has been identified in the town centre in terms of foodstore provision.

South Shore

- 4.21 South Shore has climbed 354 places in the Management Horizons Rankings, from a position of 1,449 in 2003/04 to 1,095 in 2008¹⁷. It has a healthy convenience offer, albeit predominantly catering for the lower end of the retail market with retailers such as Cool

¹⁶ The UK average vacancy rate of 12.8 per cent in 2011, is an average provided by Experian GOAD, and derives from all centres in the UK. Caution should therefore be taken when comparing with the UK average, as this can be a somewhat crude measure of whether vacancies are a cause for concern.

¹⁷ Caution needs to be exercised in considering slippage or climbs in the retail rankings of low-ranked centres (particularly local centres) between 2003/04 and 2008, which might in part be due to the greater number of centres included in the different Indexes, rather than a particular deterioration of the centres' retail offer.

Trader Frozen Food and Iceland. Comparison provision is slightly more limited, and dominated by independent and discount retailers.

- 4.22 The vacancy rate was particularly high at the time of our land use audit in February 2011 – 29 per cent compared to a UK average of 12.8 per cent - and this seems to have also been the case at the time of the WYG survey in 2007. However, we note that the majority of the vacant units are located along Bond Street, which is away from the main retail focus of the centre along Waterloo Road, so that a change of use of these retail units for more viable uses would improve the image of the centre.
- 4.23 The public realm is generally well maintained, but, we consider that some of the buildings would benefit from cosmetic improvements to improve the overall image of the town centre for residents and visitors alike.
- 4.24 The 1999 Hillier Parker study for the Fylde Coast identified that South Shore was failing to fulfil the role of a district centre, and such a view was endorsed again by Savills in 2005 study. The more recent 2008 study undertaken on behalf of the Fylde Coast authorities by WYG indicates a slight improvement, whilst warning that vacancy rates were high.
- 4.25 Our own assessment is that overall, South Shore is a vital centre, which appears to be relatively popular in serving the day to day needs of local residents and visitors. We do have concerns, however, regarding the viability of the centre, and this is reflected in the high vacancy rate, and lack of private sector investment in recent years. Thus, so as to prevent the further onset of decline, efforts should be made to encourage the refurbishment of vacant units so that they are fit for purpose; this will complement the public sector investment that has already been made in 2009 in upgrading the image of the town centre through public realm works.

Bispham

- 4.26 Bispham has climbed 220 places in the Management Horizons Ranking, from a position of 1,545 in 2003/04 to 1,325 in 2008. It has a healthy and diverse convenience offer, with strong representation from both national multiples – such as J Sainsbury - and smaller, independent retailers. However, the comparison goods offer in Bispham is slightly limited, in terms of both quantum and representation from retailers. Nevertheless, we consider that given the proximity of Blackpool, this is not a cause for concern.
- 4.27 We note, also, that the vacancy rate in Bispham is low, at 8.2 per cent in March 2011, compared to a UK average of 12.8 per cent, and the town centre environment is pleasant and generally well maintained. We consider, therefore, that Bispham is generally a vital and viable centre, and small improvements to the overall image of the centre would help maintain and enhance this position.

Fylde Borough

Kirkham

- 4.28 Kirkham has fallen 171 places from a position of 1,545 in 2003/04 to 1,716 in 2008 in the Management Horizons Rankings. Whilst this is a notable drop, we note, that the methodology used in calculating the rankings between these two years differs, and,

moreover, the 2008 rankings includes an additional 5,048 centres, so that comparison between these years of the smaller centres should be made with caution.

- 4.29 Our own observations, and the findings of our land use audit, indicate that Kirkham is showing some signs of decline. Whilst the convenience offer is strong, the comparison retail sector is less well represented, and whilst we do not consider that this is of particular concern given that residents would be expected to travel to higher order centres to undertake much of this shopping, there is a growing number of vacancies (2 per cent at the time of the WYG study in 2008, rising to 9 per cent at the time of our own land use audit in March 2011), signalling a decline in the vitality and viability of the centre.
- 4.30 Thus, in respect of Kirkham, the focus should be on halting the increasing number of vacancies (through the refurbishment of these units, or offering incentives to tenants such as business rates relief) and diversifying the retail offer through promoting the refurbishment of vacant units that are no longer fit for purpose. Moreover, the centre would benefit from an uplift in the quality of the retail offer, so that it does not become dominated by charity and discount retailers; this will enable Kirkham to better capture the expenditure of residents.

Lytham

- 4.31 Lytham and St Annes Town Centres are not classed separately in the MHE retail rankings. We note, however, that under the entry 'Lytham St Annes', the centre climbed 55 places from a position of 391 in 2003/2004 to 336 2008. This is an encouraging indication.
- 4.32 On the whole, the findings of our health check assessments demonstrate that Lytham is a notably vital and viable centre, with a good diversity of retail and service uses, and good representation from quality independent retailers in the convenience and comparison sectors. The food and drink offer is also of good quality. Furthermore, the vacancy rate in Lytham, at 9.2 per cent in March 2011, is below the UK average. The focus, therefore, should be on maintaining this high level of health, so that the centre continues to serve the needs of its local catchment and visitors alike. There appear to be few opportunities, however, for retail development of any material scale, and there is a physical and environmental limit to the town centre's ability to accommodate significant development.

St Annes

- 4.33 Lytham and St Annes Town Centres are not classed separately in the MHE retail rankings. We note, however, that under the entry 'Lytham St Annes', the centre climbed 55 places from a position of 391 in 2003/2004 to 336 2008. This is an encouraging indication.
- 4.34 St Annes is a well maintained and vibrant centre, with a strong convenience base, although lacking slightly in the comparison goods sector. Indeed, the clothing and footwear sub-category is somewhat underrepresented, and we noted a high proportion of charity shops during the time of our visits in February and March of 2011.
- 4.35 Whilst the vacancy rate in St Annes falls below the national average, at 10.1 per cent, some of the more prominent and larger vacant units should be refurbished, so as to encourage their re-occupation, possibly with the offer of incentives. Such incentives could include business rate relief, refurbishment of units and working with businesses (including retailers

and landlords) to find new roles for empty shops and improve the appearance of vacant units. This will help to diversify the comparison retail offer, and prevent vacant units detracting from the overall vitality and viability of the centre.

Wyre Borough

Cleveleys

- 4.36 Between 2000/01 and 2008, Cleveleys Town Centre climbed 63 places in the Management Horizons Retail Rankings, from a position of 450 in 2000/01 to 387 in 2008. This steady rise in the rankings is an encouraging indication, and we have found that the vacancy rate in Cleveleys, at 9.3 per cent in March 2011, is below the UK average of 12.8 per cent.
- 4.37 On the whole, we consider that Cleveleys is a vital and viable centre, demonstrating strong levels of footfall, and a strong convenience sector in terms of quantum of floorspace and representation from a wide range of retailers. The service sector is also well represented, particularly in relation to the provision of cafés and food outlets that cater for the tourist population.
- 4.38 In contrast, the comparison offer in the centre is slightly weaker, with underrepresentation in the sub-category of men's clothing, and an overall comparison offer that is focused towards the lower end of the retail spectrum, with little choice in terms of representation from better quality retailers.
- 4.39 Moreover, we note that the centre is rather long and linear, so that the Council should consider encouraging the contraction of the centre to provide a more focused retail core, whilst enabling the change of use of less viable retail units, or vacant units, located on the periphery of the centre.

Fleetwood

- 4.40 Movement in the position of Fleetwood town centre in the national retail rankings indicates that the centre has fallen by 270 places over the last decade from a position of 461 in 1998/1999, to 731 in 2008, although we note that this decline has slowed in more recent years. We consider that this is quite a significant fall over this period.
- 4.41 On the whole, Fleetwood is a reasonably vital centre, benefitting from a strong convenience goods and service sector, and healthy levels of footfall.
- 4.42 However, we consider that Fleetwood is deficient in terms of its comparison goods offer, and representation from better quality national multiples is limited, so that many residents will choose to travel to Freeport, outside the town centre, to undertake their comparison goods shopping purchases. Moreover, the vacancy rate in Fleetwood is slightly higher than the national average, at 15.7 per cent in March 2011, and has risen since the 2008 WYG study, so that the Council should consider measures such as business rate relief and working with businesses (including retailers and landlords) to find new roles for empty shops or improve the appearance of vacant units.

Garstang

- 4.43 Garstang Town Centre experienced a significant fall of 501 places in the MHE retail rankings between 2003/04 and 2008, to a position of 1,950. We emphasise, however, that comparison between these years of the smaller centres should be made with caution.
- 4.44 The findings of our health check visits indicate that Garstang is a vital and viable town centre, demonstrating high levels of footfall, a strong convenience, service, food and drink offer, a low vacancy rate as at March 2011 of just 4.7 per cent, and a particularly attractive town centre environment.
- 4.45 Whilst the comparison offer is slightly more limited in terms of diversity and representation from national retailers, we do not consider this to be of particular concern given the strength and quality of the independent sector in Garstang. There are limited opportunities for further expansion within the centre, but we note that much of the development proposed by the Garstang Town Centre Plan (2006) has been implemented, including the development of a high quality Booths store.

Poulton-le-Fylde

- 4.46 Poulton-le-Fylde Town Centre has experienced a substantial fall in its position in the national retail rankings from its peak of 775th in 2000/01, dropping 760 places to 1,535 in 2008. The sharp deterioration in the position of the centre since 2000/01 has been relatively consistent, and continued to fall between 2003/4 and 2008, when the centre slipped 472 places.
- 4.47 The decline of Poulton-le-Fylde in the MHE rankings is significantly greater than the movement recorded in relation to all the other Fylde Coast study centres¹⁸ over that same period. This continued decline in the MHE rankings is of serious concern and it is therefore essential that this deterioration is halted.
- 4.48 Representation in the convenience goods sector is of average quality and the centre benefits from a Booths and Co-Op foodstore. We consider, however, that the Booths store is badly configured, and offers a poor shopping environment and restricts the range and choice of goods on offer. The store is certainly not up to the standards of the Booths stores in Garstang and Lytham. Furthermore, the Co-Op store is located in the Teanlowe Centre, which offers a poor shopping environment, and is in urgent need of redevelopment.
- 4.49 Nevertheless, Poulton-le-Fylde has a strong service sector, with a choice of good quality food and drink outlets, good representation in the banks and estate agents sub-categories and a vacancy rate in March 2011 of 12.2 per cent that is in line with the UK average. Moreover, we consider that the town centre environment is generally attractive, and pedestrian flows are high throughout.
- 4.50 Overall, Poulton-le-Fylde has experienced a significant fall in MHE's Retail Rankings, and the centre has a comparison retail offer that is underrepresented and skewed towards the

¹⁸ The Fylde Coast study centres for which MHE retail rankings are available over the period 2000/01 to 2008 are as follows: Blackpool, Lytham St Annes, Cleveleys, Poulton-le-Fylde and Fleetwood.

lower end of the retail market. The main concern in Poulton-le-Fylde, therefore, is the requirement to refurbish or redevelop the existing Teanlowe Centre, particularly in light of the high number of vacant units concentrated within the shopping centre. This could offer the opportunity for the introduction of a better foodstore, which would assist in retaining a higher level of expenditure within the town centre.

Thornton

- 4.51 Overall we consider that Thornton is a vital and viable centre, which serves an important role as a convenience and service centre for residents of its immediate catchment and with a vacancy rate of 12.5 per cent in March 2011, which is in line with the UK average.
- 4.52 Whilst we have noted that the comparison retail offer is significantly under-represented, we do not consider that should be of concern for the Council given that Thornton performs a predominantly convenience and service function, and we would expect residents to travel to larger centres within the network to make their higher order comparison goods purchases.

Conclusions in Relation to Current Performance of the Fylde Coast Centres

- 4.53 Blackpool Town Centre serves a crucial role as the sub-regional centre for the Fylde Coast. The smaller town and district centres elsewhere within the administrative areas of Blackpool, Fylde and Wyre all perform valuable roles as retail and service centres, and as a focus for community activities for the residents of their immediate catchment. The centres of the Fylde Coast are also unique in their ability to attract visitors from a wide catchment, and it is important that Blackpool is re-established as a national leisure destination of choice so as to enable the other town centres to benefit from the spin off benefits.
- 4.54 With significant support from the Council and other public and private partners, plans have recently been put into place to promote Blackpool's resort regeneration. However, if Blackpool is to fully maximise the benefits of such investment, there also needs to be a qualitative and quantitative step change in the retail offer of the town centre, so as to complement the leisure and tourist sector. This will ensure that the Council and local businesses are able to make the most out of an improved leisure and retail offer by encouraging visitors to stay longer, and spend more.
- 4.55 Of the remaining centres, we are most concerned with the health of Fleetwood, Poulton-le-Fylde, and, to a lesser extent, Cleveleys and Kirkham. So far as Fleetwood is concerned, we note its fall in the MHE rankings, and its vacancy rate, which is slightly above the national average. The town's comparison goods offer is limited, particularly in the important clothing sub-categories, and the quality of the offer is skewed towards the 'lower middle' and the 'value' end of the market. Indeed, it is likely that Fleetwood's comparison sector has suffered, to some extent, through competition with the out-of-centre Freeport Shopping Village.
- 4.56 We note that Poulton-le-Fylde has also experienced a significant fall in the retail rankings, and the comparison retail offer is under-represented and again skewed toward the value end of the market. The main concern in Poulton-le-Fylde is the requirement to refurbish or

redevelop the Teanlowe Centre, which currently detracts from the overall viability of the centre and the need to provide for a new and/or replacement foodstore anchor.

- 4.57 As a second priority, Cleveleys and Kirkham would benefit from qualitative improvements in their comparison offer, which at present is limited, and again skewed towards the lower end of the market, so that there is limited choice for local residents. In respect of Kirkham, this lack of choice in some comparison goods sub-sectors has resulted in 33 per cent of the clothes and shoes expenditure available to residents of Kirkham's local catchment being directed to Preston City Centre.

Edge and Out of Centre Performance

- 4.58 In Blackpool Borough there are two main out of centre shopping destinations - Clifton Retail Park, and Blackpool Retail Park. We note that the latter sits on the boundary of Blackpool and Fylde Boroughs; however, for the purposes of our study, the zoning system requires that it is classed as being within Blackpool Borough. In Wyre Borough, the Freeport Shopping Village is located on the edge of Fleetwood Town Centre.
- 4.59 Clifton Retail Park is located to the south east of Blackpool Town Centre, off Clifton Road, and comprises a Tesco Extra foodstore, Clarks, Matalan and Next. Clifton Retail Park has a total retail floorspace area of 16,540 sq.m gross, of which 12,670 sq.m gross is taken up by the Tesco foodstore. The household survey for comparison goods, undertaken in January and February of 2010, indicates that the comparison goods turnover of the retail park, including the comparison turnover of the Tesco Foodstore, is £33.27m in 2010. This implies a comparison goods sales density of £6,129 per sq.m sales, which we consider to be as expected, given that the goods on offer at Clifton Retail Park are predominantly non-bulky, and our own visit to the retail park indicates that it is a popular and busy location for comparison goods shopping.
- 4.60 Our survey indicates that the Tesco foodstore at Clifton Retail Park has a convenience goods turnover of £45.54m, so that it is trading slightly below the company average. Our own visit to the store, however, demonstrates that it is busy and popular, so that despite its turnover being slightly below the company average, we do not have concerns regarding its ongoing viability.
- 4.61 Blackpool Retail Park (also known as Squires Gate Retail Park), is located on the administrative boundary between Blackpool Borough and Fylde Borough and adjacent to Blackpool International Airport. Blackpool Retail Park comprises nine units, which together provide approximately 18,810 sq.m gross of retail floorspace, including the Morrisons foodstore, which has a total floorspace of 7,040 sq.m gross.
- 4.62 Our survey indicates that the comparison goods turnover of the retail park, including the comparison turnover of the Morrisons Foodstore, is £52.63m in 2010. This implies a comparison goods sales density of £6,113 per sq.m sales, which we consider to be relatively strong.
- 4.63 Our survey indicates that the Morrisons foodstore at Blackpool Retail Park has a survey derived convenience goods turnover of £45.23m, so that is trading significantly above the

company average. This ties in with our own observations of the store, which demonstrate that it is a busy and popular destination for convenience goods shopping.

- 4.64 Freeport Shopping Village is located on the edge of Fleetwood Town Centre, and has a comparison goods turnover of some £13.7m. The Shopping Village comprises approximately 53 retail units, and a small number of food and drink units. The shopping village appears healthy, with relatively few vacancies, and appears to be a popular destination amongst both residents and visitors.
- 4.65 The vast majority of the comparison retailers operating from Freeport are national multiples, and are predominantly focused towards the middle of the retail spectrum in terms of quality, with an emphasis on outdoor and sports retailers within the clothing sector. The environmental quality of the Freeport Shopping Village is pleasant, with ample seating, and a children's play area and ample free parking.

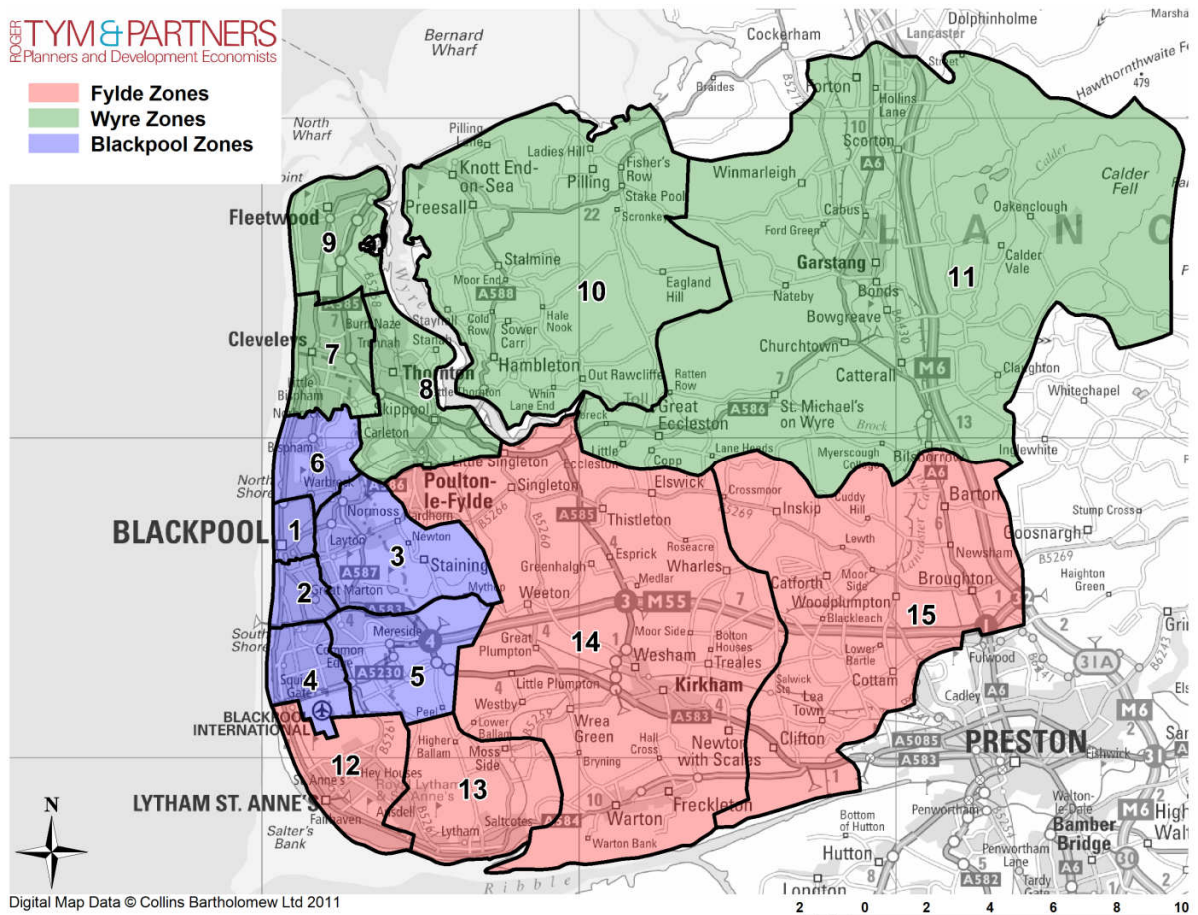
5 CURRENT PATTERNS OF RETAIL AND LEISURE SPENDING ACROSS THE FYLDE COAST

Methodology and Catchment

Comparison Goods

5.1 Our assessment of current patterns of comparison goods retail spending is based on a survey of 6,000 households across the whole of the Central Lancashire sub-region, undertaken by NEMS in January and February 2010 to inform the evidence presented by the Fylde Coast Authorities to the Tithebarn Public Inquiry. However, for the purposes of this Fylde Coast Study, we focus on the findings for residents of the catchment area shown in Figure 5.1, for which interviews were completed with 1,830 households.

Figure 5.1 The Overall Catchment Area (OCA) and Survey Zones



- 5.2 The 15 zones shown in Figure 5.1 can be aggregated to those used by White Young Green (WYG) in its August 2008 study¹⁹, thus enabling us to draw broad comparisons between the two studies in relation to the retention of comparison goods expenditure. Our zoning system can also be used to match that used by Savills in their 2005 Blackpool Shopping Study.
- 5.3 The 15 zones that make up the RTP study area are based on postcode districts, and we have clustered them to broadly represent the administrative boundaries of the three Fylde Coast authorities. The population of the overall catchment area (OCA) is 338,361 in the 2010 base year, which is derived by applying the ONS 2008-based Sub-National Population Projections (published in May 2010), to the mid-year 2008 zonal estimates provided by PBBI / Oxford Economics.
- 5.4 The survey questionnaire (reproduced in Volume 2), seeks to establish patterns of comparison goods shopping based on the locations of the last two purchases of:
- clothes and shoes;
 - furniture, carpets and soft household furnishings;
 - DIY, decorating or gardening items;
 - electrical items;
 - health beauty or chemist items;
 - recreational goods; and
 - other non-food items such as books or CDs.
- 5.5 The survey questionnaire (questions 2 to 4) was designed to reduce the risk inherent in households surveys of the over recording of comparison goods expenditure at the higher order centres, and under recording of non-bulky comparison expenditure at retail parks and large food superstores. Thus, respondents were asked whether, in undertaking their last main food and grocery shop, they also made purchases of clothes or shoes, or electrical items, or health and beauty products, or non-food items such as books, CDs, jewellery and so on. They were then asked a similar question in respect of their last visit to a retail park.
- 5.6 The January and February 2010 household survey questionnaire also sought to identify patterns of spending on leisure services, based on the locations where households spend the most money on:
- restaurants / cafés;
 - pubs / bars / nightclubs;
 - cinema;
 - museums / art galleries;

¹⁹ RTP's 15 survey zones amalgamate and scale up to equal Zone 1 (Blackpool), Zone 2 (Fylde) and Zone 3 (Wyre) of the WYG August 2008 Retail Study. We note, however, that WYG appear to have made an error in the composition of their zones in that postcode sector PR3 5 has been placed into the 'Outer' Zone 4. However, for the purposes of comparison between the surveys, the implications of this will be negligible.

- family entertainment centres such as ten pin bowling / skating;
- health and fitness;
- bingo / casino / bookmaker; and
- theatre / concerts.

5.7 The composite patterns of spending for comparison goods was calculated on the basis of PBBI expenditure data in relation to seven categories of spend, as follows:

Table 5.1 Composite Patterns of Comparison Goods Spend

	Percentage Weighting
Clothing and footwear	25.61%
Furniture, carpets and soft furnishings	14.07%
DIY and decorating goods	8.23%
Electrical Goods	15.64%
Health beauty and chemist items	12.51%
Recreational goods	14.37%
Other non-food items	9.57%
All Comparison Goods	100%

Convenience Goods

- 5.8 Insofar as convenience goods shopping patterns are concerned, a separate household survey was undertaken in November 2010, again by NEMS Market Research. This second survey included 1,801 (slightly less than the 1,830 interviewed across the Fylde Coast as part of the earlier household survey for comparison goods) households and sought to establish patterns of main food shopping, 'top-up' shopping and spending in small shops across the same study area as that used for comparison goods in the January and February 2010 NEMS household survey.
- 5.9 The questionnaire was designed to seek to reduce the problem inherent in household surveys of over-recording of the turnover of the largest foodstores, and under-recording of the turnover of the smaller foodstores and local shops within centres. Thus, the survey asks questions about the frequency of visit and amount of spend on three categories of spending - 'main food', 'top-up' food and small shops - and the results are weighted accordingly. The benefit of this approach is that some residents will make several visits per week to a small convenience store, perhaps spending little on each occasion, so that if the results are weighted according to frequency of visit and amount spent, the importance of small shops to these residents is better reflected.
- 5.10 Thus, the weighting for 'main food', 'top-up' food and small convenience shopping, based on amount spent and frequency of visit, is as follows:

Table 5.2 Composite Patterns of Convenience Goods Spend

	Percentage Weighting
Main Food	66.66%
Top-up Food	26.23%
Small Shops Food/Groceries	7.11%
All Convenience Goods	100%

Patterns of Comparison Goods Expenditure

- 5.11 In describing patterns of comparison spending, we do not take account of the inflow of expenditure from those resident beyond the OCA, the majority of which derives from tourist expenditure. However, we do take account of tourism inflow in assessing the quantitative need for new floorspace, as described in Section 6 of our report.
- 5.12 The pattern of expenditure flows for the comparison goods sector as a whole, as revealed by the survey of households, is set out in Spreadsheets 7 and 8 of Volume 2 (including SFT²⁰). The total amount of comparison goods spending for residents of the OCA in 2010 is £961.73m, of which £79.02m, or an average of 8.22 per cent across the OCA, is spent on Special Forms of Trading (catalogue, TV and internet, hereafter referred to as SFT).

Main Destinations for Comparison Goods Expenditure

- 5.13 The estimated comparison goods turnovers of the town centres, retail parks and freestanding stores located within the OCA, prior to making allowances for inflow of expenditure from beyond the catchment area, are set out in the penultimate column of Spreadsheet 8, and summarised in Table 5.3; this shows that Blackpool Town Centre retains £316.20m of the comparison goods expenditure of residents of the OCA, representing an overall comparison goods retention rate for the town centre of 32.9 per cent in 2010.
- 5.14 We consider Blackpool Town Centre's retention rate to be low, particularly when considered against the retention level that the town centre was achieving in 1998, at the time of the Hiller Parker Study, of 43.3 per cent. Nevertheless, this most recent figure does represent a slight improvement from those levels achieved in 2005, at the time of the Savills study, of 30.1 per cent, and at the time of the WYG study in 2008, of 28.8 per cent.
- 5.15 This modest improvement is most likely attributable to the quantitative and qualitative improvements that have occurred in the town centre's offer as a result of the Houndhill

Blackpool Town Centre Comparison Goods Market Share Trends

1998	Hillier Parker	43.3%
2005	Savills	30.1%
2008	WYG	28.8%
2010	RTP	32.9%

²⁰ Spreadsheets 5 and 6 also set out the pattern of comparison goods spending, but excluding SFT, and hence our focus on Spreadsheets 7 and 8

Phase I extension in 2008. However, we consider that there is scope to improve Blackpool Town Centre's retention rate, and the overall retention rate for the Fylde Coast..

Table 5.3 Main Destinations for Comparison Goods Expenditure

WITHIN THE OVERALL CATCHMENT AREA (OCA)	£m	%
Blackpool Town Centre	316.20	32.88
Blackpool Retail Park	52.63	5.47
Cleveleys Town Centre	52.39	5.45
Fleetwood Town Centre ²¹	42.80	4.45
Clifton Retail Park, Blackpool	33.27	3.46
Cherry Tree Retail Park, Blackpool	29.46	3.06
St Anne's Town Centre	29.03	3.02
Lytham Town Centre	26.16	2.72
Freeport Shopping Village	13.17	1.37
Garstang Town Centre	11.20	1.16
Poulton-le-Fylde Town Centre	10.34	1.08
Kirkham Town Centre	7.70	0.80
Other centres, retail parks and freestanding stores	40.26	4.19
Total Retained Expenditure	664.61	69.11
OUTSIDE THE OVERALL CATCHMENT AREA (OCA)	£m	%
Preston City Centre	88.00	9.15
Deepdale Retail Park	40.79	4.24
Lancaster	12.41	1.29
Manchester City Centre	10.68	1.11
Trafford Centre	9.53	0.99
SFT – leakage	79.02	8.22
Other more distant leakage	56.69	5.89
Total Leakage	297.12	30.89
TOTAL	961.73	100.00

5.16 The second location for comparison goods spending within the study area is Blackpool Retail Park, which has an estimated comparison goods turnover of £52.63m derived from residents of the OCA. Cleveleys Town Centre ranks third, attracting a total £52.39m of the total comparison goods expenditure available to study area residents.

5.17 Within Fylde Borough, the most popular destination for comparison goods expenditure is St Annes Town Centre, with a turnover of £29.03m in 2010, or 3.02 per cent of the total

²¹ We suspect that the comparison goods turnover for Fleetwood Town Centre is exaggerated slightly, so that the turnover of Freeport is slightly too low; this is because respondents may answer 'Fleetwood Town Centre' as a destination, when in fact they mean Freeport Shopping Village.

expenditure available to residents of the OCA. In contrast, Kirkham Town Centre has a comparison goods turnover of just £7.70m.

- 5.18 Within Wyre Borough, the most popular destination is Cleveleys Town Centre, with a total comparison goods turnover, derived from all residents located within the Fylde Coast catchment area, of £52.39m; this equates to a retention rate of 5.45 per cent. The smallest of the town centres within Wyre Borough are Garstang and Poulton-le-Fylde, with turnovers of £11.20m and £10.34m respectively.
- 5.19 The three retail parks located within Blackpool Borough all achieve relatively high comparison goods turnovers. Indeed, as we have indicated above, Blackpool Retail Park²² has an estimated survey derived turnover of £52.63m, whilst Clifton Retail Park and Cherry Tree Retail Park have comparison goods turnovers of £33.27m and £29.46m respectively. Thus, the total comparison goods turnover of the three largest retail parks located within the Fylde Coast study area amounts to £115.36m in the 2010 base year. These three retail parks had an aggregate turnover in the 2005 Savills study of £93.49m²³.
- 5.20 Thus, the three largest retail parks located within the Fylde Coast continue to attract a large proportion of the comparison goods expenditure available to residents, so that it is more important than ever for the Fylde Coast authorities to continue to resist pressure for further out of centre development, additional floorspace (including mezzanine floorspace) and pressure for the variation of conditions in out of centre locations; this will reduce the risk of harm to the vitality and viability of the Fylde Coast's town centres.
- 5.21 Indeed, PPS4 advises, in considering applications for main town centre uses, that all in-centre options should be thoroughly assessed before less central options are considered (Policy EC15.1.b). Moreover, in considering whether flexibility has been demonstrated, LPAs should not accept evidence which claims that the class of goods proposed to be sold, cannot be sold from the town centre (EC15.2).

Clustering of Turnover by Borough

- 5.22 Table 5.4 provides a summary of the comparison goods turnovers of the main centres and retail parks clustered into the three boroughs. The final column of Table 5.4 sets out the proportion of expenditure from all residents of the OCA²⁴ that flows to facilities located within each of the three boroughs, and sums to the 69.11 per cent aggregate retention rate previously shown in Table 5.3.
- 5.23 Thus, as one would expect, Blackpool Borough achieves the highest retention of OCA expenditure at 47.44 per cent, reflecting Blackpool Town Centre's importance to residents of the whole of OCA. Indeed, Spreadsheet 8 of Volume 2 demonstrates that Blackpool

²² We note that part of the Blackpool Retail Park falls within the administrative boundary of Fylde Borough Council

²³ See Table 8 of Savills economic tables (rebased to 2006 prices for the purposes of comparison with RTP), and Spreadsheet 8 of Volume 2 of the RTP study.

²⁴ Note that these are different to the localised sub-catchment retentions set out in paragraph 5.28; the latter are based only on that proportion of total expenditure available to residents of the sub-catchment (i.e. not the total available study area expenditure), and therefore also exclude expenditure inflows from the zones outside of each of the sub-catchments.

Town Centre draws a substantial amount of comparison goods expenditure from all of the study area zones except 11 (East Wyre) and 15 (East Fylde).

Table 5.4 Destinations for Comparison Goods by Borough

BLACKPOOL BOROUGH	£m	%
Blackpool Town Centre	316.20	32.88
Blackpool Retail Park	52.63	5.47
Clifton Retail Park, Blackpool	33.27	3.46
Cherry Tree Retail Park, Blackpool	29.46	3.06
Bispham Local Centre	6.95	0.72
South Shore Local Centre	3.26	0.34
Rest of Borough	14.43	1.50
Blackpool Borough Sub Total	456.20	47.44
WYRE BOROUGH	£m	%
Cleveleys Town Centre	52.39	5.45
Fleetwood Town Centre ²⁵	42.80	4.45
Freeport Shopping Village	13.17	1.37
Garstang Town Centre	11.20	1.16
Poulton-le-Fylde Town Centre	10.34	1.08
Thornton Local Centre	1.98	0.21
Rest of Borough	6.70	0.70
Wyre Borough Sub Total	138.57	14.41
FYLDE BOROUGH	£m	%
St Anne's Town Centre	29.03	3.02
Lytham Town Centre	26.16	2.72
Kirkham Town Centre	7.70	0.80
Rest of Borough	6.95	0.72
Fylde Borough Sub Total	69.84	7.26
Total Retained Expenditure	664.61	69.11

5.24 In contrast, locations within Wyre attract 14.41 per cent of the comparison expenditure of residents of the OCA, whilst locations in Fylde achieve 7.26 per cent. These lower proportions merely reflect Blackpool Town Centre's role as the sub-regional centre, and competition from Preston City Centre, Deepdale Retail Park, and retail parks in Blackpool.

²⁵ We suspect that the comparison goods turnover for Fleetwood Town Centre is exaggerated slightly, so that the turnover of Freeport is slightly too low; this is because respondents may answer 'Fleetwood Town Centre' as a destination, when in fact they mean Freeport Shopping Village.

Zonal Retention Levels

- 5.25 The catchment area's retention level by zone (see Spreadsheet 7, 'Total Inside Catchment Area' row) varies from lows of 10.66 per cent in Zone 15 (Fylde East), and 26.69 per cent in Zone 11 (Garstang and rural Wyre), to highs of 82.81 per cent in Zone 4 (Blackpool South), and 82.56 per cent in Zone 2 (Blackpool Town Centre South).
- 5.26 The localised retention rate - which is the proportion of expenditure on comparison goods available to residents in a specific zone which is spent in town centres and stores located within that zone – is highest for Zone 1 (Blackpool Town Centre) at 56.98 per cent and Zone 9 (Fleetwood) at 42.49 per cent. The Kirkham and Poulton-le-Fylde zones both have low localised retention rates of just 7.44 per cent, and 7.40 per cent respectively. We note that in the case of Kirkham's local zone, Zone 14, there is a considerable amount of leakage to Preston City Centre (24.29 per cent), and in the case of Poulton-le-Fylde, much of the comparison goods expenditure of residents of Zone 8, flows to Blackpool Town Centre (35.11 per cent).

Borough Sub-Catchments

- 5.27 Analysis of the results of the household survey, based on the groupings of zones which broadly represent the three Local Authority areas, demonstrates that Blackpool Borough has a localised comparison goods retention rate of 74.42 per cent, Wyre Borough has a localised comparison goods retention rate of 33.23 per cent, and Fylde Borough has a localised comparison goods retention rate of 21.69 per cent. The retention rate for Blackpool Borough is reasonable, but in part reflects the presence of the out of centre retail parks. The objective for the future, however, will be to increase the retention of borough expenditure in the town centre itself.
- 5.28 The lower borough retention levels for Fylde and Wyre are to be expected, given Blackpool's role as the sub-regional centre, and given the competition posed by Preston and Lancaster, which draw substantial amounts of trade from those resident in the eastern part of the OCA.

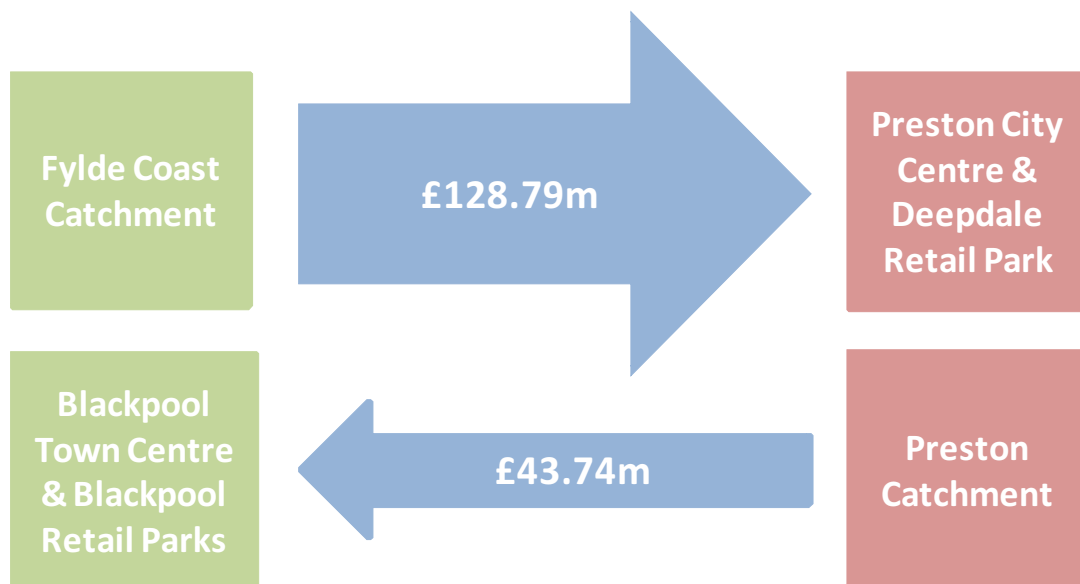
Leakage of Comparison Goods Expenditure

- 5.29 The main destinations for comparison goods expenditure located outside the OCA are also shown in Table 5.3. Preston is the most popular destination for leakage of comparison goods expenditure, attracting £88.00m of the expenditure of catchment area residents, or 9.15 per cent; this makes Preston the second most popular destination for residents located within the OCA. Deepdale Retail Park is also popular with catchment area residents, attracting £40.79m, or 4.24 per cent of the available expenditure. SFT leakage accounts for £79.02m, or 8.22 per cent of the expenditure of residents of the OCA, which is below Experian's estimate for the UK of 11.7 per cent in 2010.
- 5.30 Notably, the combined leakage to Preston City Centre and Deepdale Retail Park from residents of OCA, amounts to £128.79m, with the turnover of Deepdale Retail Park drawn from residents of the OCA amounting to more than the total comparison goods turnover of either St Annes or Lytham Town Centres (which have comparison goods turnovers of £29.03m and £26.16m respectively); it is the clawback of this leakage from Preston and out

of centre destinations which will offer the greatest scope for enhancement of the turnover of the Fylde Coast's town centres.

- 5.31 Of the leakage to Preston City Centre and Deepdale Retail Park, £21.81m derives from residents of six Blackpool Borough zones, £40.84m derives from residents of the Wyre Borough zones, and a further £66.14m derives from residents of the Fylde Borough zones.
- 5.32 Figure 5.2 sets out the expenditure flows between the Fylde Coast and Preston City Centre and Deepdale Retail Park. This demonstrates that the leakage from residents of the OCA of £128.79m far exceeds, the reverse flows from Preston catchment residents to Blackpool Town Centre and the three main retail parks in Blackpool of just £43.74m; thus the net leakage is £85.05m.

Figure 5.2 Expenditure Flows Between Blackpool and Preston

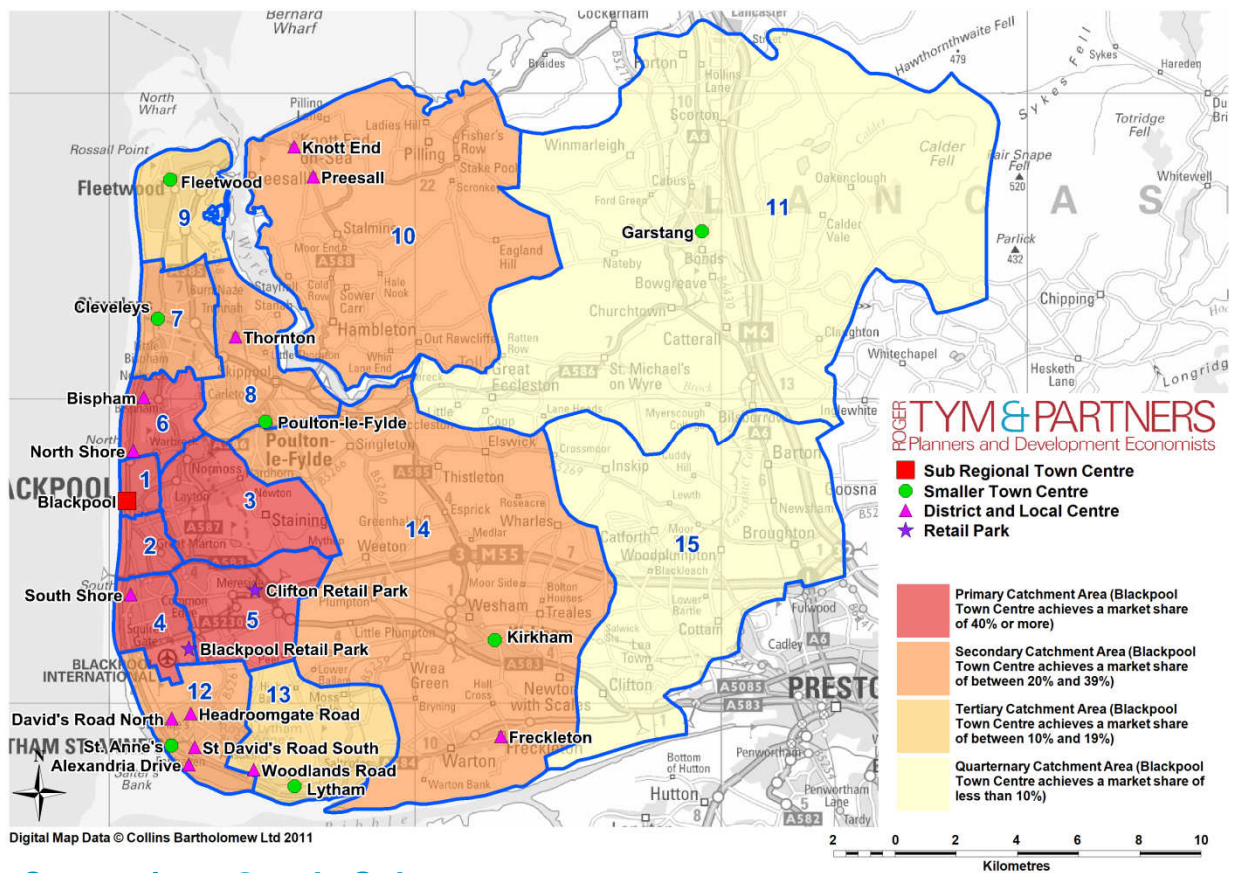


Source: NEMS January and February 2010 Household Survey

Comparison Goods Market Shares for Blackpool Town Centre

- 5.33 Spreadsheet 7 of Volume 2, indicates that Blackpool Town Centre's comparison goods market share is highest in Zone 2, at 57.80 per cent, followed by Zone 1, its local zone, at 56.98 per cent. Indeed, Blackpool Town Centre's market share exceeds 40 per cent in all of Zones 1 to 6, as illustrated graphically in Figure 5.3. Moreover, Blackpool's market share does not fall below 17 per cent anywhere in the OCA, save for Zone 15, in which it secures a market share of just 2.19 per cent, and in Zone 11, where it secures a market share of just 5.18 per cent. In both of these cases, the low market share achieved by Blackpool Town Centre is attributable to the proximity of competing destinations such as Preston City Centre and Lancaster City Centre, and leakage to these destinations from the eastern part of the catchment can be considered to be sustainable in terms of accessibility.

Figure 5.3 Comparison Goods Market Shares for Blackpool Town Centre



Comparison Goods Sub-sectors

5.34 We turn, now, to the pattern of shopping for various comparison goods sub-sectors, as set out in Spreadsheets 10a to 10n of Volume 2; these are as follows²⁶:

- clothes and shoes, which account for £238.84m of the comparison goods spending of residents of the catchment, of which, 34.70 per cent is spent in Blackpool Town Centre;
- furniture, carpets and soft household furnishings, which account for £110.11m of the comparison goods spending of catchment area residents, of which 34.22 per cent is spent in Blackpool Town Centre;
- DIY and decorating goods, which account for £103.36m of the comparison goods spending of catchment area residents, of which 53.68 per cent is spent in Blackpool Town Centre;
- electrical goods and domestic appliances, which account for £152.22m of the comparison goods expenditure of catchment area residents, of which 26.28 per cent is spent in Blackpool Town Centre;

²⁶ Note that the total expenditure available for each of the comparison goods sub-sectors listed in the bullets below, amount to the total available composite comparison goods expenditure available to residents of the Fylde Coast, as set out in the final row of Table 5.3 (figures may not cast due to rounding)

- health, beauty and chemist items, which account for £121.69m of the comparison goods spending of catchment area residents, of which 34.53 per cent is spent in Blackpool Town Centre;
- recreational goods, which account for £147.79m of the comparison goods spending of catchment area residents, of which 30.45 per cent is spent in Blackpool Town Centre; and
- specialist items, which include jewellery, books, china and other goods, and which account for £87.64m of the comparison goods spending of catchment area residents, of which 28.34 per cent is spent in Blackpool Town Centre.

Clothes and Shoes

- 5.35 Overall, 63.62 per cent of the expenditure on clothes and shoes of residents of the catchment area, is spent in town centres, retail parks and in freestanding stores which are located within the catchment area (final column of Spreadsheet 10b of Volume 2). This is a somewhat low level of retention, given that clothes and shoes are considered to be the most basic comparison goods needs.
- 5.36 Blackpool Town Centre accounts for £82.89m of the £151.95m expenditure on clothes and shoes which is retained in the catchment area. Blackpool is followed by Fleetwood Town Centre, which accounts for £13.12m (5.49 per cent), and Cleveleys Town Centre, which accounts for £9.52m (3.99 per cent).
- 5.37 We consider that the retention level for clothes and shoes in Blackpool Town Centre of just 34.7 per cent is notably low, particularly given the sub-regional role that Blackpool should be serving for residents of the Fylde Coast. Indeed, a strong 'fashion' offer is important to vital to attracting the expenditure of catchment area residents and is the main component of a strong town centre comparison offer..
- 5.38 The main leakage destination for clothes and shoes is Preston City Centre, which attracts £29.49m (12.35 per cent) of the spending of catchment area residents on clothes and shoes. The popularity of SFT is also clear, accounting for £12.29m, or 5.15 per cent, of the expenditure of residents. Deepdale Retail Park is also a popular leakage destination, attracting £11.31m of the spending of catchment area residents on clothes and shoes; this is notably high, and exceeds the flows from catchment area residents to all of the Fylde and Wyre centres, except Fleetwood Town Centre.

Furniture, Carpets and Soft Household Furnishings

- 5.39 Overall, 68.69 per cent of the expenditure on furniture, carpets and soft household furnishings of residents of the catchment area, is spent in town centres, retail parks and in freestanding stores which are located within the catchment area (final column of Spreadsheet 10d of Volume 2). We consider this to be an adequate level of retention for such goods, although there is perhaps some scope for improvement in those zones where the localised retention rate is lowest.
- 5.40 Blackpool Town Centre accounts for £37.67m of the £75.63m expenditure of furniture, carpets and soft household furnishings which is retained in the catchment area. Blackpool

Town Centre is followed by Blackpool Retail Park, which accounts for £8.14m (7.39 per cent), and Cleveleys Town Centre, which accounts for £5.95m (5.40 per cent).

- 5.41 The main leakage destination for furniture, carpets and soft household furnishing is Preston City Centre, which attracts £13.69m (12.44 per cent) of the spending of catchment area residents on furniture, carpets and soft household furnishings. SFT is also a popular destination for leakage, accounting for £6.70m (6.08 per cent) of the spending of residents on these goods.

DIY and Decorating Goods

- 5.42 Overall, 86.16 per cent of the expenditure on DIY and decorating goods of residents of the catchment area, is spent in town centres, retail parks and freestanding stores which are located within the catchment area (final column of Spreadsheet 10f of Volume 2). We consider this to be a high level of retention.
- 5.43 Blackpool Town Centre accounts for £55.49m of the £89.05m expenditure on DIY and decorating goods which is retained in the catchment area. Blackpool Town Centre is followed by the B&Q at Whitehills, which accounts for £10.92m (10.57 per cent).
- 5.44 The main leakage destinations for DIY and Decorating goods is Preston City Centre, which attracts £6.04m (5.84 per cent) of the spending of catchment area residents on such goods. As one would expect, SFT leakage is not particularly high, accounting for just £1.06m of the spending of catchment area residents on DIY and decorating goods.

Domestic and Electrical Goods

- 5.45 Overall, 75.02 per cent of the expenditure on domestic and electrical goods of residents of the catchment area is spent in town centres, retail parks and in freestanding stores which are located within the catchment area (final column of Spreadsheet 10h of Volume 2). This is a reasonably high retention level for such goods.
- 5.46 Blackpool Town Centre accounts for £40.00m of the £114.20m expenditure on domestic and electrical goods which is retained in the catchment area. Blackpool Town Centre is followed by Blackpool Retail Park, which accounts for £33.32m (21.89 per cent), and Cleveleys Town Centre, which accounts for £7.97m (5.24 per cent).
- 5.47 The main leakage destination for domestic and electrical goods is SFT, which attracts £16.79m (11.03 per cent) of the spending of catchment area residents on such goods. Preston City Centre is also a popular destination for leakage, accounting for £7.39m (4.85 per cent) of spending by catchment area residents on domestic and electrical goods.

Chemist, Health and Beauty

- 5.48 Overall, 63.59 per cent of the expenditure on chemist, health and beauty items of residents of the catchment area is spent in town centres, retail parks and freestanding stores which are located within the catchment area (final column of Spreadsheet 10j of Volume 2). This is a good level of retention for such goods.
- 5.49 Blackpool Town Centre accounts for £42.02m of the £77.38m expenditure on chemist, health and beauty items which is retained in the catchment area. Blackpool Town Centre is followed by Clifton Retail Park, which accounts for £6.67m (5.48 per cent), and Fleetwood

Town Centre which accounts for £6.63m (5.45 per cent) of the expenditure of residents on chemist, health and beauty items.

- 5.50 The main leakage destination for chemist, health and beauty items is Preston City Centre, which attracts £14.94m (12.27 per cent) of the spending of catchment area residents on chemist, health and beauty items. SFT is also a popular leakage destination, accounting for £6.28m (5.16 per cent) of the spending of residents on chemist, health and beauty items.

Recreational Goods

- 5.51 Overall, 54.35 per cent of the expenditure on recreational goods²⁷ is spent in town centres, retail parks and freestanding stores which are located within the catchment area (final column of Spreadsheet 10l of Volume 2). We consider that this is a low level of retention, which indicates that there is scope for the improvement of the recreational goods offer within the catchment.
- 5.52 Blackpool Town Centre accounts for £45.01m of the £80.33m expenditure on recreational goods which is retained in the catchment area. Blackpool Town Centre is followed by Cleveleys Town Centre, which accounts for £9.84m (6.66 per cent), and Fleetwood Town Centre, which accounts for £3.75m (2.54 per cent) of the spending of residents on recreational goods.
- 5.53 The main leakage destination is SFT, which accounts for £20.46m (13.84 per cent); this is a high level of SFT leakage, but, given the specialist nature of some of these items, we do not consider this to be a concern. It is notable that Deepdale Retail Park in Preston also attracts a significant amount of the expenditure of residents on recreational goods, some £19.78m (11.38 per cent).

Specialist Goods

- 5.54 Specialist goods include items such as jewellery, books, china and glass, and any other non-food items not covered by the above six sub-categories. Overall, 62.39 per cent of the expenditure on specialist goods is spent in town centres, retail parks and in freestanding stores which are located within the catchment area (final column of Spreadsheet 10n of Volume 2). This is considered to be a relatively low level of retention, however, given the 'specialist' nature of these goods, it is expected that there will be a large proportion of SFT leakage.
- 5.55 Blackpool Town Centre accounts for £28.84m of the £54.68m expenditure on specialist goods which is retained within the catchment area. Blackpool Town Centre is followed by Cleveleys Town Centre, which accounts for £5.30m (6.05 per cent), and Cherry Tree Retail Park in Blackpool, which accounts for £4.22m (4.82 per cent).
- 5.56 As expected, the main leakage destination is SFT, which attracts £16.71m (19.07 per cent) of the spending of catchment area residents on specialist goods. Preston City Centre is the

²⁷ Recreational goods includes: major durables for outdoor recreation; musical instruments and major durables for indoor recreation; games, toys and hobbies; sports, camping and open air equipment; and pets and related products.

second most popular destination for leakage, accounting for £6.89m (7.86 per cent) of the expenditure on these items.

Summary of Retention and Leakage for Each of the Comparison Goods Sub-sectors.

- 5.57 Table 5.5 shows that the comparison goods sub-sector with the highest level of retention is DIY and decorating goods (86.16 per cent), followed by domestic and electrical (75.02 per cent). The lowest levels of retention are found in the recreational goods (54.35 per cent) and specialist goods (62.39 per cent) sub categories; however, this is not particularly worrying, given that by their nature, these goods are specialist, and we would therefore expect there to be significant levels of SFT leakage for both of these goods.
- 5.58 What is of most concern is the low level of retention achieved by the clothes and shoes sub-category; at just 63.32 per cent, this is notably low for what is considered the most important comparison goods sub-category, and one which should properly be catered for in Blackpool as the sub-regional centre. Indeed, given that £40.81m (17.09 per cent) of the expenditure on clothes and shoes by residents from all zones within the catchment is leaking to Preston City Centre and Deepdale Retail Park, there is considerable scope to clawback a substantial amount of expenditure to centres within the catchment, and most importantly, to Blackpool Town Centre.

Table 5.5 Summary of Percentage Retention and Leakage by Comparison Goods Sub-Sectors (%)

	Clothes and Shoes (%)	Furniture, Carpets and Soft Household (%)	DIY (%)	Domestic and Electrical (%)	Chemist, Health and Beauty (%)	Recreational Goods (%)	Specialist Goods (%)
Retained by Blackpool Town Centre	34.70	34.22	53.68	26.28	34.53	30.45	28.34
Total Retained Expenditure	63.62	68.69	86.16	75.02	63.59	54.35	62.39
Leakage to Preston and Deepdale Retail Park	17.09	13.06	5.84	7.16	17.02	24.72	10.93
SFT Leakage	5.14	6.09	1.03	11.03	5.15	13.84	19.06
Total Leakage	36.38	31.31	13.84	24.98	36.41	45.65	37.61
Overall Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Patterns of Convenience Goods Expenditure

- 5.59 In describing patterns of convenience spending, we do not take account of the inflow of expenditure from those resident beyond the OCA, the majority of which derives from tourist expenditure. However, we do take account of tourism inflow in assessing the quantitative need for new floorspace, as described in Section 6 of our report.
- 5.60 The pattern of expenditure flows for the convenience goods sector, as revealed by the November 2010 survey of households, is set out in Spreadsheets 16 and 17 of Volume 2 (including SFT). The total amount of convenience goods spending for residents of the OCA in 2010 is £514.79m, of which £8.59m, or an average of 1.67 per cent across the 15 zones, is spent over the internet.

Main Destinations for Convenience Goods Expenditure

- 5.61 Table 5.6 provides a summary of the main destinations for convenience goods expenditure located both within and outwith the Fylde Coast catchment area, and is derived from Spreadsheet 17 of Volume 2. The total amount of expenditure which is spent by residents of the catchment area, at locations within the catchment area, is £479.30m; this amounts to a catchment area retention of 93.10 per cent. This high figure is as to be expected, given the more localised pattern of spending in the convenience goods sector, and we do not consider that there is much scope for improvement across the catchment area as a whole.
- 5.62 The most popular destination for convenience goods shopping within the catchment area is Morrisons at Amounderness Way in Thornton-Cleveleys, which has turnover derived from residents of the catchment area, of £49.07m; this amounts to a convenience goods market share for this store of 9.53 per cent. The second most popular destination is the Tesco Extra at Clifton Retail Park, with a convenience goods turnover of £45.54m, which equates to a market share of 8.85 per cent, and thirdly, the Morrisons at Squires Gate Lane, with a convenience goods turnover of £45.23m, equating to a market share of 8.79 per cent.
- 5.63 Spreadsheet 17 of Volume 2 demonstrates that the smaller local shops in the town centres also play a vital role in serving the residents of their local catchments. Indeed, local shops in Fleetwood Town Centre, St Annes Town Centre and Lytham Town Centre each achieve turnovers in excess of £5.00m.

Table 5.6 Main Destinations for Convenience Goods Expenditure

WITHIN THE OVERALL CATCHMENT AREA (OCA)	£m	%
Morrisons, Amounderness Way, Thornton-Cleveleys	49.07	9.53
Tesco Extra, Clifton Retail Park, Blackpool	45.54	8.85
Morrisons, Squires Gate Lane, Blackpool	45.23	8.79
Asda, Cherry Tree Road, Blackpool	33.04	6.42
Asda, Cop Lane, Fleetwood	30.67	5.96
Other stores in Blackpool Town Centre	26.65	5.18
J Sainsbury, 80 Red Bank Road, Bispham	21.51	4.18
J Sainsbury, St Andrews Road North, St Annes	19.10	3.71
Morrisons, Poulton Street, Kirkham	18.35	3.56
Booths, 11 Ball Street, Poulton-le-Fylde	11.46	2.23
Other stores, St Annes Town Centre	11.19	2.17
Booths, Park View Road, Lytham	10.41	2.02
Other stores, Lytham Town Centre	9.53	1.85
Booths, Park Hill Road, Garstang	9.34	1.81
J Sainsbury, Park Hill Road, Garstang	9.19	1.78
Tesco Metro, Victoria Road West, Cleveleys	9.14	1.78
Other stores, Fleetwood Town Centre	8.77	1.70
Other stores, Cleveleys Town Centre	7.43	1.44
Aldi, Poulton Road, Fleetwood	7.34	1.43
Booths, Highfield Road Marton	6.79	1.32
Aldi, Waterloo Road, Great Barton	6.38	1.24
Co-Operative, Poulton-le-Fylde	6.23	1.21
Other stores, Poulton-le-Fylde Town Centre	5.60	1.09
Other supermarkets and centres	71.34	13.86
Total Retained Expenditure	479.30	93.10
OUTSIDE THE OVERALL CATCHMENT AREA (OCA)	£m	%
Morrisons, Mariners Way, Preston	8.81	1.71
Asda, Fulwood, Preston	7.26	1.41
SFT – leakage	8.59	1.67
Other more distant leakage	10.84	2.11
Total Leakage	35.50	6.90
TOTAL	514.79	100.0

5.64 Spreadsheet 16 sets out the localised retention rate – that is the proportion of expenditure on convenience goods available to residents in a specific zone which is spent in town centres and stores located within that zone. The localised retention rate is highest for Zone 9 (Fleetwood) at 83.44 per cent, and is lowest for Zone 15 at 1.63 per cent. The low localised retention rate achieved by Zone 15 reflects the location of this zone on the

boundary of the catchment area, and the proximity of competing stores located within the Preston area.

- 5.65 It is notable that the localised convenience retention rate is also low for Zone 1 (Blackpool Town Centre), at just 27.23 per cent; this reflects the limited convenience goods offer available in this zone and the dominance of the out of centre supermarkets located at Clifton Retail Park, Cherry Tree Retail Park and Blackpool Retail Park.
- 5.66 If an appropriate convenience offer was available in Blackpool Town Centre, we would also expect that a significant proportion of the residents of Zones 2 and 3 would look to Blackpool Town Centre for their convenience goods shopping needs. However, this is not the case at present, and Spreadsheet 16 reveals that only 17.62 per cent, and 13.65 per cent, respectively, of the convenience expenditure of residents of Zones 2 and 3 is spent in Blackpool Town Centre. It is hoped, however, that the quantitative and qualitative gap in convenience goods provision in Blackpool Town Centre will be addressed by the proposed foodstore component of mixed use development at Talbot Gateway.
- 5.67 Analysis of the results of the household survey, based on the zones which broadly represent the three local authority areas, demonstrates that Blackpool Borough has a convenience goods retention rate of 90.06 per cent, Wyre Borough of 84.25 per cent, and Fylde Borough of 51.95 per cent. Thus, in the case of Blackpool, the high Borough retention rate reflects the dominance of the Tesco Extra at Clifton Retail Park, the Asda at Cherry Tree Retail Park, and the Morrisons at Squires Gate Lane; indeed, we note that the former draws expenditure from residents of all 15 zones. Similarly, the retention rate for Wyre Borough - of 84.25 per cent - is also high, and reflects the dominance of the Morrisons store at Amounderness Way in Thornton-Cleveleys, and the Asda at Fleetwood.
- 5.68 The Fylde Borough retention rate of 51.95 per cent is comparatively low, but in part, this reflects the fact that the Morrisons at Squires Gate, although located within Fylde, has been treated as being within Blackpool Borough for the retention analysis. Nevertheless, other than the Morrisons at Squires Gate, there are no other large food superstores in Fylde Borough, the largest stores being the J Sainsbury at St Annes, the Morrisons in Kirkham, and the Booths store in Lytham.
- 5.69 As a consequence, there are significant flows of convenience expenditure from Fylde Borough residents that flow to other large food superstores such as the Tesco at Clifton Retail Park, the Morrisons at Mariners Way, Preston, and the Asda at Fulwood, Preston. However, much of the leakage to the Preston stores is from residents of Zone 15, a significant part of which is located within Preston, so that the flows to the Preston stores are not unsustainable. Indeed, if we undertake the same analysis, but exclude expenditure from residents of Zone 15, the Borough retention for Fylde increases from 51.95 per cent to 58.23 per cent.

Leakage of Convenience Goods Expenditure

- 5.70 The main destinations for leakage of convenience goods expenditure are set out in Spreadsheet 17 of Volume 2, and summarised in Table 5.6. The Morrisons at Mariners Way in Preston is the most popular destination for leakage, attracting £8.81m of the convenience goods expenditure of residents, of which £7.74m derives from residents of

Zones 14 and 15. SFT leakage amounts to £8.59m for the whole of the catchment, which amounts to an average across all zones of 1.67 per cent²⁸. This figure for the Fylde Coast compares to the Experian estimate for SFT in the convenience sector in 2008 of 5.0 per cent, rising to 7.4 per cent in 2010. However, Experian's estimate is in stark contrast with that provided by PBBI²⁹ for 2008 of just 1.3 per cent.

- 5.71 It is important to note, also, that in comparing the survey derived market share for SFT with the higher Experian estimate, it is necessary to take account of the fact that a significant proportion of the convenience goods bought over the internet are still supplied from shelves in local supermarkets, rather than from distribution warehouses, and this has been taken into account in our assessment of capacity in Section 6 of our Report.

Convenience Goods Market Shares

- 5.72 In Table 5.7, we present an analysis of convenience goods market shares, showing dominant stores with a zonal market share of over 30 per cent, and stores with shares of between 10 and 30 per cent, which have subsidiary influence.
- 5.73 The analysis in Table 5.7 and Spreadsheet 16, shows that:
- i. in seven of the fifteen zones, there is no dominant store, with a market share of 30 per cent or more;
 - ii. none of the zones has more than one dominant store;
 - iii. the highest individual zonal market share is achieved by Asda at Cop Lane in Fleetwood, which accounts for 47.17 per cent of the convenience goods expenditure of residents of Zone 9, followed by Morrisons at Squires Gate Lane in Blackpool, which accounts for 46.48 per cent of the convenience goods expenditure of residents of Zone 4; and that
 - iv. the most obvious gap for a new large foodstore, taking account of market shares, and absence of dominant stores, is Blackpool Town Centre, which would serve well the residents of Zones 1, 2 and 3.

²⁸ Experian, in their Retail Planner Briefing 8.1, estimate that in 2010, the market share of non-store retailing in the convenience goods sector amounted to 7.4 per cent. For further information on trends in expenditure on SFT, see Section 3 of our Report.

²⁹ MapInfo, Retail Expenditure Guide 2010/2011; MapInfo do not provide a forecast beyond 2008.

Table 5.7 Dominant Convenience Stores and Stores With Subsidiary Influence

Zone	Dominant Stores (Market Share of 30% or More)	Subsidiary Stores (Market Share of Between 10% and 30%)
1		<ul style="list-style-type: none"> • Iceland, Topping Street, Blackpool • Morrisons, Squires Gate Lane, Blackpool • Asda, Cherry Tree Road, Blackpool • J Sainsbury, Red Bank Road, Bispham
2		<ul style="list-style-type: none"> • Other Stores, Blackpool Town Centre • Morrisons, Squires Gate Lane, Blackpool • Tesco Extra, Clifton Retail Park, Blackpool • Asda, Cherry Tree Road, Blackpool
3		<ul style="list-style-type: none"> • Other Stores, Blackpool Town Centre • Tesco Extra, Clifton Retail Park, Blackpool • Asda, Cherry Tree Road, Blackpool
4	Morrisons, Squires Gate Lane, Blackpool	<ul style="list-style-type: none"> • Asda, Cherry Tree Road, Blackpool
5		<ul style="list-style-type: none"> • Booths, Highfield Road, Marton • Tesco Extra, Clifton Retail Park, Blackpool • Asda, Cherry Tree Road, Blackpool
6	J Sainsbury, Red Bank Road, Bispham	<ul style="list-style-type: none"> • Morrisons, Thornton Cleveleys
7	Morrisons, Thornton Cleveleys	<ul style="list-style-type: none"> • Tesco Metro, Victoria Rd West, Cleveleys • Other Stores, Cleveleys Town Centre
8		<ul style="list-style-type: none"> • Morrisons, Thornton Cleveleys • Booths, Ball Street, Poulton-le-Fylde • Asda, Cop Lane, Fleetwood
9	Asda, Cop Lane, Fleetwood	<ul style="list-style-type: none"> • Morrisons, Thornton Cleveleys • Aldi, Poulton Road, Fleetwood • Other Stores, Fleetwood Town Centre
10		<ul style="list-style-type: none"> • Morrisons, Thornton Cleveleys • Co-Op, Knott End-on-Sea
11	J Sainsbury, Park Hill Road, Garstang	<ul style="list-style-type: none"> • Booths, Park Hill Road, Garstang
12	J Sainsbury, St Andrews Rd North, St Annes	<ul style="list-style-type: none"> • Morrisons, Squires Gate Lane, Blackpool • Tesco Extra, Clifton Retail Park, Blackpool • Other Stores, St Annes Town Centre
13	Booths, Park View Rd, Lytham	<ul style="list-style-type: none"> • Morrisons, Squires Gate Lane, Blackpool • Tesco Extra, Clifton Retail Park, Blackpool • Other Stores, Lytham Town Centre
14	Morrisons, Poulton Street, Kirkham	<ul style="list-style-type: none"> • Tesco Extra, Clifton Retail Park, Blackpool
15		<ul style="list-style-type: none"> • Asda, Fulwood, Preston • Morrisons, Mariners Way, Preston

Evidence of Overtrading and Undertrading in the Convenience Goods Sector

- 5.74 Table 5.8 illustrates the indicative level of overtrading which is taking place in foodstores. It indicates that the aggregate level of overtrading across the OCA is not particularly high, at £34.61m. We note, however, that there are significant sub-catchment variations, with the highest levels of overtrading occurring in the Wyre zones, with a sub-catchment level of overtrading of approximately £28.67m; this equates to 83 per cent of the £34.61m aggregate overtrading.
- 5.75 We note, also, that the Blackpool sub-catchment is more or less in equilibrium, in that it is overtrading by a negligible £1.94m. There is no evidence, therefore, to make a case for any further out of centre provision in Blackpool based on overtrading, and the quantitative and qualitative need that we have identified in Blackpool relates to residents of Zones 1, 2 and 3, who can best be served by a new foodstore as part of a mixed use development at Talbot Gateway.
- 5.76 Within Fylde Borough, the aggregate overtrading level is just £4.0m, the majority of which is accounted for by the J Sainsbury in St Annes, and the W M Morrison store in Kirkham. Indeed, both Booths store in Lytham, and the Marks and Spencer store in St Annes, appear to be undertrading slightly. However, in both cases, the indicative level of undertrading is negligible, so that we do not consider that the viability of these stores is at risk. Indeed, in both cases, our own visits to the stores indicate that they are trading well, and are vital and viable.

Table 5.8 Comparison of Survey-based Turnover Estimates with Benchmark Turnover Estimates for Foodstores in the Fylde Coast Catchment

Store	Location	Household Survey Zone	Total Retail Sales Area (sq.m net)	Convenience / Comparison Split (%)	Convenience Goods Sales Area (sq.m net)	Benchmark Sales Density (£ per sq.m sales)	Benchmark Turnover (£m)	Survey Derived Turnover (£m)	Quantum of Under / Overtrading (£m)
Tesco Extra	Clifton Retail Park	5	7,602	55	4,181	11,887	49.70	45.54	-4.16
Morrisons	Squires Gate Lane	4	3,714	75	2,786	11,550	32.17	45.23	13.06
Asda	Cherry Tree Road	5	5,867	55	3,227	13,294	42.90	33.04	-9.86
J Sainsbury	Redbank Road, Bispham	6	2,310	70	1,617	11,509	18.61	21.51	2.90
Blackpool Borough Sub-Total:									1.94
J Sainsbury	St Annes	12	1,871	70	1,310	11,509	15.07	19.10	4.03
Morrisons	Poulton Street, Kirkham	14	1,672	80	1,338	11,550	15.45	18.35	2.90
Booths	Park View Road, Lytham	13	1,394	90	1,255	9,957	12.49	10.41	-2.08
Marks and Spencer	Clifton Drive South, St Annes	12	493	90	444	9,464	4.20	3.35	-0.85
Fylde Borough Sub-Total:									4.00
Morrisons	Thornton-Cleveleys	7	3,027	75	2,270	14,874	33.77	49.07	15.30
Asda	Cop Lane, Fleetwood	9	3,545	60	2,127	13,294	28.28	30.67	2.39
Booths	Ball St, Poulton-le-Fylde	8	604	90	544	9,957	5.41	11.46	6.05
Booths	Park Hill Road, Garstang	11	492	90	443	9,957	4.41	9.34	4.93
Wyre Borough Sub-Total:									28.67
OVERALL CATCHMENT TOTAL:									34.61

Notes:

- (1) 2006 prices
- (2) Sales areas taken from IGD 2009
- (3) Benchmark sales densities taken from Verdict 2010
- (4) Convenience / comparison split is RTP assumption

- 5.77 In assessing the implications of overtrading and undertrading for quantitative and qualitative need, it is necessary to bear in mind the following caveats:
- The turnovers derived from the findings of the household survey may overstate the use of large stores, despite our efforts to reduce this risk in our refinement of the questionnaire.
 - There are foodstore developments in the pipeline which will ‘absorb’ and reduce the level of overtrading in some areas of the catchment (see Table 6.6 and 6.7 for a full schedule of commitments above 200 sq.m gross).
 - There are inevitable limitations in the assumptions that are used for calculating undertrading and overtrading, such as:
 - the estimate of net sales area;
 - the split between convenience and comparison goods; and
 - the benchmark sales density itself.
- 5.78 Thus, unless there is clear qualitative evidence of overtrading in town centre stores which is causing customer discomfort, we consider that the notional figure for overtrading in the Fylde Coast stores should not be used to justify additional floorspace requirements.
- 5.79 Indeed, the PPS4 Practice Guidance advises caution when using overtrading to justify additional floorspace, warning that where existing services are claimed to be overtrading, this should be backed up by corroborating evidence such as overcrowding and congestion, rather than simply by comparison with a retailer’s company average turnover³⁰.

Trends in Patterns of Convenience Goods Expenditure

- 5.80 This 2010 update study is preceded by WYG’s 2008 Fylde Coast Retail Study, enabling us to carry out an assessment of how patterns of convenience goods expenditure may have changed throughout the sub-region between 2008 and 2010. However, we must put forward a note of caution in relation to methodological differences, in that the wording in our questionnaire does not coincide with WYG’s.
- 5.81 The WYG questionnaire asked respondents where they ‘buy most’ of their main food and grocery shopping, and where they ‘buy most’ of their top up shopping. In contrast, the RTP questionnaire sought information on the last two trips for main food and grocery shopping, the last two trips for top-up food and grocery shopping, and whether the household also spent money in small shops. In addition, the RTP questionnaire sought information on the amount spent for each of the three categories of convenience shopping and how often each of the three forms of convenience spending was undertaken. Thus, our combined convenience expenditure flows are based on weights which reflect the frequency and amount spent by each respondent on each of the three forms of convenience spending.
- 5.82 We have found elsewhere that the ‘last trip’ form of questioning, and threefold classification of convenience spending reduces the market share of the large food superstores,

³⁰ Page 18 of the PPS4 Practice Guidance

compared to the 'buy most' form of questioning, and twofold classification of just main and top-up shopping.

- 5.83 Thus, bearing in mind these methodological differences, Table 5.9 sets out the estimates for market shares and turnovers put forward by WYG in 2008, compared to the findings of our current study. The two stores where the RTP estimates of turnover are significantly lower than WYG are the Asda store at Cherry Tree Road, and the Tesco Extra at Clifton Retail Park. Our estimates of the turnover of the Morrisons at Blackpool Retail Park, the Asda in Fleetwood, the J Sainsbury at St Annes, and the Morrisons store at Kirkham are also lower than WYG's estimates.
- 5.84 Conversely, our estimates of the turnover of 'other stores' in the various town centres are, with one exception, higher than WYG, the exception being for other shops in Garstang. The RTP estimates of the turnovers of the discount supermarkets are also higher than WYG. In short, therefore, it would seem the RTP methodology has succeeded, at least in large part, in overcoming the tendency of household surveys to overstate the market shares of the large superstores.

Table 5.9 Assessment of Market Shares for Convenience Goods Between 2008 and 2010

Destination	Market Shares		Turnovers		Change
	WYG 2008	RTP 2010	WYG 2008	RTP 2010	2008 - 2010
	%	%	£m	£m	£m
Out of Centre Stores					
Asda, Cherry Tree Road, Blackpool	8.89	6.42	46.62	33.04	-13.58
Morrisons, Blackpool Retail Park	10.08	8.79	52.89	45.23	-7.66
Tesco Extra, Clifton Retail Park	12.72	8.85	66.72	45.54	-21.18
Morrisons, Amounderness Way, Cleveleys	8.65	9.53	45.39	49.07	3.68
Edge and In Centre Stores					
Marks & Spencer Simply Food, Blackpool	0.77	0.62	4.06	3.21	-0.85
Asda, Cop Lane, Fleetwood	6.87	5.96	36.02	30.67	-5.35
Booths, Ball Street, Poulton-le-Fylde	1.40	2.23	7.36	11.46	4.10
Booths, Park Hill Road, Garstang ³¹	1.91	1.81	10.00	9.34	-0.66
J Sainsbury, St Andrew's Rd North, St Annes	4.57	3.71	23.97	19.10	-4.87
Morrisons, Poulton Street, Kirkham	5.00	3.56	26.22	18.35	-7.87
Discount Stores					
Lidl, Bloomfield Road, Blackpool	0.33	0.73	1.74	3.75	2.01
Aldi, Waterloo Road, Blackpool	0.82	1.24	4.29	6.38	2.09
Aldi, Poulton Road, Fleetwood	1.03	1.43	5.41	7.34	1.93
Town Centre Other Stores					
Blackpool Town Centre	2.35	3.45	12.34	17.76	5.42
South Shore Town Centre	0.02	0.19	0.09	0.99	0.90
Bispham Town Centre	0.42	0.66	2.22	3.42	1.20
Cleveleys Town Centre	0.67	1.44	3.54	7.43	3.89
Thornton Town Centre	0.10	0.37	0.51	1.89	1.38
Fleetwood Town Centre	0.69	1.28	3.61	6.58	2.97
Garstang Town Centre	0.43	0.36	2.27	1.87	-0.40
St Annes Town Centre	1.12	1.22	5.90	6.3	0.40
Lytham Town Centre	0.82	1.01	4.29	5.19	0.90
Kirkham Town Centre	0.21	0.43	1.11	2.20	1.09

Patterns of Leisure Trips

- 5.85 The telephone survey of households also included a number of questions that asked residents of the OCA where they spent most money in relation to various types of leisure services, as follows:

³¹ Note that in 2009, this store was redeveloped and improved; thus, the slight decline in turnover experienced by this store between 2008 and 2010 is most likely due to trading patterns not yet having settled.

- i. restaurants and cafés;
- ii. pubs, bars and nightclubs;
- iii. cinemas;
- iv. museums and art galleries;
- v. family entertainment centres (i.e. ten pin bowling, skating and so on);
- vi. health and fitness centres;
- vii. bingo / casino / bookmakers; and
- viii. theatres / concerts.

5.86 The most popular destinations for these various leisure activities for residents of each survey zone are set out in Table 5.10.

Restaurants and Cafés

- 5.87 Around 72 per cent of respondents across the catchment area undertake visits to restaurants and cafés. The most popular destination for such residents is Blackpool Town Centre (accounting for 36 per cent of respondents who stated they undertook this activity), Cleveleys (11 per cent), and Poulton-le-Fylde (10 per cent).
- 5.88 Table 5.10 demonstrates that, as would be expected, Blackpool Town Centre is the most popular destination for residents of zones 1 to 6 (the zones that make up Blackpool Borough). With the exception of residents in Zone 14 and 15, for which Preston is the most popular destination, for residents of the remainder of the catchment, town centres located within their local zones are the most popular destinations.

Pubs, Bars and Nightclubs

- 5.89 Only 53 per cent of respondents across the catchment area state that they undertake trips to pubs, bars and nightclubs. For these residents, the most popular destination across is Blackpool Town Centre, which accounts for 34 per cent of visits, followed by Poulton-le-Fylde (16 per cent), and Lytham (11 per cent).
- 5.90 For residents of Zones 1 to 6, Table 5.10 demonstrates that Blackpool is the preferred destination for visits to pubs, bars and nightclubs, and, as is the case for trips to restaurants and cafés, for residents of the remaining zones, local destinations are preferred. This is to be expected, given the localised nature of visits to such destinations.

Cinemas

- 5.91 Almost half (48 per cent) of household survey respondents undertake visits to cinemas, with the most popular destination throughout the catchment being the Odeon at Blackpool, which accounts for 44 per cent of respondents who stated they undertook such trips. This is followed by the Vue Cinema at Cleveleys, which accounts for 39 per cent of trips, and Preston, which accounts for 6 per cent.
- 5.92 Unlike patterns of trips for restaurants and cafés, and pubs, bars and nightclubs, the pattern for trips to cinemas is much less localised, with Table 5.10 demonstrating that there are only three zones (Zones 11, 14 and 15) for which the Odeon at Blackpool and the Vue at Cleveleys are not the dominant destination for trips to cinemas. Indeed, for Zones 11, 14

and 15, the dominant destination is Preston, owing to the proximity of residents in these zones to facilities located beyond the catchment area.

Table 5.10 Main Leisure Destination by Category of leisure Pursuit

Survey Zone	Restaurants and Cafés	Bars, Clubs and Pubs	Cinemas	Museums and Art Galleries	Family Ent'mnt Centres	Health and Fitness Centres	Bingo, Casino and Bookmakers	Theatres and Concerts
1	Blackpool	Blackpool	Odeon Blackpool	Manchester	Blackpool and Preston	Blackpool	Blackpool	Blackpool
2	Blackpool	Blackpool	Odeon Blackpool	Blackpool	Blackpool	Blackpool	Blackpool	Blackpool
3	Blackpool	Blackpool	Odeon, Blackpool	Blackpool	Blackpool	Blackpool	Blackpool	Blackpool
4	Blackpool	Blackpool	Odeon Blackpool	Blackpool	Blackpool	Blackpool	Blackpool	Blackpool
5	Blackpool	Blackpool	Odeon, Blackpool	Blackpool and Manchester	Blackpool	Blackpool	Blackpool	Blackpool
6	Blackpool	Blackpool	Vue, Cleveleys	Manchester	Blackpool	Blackpool	Blackpool	Blackpool
7	Cleveleys	Cleveleys	Vue Cleveleys	London	Blackpool	Cleveleys	Blackpool	Blackpool
8	Poulton-le-Fylde	Poulton-le-Fylde	Vue Cleveleys	Manchester	Blackpool	Poulton-le-Fylde	Blackpool	Blackpool
9	Fleetwood	Fleetwood	Vue Cleveleys	Manchester	Blackpool	Fleetwood	Blackpool	Blackpool
10	Poulton-le-Fylde	Poulton-le-Fylde	Vue Cleveleys	Manchester	Blackpool	Blackpool	Blackpool and Poulton-le-Fylde	Blackpool
11	Garstang	Garstang	Preston	Preston	Preston	Preston	Garstang	Blackpool
12	St Annes	St Annes	Odeon Blackpool	Manchester	Blackpool	St Annes	Blackpool	Blackpool
13	Lytham	Lytham	Odeon Blackpool	Manchester and London	Blackpool	Lytham	Blackpool	Blackpool
14	Preston	Lytham	Preston	Manchester	Preston	Preston	Blackpool	Manchester
15	Preston	Preston	Preston	Preston	Preston	Preston	Preston	Manchester

Museums and Art Galleries

5.93 Only 22 per cent of respondents stated that they undertook trips to museums and art galleries. For these respondents, the most popular destination is Manchester (27 per cent), followed by London (17 per cent), Preston (15 per cent), and Blackpool (13 per cent).

Given that leisure facilities such as museums and art galleries are most likely to be found in the higher order centres, the pattern identified by the household survey is as expected.

Family Entertainment Centres

- 5.94 Just 19 per cent of respondents stated that they undertook trips to family entertainment centres (which include facilities such as ten-pin bowling and ice skating), with the most popular destination being Blackpool, accounting for 50 per cent of such trips. Blackpool is followed by Preston (27 per cent), and the Capitol Centre (Walton-le-Dale, Preston), which attracts 6 per cent of trips. Again, the pattern of trips to family entertainment centres is focused amongst a small handful of destinations, reflecting the limited provision of such facilities.

Health and Fitness Centres

- 5.95 Just 27 per cent of respondents undertake trips to health and fitness centres, with the most popular destinations for such activities being Blackpool (41 per cent), Fleetwood (9 per cent) and Poulton-le-Fylde, Preston and St Annes, all of which each attract 8 per cent of visits.

Bingo, Casino and Bookmakers

- 5.96 A very small proportion - just 19 per cent - of respondents stated that they undertake trips to bingo, casinos and bookmakers. Of these respondents, by far the most popular destination is Blackpool Town Centre, attracting 70 per cent of trips. Blackpool is followed by Preston, which accounts for just 7 per cent of trips, and Fleetwood, which accounts for a further 5 per cent.

Theatres and Concerts

- 5.97 Around 45 per cent of household survey respondents stated that they undertook trips to the theatre and concerts. Of these respondents, by far the most popular destination is Blackpool (55 per cent), followed by Manchester (26 per cent). As one would expect, given the specialised nature of such trips, higher order centres within the region are dominant.

Conclusions in Relation to Patterns of Retail and Leisure Expenditure

Comparison Goods Spending

- 5.98 Overall, 69.11 per cent of the comparison goods expenditure of the residents of the Fylde Coast catchment (the OCA) is retained by centres, retail parks and freestanding stores located within the OCA. The main destination within the OCA is Blackpool Town Centre, which secures £316.20m of the residents' comparison goods expenditure, this equates to a retention level of 32.88 per cent. This retention level represents a modest improvement on the position for 2008, as estimated by WYG, and reflects implementation of Houndshill Phase I. However, the town centre's retention level remains significantly below the 43.3 per cent level that prevailed at the time of the Hillier Parker study in 1998.
- 5.99 The other principle locations within the OCA are Blackpool Retail Park, which secures £52.63m, and Cleveleys Town Centre, which secures £52.39m of the comparison goods expenditure available to residents of the catchment. It is noteworthy that the three retail

parks in Blackpool have an aggregate turnover of £115.4m, and that this has grown since the time of the Savills study in 2005.

- 5.100 Blackpool Borough has a comparison goods retention rate of 74.42 per cent, Wyre Borough has a comparison goods retention rate of 33.23 per cent, and Fylde Borough has a comparison goods retention rate of 21.69 per cent. The retention rate for Blackpool Borough is reasonable, but in part reflects the presence of the out of centre retail parks. The objective for the future, however, will be to increase the retention of borough expenditure in the town centre itself.
- 5.101 The lower borough retention levels for Fylde and Wyre are to be expected, given Blackpool's role as the sub-regional centre, and given the competition posed by Preston and Lancaster, which draw from substantial amounts of trade from those resident in the eastern part of the OCA.
- 5.102 The most popular destination for leakage of comparison goods expenditure is Preston City Centre, which attracts £88.00m, followed by Deepdale Retail Park, which attracts some £40.79m of the expenditure of catchment area residents. Thus, the combined outflow from the Fylde Coast catchment, to Preston City Centre and the Deepdale Retail Park is approximately £129m, which exceeds the reverse flow from the Preston catchment area to Blackpool and its retail parks of just £44m.
- 5.103 Moreover, the leakage to Preston, far exceeds that to Manchester City Centre and the Trafford Centre, which combined attract only £20.2m (or 2.1 per cent) of the comparison expenditure of the Fylde Coast's residents, and we note that £46m of the £88m leakage of comparison goods expenditure that flows to Preston is from residents of the four Fylde Borough Zones. SFT leakage across the study area accounts for £79.02m, and is much more evenly spread on a zone by zone basis across the catchment.
- 5.104 The comparison goods sub-sector with the highest level of retention is DIY and decorating goods (86.16 per cent), followed by domestic and electrical (75.02 per cent). The lowest levels of retention are found in the recreational goods (54.35 per cent) and specialist goods (62.39 per cent) sub categories; however, this is not particularly worrying, given that by their nature, these goods are specialist, and we would therefore expect there to be significant levels of SFT leakage for both of these goods.
- 5.105 What is of most concern is the low level of retention achieved by the clothes and shoes sub-category; at just 63.32 per cent, this is notably low for what is considered the most important comparison goods sub-category, and one which should properly be catered for in Blackpool Town Centre as the sub-regional centre. Indeed, given that £40.81m (17.09 per cent) of the expenditure on clothes and shoes by residents from all zones within the catchment is leaking to Preston City Centre and Deepdale Retail Park, there is considerable scope to clawback a substantial amount of expenditure to centres within the catchment, and most importantly, to Blackpool Town Centre.

Convenience Goods Spending

- 5.106 The retention of convenience goods expenditure by centres and freestanding stores located within the OCA is 93.1 per cent, which is high as expected, given the more localised nature of convenience goods spending. The most popular destinations are the large food

superstores. Indeed, Morrisons at Thornton Cleveleys, Tesco at Clifton Retail Park, Morrisons at Squires Gate, Asda at Cherry Tree Road and the Asda at Fleetwood have a collective convenience goods market share of 39.6 per cent.

- 5.107 Moreover, medium-sized supermarkets, such as the J Sainsbury stores in Bispham and St Annes, the Morrisons in Kirkham and the Booths stores in Poulton-le-Fylde, Lytham and Garstang, play an important role in anchoring these centres.
- 5.108 The amount of expenditure leakage in the convenience goods sector is small, and the two most frequently cited destinations are the Morrisons at Mariners Way, and the Asda at Fulwood. Moreover, SFT leakage in the convenience sector is estimated to be only 1.67 per cent.
- 5.109 Blackpool Borough achieves the highest overall retention rate of 90.06 per cent, compared to corresponding rates for Wyre and Fylde of 84.25 per cent and 51.95 per cent respectively. However, the high retention rate in Blackpool Borough reflects the dominance of the Tesco, Asda and Morrisons stores at Clifton Retail Park, Cherry Tree Retail Park and Blackpool Retail Park respectively. Similarly, the high rate achieved in Wyre, reflects the dominance of the Morrisons and Asda stores at Thornton-Cleveleys and Fleetwood.
- 5.110 The lower retention in Fylde Borough reflects the fact that the Morrisons store at Blackpool Retail Park is treated as being within Blackpool's catchment, and the fact that the other stores in Fylde are medium sized. As a consequence, there are significant flows of convenience expenditure from Fylde residents to the Tesco at Clifton Retail Park, the Morrisons at Mariners Way, and the Asda at Fulwood.
- 5.111 The most obvious gap for a new large foodstore, taking account of localised market shares and absence of dominant stores, is Blackpool Town Centre, and hence the importance attached to the foodstore component of the proposed mixed-use development at Talbot Gateway. The other areas where localised retention rates are moderate are Poulton-le-Fylde and areas on the eastern part of the catchment, as discussed in the gap analysis in Section 8.
- 5.112 There is little evidence of systematic and substantial levels of overtrading in the Fylde Coast catchment area as a whole, and there are only two stores with substantial levels of overtrading, these being the Morrisons at Thornton-Cleveleys, and the Morrisons at Squires Gate. However, in our subsequent assessment of need, we conclude that the level of overtrading that does exist, is not sufficient to justify further provision of food superstores in out of centre locations.

Patterns of Leisure Trips

- 5.113 Of the 72 per cent of respondents who undertake visits to restaurants and cafés, Blackpool Town Centre is the most popular destination, accounting for 36 per cent of trips, and is the dominant destination for residents of Zones 1 to 6. Nevertheless, we note that for the remainder of the catchment, patterns of trips are fairly localised. Similarly, of the 53 per cent of respondents who stated they undertook trips to pubs, clubs and nightclubs, Blackpool Town Centre attracts 34 per cent, with the Fylde and Wyre zones displaying more localised patterns.

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- 5.114 So far as cinemas are concerned, by far the most popular destination for residents of the catchment, is the Odeon in Blackpool, accounting for 44 per cent of trips. This is followed by the Vue cinema at Cleveleys, which accounts for 39 per cent of trips.
- 5.115 Of the 22 per cent of respondents who stated that they undertook visits to museums and art galleries, the most popular destination is Manchester (27 per cent), followed by London (17 per cent). Such a pattern is to be expected, given that such facilities are more often than not only found in higher order centres.
- 5.116 Only 19 per cent of respondents undertake trips to family entertainment centres, with Blackpool being the most popular destination by far, accounting for 50 per cent of such trips, followed by Preston (27 per cent). The pattern of trips to these facilities is therefore focused amongst a small handful of destinations, reflecting the limited provision and specialist nature of such facilities.
- 5.117 Just 27 per cent of respondents undertake trips to health and fitness centres, with Blackpool being the dominant location, attracting 41 per cent of trips. Similarly, only a small proportion of respondents undertake trips to bingo, casinos or bookmakers, with Blackpool by far being the most popular destination, attracting 70 per cent of trips.
- 5.118 Finally, of the 45 per cent of respondents who stated that they undertook trips to theatres and concerts, 55 per cent stated that Blackpool was their preferred destination, followed by Manchester (26 per cent). This pattern reflects the specialist nature of such facilities, and the tendency for people to travel further in order to meet such leisure needs.

6 QUANTITATIVE RETAIL NEED IN THE FYLDE COAST SUB-REGION

Introduction

- 6.1 Policy EC1.4 of PPS4 states that LPAs should take into account both the qualitative and quantitative need for additional floorspace for different types of retail and leisure development and give additional weight to meeting qualitative deficiencies in deprived areas with poor access to facilities.
- 6.2 When assessing quantitative need, Policy EC1.4 advises that the evidence base should have regard to relevant market information and economic data, including a realistic assessment of:
- existing and forecast population levels;
 - forecast expenditure; and
 - forecast improvements in retail sales density.
- 6.3 It is within this policy context that we now undertake our assessment of quantitative need for comparison and convenience goods in the period 2010 to 2021, and more indicatively³², for the period 2021 to 2026. We have also had regard to the advice set out in the Practice Guidance on Need, Impact and the Sequential Approach.

Methodology for Assessing Quantitative Retail Need

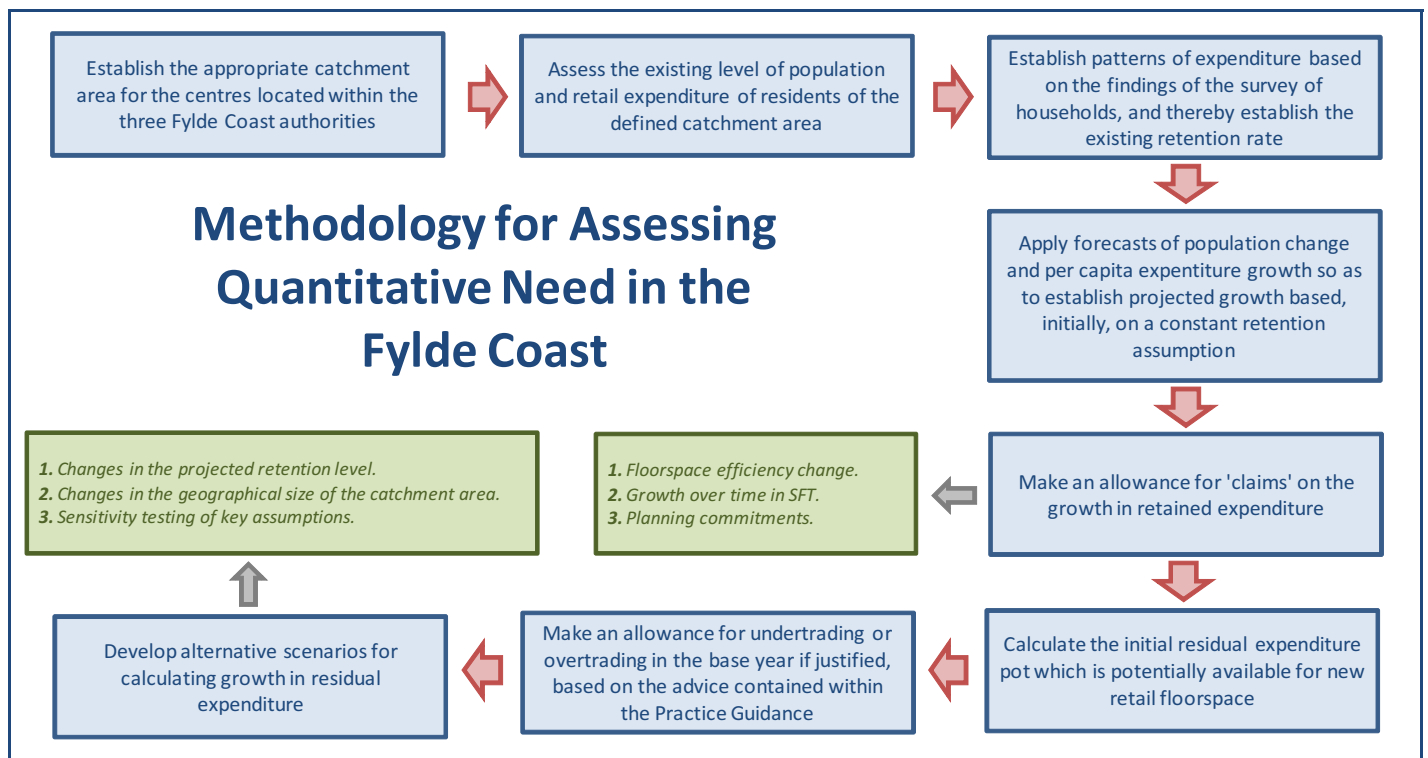
- 6.4 Section 3 and Appendix B of the Practice Guidance, which accompanies PPS4, provides advice on the assessment of quantitative and qualitative need. We note, however, that the Practice Guidance states that it does not ‘...seek to prescribe a single methodology...’ and that ‘...alternative approaches may be equally acceptable, provided they are compliant with national policy objectives and clearly justified, transparently presented and robustly evidenced’ (paragraph 1.22). We accept, also, the advice given in paragraph B3 to the effect that ‘...forecasts of ‘retail need’ should not be regarded as prescriptive...’ and that they ‘...inevitably involve judgments and ultimately policy choices...’
- 6.5 Thus, we have refined the five step approach set out in Appendix B of the Practice Guidance into 8 steps, as follows³³:
- i. establish the appropriate catchment for the centres located within the three authorities;
 - ii. assess the existing level of population and existing volume of retail expenditure of those resident within the defined catchment area;
 - iii. establish where the expenditure of residents of the catchment area is currently spent, through the use of an empirical survey of households resident within the catchment

³² Longer term projections are indicative because of the exponential shape of expenditure growth, and because PPS4 requires that LPAs should use their annual monitoring reports to keep under review the need for further development

³³ Steps i. to iii. have been undertaken in Section 5 of our report.

- area, and thereby establish the proportion of expenditure which is currently retained by town centres and freestanding stores located within the catchment – that is the aggregate retention rate;
- iv. apply forecasts of population change and per capita expenditure growth, so as to establish the overall level of projected growth in expenditure for residents of the catchment area and an assessment of growth in retained expenditure, using, initially, a constant retention assumption;
 - v. make allowance for ‘claims’ on the growth in retained expenditure as a result of:
 - floorspace efficiency change;
 - growth over time in SFT; and
 - planning commitments.
 - vi. calculate the initial residual expenditure pot which is potentially available for new retail floorspace, based on steps iv) and v) above;
 - vii. make an allowance for undertrading or overtrading in the base year, if this is justified on the basis of circumstances as identified in the PPS4 Practice Guidance; and
 - viii. develop alternative scenarios for calculating growth in residual expenditure, based on:
 - increases or decreases in the projected retention level;
 - increases or decreases in the geographical size of the catchment area, if this is justified as part of a strategy to raise the role and function of the centre as part of the development plan process; and
 - sensitivity testing of key assumptions.

Figure 6.1 Methodology for Assessing Quantitative Need in the Fylde Coast



Definition of the Overall Catchment Area (OCA)

- 6.6 The OCA, as shown in Figure 5.1 and in Spreadsheet 1 of Volume 2, comprises 15 zones based on postcodes, and is broadly based on that used by WYG in the 2008 retail study.

Existing Level of Population and Expenditure

- 6.7 The population by zone in the 2010 base year is set out in the second row of Spreadsheet 2 of Volume 2³⁴; these data are based on year 2008 zonal population figures supplied by Pitney Bowes Business Insight (PBBI) and Oxford Economics (OE) and rolled forward to the 2010 base year and the subsequent forecast years, using the ONS's 2008-based sub-national population projections (published in May 2010).
- 6.8 The zonal per capita expenditure data were supplied by PBBI for the year 2008, as set out in the top row of Spreadsheet 3 for comparison goods and in the top row of Spreadsheet 12 for convenience goods. These data are then rolled forward to 2010 using the midpoint of the forecast growth rates for comparison and convenience goods as set out in the Experian Retail Planner Briefing Note 8.1 (August 2010) and the Oxford Economics Retail Expenditure Guide 2010/2011 (September 2010)³⁵.
- 6.9 The total pot of expenditure in 2010 is derived from the product of Spreadsheets 2 and 3 for comparison goods (£961.73m), as set out in the top row of Spreadsheet 4, and Spreadsheets 2 and 12 for convenience goods (£514.79m), as set out in the top row of Spreadsheet 13.

Existing Retention Rate

- 6.10 Next, we use the findings of the household survey to establish patterns of expenditure and the retention rate in 2010. Thus, the 2010 pattern of comparison goods expenditure and retention rate for the study area as a whole – the aggregate retention rate – is as set out in Spreadsheet 7 and Spreadsheet 8; the latter indicates that the aggregate retention rate for comparison goods in 2010 is 69.11 per cent.
- 6.11 For convenience goods, the patterns of expenditure in 2010 are set out in Spreadsheet 16 and Spreadsheet 17, with the latter revealing an aggregate retention rate for convenience goods of 93.1 per cent.

Growth in Expenditure and Growth in Retained Expenditure

- 6.12 Having established the current patterns of expenditure and retention rates for both comparison and convenience goods, the next steps are to apply forecasts of population change and per capita expenditure growth, so as to establish the overall level of projected growth in expenditure for all residents of the catchment area and then an assessment of growth in retained expenditure, using, initially, a constant retention assumption.

³⁴ All subsequent references to spreadsheets in this section of our report relate to the spreadsheets that are contained within the separately bound Volume 2.

³⁵ See Table 6.2 and Table 6.3 on the following pages for growth rates used.

- 6.13 Population change is based on the ONS' 2008-based sub-national projections, as set out in Spreadsheet 2. Using this method, the resident population across the entire study area is forecast to increase from 344,950 in the 2010 base year, to 383,674 in 2026. This equates to a total population increase of 11.2 per cent over the entire study period.
- 6.14 The data on forecast growth in per capita expenditure are set out in Spreadsheet 3 for comparison goods, and Spreadsheet 12 for convenience goods. The per capita comparison and convenience goods expenditure growth rates that we have adopted for the ten year period from 2010 to 2020 inclusive are the midpoints of the estimates and forecasts provided by Experian and PBBI / OE, and are set out for the forecast year in the final columns of Table 6.1 and Table 6.2. PBBI / OE do not provide any forecasts for growth in per capita expenditure beyond 2020, and so we have therefore adopted the Experian forecasts for the period 2021 to 2026 of 2.9 per cent, per capita, per annum for comparison goods, and 0.9 per cent, per capita, per annum for convenience goods.

Table 6.1 Comparison Expenditure Growth Per Capita, 2010 to 2026

Year	Experian ³⁶	PBBI / OE ³⁷	Midpoint of Experian and PBBI / OE
2010	0.4%	1.3%	0.85%
2011	1.2%	2.3%	1.75%
2012	2.4%	3.8%	3.10%
2013	2.7%	4.4%	3.55%
2014	2.7%	5.3%	4.00%
2015	2.7%	5.1%	3.90%
2016	2.7%	4.8%	3.75%
2017	2.7%	4.0%	3.35%
2018	2.9%	3.8%	3.35%
2019	2.9%	3.7%	3.30%
2020	2.9%	3.6%	3.25%
2021	2.9%	-	2.90%
2022	2.9%	-	2.90%
2023	2.9%	-	2.90%
2024	2.9%	-	2.90%
2025	2.9%	-	2.90%
2026	2.9%	-	2.90%

³⁶ Figure 1, Experian Retail Planner Briefing Note 8.1, August 2010.

³⁷ Table 3.5 Oxford Economics Retail Expenditure Guide 2010/2011, September 2010.

Table 6.2 Convenience Expenditure Growth Per Capita, 2010 to 2026

Year	Experian ³⁸	PBBI / OE ³⁹	Midpoint of Experian and PBBI / OE
2010	0.3%	0.1%	0.20%
2011	0.0%	- 0.5%	- 0.23%
2012	0.4%	0.1%	0.25%
2013	0.8%	0.5%	0.63%
2014	0.8%	1.1%	0.95%
2015	0.8%	1.0%	0.90%
2016	0.8%	0.9%	0.85%
2017	0.8%	0.5%	0.65%
2018	0.9%	0.4%	0.65%
2019	0.9%	0.4%	0.65%
2020	0.9%	0.4%	0.65%
2021	0.9%	-	0.90%
2022	0.9%	-	0.90%
2023	0.9%	-	0.90%
2024	0.9%	-	0.90%
2025	0.9%	-	0.90%
2026	0.9%	-	0.90%

6.15 Spreadsheet 4 (summarised in Table 6.3 below) is the product of Spreadsheet 2 and Spreadsheet 3, and sets out the total growth in comparison goods expenditure for all residents of the OCA. Spreadsheet 13 sets out the corresponding data for convenience goods expenditure.

Table 6.3 Total Growth in Comparison and Convenience Expenditure (inc. SFT)

Year	Comparison Goods (£m)	Convenience Goods (£m)
Total 2010	961.73	514.79
Total 2016	1,190.95	541.14
Total 2021	1,422.71	570.97
Total 2026	1,673.19	608.68
<i>Growth 2010 - 2016</i>	<i>229.22</i>	<i>26.35</i>
<i>Growth 2010 – 2021</i>	<i>460.98</i>	<i>56.18</i>
<i>Growth 2010 - 2026</i>	<i>711.46</i>	<i>93.89</i>

³⁸ Figure 1, Experian Retail Planner Briefing Note 8.1, August 2010.

³⁹ Table 3.5 Oxford Economics Retail Expenditure Guide 2010/2011, September 2010.

- 6.16 Thus, the first row of Spreadsheets 11a to 11c, set out the total growth in comparison goods expenditure up to 2026, excluding SFT, as calculated in the final column of figures in Spreadsheet 4. Similarly, the first row of Spreadsheet 18a sets out the total growth in convenience goods expenditure up to 2026, excluding SFT, reflecting the final column in Spreadsheet 13.
- 6.17 Having calculated the growth in total expenditure for residents of the OCA, we then assess the growth in retained expenditure, based, initially, on a constant aggregate retention level, as derived from the survey of households (second row of Spreadsheet 11a and Spreadsheet 18a). Thus, the growth in retained expenditure, based on constant market shares, is set out in the third row of spreadsheets 11a and 18a.

'Claims' on Growth in Retained Expenditure

- 6.18 Deductions are then made from the growth in retained expenditure, based on:
- i. growth in floorspace efficiency, which is the growth in the turnover of existing retailers within their existing floorspace;
 - ii. growth over time in expenditure on SFT; and
 - iii. the projected turnover of planning commitments located within, and in close proximity to, the study area.

Growth in Floorspace Efficiency

- 6.19 In making an allowance for growth in floorspace efficiency (Spreadsheets 11a to 11c for comparison goods and Spreadsheet 18a for convenience goods), we have adopted the floorspace efficiency changes set out in Table 6.4. These tie the rate of floorspace efficiency change, to the expenditure projections for each forecast year, using a ratio of 37.9 per cent for comparison goods and 46.2 per cent for convenience goods. These ratios represent the 'underlying trend' of floorspace efficiency improvements between 1987 and 1999 (as recommended by Experian in its Retail Planner Briefing Note 6.1 of January 2009), of 2.2 per cent for comparison goods and 0.6 per cent for convenience goods, as a proportion of the expenditure growth over the same period of 5.8 per cent and 1.3 per cent respectively.

Floorspace Efficiency

'Retail capacity forecasts can be highly sensitive to the rate of growth in sales density assumptions. It is therefore very important that assumptions are realistic. The choice of the most appropriate level of growth to include in the assessment will ultimately depend on individual circumstances, and in particular, the capacity of existing floorspace to absorb increased sales.'

(PPS4 Practice Guidance, B.48)

Table 6.4 Improvements in Floorspace Efficiency from 2010 Base Year

Forecast Period	Average Rate Per Annum	
	Comparison Goods	Convenience Goods
2010 – 2016	1.3%	0.3%
2016 – 2021	1.3%	0.3%
2021 - 2026	1.2%	0.3%

Growth in Special Forms of Trading

- 6.20 In calculating the deduction for SFT in the 2010 base year, we have used the findings of the household survey, which indicate that SFT accounts for 8.22 per cent of total comparison goods expenditure, and for 1.67 per cent of total convenience goods expenditure.
- 6.21 We have also made an allowance for SFT to grow over time (Spreadsheet 4 for comparison goods and Spreadsheet 13 for convenience goods) at the rates shown in Table 6.5. These forecasts reflect the advice contained in Experian’s Retail Planner Briefing Note 8.1 (August 2010). However, in the convenience goods sector, we have taken only 25 per cent of Experian’s figures, so as to reflect the fact that a substantial proportion of the convenience goods bought over the internet are still supplied from shelves in local supermarkets, rather than from distribution warehouses, as is more often the case in the comparison goods sector.

Table 6.5 Projected Rates of Expenditure on SFT

Year	Comparison Goods		Convenience Goods	
	%	Source	%	Source
2010	Average of 8.22	NEMS Survey	Average of 1.67	NEMS Survey
2016	13.9%	Experian	2.4%	Experian x 0.25
2021	13.6%	Experian	2.5%	Experian x 0.25
2026	13.3%	Experian	2.7%	Experian x 0.25

Allowance for Planning Commitments

- 6.22 The next step is to make an allowance for the projected turnover requirements of planning commitments⁴⁰, based on the proportion of turnover that will be derived from residents of the study area. The comparison goods commitments are scheduled in Table 6.6 and the convenience goods commitments are scheduled in Table 6.7⁴¹. The total turnover of the commitments derived from residents of the OCA is set out in Spreadsheets 11a to 11c for comparison goods, and Spreadsheet 18a for convenience goods; this forms the final ‘claim’ on retained expenditure.

⁴⁰ Smaller commitments, below the threshold of 200 sq.m gross, have been excluded.

⁴¹ Please note the distinction in Table 6.6 and Table 6.7 between gross floorspace and net sales area; it is the latter that is used in calculating the turnover requirements of the commitments.

Table 6.6 Comparison Goods Commitments as at Study Base Date (2010)

Commitment	Local Authority	Planning Application Reference	Gross retail floorspace (sq m)	Net Additional Comparison Goods Floorspace (sq m sales area)		£/sq.m 2016	Additional Comparison Goods Turnover (£m)	Proportion of trade drawn from the study area (%)	Turnover Drawn from Study Area (£m)		
									2016	2021	2026
Talbot Gateway, Blackpool	Blackpool	09/01582	23,944	Comp in Foodstore	1,300	7,832	59.47	80%	47.58	50.62	53.81
				Comparison units	11,426	4,314					
Houndshill Phase II	Blackpool	-	4,127	Comparison units	3,095	4,314	13.35	80%	10.68	11.52	12.24
Unit A2, Blackpool Retail Park	Blackpool	10/1378	1,161	A1 bulky goods comparison	813	3,236	2.63	95%	2.50	2.66	2.83
Booths, Ball Street, Poulton-le-Fylde - additional unit	Wyre	-	278	separate non-food retail unit	222	3,775	0.84	100%	0.84	0.89	0.95
Local Centre, Thornton	Wyre	09/00971/OUTMAJ	4,804	Comp in Foodstore	689	7,550	5.20	100%	5.20	5.54	5.89
				Other comp	445	3,775	1.68	100%	1.68	1.79	1.90
Lidl, Preston Road, Lytham	Fylde	10/0485	1,617	Comparison in foodstore	257	2,918	0.75	100%	0.75	0.80	0.85

Table 6.7 Convenience Goods Commitments as at Study Base Date (2010)

Commitment	Local Authority	Planning Application Reference	Gross retail floorspace (sq m)	Net Additional Convenience Goods Floorspace (sq m sales area)		£/sq.m in 2016	Additional Convenience Goods Turnover (£m)	Proportion of trade drawn from the study area (%)	Turnover Drawn from Study Area (£m)		
									2016	2021	2026
Former Royal PH Marton Drive	Blackpool	permitted development	359	A1 Convenience, Tesco	251	12,072	3.03	95%	2.88	2.93	2.97
Former Belle Vue Garage Whitegate Drive	Blackpool	09/1081	458	A1 Convenience, Sainsbury	321	11,698	3.75	95%	3.57	3.62	3.67
Talbot Gateway	Blackpool	09/1582		A1 Convenience	3,680	9,288	34.18	80%	27.34	27.75	28.17
Local Centre, Thornton	Wyre	09/00971/OUTMAJ	4804	A1 Convenience	1,609	9,288	14.94	95%	14.19	14.41	14.62
Booths, Ball Street, Poulton-le-Fylde	Wyre	-	-	A1 Convenience	284	9,611	2.73	95%	2.59	2.63	2.67
Lidl, Preston Road, Lytham	Fylde	10/0485	1,617	A1 convenience	1,029	2,910	2.99	95%	2.84	2.89	2.93
Aldi, 353 Clifton Road South	Fylde	08/0260	1,342	A1 Convenience	939	6,927	6.51	95%	6.18	6.27	6.37

note: the Former Royal PH, Marton Drive is now complete, however given that it would not have been picked up by the household survey, it has been included as a commitment for the purposes of our capacity exercise

- 6.23 The commitment with the highest anticipated turnover drawn from the OCA for comparison and convenience goods is Talbot Gateway. We have assumed that all commitments will be trading by 2016.

Allowance for Inflow of Tourist Expenditure

- 6.24 Given the importance of tourism to retail facilities throughout the Fylde Coast, we have also made an allowance for the inflow of tourist expenditure to destination within each of the three boroughs.
- 6.25 Our assumptions in relation to the proportion of tourism inflow directed to each of the three authority areas is based on the findings of the WYG study⁴², which in turn, were based on a combination of the 2005 Savills study, on-street surveys and STEAM (Scarborough Tourism Economic Activity Monitor) Reports.
- 6.26 Thus, in the comparison goods sector (and having rebased the WYG figures to 2006 prices), we have allowed for an inflow in the 2010 base year of approximately £75m for Blackpool Borough, £21m for Fylde Borough and £30m for Wyre, so that the total comparison goods tourist inflow to the OCA in 2010 is approximately £126m, as set out in Spreadsheets 11a to 11c.
- 6.27 In the convenience goods sector, the corresponding figures are £33m for Blackpool Borough, £9m for Fylde Borough and £13m for Wyre Borough, so that the total convenience goods tourist inflow to the OCA in 2010 is approximately £56m, as set out in Spreadsheet 18a.
- 6.28 In allowing for the growth of tourist expenditure inflow between 2010 and 2026 in both the comparison and the convenience goods sector, we have used the per capita, per annum growth in consumer spending, as forecast by Experian in Figure 1 of its August 2010 Retail Planner Briefing Note 8,1. Thus, in the comparison goods sector, Spreadsheets 11a to 11c indicate that by 2026, tourist expenditure is expected to amount to £164m, representing a growth from 2010 of £37.9m, whilst in the convenience goods sector, the corresponding figure for 2026 is £72m, representing growth from 2010 of £16.7m, as set out in Spreadsheet 18a.

Residual Expenditure Potentially Available for New Floorspace

- 6.29 Spreadsheets 11a to 11c for comparison goods, and Spreadsheet 18a for convenience goods (hereafter referred to as the 'capacity spreadsheets'), set out the residual expenditure pot potentially available for new floorspace, having allowed for all the 'claims' on the growth in retained expenditure, and for growth in tourist expenditure.

⁴² See pages 88 and 89 of the August 2008 WYG Fylde Coast Retail Study Main Report.

Adjustments for Undertrading or Overtrading in the Base Year

Comparison Goods Sector

- 6.30 Spreadsheet 8 reveals an estimated comparison goods turnover for Blackpool Town Centre of approximately £316.20m, excluding any expenditure inflow from residents beyond the OCA. Based on the floorspace data supplied by Experian GOAD⁴³, which estimates that Blackpool has 44,695 sq.m net of comparison goods floorspace, this would imply a comparison goods sales density for Blackpool Town Centre of £7,075 per sq.m sales; it is apparent, however, that this figure does not represent real trading conditions in Blackpool. The reason for this inaccuracy is most likely to be the floorspace data supplied by Experian GOAD, which does not include upper levels of shop units.
- 6.31 Thus, having adjusted the floorspace data to 64,799 sq.m net⁴⁴, the revised comparison goods sales density for Blackpool Town Centre is £4,879 per sq.m sales. However, this figure does not take account of the inflow of tourist expenditure that comparison goods facilities in Blackpool Town Centre benefit from. Thus, taking account of the £74.4m of tourism expenditure on comparison goods in Blackpool, the total turnover in 2010 is £390.6m, so that the revised sales density is £6,028 per sq.m. We consider that this figure represents a much more accurate picture of the reality of trading conditions in Blackpool Town Centre, and it is this sales density that we use in calculating the floorspace capacity for Blackpool Town Centre.
- 6.32 Moreover, the findings of the health checks indicate that Blackpool Town Centre is undertrading, with insufficient comparison goods turnover to support an oversupply of poor quality floorspace. As a consequence, there is no case to be made for quantitative need in the comparison goods sector on the basis of overtrading in the base year.
- 6.33 Indeed, in order to address the identified undertrading in Blackpool Town Centre, we recommend that the residual expenditure capacity we identify is not all used to create new floorspace, but that a proportion is also used to support existing retailers who are currently underperforming in the town centre, and also to reduce the unacceptably high level of vacant and underused property in the town centre. This will reduce the risk of dilution of what is already a relatively weak offer, and will enable existing retailers to trade at a higher sales density, therefore contributing to a more viable town centre.

Convenience Goods Sector

- 6.34 A final consideration for the assessment of need in the convenience sector – for which per capita expenditure growth is limited – is an assessment of whether there is a case for any adjustment to reflect undertrading or overtrading at the base position. In our assessment, such an adjustment would be fraught with difficulty given the inevitable limitations of data in

⁴³ GOAD estimates that in October 2009 Blackpool had a total comparison goods floorspace of 63,850 sq.m gross, or 44,695 sq.m net based on a net to gross ratio of 70 per cent.

⁴⁴ Based on our knowledge of the town centre to reflect those units which have upper floors, and which have not been accounted for by GOAD.

relation to turnover estimates derived from the survey, estimates of sales floorspace and a lack of data on average trading levels which apply to independent convenience traders.

- 6.35 Thus, unless there is clear evidence of overtrading across any one of the three boroughs, which is causing customer discomfort, it would not be appropriate to seek to make any adjustment to the assessment of quantitative need. However, as stated in Section 5, we have little evidence of customer discomfort, and there are only two stores for which there appears to be a significant level of overtrading – the Morrisons at Thornton-Cleveleys, and the Morrisons at Squires Gate.

Increase or Decrease in the Geographical Size of the Catchment Area

- 6.36 Alternative scenarios for calculating growth in residual expenditure can be based on an increase or decrease in the geographical size of the catchment area, where this is justified as part of a strategy to raise the role and function of the centre(s) as part of the development plan process. However, given that there is no proposed change to the role of function of Blackpool Town Centre, or the other smaller centres located throughout the Fylde Coast, we have not made any alterations to the OCA.

Changes to the Retention Level

Comparison Goods Sector

- 6.37 The findings of the household survey indicate that the existing comparison goods retention level, for the catchment area as a whole, is relatively low, at just 75.2 per cent (excluding SFT⁴⁵). As such, we consider that there is justification to plan for an increase in this retention level, so as to reduce the level of unsustainable shopping trips to destinations beyond the catchment area. In this context, Spreadsheet 11b seeks to test an increase in the overall retention rate from 75.2 per cent in 2010 (excluding SFT), to 78 per cent by 2021, and to 80 per cent by 2026. This is the 'moderate increase' in retention scenario. Similarly, Spreadsheet 11c tests a 'significant increase' in retention scenario, whereby the overall retention rate is improved to 79 per cent by 2021, and to 82 per cent by 2026. Thus, by 2026, an increase from moderate to significant retention generates an additional £30m of comparison goods expenditure which could be retained by facilities within the catchment.

⁴⁵ Note that for capacity purposes, we focus on the expenditure patterns spreadsheets which exclude SFT. For comparison goods this is spreadsheets 5 and 6 of Volume 2, and for convenience goods, this is spreadsheets 14 and 15 of Volume 2. Thus, the retention percentages referenced in relation to the capacity exercise are slightly higher than those quoted elsewhere, and are taken from Spreadsheets 5 and 6, rather than Spreadsheets 7 and 8 (including SFT).

- 6.38 More critical, however, is the need for Blackpool Town Centre to increase its market share within the Fylde Coast sub-catchment, thereby clawing back some of the expenditure of Fylde Coast residents which is currently being lost to competing destinations outside the OCA. At present, Blackpool Town Centre retains just 32.9 per cent of the expenditure of catchment area residents; this is particularly low considering that Blackpool should be performing the role of the sub-regional centre for the Fylde Coast. Such a strategy is endorsed by the emerging Blackpool Core Strategy.
- 6.39 Previous retail studies undertaken for the Fylde Coast as a whole, and for Blackpool Borough Council individually, indicate that between 1998 and 2008, Blackpool Town Centre's market share declined from 43.3 per cent⁴⁶, to just 28.8 per cent⁴⁷. The most recent survey undertaken by RTP for this study, points to a slight improvement in the town centre's market share as a result of the Houndshill Phase I Extension, bringing it up slightly to 32.9 per cent. However, we consider that further progress needs to be made in order to attract expenditure which is currently being lost to competing destinations, including out of centre locations within the OCA.

'The maintenance of current market shares may perpetuate deficiencies in the retail network, particularly in underserved markets. A low market share (or expressed differently, a significant expenditure 'leakage') may be indicative of a need for more or better shopping provision.'

(PPS4 Practice Guidance, 3.7)

Convenience Goods Sector

- 6.40 In the convenience goods sector the current retention of 94.67 per cent (excluding SFT) is very much as expected, and there is no case to alter it.

Sensitivity Testing of Key Assumptions

- 6.41 Rather than undertaking further sensitivity testing of key assumptions, we have proceeded on the basis of taking mid-point averages in respect of expenditure growth rates, and we have used Experian's central assumptions with respect to change over time in the proportion of retail expenditure accounted for by SFT.

Findings in Relation to Quantitative Retail Need

Comparison Goods Sector

- 6.42 The final row of the capacity spreadsheets set out the residual expenditure pot that we have identified to accommodate new floorspace in the period 2010 to 2026.
- 6.43 Spreadsheets 11a, 11b and 11c, as summarised in Table 6.8, set out the quantitative comparison goods need for the static retention, moderately increased retention, and significantly increased retention scenarios respectively. These quantitative needs relate to

⁴⁶ Blackpool Retail Study, undertaken by Hillier Parker in 1998.

⁴⁷ Fylde Coast Retail Study, undertaken by White Young Green in 2008.

the whole of the OCA⁴⁸, and are over and above the commitments set out in Tables 6.6 and 6.7.

Table 6.8 Quantitative Need in the OCA's Comparison Goods Sector⁴⁹ (£m)

	Static Retention	Moderate Increase in Retention	Significant Increase in Retention
2010 – 2016	- 4.6	3.2	13.4
2016 – 2021	116.3	142.4	144.5
2021 - 2026	129.4	164.6	181.3
2010 – 2021	111.7	145.6	157.9
2010 - 2026	241.1	310.2	339.2

- 6.44 Table 6.8 confirms that there is a negative residual requirement for comparison floorspace in the period to 2016 under the static retention scenario. The negative position is a result of the expenditure growth being exceeded by the claims made on it from growth in floorspace efficiency, growth in SFT and planning commitments.
- 6.45 However, there is a positive residual requirement for additional comparison floorspace up to 2021 under all scenarios, which ranges from £111.7m under the 'static' retention scenario, to £157.9m under the 'significant increase in retention' scenario.
- 6.46 In the period to 2026, the residual expenditure available to support new floorspace ranges from £241.1m under the 'static' retention scenario, to £339.2m under the 'significant increase in retention' scenario. This range represents a very significant uplift on the position to 2021, and it reflects the power of exponential growth. Thus, we consider that the 2026 figures should be treated with caution, and monitored according to the corresponding qualitative needs of the centres, and the physical capacity of the centres.
- 6.47 Moreover, although the 'overall' range at 2026 is very wide, we do not consider that it is sensible to plan for a scenario of 'static' retention, especially given the clear need to make quantitative improvements in some of the study area centres. Nevertheless, we have included this scenario in our study for illustrative purposes, so as to demonstrate what may happen if the study area centres are not able to respond to competition from new development outside of the OCA.

⁴⁸ In Section 8 we set out our recommendations for how the identified floorspace requirements should be distributed throughout the OCA.

⁴⁹ It should be noted that the floorspace capacity figures quoted throughout our Report, for both comparison and convenience goods, are over and above commitments i.e. they assume that the commitments go ahead, and have been built. The floorspace figures are therefore in addition to the commitments set out in Table 6.6 and 6.7.

6.48 Nevertheless, given the constraints on the delivery of retail floorspace in the current market, and the implications that exponential growth has for the calculations of floorspace capacity, we would recommend a scenario of ‘moderate increase in retention’ over the period 2010 to 2026, rather than one of ‘significant increase’. This will enable the respective Councils to meet their aspirations in terms of the enhancement of their centres, whilst ensuring that the targets are achievable and deliverable, and will not undermine existing provision in the centres.

Convenience Goods Sector

6.49 Spreadsheet 18a sets out the quantitative convenience goods retail need based on a static aggregate retention level of 94.7 per cent (excluding SFT). As we made clear earlier in Section 6, the current OCA retention level for convenience goods is very much as expected, and we consider that there is no case to alter it. The quantitative needs are set out in the final column of Spreadsheet 18a, and are summarised in Table 6.9 below.

Table 6.9 Quantitative Need in the OCA’s Convenience Goods Sector (£m)

	Static Retention
2010 – 2021	- 17.8
2010 - 2026	14.4

6.50 Table 6.9 confirms that the residual convenience goods need from 2010 to 2021 is negative. Moreover, in the period to 2026, the residual expenditure is limited, at just £14.4m, and based on an average turnover for a ‘big five’ operator of £11,000 per sq.m, equates to a floorspace requirements, over the whole of the plan period, of 1,309 sq.m net (2,014 sq.m gross); this would be enough to support just one medium sized foodstore by 2026. This is due to the low forecast rate of expenditure growth in the convenience sector (relative to the comparison sector), and the substantial turnover requirements of extant permissions, in particular the proposed foodstore at Talbot Gateway, and at the new Local Centre in Thornton.

Comparison of Capacity Projections for Convenience Floorspace in the Fylde Coast	
WYG 2008 to 2021	49,570 sq.m gross
RTP 2010 to 2026	2,014 sq.m gross

6.51 In contrast, WYG identify substantial capacity for convenience goods floorspace, indeed, page 92 of their report indicates that up to 32,220 sq.m net (49,570 sq.m gross⁵⁰) could be accommodated within the Fylde Coast study area by 2021. This is significantly greater than the residual that we have identified in Table 6.8, and we note the following reasons for this difference:

⁵⁰ Using a net to gross ratio of 65 per cent

- The RTP capacity assessment includes two major proposals that were not commitments at the time of the WYG study; Talbot Gateway, and the new local centre at Thornton. This claim on available expenditure reduces the final floorspace capacity figure.
- WYG use a growth rate of 1.2 per cent, per capita, per annum for convenience goods, which is significantly higher than the midpoint forecast rates used by RTP, and set out in Table 6.3 of this Report. Indeed, WYG acknowledge in paragraph 11.11 of their Report that the growth rates they have used are *'based on the economic boom that has occurred in the UK'* so that they *'should be considered with a note of caution'*.
- WYG assume that SFT will remain constant throughout the period, whilst in our own capacity assessment, we have made an allowance for SFT to grow over time, in line with the recommendations set out in Experian's Retail Planner Briefing Note 8.1.
- In undertaking their capacity assessment, WYG have used a 'benchmark' approach, which compares the benchmark turnover of existing facilities, with the total amount of expenditure available. In addition to the concerns that we have in relation to the use of benchmark turnovers that we have set out in paragraph 5.82, we consider that this methodology is too simplistic and does not allow for inflows and outflows of expenditure within the catchment.

6.52 Thus, given the very limited amount of expenditure growth that we have identified, and the absence of justification for need based on overtrading, the clear first priority in the convenience sector is to develop a new foodstore as part of mixed use development at Talbot Gateway. Such a store would meet the needs of residents of Blackpool's inner core catchment in Zones 1, 2 and 3.

6.53 However, despite the limited residual that occurs across the OCA in the period up to 2021 – following the implementation of foodstores at Talbot Gateway and at the new local centre in Thornton - we consider it important that localised convenience needs are met in the short-term. As we explain in Sections 7 and 8, we have identified a localised deficiency in Poulton-le-Fylde Town Centre, which arises as a result of the existing supermarkets not being sufficiently attractive to command a sufficiently high market share. There is also likely to be some small scale convenience needs in the rural parts of Wyre, that are further than ten minutes drivetime from Garstang.

Conclusions in Relation to Quantitative Need

Comparison Retail Goods

6.54 We have considered three different scenarios, based on alternative retention rates; a static retention rate, a moderately increased retention rate, and a significantly increased retention rate. We found that there is a negative residual requirement for additional comparison goods floorspace in the period up to 2016 under the static retention scenario.

6.55 However, there is a positive expenditure residual for comparison floorspace under all scenarios in the period to 2021, which ranges from £111.7m under the 'static' retention scenario, to £157.9m under the 'significant increase in retention' scenario. In the period to

2026, the residual expenditure requirement ranges from £241.1m under the 'static' retention scenario, to £339.2m under the 'significant increase in retention' scenario.

Convenience Retail Goods

- 6.56 In the convenience sector, the current retention level is very much as we would expect, so that there is no case to seek to enhance it. Based on this scenario, the residual convenience goods need over the period 2010 to 2021 is negative, due to the low forecast rate of expenditure growth, and the expenditure claims made by extant permissions such as Talbot Gateway and the new Local Centre at Thornton. Moreover, the residual expenditure to 2026 is just £14.4m.
- 6.57 Thus, given the very limited amount of expenditure growth that we have identified, and the absence of justification for need based on overtrading, the clear first priority in the convenience sector is to develop a new foodstore as part of mixed use development at Talbot Gateway. Such a store would meet the needs of residents of Blackpool's inner core catchment in Zones 1, 2 and 3.
- 6.58 However, despite the negative residual that occurs across the OCA in the period up to 2021 – following the implementation of foodstores at Talbot Gateway and at the new local centre in Thornton - we consider it important that localised convenience needs are met in the short-term. As we explain in Sections 7 and 8, we have identified a localised deficiency in Poulton-le-Fylde Town Centre, which arises as a result of the existing supermarkets not being sufficiently attractive to command a sufficiently high market share. There is also likely to be some small scale convenience needs in the rural parts of Wyre that are further than ten minutes drivetime from Garstang.

7 QUALITATIVE RETAIL NEED IN THE FYLDE COAST

- 7.1 Paragraph 3.10 of the PPS4 Practice Guidance notes that five factors are frequently identified in assessing the more subjective matter of qualitative need, but states that others may be relevant. The five factors are:
- i. deficiencies, or 'gaps' in existing provision;
 - ii. consumer choice and competition;
 - iii. overtrading, congestion and overcrowding of existing stores;
 - iv. location specific needs such as deprived areas and underserved markets; and
 - v. the quality of existing provision.
- 7.2 Policy EC1.4.d of PPS4 sets out the requirements for the evidence base insofar as assessments of qualitative need are concerned. The policy advises that when assessing qualitative need, LPAs should:
- assess whether there is provision and distribution of shopping, leisure and local services, which allow genuine choice to meet the needs of the whole community, particularly those living in deprived areas, in light of the objective to promote the vitality and viability of town centres and the application of the sequential approach; and
 - take into account the degree to which shops may be overtrading, and whether there is a need to increase competition and retail mix.

Comparison Goods Sector

Blackpool

- 7.3 In the comparison goods sector, there is a need to improve the quantum and quality of the offer in town centres throughout the study area. This applies particularly in Blackpool Town Centre, so as to enable it to retain a higher proportion of the comparison goods expenditure of residents throughout the Fylde Coast, and compete more effectively with neighbouring centres such as Preston.
- 7.4 In Blackpool Town Centre, the retail offer is predominantly characterised by retailers at the middle to lower end of the market, with a high concentration of value and discount operators. There is also a significant under representation of national multiples and Debenhams is the only department store in the town centre. Thus, there is poor consumer choice and competition in Blackpool, resulting in high and unsustainable flows of expenditure to out of centre locations within the Borough, and leakage to more attractive destinations beyond the Fylde Coast catchment such as Preston City Centre and Deepdale Retail Park.
- 7.5 There is a critical need, therefore, for an improvement in the quality and diversity of the retail offer in Blackpool Town Centre. The proposed Houndhill Phase II extension, the Central Station Site, and the Winter Gardens redevelopment, all present opportunities to enhance the comparison goods offer within the town centre. Talbot Gateway also presents an opportunity for enhanced linkages between the railway station and the remainder of the

town centre, although the Council should ensure that any comparison floorspace promoted as part of this scheme, does not undermine the existing town centre offer.

- 7.6 The smaller centres within the Borough - Bispham and South Shore - serve a localised role, as demonstrated by the findings of the household survey. Indeed, given the proximity of these centres to Blackpool Town Centre, it is unlikely that these centres will be able to serve at a higher function than that which they do at present. The Council should seek to ensure, therefore, that these centres continue to serve the day-to-day needs of local residents by encouraging the maintenance and enhancement of the existing stock of premises and making environmental improvements where necessary.

Wyre

- 7.7 Given Blackpool Town Centre's role as the sub-regional centre for the Fylde Coast, it is clear that the town centres in Wyre Borough are at a lower level in the retail hierarchy, and complementary to the sub-regional centre. Nevertheless, the findings of the household survey and our health check assessments, indicate that Fleetwood and Cleveleys, in particular, serve an important comparison goods shopping role for Wyre residents. In this context, there is a need to improve the quality and quantity of the comparison goods offer in these centres to ensure that they can continue to serve their local catchments, given the improvements planned in Blackpool and Preston.
- 7.8 Moreover, there is a need for public and private investment in Poulton-le-Fylde Town Centre if it is to become a more vital and viable centre. In particular, we consider that the redevelopment of the Teanlowe Centre provides the best opportunity for the enhancement of the comparison goods offer in this centre, although any redevelopment of Teanlowe is likely to be anchored by a foodstore.
- 7.9 In Garstang, there is already a niche comparison goods offer, and the Council's function, in the main, will be to seek to maintain what is already a healthy centre. Given that Thornton centre serves a predominantly convenience and service function, we do not consider the absence of a comparison role to be of particular concern.

Fylde

- 7.10 As is the case in Wyre, the scope for the quantitative and qualitative improvement of comparison goods facilities in Fylde Borough's town centres is limited by the proximity of Blackpool Town Centre, and its role as the sub-regional centre for the Fylde Coast.
- 7.11 Nevertheless, there is scope and need for qualitative improvement in the comparison offer of Fylde's town centres, so as to limit the level of unsustainable leakage of expenditure to neighbouring locations located beyond the Fylde Coast catchment area. Indeed, of the £88.00m of expenditure which flows from the OCA to Preston City Centre, £45.80m flows from the four Fylde Borough zones; this equates to 52 per cent of the leakage to Preston from the Fylde Coast sub-region. Whilst much of this leakage reflects the proximity of Zones 14 and 15 to Preston City Centre (with part of Zone 15 falling within the administrative area of Preston), there is still scope to clawback some of this through development which is appropriate in scale in relation to the role and function of Fylde's town centres, so as to improve their vitality and viability.

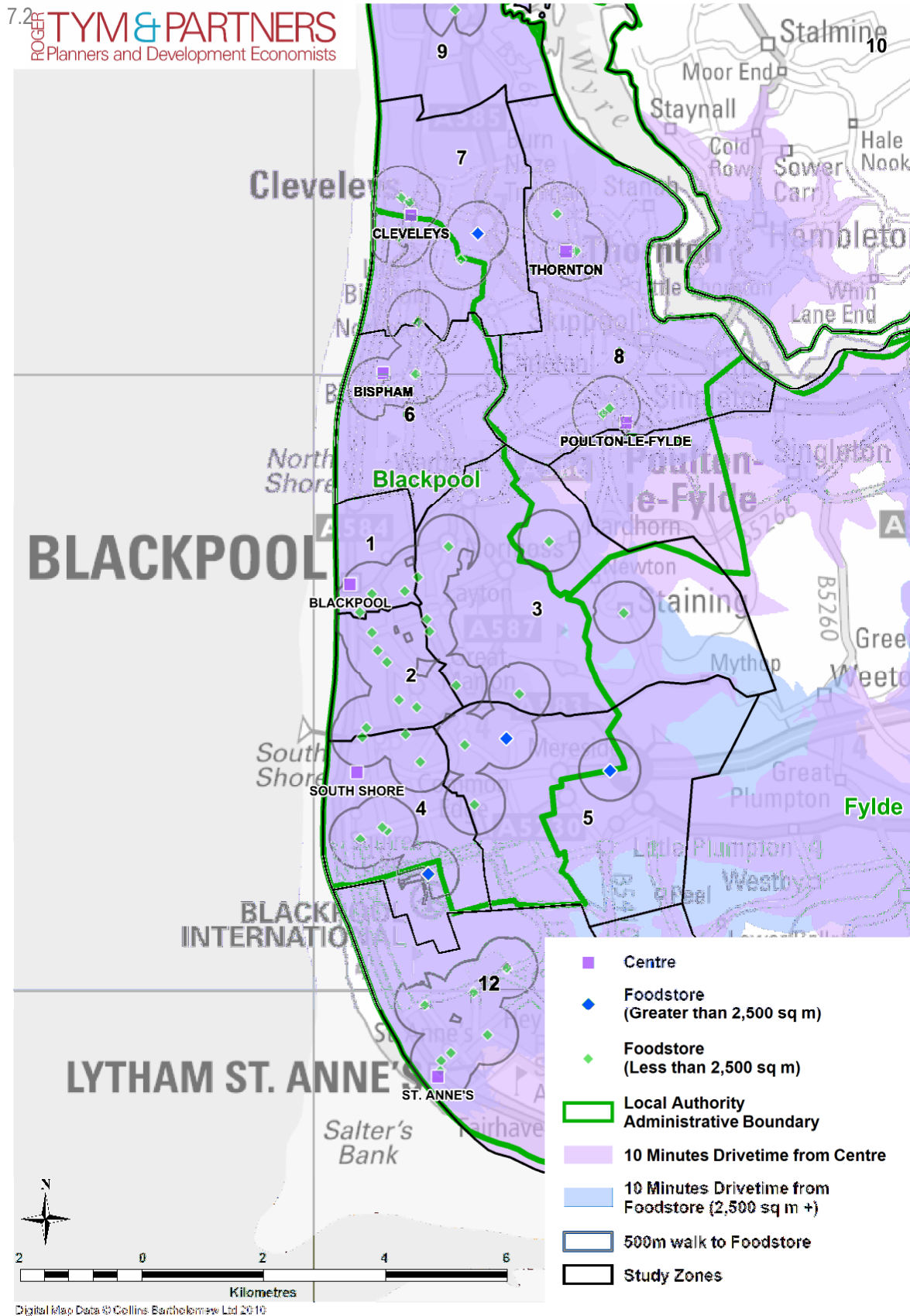
- 7.12 The findings of our health check assessments indicate that Kirkham Town Centre would benefit, in particular, from the enhancement of its comparison offer, which at present suffers from inadequate representation in the important clothing sub-categories.

Convenience Goods Sector

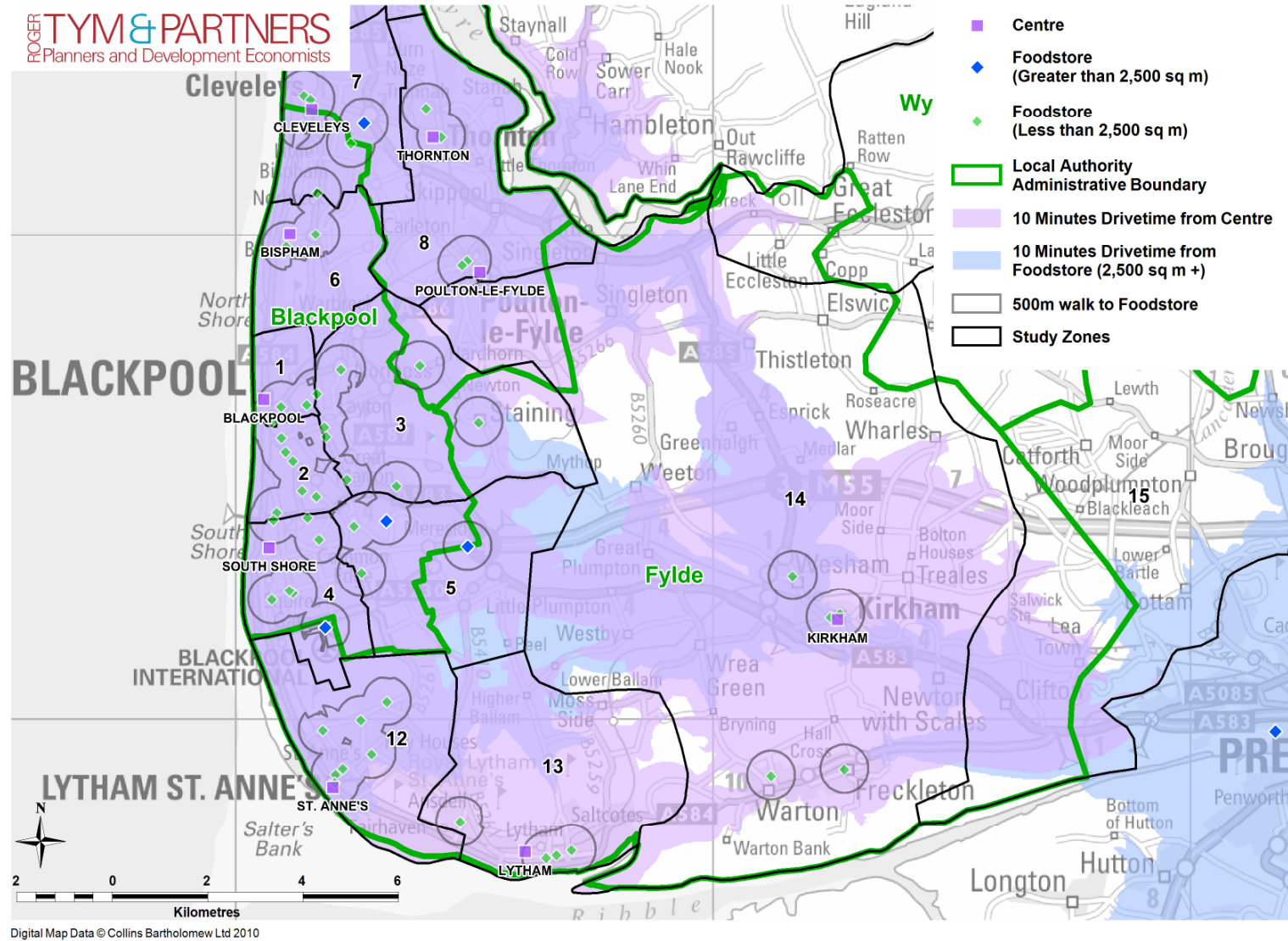
- 7.13 Convenience goods shopping should be undertaken on as localised basis as possible. We have therefore undertaken an analysis which seeks to identify 'gap areas' where there appears to be inadequate access to convenience goods facilities. This is particularly relevant in areas characterised by high levels of deprivation; in such areas, car ownership is likely to be lower, and it therefore becomes even more important to ensure ease of access to a range of convenience goods shopping facilities.
- 7.14 Whilst there is no overall quantitative need for further convenience goods floorspace identified in the study area up to 2021, our assessment of localised retention rates (Spreadsheet 16), our health checks, and the gap analysis, indicate that there are some areas of the Fylde Coast catchment that would benefit from enhanced provision of convenience goods facilities.
- 7.15 Thus, our analysis of qualitative need is based on the following considerations:
- proximity to existing foodstores or centres, and proximity to a foodstore commitment;
 - levels of deprivation, using the year 2010 Index of Multiple Deprivation (IMD);
 - qualitative factors based on the findings of the health check audits; and
 - localised convenience goods retention rates, as informed by the findings of the household survey.
- 7.16 So far as the gap area analysis is concerned, Maps 7.1 to 7.3 superimpose the following:
- ten minute drivetime isochrones for each of the study centres⁵¹;
 - ten minute drivetime isochrones for all foodstores of 2,500 sq.m sales area or more; and
 - 500m walk distances for foodstores of 500 sq.m to 2,499 sq.m sales area.

⁵¹ The study centres are as follows: Blackpool, Bispham, South Shore, St Annes, Lytham, Kirkham, Fleetwood, Cleveleys, Poulton-le-Fylde, Garstang and Thornton.

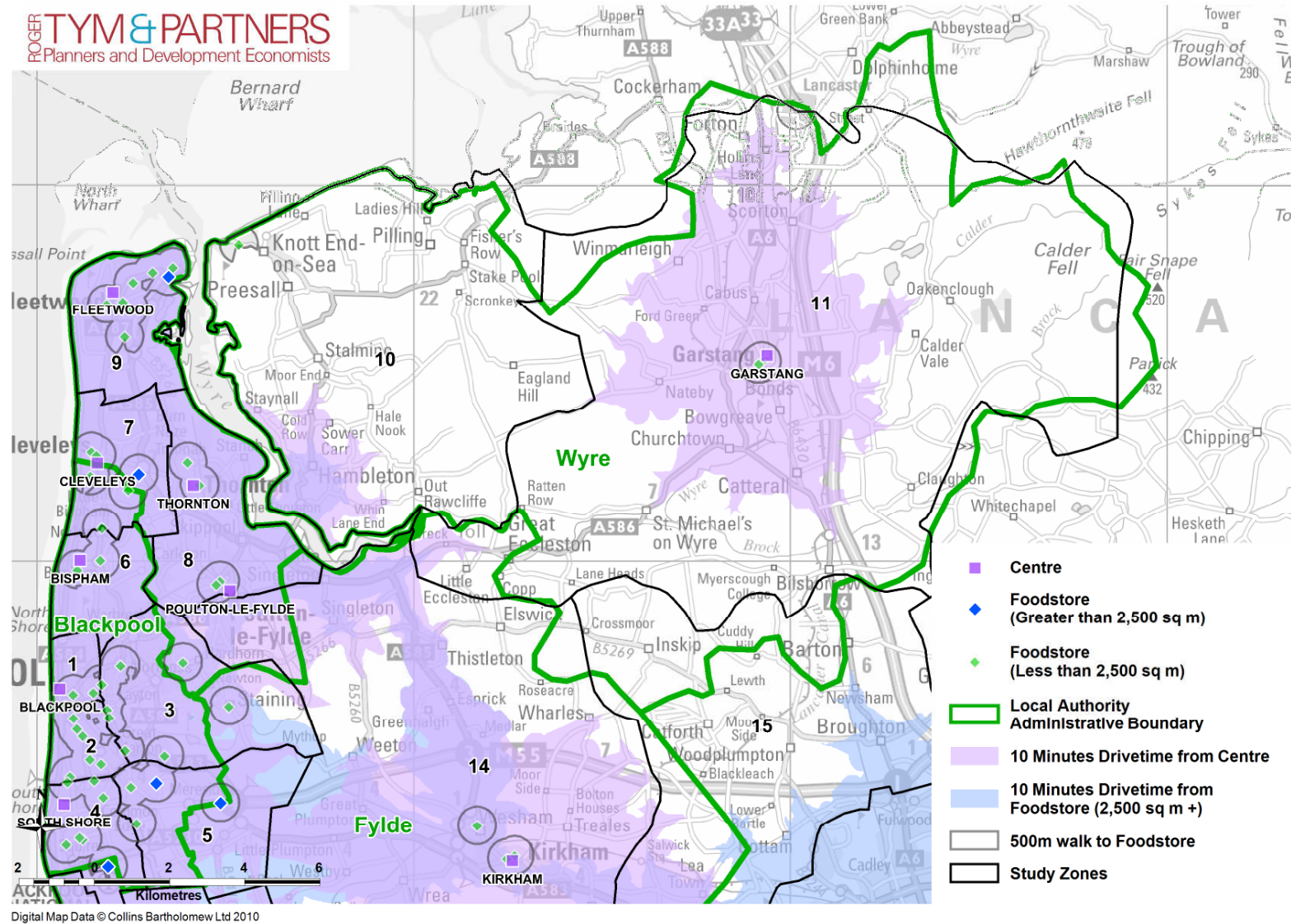
Map 7.1 Gap Areas in Convenience Goods Provision Across Blackpool Borough



Map 7.2 Gap Areas in Convenience Goods Provision Across Fylde Borough



Map 7.3 Gap Areas in Convenience Goods Provision Across Wyre Borough



7.17 Thus, taking into account the findings of the gap analysis set out in Maps 7.1 to 7.3, and the findings of the household survey, which enables us to identify those areas with low localised retention rates, we have drawn the following conclusions in relation to the qualitative needs in the convenience goods sector of each Borough:

Blackpool Borough

- 7.18 The household survey indicates that Zones 1, 2 and 3 - which together comprise the inner core of the urban area of Blackpool – all have particularly low localised convenience retention rates of just 27.23 per cent, 14.79 per cent and 19.97 per cent respectively (Spreadsheet 16 of Volume 2).
- 7.19 Map 7.1 also demonstrates that within Zones 1, 2 and 3, there is qualitative gap – before taking into account the foodstore commitment at Talbot Gateway – in terms of access to larger foodstores of over 2,500 sq.m sales area, which provide a wider range and choice of goods. This is particularly important in less affluent areas, or areas with low car ownership, and Spreadsheet 12 of Volume 2 shows that all of the Blackpool zones have level of per capita spending on convenience goods which are far lower than the levels prevailing in Fylde and Wyre Boroughs.
- 7.20 Indeed, CLG's year 2010 Indices of Deprivation show that 37.2 per cent of Blackpool's LSOAs are in the ten per cent most deprived in England, that 26.6 per cent are in the worst 5 per cent, and that 17 per cent are in the worst 1 per cent nationally. Indeed, on the 1 per cent measure, Blackpool Borough is the worst authority in England. Most of these deprived LSOAs are in Zones 1 and 2, and a substantial proportion of the most deprived residents can be expected to be willing to walk or take public transport to Talbot Gateway. Hence the importance of a large foodstore at Talbot Gateway in meeting the needs of deprived areas.
- 7.21 There are, however, many smaller supermarkets in Blackpool Borough, particularly to the south of the town centre, in Zone 2, but with provision of such stores less plentiful in Zones 1 and 3.

Fylde Borough

- 7.22 The qualitative convenience goods offer in Fylde Borough's town centres is good, particularly in St Annes and Lytham. Thus, St Annes Town Centre is well served by J Sainsbury, Marks and Spencer Simply Food, Tesco Express (out of centre) and a range of independent stores. Similarly, Lytham Town Centre provides a range of high quality independent outlets, in addition to a Tesco Express and a new Booths store to the edge of the town centre.
- 7.23 Kirkham's convenience offer is anchored by a medium-sized Morrisons, and the town centre also contains a Co-Op and a range of independents. However, Map 7.2 shows the existence of a strip in the north eastern part of the Borough - running from Little Eccleston in the north, through Elswick, Thistleton, Roseacre and down to Lea Town - which is more than ten minutes drivetime from a centre, more than ten minutes drivetime from a large foodstore, and which is not served by any small to medium sized supermarkets. It would be legitimate, therefore, for the Council to seek a modest improvement in the localised retention rate for Zone 14, so long as any new development proposed is located in the

identified centres. Nevertheless, given the rural nature of the gap area shown in Map 7.2, and the requirement to protect existing provision in the smaller local centres, any new convenience development must be small in scale, in keeping with the role and function of the catchment which it is intended to serve, and must not undermine the vitality or viability of existing retail provision. Moreover, only those sites which relate well to existing centres should be considered for convenience retail development.

Wyre Borough

- 7.24 In Poulton-le-Fylde (Zone 8), the localised retention rate, at 39.41 per cent (Spreadsheet 16 of Volume 2), is much lower than the retention rates achieved in the Fleetwood and Cleveleys zones, but also lower than the retention rates achieved in the Bispham, St Annes and Lytham zones. We consider that the best way to improve the localised retention rate in Zone 8 is through the enhancement and/or replacement of one of the existing supermarket facilities in Poulton-le-Fylde Town Centre. The Booths store in Poulton-le-Fylde is significantly inferior to the Booths stores in Garstang and Lytham, and the Teanlowe Centre, which contains a Co-Op store, is ripe for redevelopment. We consider, therefore, that there is scope to improve the localised convenience goods retention rate to at least 50 per cent, and this investment in Poulton-le-Fylde Town Centre would represent the main priority for improvement in the convenience sector in Wyre Borough.
- 7.25 Wyre Borough also contains a large rural area, in Zones 10 and 11, which is more than a ten minute drivetime from Garstang Town Centre. Whilst one would expect that it may be necessary to travel further to undertake convenience purchases in the rural part of the Borough, we note that Zone 10, in particular, has a very low localised retention rate for convenience goods of just 26.91 per cent (Spreadsheet 16 of Volume 2). It would be legitimate, therefore, for the Council to seek to improve the localised retention in Zone 10. Nevertheless, given the rural nature of this area, and the requirement to protect existing provision in the smaller local centres, any new convenience development must be small in scale, in keeping with the role and function of the catchment which it is intended to serve, and must not undermine the vitality or viability of existing retail provision. Moreover, only those sites which relate well to existing centres should be considered for convenience retail development.

Conclusions in Relation to Qualitative Retail Need

Comparison Goods

- 7.26 In the comparison goods sector, the over-riding requirement is to improve the quality of Blackpool Town Centre's offer vis-à-vis competing centres located outside the catchment area, and the out-of-centre retail parks. The Houndshill Phase II extension, the Central Station Site, and the Winter Gardens redevelopment, all present opportunities to enhance the comparison goods offer. Talbot Gateway also presents an opportunity for enhanced linkages between the railway station and the remainder of the town centre, although the Council should ensure that any comparison floorspace promoted as part of this scheme, does not undermine the existing town centre offer.

- 7.27 Our health check analysis shows that there are some centres in Fylde and Wyre that are not performing to their full potential, in particular we note that Fleetwood, Poulton-le-Fylde, Cleveleys and Kirkham would benefit from varying degrees of quantitative and qualitative improvements in their comparison goods offer, and these centres must also attract investment if they are to stave off competition from centres outside the OCA. Indeed, we consider it inevitable that the comparison goods retention rates achieved by these centres will begin to deteriorate unless they are able to improve and maintain their offer in keeping with the needs of catchment area residents, and in keeping with the forecast growth in expenditure. Such measures could include business rates relief for new retailers occupying vacant units, the refurbishment and re-use of vacant units, and measurements to attract and retain shoppers, such as increasing accessibility, keeping parking charges affordable and promoting and marketing the town centre.
- 7.28 In the other town centres in Fylde and Wyre Boroughs, the focus should be on maintaining the attractiveness of their comparison goods offers, so as to ensure that they continue to serve their catchments and meet the needs of local residents.

Convenience Goods

- 7.29 The first priority for a qualitative improvement in the Fylde Coast's convenience offer is for a new food superstore as part of mixed use development at Talbot Gateway. Such a store will have a sales area of greater than 2,500 sq.m (derived from the definition of a superstore given in Annex B of PPS4), and it will serve residents located in the inner areas of Blackpool, where we have identified a quantitative gap (in terms of low localised convenience retention rates) and a qualitative gap in superstore provision. Until such a food superstore is delivered at Talbot Gateway, the Fylde Coast Boroughs should give careful consideration to the potential impact on the Talbot Gateway investment in assessing applications for other supermarket and superstore proposals, particularly where such proposals are expected to derive a significant proportion of their convenience goods trade from residents of the catchment area of the proposed Talbot Gateway superstore.
- 7.30 Elsewhere in Blackpool Borough, we have identified no further quantitative or qualitative requirement, in the short to medium term, for additional foodstore provision, over and above that proposed for Talbot Gateway. Thus, in considering any further applications for foodstore development, Blackpool Council should ensure that applicants have clearly demonstrated compliance with the requirements of the PPS4 EC15 sequential test, and the EC16 impact tests, so as to protect the investment proposed in the town centre as part of the Talbot Gateway scheme.
- 7.31 The second priority in the Fylde Coast sub-region is to improve the convenience offer in Poulton-le-Fylde Town Centre. This will best be achieved through the enhancement and/or replacement of one of the existing supermarket facilities in Poulton-le-Fylde Town Centre.
- 7.32 In assessing applications for new convenience floorspace, in other locations in the sub-region, the Councils should ensure that any new floorspace relates appropriately to the town and district centres which they serve in terms of both scale and appropriate linkages. This is particularly important when assessing applications in edge and out of centre

locations, where there is a risk that development might detract from the vitality and viability of the centre.

- 7.33 In rural areas of the catchment, particularly in Fylde and Wyre, it is recognised that small scale enhancements to the convenience provision can support communities and reduce reliance on the private car by providing day to day shopping facilities within existing local and district centres. Such development should only be permitted, however, where it is of an appropriate scale in relation to the role and function of nearby centres and the catchment which it serves, and does not undermine the existing retail and service offer of centres. Indeed, any such proposal would be expected to improve the retail choice for residents, and fill an identified gap in the existing offer. Moreover, only those sites which relate well to existing centres should be considered for convenience retail development.

8 RATIONALE FOR THE RECOMMENDED DISTRIBUTION OF NEW RETAIL FLOORSPACE

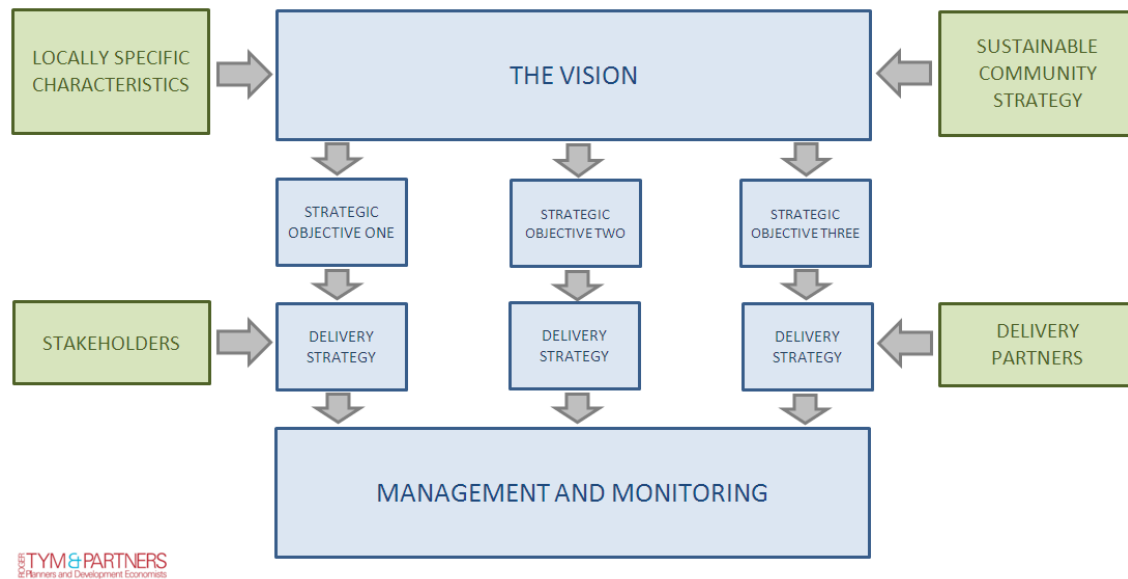
Introduction

- 8.1 In Section 2, we refer to the test of soundness introduced by PPS12. This test requires each LPA to demonstrate that its chosen strategy is the most appropriate, when considered against reasonable alternatives, and that the chosen strategy is effective and deliverable.
- 8.2 In assessing strategies for meeting retail needs, we have dismissed those which would clearly not accord with national and regional policy, such as trying to meet most of the need in existing out-of-centre retail parks, or through the creation of a new centre, in an out-of-centre location. We should state, also, that all reasonable strategies will provide for localised convenience and service needs.
- 8.3 It is important to emphasise that core strategies and other development plan documents should not be overly prescriptive, and should acknowledge local circumstances, build on strengths and address weaknesses. Indeed, the starting point for any vision for a centre should be a clear understanding of the current role and function of that particular centre. This is in line with the requirements of Paragraph 4.2 of PPS12, which states that core strategy visions should be informed by an analysis of the characteristics of the area and its constituent parts, key issues and challenges.

The Vision

- 8.4 PPS12 requires that every Local Planning Authority produce a Core Strategy which includes an overall vision, which sets out how the area and the places within it should develop. The vision should be informed by an analysis of the characteristics of the area and its constituent parts, and the key issues and challenges facing them. The vision should also closely relate to the Sustainable Community Strategy for the area.

Figure 8.1 The Nature of Core Strategies as Required by PPS12



ROGER TYM & PARTNERS
Planners and Development Economists

8.5 The overall vision for the Fylde Coast, insofar as it relates to town centres, should be to ensure their growth and economic prosperity, reversing the decline that has occurred in recent years in some of the centres. Indeed, this is particularly important during periods of low expenditure growth, when there should be a focus on ensuring that the region’s centres remain competitive and attractive to the residents of their local catchment. In this context, it is crucial that the Fylde Coast Authorities remain proactive in attracting investment to their centres, particularly in the face of increasing competition from out of centre locations and higher order centres.

In the interests of the Fylde Coast sub-region as a whole, the vision should be to restore Blackpool Town Centre’s position as a strong sub-regional centre, thereby reducing the unsustainable leakage of expenditure that currently flows to out of centre locations within the OCA, and to competing destinations outside the OCA. Such a vision is entirely in line with Blackpool’s Sustainable Community Strategy, and we note that the Draft Blackpool Town Centre Strategy, also recognise the urgent need for the town centre to restore its position as the regional centre for the Fylde Coast.

Strategic Objectives

- 8.6 Thus, in seeking to meet this vision, we have identified six key policy objectives, as set out in Table 8.1. The alternative distributions of new retail floorspace are then evaluated against these policy objectives, and we have identified 5 strategic options for the *distribution of the comparison goods floorspace needs that we have identified; these strategic options are set out in Table 8.2.*
- 8.7 In the convenience sector, however, there is no need, at a strategic level, for further floorspace beyond existing commitments in the period up to 2021, and we have already identified, in Section 7, the priorities for meeting qualitative needs, and rectifying localised deficiencies.

Table 8.1 Key Policy Objectives

Objective	Policy Requirements/Explanation
Make Blackpool a stronger sub-regional centre and promote spin-off benefits for the Fylde Coast's other centres	Blackpool is identified as the sub-regional centre for the Fylde Coast, and it is acknowledged in that a healthy Blackpool is important to maintain the vitality of the Fylde Coast region as a whole
Promote Social Inclusion by linking opportunity to need	Development Plans should identify and develop policies for the centres within their respective areas which best meet local needs.
Meet Quantitative and Qualitative Needs – addressing deficiencies and gaps in existing provision	The findings of our health checks in Section 4, and our assessment of convenience gap areas in Section 7 of our Report provides an indication of where there currently exist gaps in the provision of retail facilities throughout the OCA
Promote Sustainability - locate development so as to reduce the need to travel and enable people to meet needs and encourage the use of previously developed land	Local Authorities, developers and other agencies should work together to reduce the need to travel, especially by car through promoting patterns of development which are easily accessible by public transport, and to encourage the siting of new development on underused and previously developed land
Protect Vitality and Viability by ensuring development is of an appropriate scale	Local Authorities should be proactive in encouraging development of an appropriate scale so as to maintain and enhance their town centres whilst reducing the risk of harm, to the vitality and viability of other centres.
Deliverability - assessment of viability and commercial realism	It must be demonstrated that strategies and objectives are deliverable, taking into account the need for sufficient infrastructure, policy considerations, involvement of key stakeholders and partners, and compatibility with aspirations in neighbouring authorities where cross boundary issues are relevant.

Table 8.2 Strategic Options for Distribution of Comparison Retail Floorspace Needs

Strategic Option	Description
1. Status quo	Distribution of future floorspace needs in line with current market share. This model assumes constant market shares
2. Polarisation	Greatest market share increase for Blackpool and low market share increases for remaining centres. This reinforces and enhances Blackpool's dominance. This growth is likely, however, to be at the expense of the smaller centres
3. Focus on Blackpool Town Centre and those remaining town centres⁵² where there is both opportunity and need	Greatest market share uplifts for Blackpool Town Centre and the ten main study centres located within Blackpool, Fylde and Wyre where there is both opportunity and need
4. Focus growth according to RTP assessment of health	Greatest market share uplift for those centres which we have identified as in most need of intervention ⁵³ , according to the findings of the health checks set out in Section 5
5. Focus growth in the ten smaller town centres	Promotes substantial growth in the 10 smaller town centres, so as to make them more competitive with Blackpool. This option is essentially the converse of option 2

⁵² In addition to Blackpool, the ten remaining study centres are as follows: Bispham, South Shore, St Annes, Lytham, Kirkham, Fleetwood, Cleveleys, Poulton-le-Fylde, Garstang and Thornton.

⁵³ The findings of our health check assessments identify the centres most in need of intervention as being Fleetwood, Poulton-le-Fylde, Cleveleys and Kirkham.

Evaluation of Strategic Options against Policy Objectives

8.8 We have evaluated the five strategic options for distribution of the quantitative need identified in the comparison goods sector against the six key policy objectives, and a summary of our evaluation is set out below.

1. Status Quo

8.9 The status quo option would involve perpetuating existing market shares, including the market share accounted for by out of centre locations. This option achieves a low evaluation rating overall, because it does not contribute to making Blackpool a stronger sub-regional centre, it does not promote social inclusion or sustainability, it does not address localised deficiencies, and it does not assist in improving the vitality and viability of those centres where investment is most needed. As a consequence, we reject the status quo option.

2. Polarisation

8.10 The polarisation option would involve a gain in market share for Blackpool Town Centre, but does not reflect the desire for the remaining centres in the Fylde Coast to benefit from an improvement in Blackpool's fortunes. Thus, whilst polarisation may be deliverable, in that it reflects market trends (as discussed in Section 3), it scores only a moderate rating, because it does not contribute to the objectives of promoting social inclusion and sustainability, and does not address qualitative deficiencies and gaps in existing provision elsewhere in the Fylde Coast.

3. Focus on Blackpool Town Centre and on those Remaining Centres where there is both Opportunity and Need

8.11 This option seeks to meet the objective of Blackpool becoming a stronger sub-regional centre, whilst maximising the take-up of opportunities in the Fylde Coast's other town centres. This option scores best in relation to social inclusion and sustainability objectives, meeting quantitative and qualitative needs, and in protecting the vitality and viability of existing centres. This option also scores well in relation to the deliverability objective.

4. Focus Growth According to Health of Centre

8.12 This option would seek to promote growth in the weakest town centres, but would involve a high level of public sector intervention. As a consequence, this option scores poorly in relation to the deliverability objective. Thus, despite the positive contribution to sustainability and social inclusion objectives, and despite the fact that Blackpool Town Centre has been identified as a priority for improvement, this option cannot be recommended given the emphasis of PPS12 in relation to deliverability.

5. Focus Growth in the Ten Smaller Town Centres

8.13 This option would involve channeling a higher proportion of the floorspace need towards the smaller centres. However, this would run counter to market trends, and scores poorly in relation to deliverability. Moreover, it would not assist the objective of making Blackpool Town Centre a stronger sub-regional centre, and would not score well in relation to social inclusion and sustainability objectives.

Conclusion

- 8.14 Our favoured option is strategic option 3, which involves a focus on Blackpool Town Centre, and on those remaining town centres throughout the Fylde Coast where opportunity and need are greatest. Such a strategy seeks to ensure that the smaller centres throughout the Fylde Coast sub-region also receive the growth and investment needed to ensure their ongoing vitality and viability, and, where necessary, enhancement through development of new comparison floorspace.

Distribution of Comparison Goods Floorspace Capacity

- 8.15 It is important to emphasise again that the residual comparison goods expenditure capacity presented in Table 6.8, and repeated again in Table 8.3, should be used as a broad guide, particularly when dealing with the longer term post 2021 requirements. In this context, we consider that long term forecasts should be monitored and kept under review. It is important to emphasise, also, that some of the capacity could be absorbed through a reduction in the level of vacancy, or as a result of growth in sales densities for existing operators being greater than has been allowed for. Finally, we remind the reader that the residual expenditure set out in Table 8.3 is over and above existing commitments such as Talbot Gateway

Table 8.3 Quantitative Need in the OCA's Comparison Goods Sector (£m)

	Static Retention	Moderate Increase in Retention	Significant Increase in Retention
2010 – 2016	- 4.6	3.2	13.4
2016 – 2021	116.3	142.4	144.5
2021 - 2026	129.4	164.6	181.3
2010 – 2021	111.7	145.6	157.9
2010 - 2026	241.1	310.2	339.2

- 8.16 Over the period 2010 to 2026, we would recommend that it is most appropriate to plan for a scenario of a 'moderate increase in retention'; this will enable the respective Councils and their partners to meet their aspirations for the Fylde Coast centres, whilst ensuring that such aspirations are realistic and deliverable in the current market.
- 8.17 To convert the residual expenditure into a floorspace requirement, we have applied a sales density to each Borough's 'pot' of expenditure capacity, as follows:
- i. For Blackpool Borough, we have applied a comparison goods sales density of £6,028 per sq.m in 2010, applying the rates of sales efficiency set out in Table 6.3, so that this rises to £6,498 per sq.m by 2016, £6,914 per sq.m by 2021, and £7,350 per sq.m by 2026. The 2010 figure is derived from the existing sales density of Blackpool, based on

the corrections we have made to the GOAD floorspace and including tourism inflow, as per paragraph 6.31 of our Report.

- ii. For Fylde and Wyre Boroughs, we have used a lower comparison goods sales density of £4,250 per sq.m in 2010, and this reflects a combination of sales density information for new comparison floorspace provided by Experian in its Briefing note 7.1, together with our own survey evidence and taking account also of White Young Green's judgments. We have allowed for this to grow using the rate of sales efficiency set out in Table 6.3, so that the sales density rises to £4,582 per sq.m by 2016, £4,875 per sq.m by 2021, and £5,182 per sq.m sales by 2026.

8.18 Thus, taking into account the residual expenditure identified under the 'moderate increase in retention' scenario, and the preferred strategic option for the distribution of comparison floorspace set out in paragraph 8.16, Table 8.4 presents the distribution of comparison floorspace requirements arising by 2026 at a local level. This distribution gives a broad guide, and is made on the basis of two key assumptions as follows:

- i. The borough totals reflect each borough's current share of retained comparison goods expenditure i.e. Blackpool Borough currently retains 68.6 per cent of the aggregate expenditure retained by retail locations in the Fylde Coast, and so Blackpool Borough gets 68.8 per cent of the total floorspace. The same principle applies to Wyre and Fylde.
- ii. There is a presumption that there is no need to plan for a net gain in floorspace in out of centre locations, thus we are advocating that the Councils plan to accommodate these indicative levels of floorspace on sites located within and on the edge of the identified town centres. This is because there are very few goods or retail formats that cannot be accommodated within or on the edge of the Fylde Coast's Town Centres⁵⁴, providing the operators display flexibility in relation to scale, format, car parking provision and scope for disaggregation, as required by PPS4. Thus, if an operator feels it can make a case for an out of centre proposal, having followed the principles of the sequential approach, then such an application will need to be appraised in relation to the impact tests set out in Policies EC10 and EC16 of PPS4.

8.19 Thus, we are not advocating an increase in Blackpool Borough's share of the sub-regional cake, but we are advocating a substantial increase in Blackpool Town Centre's share of the Borough total. However, this increase in market share within the Borough is at the expense of out of centre locations, and not at the expense of smaller centres such as Bispham and South Shore. The figure for Blackpool Town Centre in the period up to 2026 of 33,800 sq.m gross is over and above existing commitments, and we envisage that most of this need will be met in the latter period.

⁵⁴ This is a national observation, based on the trend that has emerged where increasingly more bulky goods retailers (such as furniture retailers) are operating from town centre stores. This is on the basis that these goods can be bought from the store and delivered to homes from a warehouse, without the need for the store to stock all such items so that they can be taken away immediately.

- 8.20 The floorspace requirement to 2026 is derived from a residual expenditure of £212.91m that we have allocated to Blackpool Town Centre, so that should all this expenditure be used to support new floorspace, and assuming that the two commitments in Blackpool Town Centre come forward by 2026 (Houndshill Phase II and Talbot Gateway), the retention rate of the town centre would increase from 32.9 per cent in 2010, to 39.7 per cent in 2026. This is much more appropriate for a sub-regional centre such as Blackpool, and is more in line with the retention rate identified by Hillier Parker in the 2008 retail study of 43.3 per cent.
- 8.21 In Wyre, we have channelled more of the need towards the larger centres of Fleetwood and Cleveleys and to Poulton-le-Fylde where there is scope for redevelopment of the Teanlowe Centre, and more opportunity to create and improve retail circuits. We have applied the same principles in seeking to channel most of the Fylde capacity to St Annes and Lytham, but the Fylde centres are given a lower quantum than the Wyre Centres because of the physical and environmental constraints they face.

Table 8.4 Distribution of Comparison Floorspace Requirements⁵⁵ (sq.m gross)

Centre	2010 - 2021	2021 - 2026	2010 - 2026
	Moderate Increase in Retention		
	sq.m gross		
Blackpool Town Centre	16,390	17,410	33,800
South Shore District Centre	960	1,030	1,990
Bispham District Centre	960	1,030	1,990
Remaining District and Local Centres	960	1,030	1,990
Blackpool Borough Total	19,270	20,500	39,770
Fleetwood Town Centre	2,070	2,210	4,290
Cleveleys Town Centre	2,070	2,210	4,290
Poulton-le-Fylde Town Centre	2,070	2,210	4,290
Garstang Town Centre	1,250	1,330	2,570
Remaining District and Local Centres	830	890	1,710
Wyre Borough Total	8,290	8,850	17,150
St Annes Town Centre	1,470	1,550	3,020
Lytham Town Centre	1,470	1,550	3,020
Kirkham Town Centre	840	890	1,720
Remaining District and Local Centres	420	440	860
Fylde Borough Total	4,200	4,430	8,620
TOTAL FOR SUB-REGION	31,760	33,780	65,540

Distribution of Convenience Floorspace Capacity

- 8.22 There is no quantitative capacity for further convenience goods floorspace in the Fylde Coast sub-region that is over and above existing commitments by 2021, and only limited capacity to 2026. However, we have identified some localised deficiencies which should be addressed and reflected in development plan documents, and our recommendations on the priorities for meeting qualitative deficiencies have been set out already in Section 7.

⁵⁵ Note that all floorspace capacity requirements set out in this Report are over and above existing commitments, this therefore assumes that all commitments will be built, and in place by 2016.

9 RECOMMENDATIONS

Vision

- 9.1 The overall vision for the Fylde Coast, insofar as it relates to town centres, should be to ensure their growth and economic prosperity, reversing the decline that has occurred in recent years in some of the centres. A key part of the vision should be to restore Blackpool Town Centre's position as a strong sub-regional centre, thereby reducing the unsustainable level of expenditure flowing to out of centre locations within the catchment area, and to competing destinations outside the catchment area. We endorse the multi-area agreement's statement that *'an economically successful Fylde Coast fundamentally requires a strong and prosperous Blackpool, and vice versa.'*

Key Policy Objectives

- 9.2 We have identified six key policy objectives, against which the strategy for meeting retail needs should be evaluated; these are as follows:
- i. To make Blackpool a stronger sub-regional centre, and promote spin-off benefits for the Fylde Coast's other town centres.
 - ii. To promote social inclusion by linking development opportunities to need.
 - iii. To meet the quantitative and qualitative need we have identified for comparison goods retail development and to meet the gaps in existing provision of convenience goods facilities
 - iv. To promote sustainability by locating development so as to reduce the need to travel, and encourage the use of previously developed and underused land and buildings.
 - v. To protect the vitality and viability of existing centres by ensuring that retail development is of an appropriate scale, and through implementation of the sequential approach.
 - vi. To develop a strategy that is deliverable, taking into account viability, and commercial realism, infrastructure requirements and the aspirations of delivery partners.

Distribution of Comparison Goods Floorspace Requirements

- 9.3 We recommend that the councils pursue a strategy which seeks to achieve a moderate increase in retention of comparison goods expenditure from its current level of 75 per cent (excluding SFT), to 78 per cent by 2021, and to 80 per cent by 2026. This strategy generates £145.62m of residual comparison goods expenditure in the Fylde Coast by 2021, rising to £310.18m in the period 2010 to 2026. However, we urge the need for monitoring of retail need, and do not expect development plan documents to identify sites capable of meeting all of the longer term post 2021 retail potential.
- 9.4 In making a recommendation as to how the comparison goods needs should be distributed, as set out in Table 8.4, we have adopted four key principles, as follows:
- i. each borough's share of the sub-regional floorspace total reflects its current share of retained comparison goods expenditure;

- ii. there is a presumption that there is no need to plan for a net gain in floorspace in out of centre locations, so that we are advocating that the councils plan to accommodate these indicative levels of floorspace on sites located within and on the edge of the identified town centres;
- iii. there is a significant increase in Blackpool Town Centre's share of the Borough's sub-total, compared to existing expenditure flows, but at the expense of out of centre locations and through clawback of expenditure leakage, rather than at the expense of other centres in the Fylde Coast sub-region; and
- iv. the floorspace in Wyre and Fylde Boroughs is distributed to reflect the potential of the larger centres in each borough, and opportunities that exist in smaller centres such as Poulton-le-Fylde.

9.5 In our subsequent recommendations for some of the individual town centres, we have not identified specific development opportunities, but expect that these will be identified as part of the LDF process. In some cases, however, the residual comparison goods expenditure capacity may be better directed towards existing retailers, and absorbed through improvements in sales densities in underused and poorly performing property and through a reduction in vacancies, rather than through new development.

9.6 The recommendation of there being no need to plan for an increase in floorspace in out of centre locations must be reflected, also, in the development management policies of development plan documents; these should be drafted on the basis that there will be a presumption against further out of centre development.

9.7 Indeed, the household survey has revealed that at present, the three main retail parks located within Blackpool and Fylde Boroughs have a combined comparison goods turnover of £115.36m; thus, the presumption against further out of centre development is necessary in order to prevent the retail parks diverting comparison goods expenditure from the sub-region's town and district centres.

Meeting Needs in the Convenience Goods Sector

9.8 There is no overall quantitative need for further convenience goods floorspace in the Fylde Coast sub-region in the period up to 2021. However, we have identified some localised deficiencies which should be addressed and reflected in development plan documents.

9.9 The first priority for a qualitative improvement in the Fylde Coast's convenience offer is for a new food superstore as part of mixed use development at Talbot Gateway. Such a store will have a sales area of greater than 2,500 sq.m (derived from the definition of a superstore given in Annex B of PPS4), and it will serve residents located in the inner areas of Blackpool, where we have identified a quantitative gap (in terms of low localised convenience retention rates) and a qualitative gap in superstore provision. Until such a food superstore is delivered at Talbot Gateway, the Fylde Coast Boroughs should give careful consideration to the potential impact on the Talbot Gateway investment in assessing applications for other supermarket and superstore proposals, particularly where such proposals are expected to derive a significant proportion of their convenience goods trade from residents of the catchment area of the proposed Talbot Gateway superstore.

- 9.10 Elsewhere in Blackpool Borough, we have identified no further quantitative or qualitative requirement, in the short to medium term, for additional foodstore provision, over and above that proposed for Talbot Gateway. Thus, in considering any further applications for foodstore development, Blackpool Council should ensure that applicants have clearly demonstrated compliance with the requirements of the PPS4 EC15 sequential test, and the EC16 impact tests, so as to protect the investment proposed in the town centre as part of the Talbot Gateway scheme.
- 9.11 The second priority in the Fylde Coast sub-region is to improve the convenience offer in Poulton-le-Fylde Town Centre. This will best be achieved through the enhancement and/or replacement of one of the existing supermarket facilities in Poulton-le-Fylde Town Centre.
- 9.12 In rural areas of the catchment, particularly in Fylde and Wyre, it is recognised that small scale enhancements to the convenience provision can support communities and reduce reliance on the private car by providing day to day shopping facilities within existing local and district centres. Such development should only be permitted, however, where it is of an appropriate scale in relation to the role and function of nearby centres and the catchment which it serves, and does not undermine the existing retail and service offer of centres. Indeed, any such proposal would be expected to improve the retail choice for residents, and fill an identified gap in the existing offer.
- 9.13 There continues to be pressure on Local Authorities – as evidenced by previous applications in Blackpool and Fylde in particular – to permit edge and out of centre discount foodstores, and the potential adverse impact that such development may have on nearby centres must be carefully taken into account.
- 9.14 Indeed, where any new convenience floorspace is proposed for edge of centre locations (whether that be by a leading operator or a discount operator), it is essential to ensure that suitable linkages are formed between new development and the existing town centre, so as to ensure that the potential spin-off benefits that can arise from such development are realised. Applications for edge of centre development that cannot demonstrate that such linkages will be effective should not be treated favourably.

Policy EC5.1 of PPS4:

In identifying an appropriate range of sites, Local Planning Authorities should:

- base their approach on the identified need for development;
- identify the appropriate scale of development, ensuring sites are in keeping with the role and function of a centre within the hierarchy of centres and the catchment served;
- apply the sequential approach to site selection;
- assess the impact of sites on existing centres; and
- consider the extent to which other considerations such as physical regeneration benefits of developing on previously developed land, employment opportunities, increased investment in an area or social inclusion may be material to the choice of appropriate locations for development.

Blackpool Borough

Blackpool Town Centre

- 9.15 In Blackpool, the Houndshill Phase II extension, the comparison retail component of the Central Station site, and the Winter Gardens redevelopment, all provide the best opportunities for the enhancement of the comparison goods offer in Blackpool Town Centre, which will complement qualitative improvements to the existing retail stock.
- 9.16 Talbot Gateway also presents an opportunity for the quantitative and qualitative improvement of Blackpool's retail offer. However, the Council should ensure that any comparison floorspace which is promoted as part of the Talbot Gateway scheme, does not undermine the existing town centre offer.
- 9.17 The findings of the household survey, and our health check of Blackpool, indicate that a large proportion of the existing stock is underperforming, and is not fit for purpose. Thus, we recommend that in the case of Blackpool, not all of the residual expenditure capacity we have identified is used to support new comparison floorspace.
- 9.18 Thus, in addition to the development opportunities identified above, the Council should also focus on the refurbishment and replacement of underperforming retail stock, so that it can trade at more efficient and viable sales densities. Indeed, the household survey has revealed a particularly low retention rate for Blackpool Town Centre in the comparison goods sub-sector of clothes and shoes (34.7 per cent, see Table 5.5). A strong 'fashion' offer is a key component of the 'kit of parts' that contribute to an attractive town centre so that if such retailers are to be attracted to Blackpool, it is essential that the property offer is modernised, to match the requirement for larger and more efficient retail units.
- 9.19 Moreover, we consider that Blackpool would benefit from a more focused retail core, so that many of the inefficient retail units located in secondary locations could be re-developed for

more viable, non-retail, uses; this will consolidate and strengthen the town centre's core retail offer.

- 9.20 The findings of our household survey, as set out in Section 5 of our Report, indicate that the three retail parks located within Blackpool Borough – Blackpool Retail Park, Clifton Retail Park and Cherry Tree Retail Park – have notably high comparison goods turnovers, all in excess of £29m. Given the benefits of such locations to retailers – larger, more modern units, cheaper rents, better accessibility and free parking – it is likely that the Council will continue to be under pressure to permit further out-of-centre floorspace over the plan period. However, so as to protect the vitality and viability of the centres within Blackpool, and to protect the recent and proposed investment in Blackpool Town Centre, we recommend that there be a presumption against the future expansion of out of centre retail facilities, or proposals for the relaxation of conditions attached to out of centre facilities.
- 9.21 Indeed, PPS4 advises that in considering applications for main town centre uses, all in-centre options should be thoroughly assessed before less central options are considered (Policy EC15.1.b of PPS4). Moreover, we note that in considering whether flexibility has been demonstrated in the application of the sequential approach, LPAs should not accept evidence which claims that the class of goods proposed to be sold, cannot be sold from town centre locations (EC15.2).
- 9.22 The gap area analysis undertaken in Section 7 of our Report indicates that within the zones that make up the Blackpool urban area⁵⁶, there are notably low localised retention rates for convenience goods. Moreover, given that this area is one of the less affluent within the study area, the need to address these deficiencies is even more pressing. Thus, the Council should continue to support the proposal for a foodstore as part of the wider Talbot Gateway scheme.

South Shore District Centre

- 9.23 In South Shore, the emphasis should be on consolidation, and change of use of vacant units in peripheral parts of the centre, particularly along Bond Street, where the findings of our health check assessment identified a concentration of vacant and run-down units. The district centre environment is reasonable in parts of the centre, but we consider that some of the buildings would benefit from shop front improvements, so as to improve the overall image of the district centre, and to complement the public sector investment that has already been made in upgrading the image of the centre through public realm works.

Bispham District Centre

- 9.24 In Bispham the emphasis should be on protecting the existing centre, which is reasonably healthy and performs an important role for the residents of north Blackpool. However, there is a need to make some improvement to the comparison goods offer, and this may require some public sector intervention in the form of marketing strategies, improving the image of the centre, refurbishment of inefficient units and incentives for new retailers.

⁵⁶ Study area Zones 1, 2 and 3

Fylde Borough

Kirkham

- 9.25 In Kirkham, the focus should be on halting the increasing vacancy rate, and enhancing retailer representation in the comparison goods sector, particularly the important clothing and footwear sub-category. Indeed, the comparison offer is limited in Kirkham, and there are a growing number of charity shops in the centre. Thus, the refurbishment of these vacant units, so that they are better suited to the requirements of multiple retailers, represents the best opportunity for enhancing the retail offer in Kirkham.

Lytham

- 9.26 Lytham currently performs strongly in terms of catering for the retail needs of local residents. The centre has a strong convenience goods base, and strong representation from good quality independent retailers in the comparison goods sector. Our recommendations for Lytham, therefore, focus on maintaining the centre's vitality and viability through monitoring vacancies, maintaining the public realm, and, where necessary, using the floorspace capacity that we have identified (Table 8.5) to complement and enhance the existing retail offer and to ensure that the centre remains attractive to catchment area residents rather than competing destinations outside the catchment, and in out-of-centre locations.

St Annes

- 9.27 St Annes is a well maintained and vibrant centre, with a strong convenience base, the latter reflected in a relatively high localised convenience goods retention rate of 53.56 per cent. Nevertheless, we note that the J Sainsbury store in St Annes is overtrading by £4.03m, and the Booths store has recently closed. Should an application for a foodstore come forward in St Annes, which complements the existing offer and is in keeping with the role and function of the centre in terms of scale, such an application should be treated favourably.
- 9.28 We are aware of a live mixed use application at Heyhouses in St Annes, which includes a foodstore of 1,860 sq.m gross, together with 930 sq.m gross of commercial floorspace (application reference: 11/0173). However, this application is in an out of centre location, and the applicant will need to demonstrate compliance with the Policy EC15 sequential approach and with the impact tests set out in Policy EC16.
- 9.29 In the comparison goods sector, we have noted that the clothing and footwear comparison sub-category is slightly underrepresented and there are a large proportion of charity shops. Indeed, our land use audit revealed a total of nine charity shops in the town centre, most notably five of which are located in the prime retail core (along St Annes Road West). Thus, a more complementary and diverse mix of retailers should be promoted, and in attracting such retailers, the Council should encourage the refurbishment of vacant units so that they are fit for purpose.

Wyre Borough

Cleveleys

- 9.30 We consider that there is considerable scope for the improvement of the comparison goods offer in Cleveleys. Our health check assessment found that the centre was lacking in middle quality retailers, so that the offer is predominantly focused towards the lower end of the retail market.
- 9.31 Moreover, there is poor representation from retailers operating in the important clothing and footwear sub-sectors. Indeed, Cleveleys retains just 3.99 per cent of the expenditure of study area residents on clothing and footwear, which compares to its composite comparison goods market share of 5.45 per cent.
- 9.32 Thus, the refurbishment of vacant units in the core of the town centre, providing modern and efficient units that are attractive to national multiples, represents the most viable option for the improvement of retailer representation and the diversification of uses in Cleveleys.
- 9.33 We recommend, also, that the Council takes the opportunity to promote the contraction of this long, linear centre. A more consolidated town centre would enhance the performance of existing retailers, improving the overall vitality and viability of the centre, and creating a more efficient retail circuit.

Fleetwood

- 9.34 Fleetwood has a strong convenience sector, anchored by the Asda at Cop Lane, and reflected by the fact that it has the highest localised convenience goods retention rate of all study area zones at 83.44 per cent. Thus, we consider that there is little scope for additional convenience goods floorspace in Fleetwood in the short to medium term, so that the focus is on maintaining the quality of existing facilities.
- 9.35 However, the findings of our health check assessment reveals that Fleetwood suffers from a weak comparison goods offer, and representation from retailers that are predominantly focused towards the lower end of the retail market. Indeed, we consider that the decline of Fleetwood is attributable to the popularity of Freeport Shopping Village, which is proving to be a more attractive retail destination vis-à-vis Fleetwood Town Centre.
- 9.36 Thus, in addition to encouraging the diversification of retail uses through investment such as the refurbishment of vacant units and improvements to the public realm, the Council should also use their development management powers to ensure a presumption against further retail floorspace at Freeport Shopping Village. This will protect proposed investment and encourage the enhancement of the vitality and viability of Fleetwood, helping the town centre to re-capture some of the expenditure of residents that is currently flowing out-of-centre.

Garstang

- 9.37 In Garstang, our recommendations focus on maintaining the vitality and viability of the centre, and on protecting the existing retail offer. Indeed, the comparison goods offer in Garstang is characterised by a good selection of independent retailers, so that any further

growth or change within the catchment of this centre should be considered within the context of ensuring the continued viability of such operators.

- 9.38 Many of the higher order comparison goods shopping needs of Garstang's residents are met by Lancaster City Centre, and we have identified only a small amount of capacity for further comparison goods development in Garstang. Indeed, much of the development proposed by the Garstang Town Centre Plan has already been implemented, and Garstang already benefits from the presence of quality independent traders in the comparison and convenience goods sectors, as well as benefitting from a very attractive Booths foodstore.

Poulton-le-Fylde

- 9.39 In Poulton-le-Fylde the priorities are to support the redevelopment of the Teanlowe Centre, and to secure an increase in the retention of convenience goods expenditure through enhancement of one of the centre's existing supermarket operators, or through replacement of one of the existing operators.
- 9.40 The redevelopment of the Teanlowe Centre would represent the best opportunity to provide for an enhanced foodstore, and to address some of the other weaknesses that we have identified in Poulton-le-Fylde, namely its decline in the MHE Retail Rankings, its limited and low quality comparison offer, and the concentration of vacant units in the Teanlowe Centre.
- 9.41 Indeed, our quantitative assessment of retail need has identified capacity for 4,290 sq.m gross of additional comparison floorspace by 2026 (Table 8.4), so that in addition to the redevelopment of the Teanlowe Centre, there is further capacity for growth to ensure that the centre keeps pace with increases in per capita expenditure, improved retention levels, population growth and new development in competing destinations.

Thornton

- 9.42 Our assessment of quantitative need in the comparison goods sector has identified capacity for an additional 860 sq.m gross to be directed to the remaining district and local centres⁵⁷ within Wyre in the period 2010 to 2026. This is over and above existing commitments, and thus the proposals for a new local centre at Thornton have already been taken into account.
- 9.43 The findings of our health check assessment indicate that the centre is vital and viable, serving a predominantly convenience role for the residents of its local catchment, and satisfactorily anchored by a large Co-Op foodstore. Monitoring
- 9.44 Policy EC9 of PPS4 advises LPAs to use their annual monitoring reports to keep the following matters under review, in order to inform consideration of the impact of policies and planning applications:
- the network and hierarchy of centres;
 - the need for further development; and

⁵⁷ i.e. excluding Cleveleys, Fleetwood, Garstang and Poulton-le-Fylde

- the vitality and viability of centres.

- 9.45 PPS12 provides further additional guidance on the monitoring of core strategy documents, which it states is essential for an effective strategy, and will provide the basis on which the contingency plans within the strategy would be triggered.
- 9.46 Quantitative need assessments should ideally be updated every five years, to take into account changing economic circumstances, and to take account of developments which have taken place since the last assessment. The use of regular health checks provides a means of monitoring changes over time, and provides LPAs with a good understanding of the resilience of its centres to change, the success of any town centre initiatives and to gauge the significance of the impact of new developments.