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Blackpool, Fylde and Wyre Borough Councils

Fylde Coast Retail Study

Executive Summary

Final Report August 2011

M9525

CONTENTS

1 STUDY BRIEF AND CONTEXTUAL BACKGROUND

Study Brief

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 Planning Policy Statements 4 and 12.

Contextual Background

1.2 Blackpool is the UK's top tourist destination and the sub-region depends on its successful performance as a retail and leisure centre. 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 and a strong advanced manufacturing business sector, specialising in aerospace and nuclear fuels.

1.3 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.

1.4 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.

1.5 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.

1.6 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. Thus, a key aspect of the strategy emerging from this study is the need to reduce the net level of expenditure outflow.

2 REVIEW OF KEY RETAIL TRENDS

2.1 The study outlines a number of key trends in the retail sector, and identifies potential implications for the various town centres in the Fylde Coast sub-region. These key trends include:

i. A fall in the rate of growth of retail expenditure in the non-food sector from heady levels of over 5 per cent, per capita, per annum, to levels in the range 2 to 4 per cent in the period up to 2020, so that there will be no return to pre-recession growth rates in the short to medium term. In the food sector, expenditure growth rates have always been much lower than in the non-food sector, and new foodstores in the future are unlikely to be justified by expenditure growth.

ii. A downturn in retailer demand for floorspace, with retailers increasingly concentrating on their most profitable stores, and with a polarization trend, whereby retailers are increasingly focusing on larger competing centres, particularly in Preston, to the detriment of vacancy levels in Blackpool.

iii. A projected growth over time in non-store based retail trade, mainly as a result of the increasing level of internet sales, although such spending is anticipated to reach a peak by 2017.

iv. The increasing amount of non-food comparison goods expenditure being undertaken in large food superstores, particularly in the Asda, Sainsbury and Tesco fascias, a trend which poses a threat to smaller town centres that are already struggling to maintain their comparison goods offer.

v. The growth in number of discount food operators such as Aldi, Lidl and Netto (the latter having now been purchased by Asda) although the growth in this sector is now showing signs of slowing. Nevertheless, the pressure for such stores in still being felt in Blackpool and Fylde Boroughs in particular.

2.2 As a result of these trends, some of the town centres in the Fylde Coast sub-region are experiencing vacancy rates that are significantly in excess of the UK average, with the problem particularly acute in Blackpool and South Shore, and to a lesser extent in Fleetwood. Nevertheless, it is encouraging that all of the centres in Fylde have vacancy levels below the UK average, as does Cleveleys, Garstang and Bispham. Poulton-le-Fylde and Thornton have vacancy levels more or less in line with the UK average.

2.3 Vacancy levels are increasing, in particular, in the secondary parts of the Fylde Coast's town centres, as the retail market polarises its interest in the primary shopping areas of the various town centres. Blackpool is different, in that vacancies are occurring, also, in the prime pitch areas, even adjacent to Debenhams which is a key anchor of the Houndshill Centre. Indeed, much of the existing secondary and tertiary stock in several of the Fylde Coast's town centres is no longer fit for the purposes of mass market retailing.

2.4 Moreover, it is likely that in the future we will see a shift from large scale town centre developments, 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. 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. 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.

3 THE CURRENT PERFORMANCE OF THE FYLDE COAST CENTRES

Blackpool Borough

Blackpool Town Centre

3.1 The opening of Houndshill Phase I has helped Blackpool to secure a modest uplift in the proportion of the sub-region's comparison goods expenditure which is retained in the town centre. This is encouraging, but the nature of the retail offer in Blackpool is generally poor quality, and 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 that is currently flowing to Preston and out of centre destinations. Hence Blackpool's continued fall in the national retail rankings from rank 57 in 1995 to rank 98 in 2008. Blackpool Town Centre also suffers from the absence of any leading foodstore operator in the town centre.

3.2 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.

3.3 However, vacancy levels in Blackpool are almost 20 per cent, compared to a UK average of 13 per cent, and there were 114 vacant units in the town centre in March 2011, hence the need to secure the refurbishment and reoccupation of the larger vacant units which are currently unfit for purpose, and particularly those in prominent locations.

3.4 The opportunities presented by 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 the enhancement of Blackpool, but the Council should ensure that any comparison floorspace promoted as part of this scheme does not undermine the existing town centre offer.

South Shore

3.5 South Shore has improved significantly in the national rankings since 2004. The centre has a healthy convenience offer and appears to be relatively popular in serving the day to day needs of local residents and visitors. Moreover, the public realm is generally well maintained, although some of the buildings in the district centre would benefit from cosmetic improvements, so as to improve the overall image of the town centre. Our main concern, however, is the very high vacancy rate of 29 per cent, which is more than twice the national average rate. As a consequence, the centre would clearly benefit from consolidation and re-use of some of the vacant premises for non-retail uses.

Bispham

3.6 Bispham has climbed significantly in the national retail rankings since 2004, and the centre is generally vital and viable. Indeed, Bispham has a healthy and diverse convenience food offer, with J Sainsbury acting as a key anchor, but also with representation by independent traders. The comparison goods offer is limited, but this is to be expected for a centre of this size. 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.

Fylde Borough

Kirkham

3.7 Kirkham has fallen in the national rankings since 2004, and is showing some signs of decline. Whilst the convenience offer is strong, the comparison retail sector is less well represented, but again, as expected for a centre of its size. We are concerned that vacancies have risen significantly since 2008, and there is a need for a diversification of the retail offer by 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.

Lytham

3.8 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 restaurant offer in Lytham is also of good quality, and the vacancy rate – at 9 per cent – is below the national average rate of 13 per cent. 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.

St Annes

3.9 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 there is a high number of charity shops. Whilst the vacancy rate in St Annes falls below the national average, at 10 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.

Wyre Borough

Cleveleys

3.10 Cleveleys has risen in the national rankings since 2001, and is a vital and viable centre that demonstrates strong levels of footfall. Cleveleys has a strong convenience sector with 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. In contrast, the comparison offer in the centre is weaker, and the offer is focused towards the lower end of the retail spectrum, with little choice in terms of representation from better quality retailers. The vacancy rate – at 9 per cent – is lower than the UK average, but the centre is rather long and linear, so that consideration should be given to its contraction so as to provide a more focused retail core.

Fleetwood

3.11 Fleetwood Town Centre has experienced a significant fall in the national retail rankings since 1998, and the vacancy rate, at 16 per cent, is higher than the national average, and rising. Nevertheless, Fleetwood is a reasonably vital centre, benefitting from a strong convenience goods and service sector, with healthy levels of footfall. 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.

Garstang

3.12 Somewhat surprisingly, Garstang has experienced a significant fall in the national rankings since 2003, but our fieldwork suggests 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 of just 5 per cent, and a particularly attractive town centre environment. 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.

Poulton-le-Fylde

3.13 Poulton-le-Fylde Town Centre has experienced a substantial fall in the national rankings since 2000, although the vacancy rate – at 12 per cent – is in line with the UK average and we consider that the town centre environment is generally attractive, with high pedestrian flows throughout most of the centre. However, representation in the convenience goods sector is of average quality with a poorly configured Booths store and a Co-op store in the Teanlowe Centre that offers a poor shopping environment, and is in urgent need of redevelopment. Nevertheless, Poulton-le-Fylde has a strong service sector, with a choice of good quality food and drink outlets and a good representation of banks and estate agents.

3.14 The main concern in Poulton-le-Fylde 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

3.15 Thornton is a vital and viable centre, which serves an important role as a convenience and service centre for residents of its immediate catchment. The vacancy rate of 13 per cent is the same as the UK average. 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.

Overall Conclusions in Relation to the Performance of the Fylde Coast's Town Centres

3.16 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.

3.17 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.

3.18 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.

3.19 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.

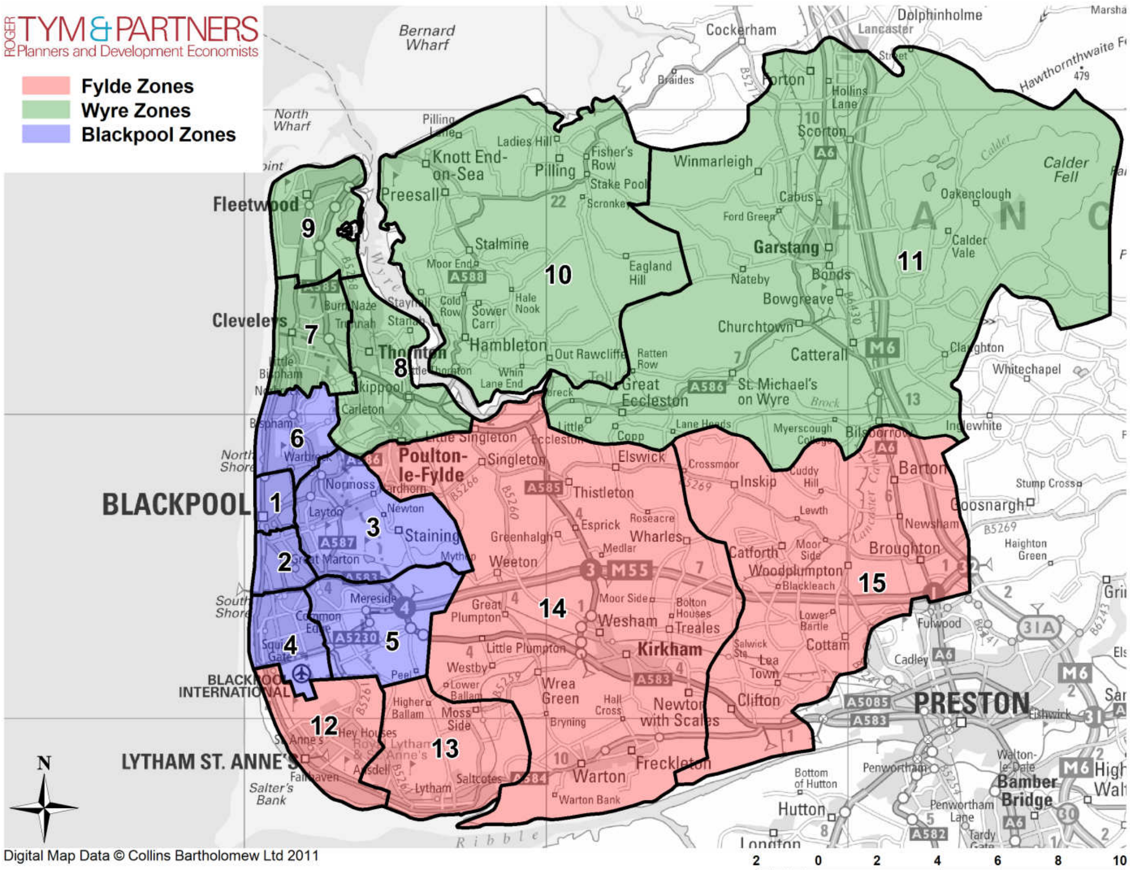
3.20 As a second priority, Cleveleys and Kirkham would benefit from qualitative improvements in their comparison offer, which at present is limited, and again skewed towards the lower end of the market, so that there is limited choice for local residents. In respect of Kirkham, this lack of choice in 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.

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

Household Survey and Catchment Area

4.1 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 4.1, for which interviews were completed with 1,830 households.

Figure 4.1 The Overall Catchment Area (OCA) and Survey Zones



4.2 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.

Comparison Goods Spending

4.3 Overall, 69.11 per cent of the comparison goods expenditure of the residents of the Fylde Coast catchment is retained by centres, retail parks and freestanding stores located within the catchment. The main destination is Blackpool Town Centre, which secures £316m of the residents' comparison goods expenditure, this equates to a retention level of 33 per cent. This retention level represents a modest improvement on the position for 2008, as estimated by White Young Green (WYG), and reflects implementation of Houndshill Phase I. However, the town centre's retention level remains significantly below the 43 per cent level that prevailed at the time of the Hillier Parker study in 1998.

4.4 The other principle locations are Blackpool Retail Park, which secures £53m, and Cleveleys Town Centre, which secures £52m of the comparison goods expenditure available to residents of the catchment.

4.5 It is noteworthy, however, that the three retail parks in Blackpool have an aggregate turnover of £115m, and that this has grown since the time of the Savills study in 2005.

4.6 Blackpool Borough has a comparison goods retention rate of 74 per cent, Wyre Borough has a comparison goods retention rate of 33 per cent, and Fylde Borough has a comparison goods retention rate of 22 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.

4.7 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 catchment.

4.8 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.

4.9 Moreover, the leakage to Preston, far exceeds that to Manchester City Centre and the Trafford Centre, which combined attract only £20m (or 2 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.

4.10 Of most concern is the low level of retention achieved by the clothes and shoes sub-category; at just 63 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 £41m (17 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

4.11 The retention of convenience goods expenditure by centres and freestanding stores located within the catchment is 93 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 as Fleetwood have a collective convenience goods market share of 40 per cent.

4.12 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.

4.13 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.

4.14 Blackpool Borough achieves the highest overall retention rate of 90 per cent, compared to corresponding rates for Wyre and Fylde of 85 per cent and 52 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.

4.15 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.

4.16 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.

4.17 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, 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

4.18 As expected, Blackpool Town Centre is the most popular destination for visits to bars, restaurants and cafés, particularly for residents of the inner core of the catchment.

However, elsewhere in the Fylde Coast, spending in bars and restaurants in more localised.

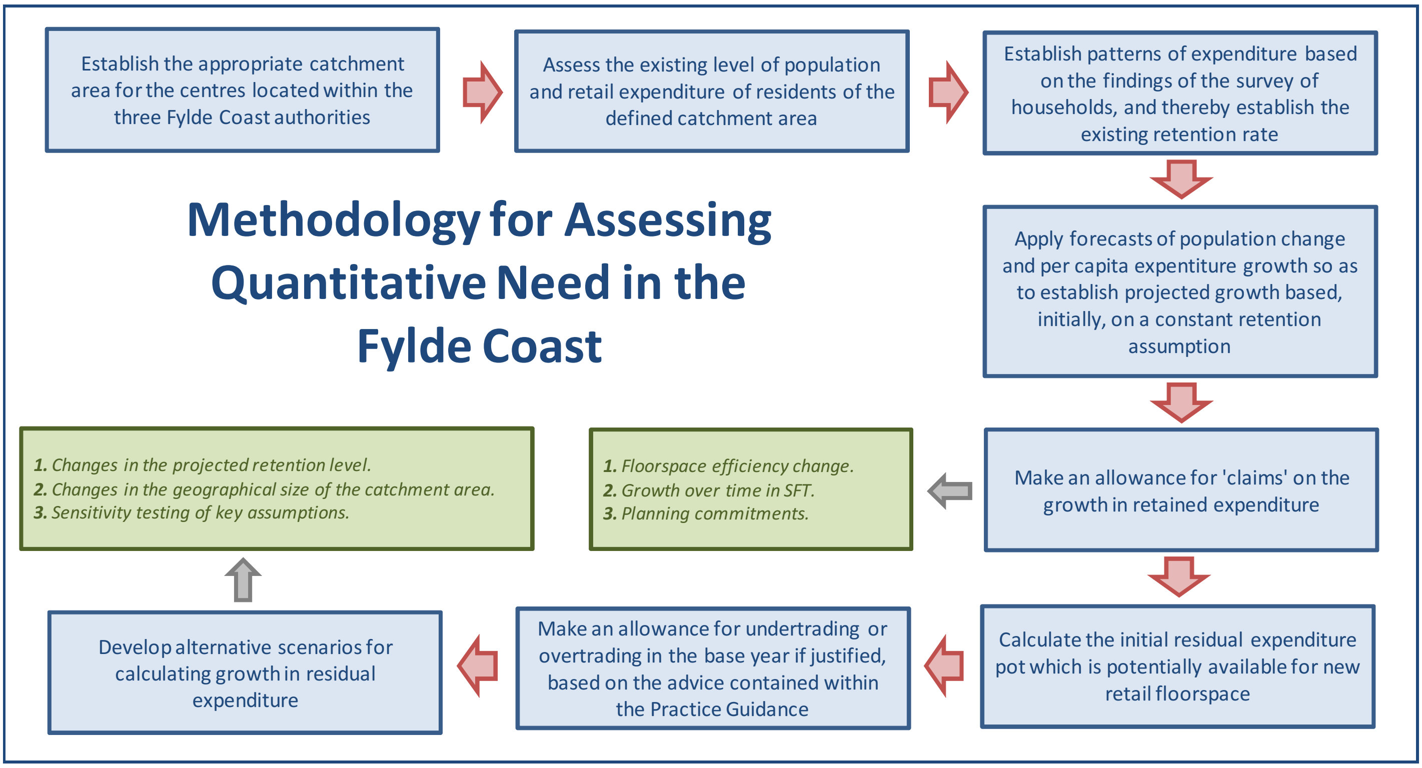
4.19 The Odeon in Blackpool and the Vue cinema at Cleveleys account for the overwhelming proportion of visits to cinemas. Blackpool is also the most important destination for theatres and concerts, family entertainment, for gambling and for health and fitness facilities. However, visits to museums and art galleries tend to be dominated by Manchester and London.

5 EXPENDITURE CAPACITY IN THE FYLDE COAST SUB-REGION

Methodology

5.1 Figure 5.1 summarises the methodology employed in our assessment of quanititative retail need. Our methodology is based on an eight step approach, and is a slightly more refined version of that set out in Appendix B of the PPS4 Practice Guidance.

Figure 5.1 Methodology for Assessing Quantitative Retail Need



Findings in Relation to Quantitative Retail Need

Comparison Retail Goods

5.2 The study considers three different scenarios, based on alternative expenditure retention rates; a static retention rate, a moderately increased retention rate, and a significantly increased retention rate. The findings are set out in Table 5.1.

Table 5.1 Quantitative Need in the OCA's Comparison Goods Sector[1] (£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

5.3 The study recommends that it is most appropriate to plan for a scenario of a 'moderate increase in retention'; so as to 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. This results in an expenditure capacity over the next 16 years if £310m, which translates into a potential retail floorspace requirement across the sub-region of approximately 65,500 sq.m gross, which is distributed as per Section 7.

Convenience Retail Goods

5.4 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, having taken account of the extant permissions such as Talbot Gateway and the new local centre at Thornton, is negative. Moreover, the residual expenditure in the longer term, up to 2026, is just £14.4m.

Table 5.2 Quantitative Need in the OCA's Convenience Goods Sector (£m)

	Static Retention
2010 – 2021	- 17.8
2010 - 2026	14.4

5.5 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

[1] It should be noted that the floorspace capacity figures quoted throughout our Main 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.

Talbot Gateway. Such a store would meet the needs of residents of Blackpool’s inner core catchment in Zones 1, 2 and 3.

5.6 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.

6 QUALITATIVE RETAIL NEED IN THE FYLDE COAST

Comparison Goods

6.1 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.

6.2 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.

6.3 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.

6.4 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

6.5 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, 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.

6.6 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.

6.7 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.

6.8 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.

6.9 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.

7 RATIONALE FOR THE RECOMMENDED DISTRIBUTION OF NEW RETAIL FLOORSPACE

Comparison Goods

7.1 Our recommended option for the distribution of comparison floorpsace 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.

7.2 Thus, taking into account the residual expenditure identified under the 'moderate increase in retention' scenario, Table 7.1 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 69 per cent of the aggregate expenditure retained by retail locations in the Fylde Coast, and so Blackpool Borough gets 69 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, and 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.

7.3 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, but we envisage that much of this need will be met in the period 2021 to 2026. Implementation of this strategy will increase Blackpool Town Centre's retention rate from 33 per cent at present, to 40 per cent by 2026, although this is still lower than the 43 per cent rate achieved at the time of the Hillier Parker study in 1998.

7.4 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 7.1 Distribution of Comparison Floorspace Requirements[2] (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-FyldeTown 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**

Convenience Goods

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 our section on qualitative need.

[2] Note that all floorspace capacity requirements set out in our Study are over and above existing commitments, this therefore assumes that all commitments will be built, and in place by 2016.

8 RECOMMENDATIONS

Introduction

8.1 For some of the Fylde Coast's 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.

8.2 There being no need to plan for an increase in floorspace in out of centre locations and development management policies of the development plan documents should be drafted on the basis that there will be a presumption against further out of centre development.

8.3 Thus, with these principles in mind, our recommendations for each of the Fylde Coast centres are as set out below.

Blackpool Borough

Blackpool Town Centre

8.4 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.

8.5 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.

8.6 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.

8.7 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.

8.8 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.

8.9 The findings of our household survey 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. 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.

8.10 Our gap area analysis indicates that within the zones that make up the Blackpool urban area, 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

8.11 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

8.12 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.

Fylde Borough

Kirkham

8.13 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

8.14 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 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

8.15 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 54 per cent. Nevertheless, we note that the J Sainsbury store in St Annes is overtrading, 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.

8.16 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

8.17 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. Moreover, there is particularly poor representation from retailers operating in the important clothing and footwear sub-sectors.

8.18 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.

8.19 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

8.20 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 at 83 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.

8.21 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, in part, to the popularity of Freeport Shopping Village, which is proving to be a more attractive retail destination vis-à-vis Fleetwood Town Centre.

8.22 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 development management powers to ensure a presumption against any 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 that is currently flowing out-of-centre.

Garstang

8.23 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.

8.24 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

8.25 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.

8.26 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 national rankings, its limited and low quality comparison offer, and the concentration of vacant units in the Teanlowe Centre.

8.27 Indeed, our quantitative assessment of retail need has identified capacity for 4,290 sq.m gross of additional comparison floorspace by 2026, 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

8.28 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 centres[3] 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.

8.29 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.

[3] i.e. excluding Cleveleys, Fleetwood, Garstang and Poulton-le-Fylde