Charnwood Borough Council

Retail and Town Centres Study

December 2018

Final Report

Prepared on behalf of WYG Environment Planning Transport Limited.

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1.0 Introduction

1.1 Instruction

1.1.1 WYG Planning (hereafter referred to as 'WYG') was commissioned by Charnwood Borough Council ('the Council') in July 2018 to undertake a Retail and Town Centres Study for the borough. The Council's previous evidence base in respect of retail and leisure needs was published in 2013, and before that in 2008. Given the time that has elapsed since the previous study was produced, it was considered appropriate to undertake an entirely new study.

1.1.2 The key purposes of this study are identified by the Request for Quotation issued by Charnwood Council in June 2018. The Request for Quotation stated that the key outcomes of the study are to provide:

- An assessment of planning policy and market context;
- An assessment of need for retail and main town centre uses for the period up to 2030, and 2036;
- An audit of the role, vitality, viability of centres in Charnwood;
- Land ownership and site availability assessment for centres;
- Assessment of the capacity for town centres in Charnwood to accommodate retail and town centre uses, supported as necessary by site by site assessment / proformas;
- Recommended boundaries for Town and District Centres to be designated in the Charnwood Local Plan; and
- List of recommended sites to meet identified quantitative need for town centre uses having regard to market and deliverability factors, town centre hierarchy and national planning policy.

1.1.3 In order to address the above requirements, the study draws on new empirical research, with NEMS Market Research Limited ('NEMS') undertaking a survey of 800 households within the defined Study Area in July and August 2018. The Study Area for the household survey comprises the Charnwood administrative area (Zones 1-6) and the surrounding rural areas (Zone 7 and 8). All eight zones correspond with Zones 1 – 8 of the 2013 Charnwood Retail & Town Centres Study (hereafter referred to as the 2013 Retail Study), which provides us with the opportunity to compare shopping patterns from 2013 with the 2018 findings.

1.1.4 This study also draws on the most recent Experian population and expenditure data (published in December 2017) to establish the most up-to-date position about both convenience and comparison goods capacity.

1.2 Structure of Report

1.2.1 Our report is structured as follows:

- Section 2 provides a context for the study through the analysis of key retail and leisure trends;
- Section 3 considers local and national planning policy of relevance to retail and town centre matters;
- Section 4 considers the vitality and viability of Loughborough town centre and the borough’s defined district and local centres;
- Section 5 provides a review of the results of the household survey undertaken by NEMS Market Research in July and August 2018;
- Section 6 identifies current and future population and expenditure levels within the defined Study Area;
- Section 7 provides our assessment of the future quantitative and qualitative need for further convenience and comparison goods retail floorspace;
- Section 8 considers the need for additional commercial leisure development;
- Section 9 provides a summary of our search for potential development sites and an overview of our findings, relating back to the proforma included at the appendices; and
- Section 10 sets out our key conclusions and provides our recommendations in respect of Charnwood’s future retail and leisure strategy.

2.0 Current and Emerging Retail and Leisure Trends

2.1 Introduction

2.1.1 The retail property landscape across the UK has evolved significantly over the past 50 years, from post-war redevelopment in town centres, through to the emergence of retail warehouse parks and out-of-town regional shopping malls. For most of this period, the retail sector has experienced considerable expenditure growth, which has been attributed to several factors, including greater disposable income, availability of credit, new technology and a general overall increase in our standard of living. However, recent economic conditions have had a clear impact on expenditure, and per capita convenience goods spending has reduced in recent years. The way in which goods are purchased has also altered due to the increased popularity of 'e-tailing', which now claims more than one in every ten pounds spent in the UK.

2.1.2 In order to set out the wider context for the study, we provide an overview of prevailing retail and leisure trends below and summarise how these relate and could impact on Charnwood Borough and particularly, Loughborough town centre.

2.2 Polarisation and the Decline of Secondary Centres

2.2.1 In recent years, shoppers have been increasingly prepared to travel to access a greater choice of shops and the type of leisure facilities which are more commonly available in larger towns and cities. Therefore, larger retail venues (with a regional or sub-regional role) have tended to perform relatively strongly, but several other secondary destinations (particularly those proximate to larger centres) have fared less well. The performance of many secondary destinations has also been particularly impacted upon by the recession and the growth of internet shopping, which has resulted in many operators consolidating their store estate to reduce costs, believing that they can still achieve appropriate nationwide coverage with a lesser number of stores.

2.2.2 Colliers reflects[1] on what has happened to the space within the 160 former BHS stores across the country in their latest Midsummer Report. As Colliers reports, there has been a dramatic increase in supply across the regions. Many BHS stores are still vacant, and the situation has been exacerbated by Company Voluntary Arrangements including New Look

[1] Colliers Midsummer Report 2018

and most recently M&S closures announced. Indeed, M&S announced in May 2018 that 100 full-line stores will be closed by 2022.

2.2.3 This leaves a huge oversupply in some towns with limited demand. The issues are worst in the secondary locations where vacancy rates have increased by 4.5% across the region. Outside of London, the success rate in terms of take-up is poor and just over a third of the stock had found a new use. However, Colliers acknowledges that there is a positive to be taken from the process in that it has provided opportunities for new leaders of the occupational market to take on space, with occupiers such as Primark, Next, Aldi, Lidl, Sports Direct, TK Maxx, Wilko and The Range all acquired new stores. As Colliers concludes, the next 12 months are looking uncertain. Whilst there are a variety of pressures on retailers which are squeezing profit margins, the continued structural change in the retail market place is the driving force creating a significant imbalance of supply and demand.

2.2.4 It is also evident that certain operators – including the Arcadia Group, through its Outfit format which incorporates Topshop, Topman, Miss Selfridge and others – are sometimes prepared to close stores in smaller centres in favour of representation on a retail park. We also note the increasing preference of fast food operators to incorporate 'drive thru' restaurants, which has resulted in the closure of 'in centre' McDonald's restaurants in some centres. Furthermore, in November 2016, Marks & Spencer announced its intention to close up to 30 stores and relocate or downsize several others, the majority of which have now closed or are currently in the process of relocating.

2.2.5 The selective nature of retailer demand has fuelled the polarised retail environment with many operators focusing on key high footfall locations. The impact of these changes on individual centres is varied with some towns performing better than others. Research into town centre retail performance over the last decade completed by Cushman & Wakefield in 2018[2] identifies that the 'winning' locations tend to be the largest retail centres, such as cities or attractive cathedral towns. These locations typically benefit from low levels of comparison floorspace provision relative to their population leading to higher sales densities, and higher tourist and leisure spend.

2.2.6 Nevertheless, town centre resilience is more closely correlated with affluence than catchment size. Those towns with the least resilience typically suffer from weak income profiles and low wage growth that curtail spending, along with higher rates of crime and a significant oversupply of comparison retail and leisure floorspace.

[2] UK High Streets: Dead or Alive? Cushman & Wakefield, April 2018

2.2.7 Such changes can result in particularly significant impacts on smaller and the least resilient town centres, which have tended to be the subject of higher vacancy rates, and which have also often suffered related reductions in commercial rental values and footfall in recent years. A reduction in commercial rents demonstrates a lack of demand for properties and poor take-up rates, along with high yields. Whilst low rental levels are often seen as a negative, as they indicate a lack of demand from major retailers, there are benefits to independents and local operators seeking cheap accommodation (even rent-free in some circumstances). In any event, consequently, a greater proportion of comparison goods expenditure is being claimed by a smaller number of 'winning' destinations, typically cities of regional or sub-regional importance.

2.2.8 However, such changes have also brought forward opportunities for different types of retailer. Some available units in secondary centres have been re-occupied by household discounters such as B&M Bargains, Poundland, Poundstretcher and Wilkinson. Whilst such lettings are valuable in bringing back premises into active use, many secondary centres are heavily reliant on such retailers, which are generally operated at the lower end of the market. We saw the closure of Poundworld in 2018, with 335 shops closing in August, demonstrating that the bargain retailers are not as popular as they once were. Rising wage costs, business rates and declining footfall, along with a vast change in the way we shop all assisted in the demise of the retailer.

2.2.9 It is also evident that some centres are seeking to 'reinvent' themselves through an increased focus on quality independent and food and drink operators. Towns are also increasingly valuing their market to differentiate themselves from retail parks and superstores, and many markets are looking to contemporary and speciality retailers to create interest and draw customers in. The greatest opportunities for successful vintage, craft and food and drink markets have so far been in centres served by affluent catchments.

2.3 The End of the 'Big Four Space Race' and the Rise of the Discounter

2.3.1 Shoppers have turned away from food superstores in recent year and Mintel[3] suggests that this decline is such that it cannot be considered a 'blip'. Mintel attributes the problems which face superstores to two principal factors.

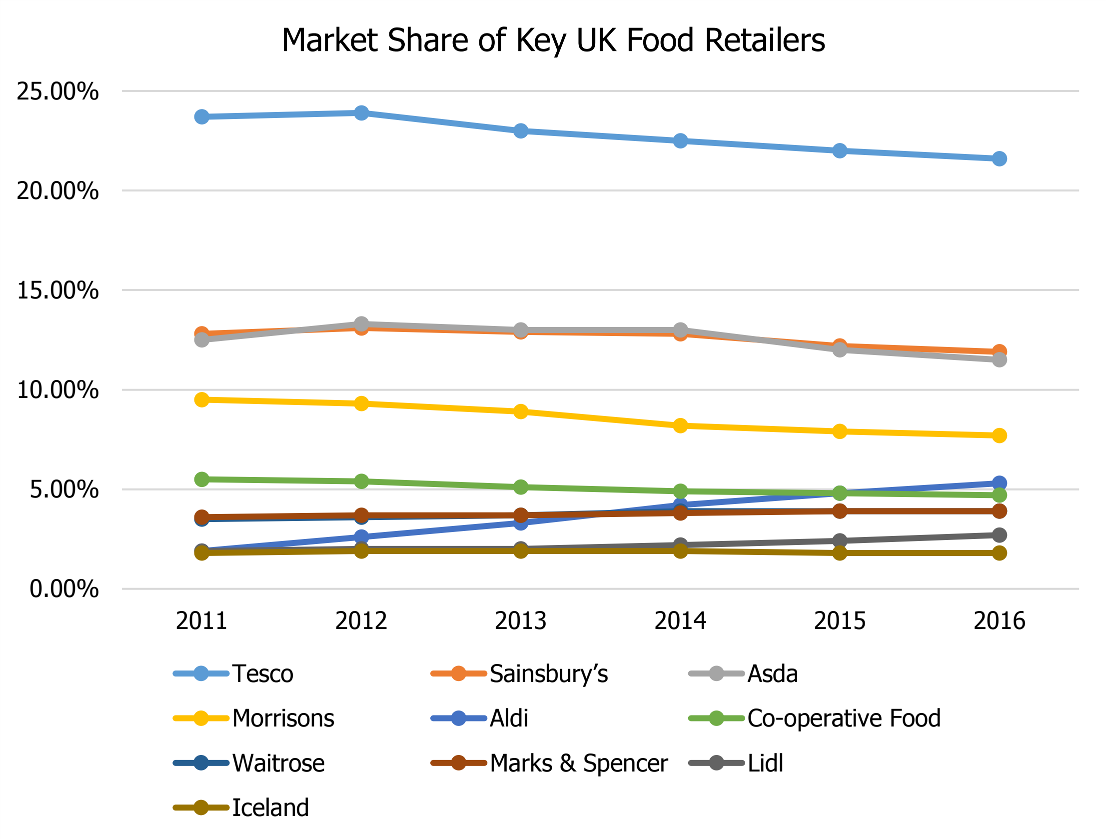
2.3.2 As Mintel reports, the retail sector currently appears to be in turmoil. Mintel states that there has been an unprecedented number of failures or retailers reported to be in trouble just in

[3] 'UK Retail Rankings', Mintel, April 2018

the first quarter of 2018. It would be easy to go on to say that the whole retail sector, and particularly the store-based sector, is in deep trouble. But as Mintel states, it is not as straightforward as that. There are some general themes, but for most of the businesses that have been closed this has been because of their own specific problems. There may be underlying themes and it would be true to say that many of the retailers that have sought support through CVAs have overexpanded and had too much space. But that overexpansion has usually been exposed by their own underperformance, it has not necessarily been because of the success of online retailing. However, Mintel reports that 2017 was not as bad as expected and retail sales grew by 4.4% for the year, which was better than in 2016 (3.7%), but that masks a reduction in volume growth because of the increase in inflation.

2.3.3 Consequently, the 'big four' foodstore operators (Asda, Morrisons, Sainsbury's and Tesco) have become circumspect in respect of new store openings and, indeed, have closed a few existing stores. All four have suffered significant declines in their market share over the past four or five years. As Table 2.1 below indicates, Tesco has suffered a 2.1 percentage point reduction in its share of the food retail market between 2011 and 2016, and Morrisons has suffered a 1.8 percentage point reduction in market share. Considered together, the market share of the 'big four' foodstore operators has declined from 58.5% in 2011 to 52.7% in 2016 (a reduction of 5.8 percentage points). In contrast, other retailers – most notably Aldi and Lidl – have benefitted from increases in their market share. Aldi's market share increased from 1.9% to 5.3% (equating to an increase of 3.4 percentage points) between 2011 and 2016.

Figure 2.1: Market Share of Key UK Food Retailers



Source: UK Food & Grocery Retailer Update, Verdict, October 2016

2.3.4 The most notable expansion strategy pursued by any of the 'big four' operators in recent years relates to Sainsbury's decision to enter the discount market through a partnership with Netto. Netto announced the trialling of 15 stores in November 2014 clustered around the M62 corridor between Liverpool and Hull to 'test the water'. The first two new build openings were announced in March 2015 in Lymm and Hull, which appeared to suggest confidence in the venture. However, following the trial, Netto announced in July 2016 that it would close all its UK stores by August 2016.

2.3.5 For the most part, the current strategy of the 'big four' operators involves the reconfiguration and refurbishment of existing stores. In some cases, product lines are being reduced and pricing is being made straightforward. Some operators are looking to introduce other uses to take existing floorspace and Sainsbury's acquisition of the Home Retail Group in September 2016 allows it to introduce Argos (which it now owns) into its stores. Small concessions of Habitat are also currently being tested within five branches of Sainsbury's and uses such as hairdressers, key cutting and shoe repairs, photo processing are all taking concession spaces in larger Tesco and Morrison superstores. Across 10 stores, its expanding its instore health &

beauty sections to a 'department store-esque' style; it signed a concession with Oasis (with two branches to open before Christmas) to soak up some of its excessive space at larger supermarket locations; and it opened one of two new Habitat flagship stores at Westfield shopping centre.

2.3.6 Tesco unveiled its new discount food chain in September 2018, looking at selling 2,600 products of which 1,800 will be branded 'Jack's'. The intention is for the products to be cheaper than those sold by Aldi or Lidl, seeking to compete directly with the discount operators, along with seasonal non-food offers. There are currently seven stores across the country, with the retailer planning to open more over the next 12 months, with some existing Tesco stores also being converted into a Jack's offer.

2.3.7 Aldi and Lidl have both sought to take advantage of the structural changes in the food retail market and have announced ambitious store opening targets that will further increase pressure on the 'big four' operators. Aldi has identified major expansion plans following successful Christmas sales in 2017 and after adding 76 new stores in the UK in 2017, intending to open 70 new UK stores in 2018[4], bringing its total number of stores to around 800. Over the longer term, it intends to trade from 1,000 UK stores by 2022[5]. Aldi reports to require sites which are freehold, in town centre or edge of centre locations with a minimum of 1.3 acres[6].

2.3.8 Lidl, who currently trades from over 690 stores, also has substantial growth plans for 2018 and beyond. Lidl's future requirements reportedly comprise units of between 14,000 sq.ft and 26,500 sq.ft, with sites of 1.5 acres required for standalone units and up to 4 acres for mixed-use schemes[7].

2.4 Special Forms of Trading

2.4.1 Many consumers who previously shopped in town centres and at retail parks are now increasingly using the internet to make purchases. Experian[8] identifies that 'special forms of trading' (which includes internet, mail order and market sales) now comprises an estimated 14% of total UK retail sales at 2017, which compares to a market share of just 4.7% at 2008. Experian estimates that the value of non-store sales in the UK at 2017 is £55.1 billion. It estimates that special forms of trading will increase further to account for 20% of retail

[4] Article headlined 'Aldi pursues UK expansion', UK.Reuters.com 4 January 2018
[5] Article headlined 'Supermarkets: discounters race for space', Property Week, 2 November 2016
[6] https://www.aldi.co.uk/about-aldi/property/required-towns
[7] https://www.lidl.co.uk/en/Site-Requirements-5377.htm
[8] 'Experian Retail Planner Briefing Note 15', December 2017

expenditure at 2022. Thereafter, it is anticipated that additional growth will be relatively limited, with special forms of trading claiming 22.5% of UK retail expenditure at 2035 (the last reporting year for which Experian provides a figure).

2.4.2 The growth in internet as a sales medium has been enabled by the increase in access to the internet by UK households, which the Office for National Statistics[9] reports increased from 57% of households at 2006 to 90% in 2018. The proportion of households with access to the internet is expected to increase further over the coming years and the popularity of shopping online is also assisted by mobile phones and tablets with faster 4G network technology. The Office for National Statistics indicates that the proportion of adults accessing the internet using a mobile phone more than doubled – from 36% to 78% – between 2011 and 2018.

2.4.3 It is evident that improvements in technology and an increased confidence in the security of online payments have supported substantial increases in internet sales in recent years. In addition, the option of using the internet to 'click and collect' in-store at a dedicated counter is also increasing in popularity[10]. Some retailers are also seeing benefits arising from the use of shops as 'showrooms' where shoppers can view and try goods before making purchases later in their home. More progressive retailers are also providing in-store Wi-Fi (which can be used to inform shoppers of promotions via their mobile phones) and technology points (which can allow shoppers to browse a wider product range than that carried in store). Accordingly, whilst new technology and the rise of internet shopping undoubtedly provides challenges for traditional 'bricks and mortar' retailers, it also brings with it some opportunities.

2.4.4 In addition, it is important to note that many purchases made online are sourced from the shelves of 'bricks and mortar' stores and thereby have the potential to support retail floorspace. This is acknowledged by Experian which now provides adjusted market share figures for special forms of trading[11] to reflect purchases which are affected through stores. The adjusted allowance for special forms of trading equates to 3.2% for convenience goods at 2017, increasing to 3.9% at 2021, to 4.6% at 2026, to 5.1% at 2031, and to 5.3% at 2035. For comparison goods, the adjusted allowance is 14.8% at 2017, increasing to 16.9% at 2021, to 17.5% at 2026, to 17.8% at 2031, and to 18.0% at 2035. The adjustment is greater for comparison goods, reflecting the fact that most online food purchases are taken from the shelves of actual stores.

[9] 'Statistical Bulletin: Internet Access Households and Individuals', Office for National Statistics, August 2018
[10] 'Click and Collect', Mintel, September 2014
[11] 'Experian Retail Planner Briefing Note 15', December 2017

2.4.5 However, there are opportunities for our high street related to click and collect facilities. NEMS reports (October 2018) that there is an opportunity to enhance the collection experience and therefore to promote impulse and complementary purchases. From national online research conducted by NEMS, it is reported that just under a third of the online shoppers are venturing into the physical stores to collect the products, which is an opportunity for retailers.

2.5 Leisure and the Appetite for Additional Food and Drink

2.5.1 People now eat out more often and for a wider range of occasions. PWC reports that the fundamental structural shift driven by demographic and consumer trends, has led to considerable market growth in the restaurant sector in recent years and underpinned significant transactional activity, particularly between 2015 and 2017. PWC also reports on the increasing crossover between market segments with the food-to-go sector growing and being available all day, while dine-in chains are offering take away options including enhanced technology to encourage the use of services such as Deliveroo and Uber Eats[12]. However, in very recent months, key national brands have announced their downsizing and closure of restaurants, including Prezzo and Jamie Olivers'.

2.5.2 In any event, those restaurant operators still seeking to expand their portfolio, which there are many, increasingly require units which are in amongst the retail heart of a centre, rather than taking space within a food court. Therefore, modern shopping mall developments tend to mix food operators within the wider offer and upwards of a quarter of units can be occupied by cafes and restaurants. Food and drink operators (particularly national multiples) can be particularly attractive to landlords as long leases can often be agreed to due to the cost of fit-outs.

2.5.3 Colliers[13] also reports that cinema openings are on the up and that niche cinema operators, such as Everyman, Curzon and The Light, are considered to have the potential to be particularly complementary to shopping environments. Such cinemas have more modest land take requirements than large multiplexes, and therefore may have a greater chance of being incorporated in a mixed-use development.

2.5.4 The health and fitness sector has been buoyed by the popularity of budget gyms. Operators such as Pure Gym, the Gym Group and easyGym have an operational model which is based

[12] https://www.pwc.co.uk/services/business-recovery/insights/restructuring-trends/restaurants-2017-food-for-thought.html
[13] Ibid

on low costs and high volume. Such gyms tend to have plenty of equipment in order to encourage uses but are characterised by basic fit-outs and limited staff. Many budget gym operators – including Pure Gym and the Gym Group – are actively seeking to bring forward additional facilities, with a wide range of properties (including old theatres, larger shop units and office space) having the potential to meet their needs. The Leisure Database Company[14] suggests that there were around 300 budget gyms across the country in summer 2016, but that this figure has the potential to increase to around 1,000 in the near future.

2.5.5 There are a number of emerging leisure concepts which are also helping to anchor retail environments, including bowling alleys, indoor 'ninja' style activity centres, trampolining and crazy golf. These concepts can assist centres in providing a point of difference with the competition, ensure that visitors' dwell times are increased, and assist a town's evening economy.

2.6 Brexit

2.6.1 The referendum in June 2016 on the UK's membership of the European Union resulted in a majority vote to leave the EU. The terms of withdrawal are to be negotiated with the Commission within two years of formal notification by the Government. A number of commentators have forecast that uncertainty during this time will negatively impact upon consumer confidence and expenditure, and that investor decisions may be put on hold.

2.6.2 Whilst it would appear that the short term impact of 'Brexit' on the retail and leisure sector has perhaps been more modest than some analysts suggested, Verdict published an Economic & Retail Update in September 2016[15] in order to highlight potential future issues. Its Update provides the following forecasts.

- Retail growth across Britain in 2016 is expected to be flat and growth in the clothing and footwear sector as a whole is likely to be disappointing. However, the weaker pound means that international travellers may spend more, with international brands and premium goods being particularly attractive.
- A weaker pound will also lead to higher import and manufacturing costs, which retailers will pass onto consumers. Verdict anticipates that the food and clothing and footwear sectors will see the greatest inflationary rises.
- Brexit may have a negative impact on the housing market and a consequential

[14] As reported in the article headlined 'Why budget gyms could be set to take over the sector', Sports Insight, 11 June 2016
[15] 'Economic & Retail Update: H2 2016', Verdict, September 2016

adverse impact on those retailers who rely on householders investing in their property. Accordingly, there may be less spending on goods such as furniture, floor coverings, DIY and gardening goods and so on.

- In volume terms, Verdict expects little change to the food retail sector, but notes that inflationary pressures might mean than shoppers spend a greater proportion of their income on their groceries and therefore have a lesser proportion to spend on other goods.

2.6.3 It is therefore evident that Brexit has the potential to impact on future expenditure growth (and also on population growth). As such, there will be a need to monitor the impacts arising from the UK's exit from the EU and for any future update to this study to take appropriate consideration of such changes.

2.7 Implications for Charnwood

2.7.1 Charnwood Borough is a relatively rural catchment, which is spread north to south along the A6, which connects Loughborough to the north with Barrow, Mountsorrel, Rothley and Thurmaston towards the south. Given the relatively rural nature of the southern part of the borough, the borough's defined district and local centres therefore serve an important role for local residents in meeting their day-to-day retail, leisure and service requirements.

2.7.2 Loughborough town centre benefits from the additional population and associated spending power of the university students, and thus has formed to provide a range of night time leisure facilities. The delivery of the cinema scheme with additional modern units suitable for national multiple leisure operators has further benefitted the town centre, providing a new leisure anchor, demonstrating investor confidence in an otherwise uncertain commercial market. Many town centre schemes (both retail and leisure) have stalled in recent years across the UK, and as such the delivery of the leisure scheme in Loughborough should not be taken lightly in considering how the centre is performing.

2.7.3 Existing town centres and retail destinations in Charnwood Borough suffer from direct competition from large city centres and out of centre shopping destinations within surrounding authorities of Nottingham, Leicester and Blaby. The out of centre provision at Fosse Park in particular provides a comparable retail offer to the retail offer in surrounding centres of Loughborough and Leicester and is soon to be extended substantially onto the adjacent Everards Brewery site. As is acknowledged by the Council in the 2018 Loughborough Masterplan (which we discuss in more detail below), Loughborough cannot compete with these extensive competing city centres or out of centre development, it is important that the town centre provides an offer to meet Charnwood's residents, including the students, whilst taking full advantage of its assets.

2.7.4 The internet is an ongoing competition for town centres, and an increased reliance of residents purchasing goods online has had negative effects on defined centres. The defined centres in the borough face a number of challenges, particularly from increasing competition from the internet, multichannel retailing, polarisation of retailing and out-of-centre retail/leisure developments. It is therefore important for defined centres in the borough to be able to respond to continued changes in the retail and leisure sector and to provide (or continue to provide) an offer/destination which distinguishes them from competing centres and out-of-centre retail and leisure destinations.

2.7.5 The continued growth of new out-of-centre/retail park formats represents a threat to the future vitality and viability of the defined centres in the borough. In order to protect the vitality and viability of centres it is important therefore that the Council is not just controlling the expansion/change of use of out-of-centre development but also plan positively for town centre/edge-of-centre development opportunities. Suitable and available alternatives for developers and operators must be readily available within, and on the edge of defined centres to encourage schemes to sites which will benefit defined centres through additional visitation and trade. Such available and suitable sites are also important in defending the sequential approach policy requirement, which has become less stringent in recent years and has significantly benefitted developers and land owners instead of local authorities in attempting to direct schemes to defined centres.

2.7.6 However, whilst the growth of online retailing is likely to have had a detrimental impact on the turnover of Charnwood's retail destinations, going forward there may be opportunities for the borough's retail facilities to benefit from multi-channel retailing in order to help drive footfall and sustain retailer representation.

2.7.7 Such opportunities will likely be driven in the first instance by national multiple retailers – and are therefore of particular relevance to larger retail venues, such as Loughborough town centre – but there are also likely to be opportunities for smaller centres to provide click and collect facilities, which could help encourage residents to visit the centres and access other facilities whilst they do so. Both convenience and comparison operators provide in-house 'click and collect' facilities which enable shoppers to order online at home and visit the stores to pick up the products. This often then has knock-on benefits to retailers by encouraging additional sales. As consumers are increasing their digital options, physical stores are making their locations interactive and engaging in order to attract footfall and justify the costs of store operations. Many are using tablets and smartphones for taking payments, demonstrating products, offering information and encouraging social sharing. Pop-up and street trading opportunities have substantially increased, thanks to mobile systems and Cloud applications, enabling a business to inexpensively open and compete on high streets. Opportunities in Loughborough for more temporary stores and food offers could be explored further, to encourage traders to open pop-up shops and seasonal offerings.

2.7.8 Convenience operators such as Tesco and Asda also provide 'click and collect' pods within car parks, providing opportunities for shoppers to order their groceries online, and drive up to the pods to collect their pre-packed goods. Therefore, schemes which promote such uses should be encouraged by local authorities.

3.0 Planning Policy Context

3.1 Introduction

3.1.1 This study seeks to provide important evidence to assist in the production of future retail and town centre planning policy. It is appropriate to review existing national planning policy of relevance to town centre matters. We also review and summarise Charnwood's adopted planning policy, insofar as it is relevant to retail, leisure and other town centre matters, in order to consider the Council's existing strategy in respect of its defined retail centres and wider provision of leisure services within the town centre and wider Borough.

3.2 National Planning Policy Framework

3.2.1 The revised National Planning Policy Framework (NPPF) was published on 24 July 2018, which replaces the previous NPPF published on 27 March 2012.

3.2.2 Section 2 of the NPPF makes clear that it retains the presumption in favour of sustainable development first set out in the NPPF at its heart as set out in paragraph 11. For plan-making, this means that local planning authorities should positively seek opportunities to meet the development needs of their area, with an emphasis on plans having sufficient flexibility to adapt to rapid change.

3.2.3 Section 3 relates to plan-making and paragraph 15 requires that succinct and up-to-date plans should provide a positive vision for the future of each area; a framework for addressing housing needs and other economic, social and environmental priorities; and a platform for local people to shape their surroundings.

3.2.4 The Government's proposals for delivering sustainable development through the planning system are subsequently set out in Sections 3 to 17 of the NPPF. Of most relevance to retail and town centre matters are Sections 6, 'Building a strong, competitive economy', and 7, 'Ensuring the vitality and viability of town centres'.

3.2.5 Paragraph 80 in Section 6 of the NPPF maintains the Government's commitment set out in the original NPPF to supporting economic growth, stating at paragraph 80 that*, 'Planning policies and decisions should help to create the conditions in which businesses can invest, expand and adapt'*. It continues that, *'Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development'*.

3.2.6 Paragraph 80 advises that planning policies should *'set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth'* as well as *'set criteria, or identify strategic sites for local and inward investment to match the strategy and to meet anticipated needs over the plan period'*.

3.2.7 Paragraph 85 at Section 7 indicates that planning policies and decisions should support the role that town centres play at the heart of local communities, by taking a positive approach to their growth, management and adaption. It continues that planning policies should:

- 'define a network and hierarchy of town centres and promote their long-term vitality and viability – by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters;
- define the extent of town centres and primary shopping areas, and make clear the range of uses permitted in such locations as part of a positive strategy for the future of each centre;
- retain and enhance existing markets and, where appropriate, re-introduce or create new ones;
- allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary'
- where suitable and viable town centre sites are not available for main town centre uses, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre; and
- recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.'

3.2.8 It is emphasised that the revised NPPF therefore indicates that planning policies only need to look at least ten years and not necessarily over the full plan period when allocating sites to meet the likely need for town centre uses.

3.2.9 Paragraph 86 states that local planning authorities should apply a sequential test to planning applications for main town centre uses that are neither in an existing centre nor in accordance with an up-to-date plan. It states that that:

'Main town centre uses should be located in town centres, then in edge of centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period of time) should out of centre sites be considered.'

3.2.10 Paragraph 87 continues that:

'When considering edge of centre and out of centre proposals, preference should be given to accessible sites which are well connected to the town centre. Applicants and local planning authorities should demonstrate flexibility on issues such as format and scale, so that opportunities to utilise suitable town centre or edge of centre sites are fully explored.'

3.2.11 The following paragraph indicates that that the sequential approach should not apply to applications for small scale rural offices or other small-scale development.

3.2.12 Paragraph 90 indicates that where an application fails to satisfy the sequential test or is likely to have a significant adverse impact on one or more of the considerations in paragraph 89, it should be refused.

3.2.13 Paragraph 89 of the NPPF then sets out a twin impact test, stating that:

'When assessing applications for retail and leisure development outside town centres, which are not in accordance with an up-to-date plan, local planning authorities should require an impact assessment if the development is over a proportionate, locally set floorspace threshold (if there is no locally set threshold, the default threshold is 2,500 sq.m of gross floorspace). This should include assessment of:

- the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and
- the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and the wider retail catchment (as applicable to the scale and nature of the scheme).'

3.2.14 Finally, paragraph 90 indicates that where an application fails to satisfy the sequential test or is likely to have a significant adverse impact on one or more of the considerations in paragraph 89, it should be refused.

3.3 Ensuring the Vitality of Town Centres Planning Practice Guidance

3.3.1 The 'Ensuring the Vitality of Town Centres' National Planning Practice Guidance was published in March 2014. It provides a concise summation of how retail and main town centre planning policy is to be applied in practice. The objectives of the Practice Guidance remain comparable with those of its predecessor, with there being a stated requirement for local planning authorities to plan positively and support town centres in order to generate local employment, promote competition within and between town centres, and create attractive and diverse places for users.

3.3.2 The Practice Guidance requires local planning authorities to fully assess and plan to meet needs for main town centre uses through the adoption of a 'town centre first' approach. Paragraphs 002 and 003 confirm that this should be delivered through a positive vision or strategy which is communicated through the development plan. The strategy should be facilitated through active engagement with the private sector and other interested organisations (including Portas Pilot organisations, Town Teams and so on). Any strategy should be based on evidence which clarifies the current state of town centres and opportunities to meet development needs and support centres' vitality and viability.

3.3.3 Paragraph 003 of the Ensuring the Vitality of Town Centres Planning Practice Guidance indicates that such strategies should seek to address the following matters:

- the appropriate and realistic role, function and hierarchy of town centres in the area over the plan period, including an audit of the vitality and viability of existing town centres and their ability to accommodate new development;
- consideration of the vision for the future of each town centre and the most appropriate mix of uses;
- the assessment of the scale of development that a town centre can accommodate;
- the timeframe for new retail floorspace to be delivered;
- what other complementary strategies are necessary or appropriate to enhance the town centre to deliver the vision in the future; and
- the consideration of the enhancement of car parking provision including charging and enforcement mechanisms.

3.3.4 Paragraph 005 of the Practice Guidance identifies a series of key indicators which are of relevance in assessing the health of a centre over time. Paragraph 005 goes on to state that not all successful town centre regeneration initiatives have been retail-led or focused on substantial new development but have instead involved improvements such as renewed public realm, parking, and accessibility and other partnership mechanisms.

3.3.5 Paragraph 009 reaffirms the town centre first policy in the form of the sequential test, which requires local planning authorities to undertake an assessment of candidate sites' availability, suitability and viability when preparing their local plan. Such an assessment should also consider the scale of future needs and the type of land required to accommodate main town centre uses.

3.4 Relaxation of Permitted Development Rights

3.4.1 At a national level, recent changes to the Town and Country Planning (General Permitted Development) Order 1995 have sought to support the diversification and vitality of town centres. The changes follow the Portas Report's recommendation to make it easier to change surplus space in order to provide for the effective re-use of buildings.

3.4.2 The Town and Country Planning (General Permitted Development) (England) Order 2015 came into force on 15 April 2015. The Order acts, *inter alia*, to consolidate and replace the Town and Country Planning (General Permitted Development Order 1995) and to provide additional permitted development rights. It should be noted that conditions and restrictions apply, and that prior approval is generally required in order to implement development. The new rights include:

- a permitted change of use from retail/financial services (Class A1/A2), betting offices and pay day loans shops to residential (Class C3);
- a permitted change of use from amusement arcade/casino (sui generis use) to residential use (Class C3);
- a permitted change from retail (Class A1) to financial services (Class A2);
- a permitted change from retail/financial services (Class A1/A2) to food and drink (Class A3);
- a permitted change from retail/financial services (Class A1/A2), betting offices, pay day loan shops and casinos to assembly and leisure uses (Class D2);
- an extension of the temporary permitted development rights introduced in May 2013 for extensions to shops, offices, industrial and warehouse buildings to support business expansion and the economy so they apply permanently;
- the erection of click and collect facilities within the curtilage of a retail shop; and
- modifications to the size of an existing retail shop loading bay.

3.4.3 The Town and Country Planning (General Permitted Development) (England) (Amendment) Order 2016 subsequently came into force on 6 April 2016. The Amendment provides for the change of use of launderettes to residential uses as permitted development, and acts to make permanent previous temporary provisions which permit the change of use from office to residential use. A condition allowing the local planning authority to consider noise impacts on the intended occupants of the development from premises in commercial use is included in the extended right.

3.4.4 The intended consequence of the above measures is to secure the redevelopment and reuse of premises. It is considered that the relaxation in respect of changes of use to residential are more likely to encourage re-use of offices in larger metropolitan areas which may benefit from a greater supply of office buildings. However, Charnwood has seen an increase in the change of use under permitted development rights, from commercial premises to residential uses, resulting in a number of poor-quality and sub-standard residential units in peripheral town centre locations.

3.4.5 Previously, planning permission was not required for a change of use from class A4 (pub) to certain other uses, including Class A1, provided that the pub was not listed as an Asset of Community Value ('ACV'). The Neighbourhood Planning Act 2017 was given Royal Assent on 27 April 2017 and, amongst other things, legislated for changes to permitted development rights ('PDR') for pubs. The relevant provisions of the Neighbourhood Planning Act 2017 led to the amendment of PDR's as follows:

- Removing the right to demolish buildings in use (or last used) for a purpose within Class A4 (drinking establishments) including drinking establishments with expanded food provision.
- Removing drinking establishments from PDR's under Schedule 2 Part 3 Class A of the Order which previously allowed the change of use of drinking establishments to Class A1 (shops) or Class A2 (financial and professional services) subject to certain limitations, conditions and restrictions.
- Establishing a new PDR under Schedule 2 Part 3 Class AA for the change of use of a building and land within its curtilage as follows:
    - From Class A4 (drinking establishments) to a use as a drinking establishment with expanded food provision - a new Use Class AA (within use Class A4 and Class A3 (restaurants and cafes); and
    - From a use as a drinking establishment with expanded food provision back to a use solely under Class A4.

- Removing drinking establishments from PDR under Schedule 2 Part 3 Class B which previously allowed the change of use of drinking establishments to a use under Class A3 (restaurants and cafes).
- Amending the PDR's for a change of use to a state-funded school for two academic years within Schedule 2 Part 4 Class C of the Order so that this no longer applies to buildings within Class A4 (drinking establishments) or drinking establishments with expanded food provision.
- Revising the PDR's for a change of use to a temporary flexible use within Classes A1, A3and B1 under Schedule 2 Part 4 Class D of the Order so that this no longer applies to buildings within Class A4 (drinking establishments) or drinking establishments with expanded food provision.

3.5 Charnwood Development Plan Policy

3.5.1 The development plan for Charnwood currently comprises the Charnwood Local Plan 2011 to 2028 Core Strategy ('the Core Strategy') and the saved policies from the Borough of Charnwood Local Plan 2004 ('the 2004 Local Plan).

3.5.2 The Council is currently preparing a new Local Plan ('the new Local Plan') for the borough for the period up to 2036, which is scheduled for adoption in November 2019. The new Local Plan will include strategic and detailed policies and will replace the Core Strategy and saved policies of the Borough of Charnwood Local Plan 2004.

3.5.3 To inform the preparation of the new Local Plan, the Council undertook a consultation in the summer of 2016 to understand and engage with interested parties on the future for Charnwood, the scope of the new Local Plan and what it should contain.

3.5.4 Between April and June 2018, the Council further consulted on a discussion paper titled Towards a Local Plan for Charnwood in April 2018. The paper explores the scale of development needed in the borough, the key issues and opportunities that need to be taken into account in the new Local Plan and considers the options for an overall strategy for delivering the growth needed.

3.5.5 Below we summarise the adopted and emerging retail, leisure and town centre development plan policies for Charnwood.

3.6 Charnwood Local Plan 2011 to 2028 Core Strategy

3.6.1 The Charnwood Local Plan 2011 to 2028 Core Strategy was adopted in November 2015. It sets out the vision, objectives and strategic policies for delivering growth for Charnwood over the period up to 2028. It sets out how the borough will help shape and consider major developments, deliver infrastructure, and influence economic investment decisions as well as guiding the delivery of homes and jobs, the regeneration of Charnwood's towns and protection of its countryside, environment and heritage.

3.6.2 The vision includes that 'Loughborough will continue to be the main economic, social and cultural heart of the borough. It will be an attractive, compact and 'walkable' destination for shopping, leisure, entertainment and culture. Our other settlements, including a regenerated Shepshed, will have an attractive provision of local shops, culture and leisure facilities.'

3.6.3 To achieve the vision, the strategic objectives include:

- 'to secure the provision of accessible facilities and services to meet the needs of all local people…' (SO2);
- 'to sustain and enhance Loughborough town centre as a prosperous, attractive and vibrant destination for shopping, entertainment and leisure as well as a place to live' (SO14);
- 'to ensure that there is a network of vibrant 'local' centres so residents have access to a range of shops, services and facilities' (SO16);

3.6.4 The Core Strategy sets out ambitious proposals for the borough that will see it grow and develop.

3.6.5 **Policy CS1 (Development Strategy)** sets out the Council will make provision for at least 13,940 new homes in the borough between 2011 and 2028. The Leicester Principal Urban Area will be the priority local for housing growth, where provision will be made for at least 5,500 new homes and up to 46 hectares of employment land between 2011 and 2028. This will be achieved by planning for:

- a sustainable urban extension of approximately 4,500 homes to the north east of Leicester, delivering approximately 3,250 homes and up to 13 hectares of employment land by 2028;
- a sustainable urban extension of approximately 1,500 homes to the north of Birstall, delivering approximately 1,345 homes and up to 15 hectares of employment land by 2028; and

- a direction of growth for up to 8,750 sqm of offices and up to 16 hectares of general employment land within the Watermead Regeneration corridor;

3.6.6 The majority of the remaining growth will be met at Loughborough and Shepshed where provision will be made for at least 5,000 new homes and up to 22 hectares of employment land between 2011 and 2028. This will be achieved through:

- a sustainable urban extension of approximately 3,000 homes to the west of Loughborough, delivering approximately 2,440 homes and up to 16 hectares of employment land by 2028;
- approximately 1,200 homes within and adjoining Shepshed to support its regeneration;
- up to 6 hectares of employment land within and adjoining Loughborough/Shepshed; and
- up to a 77 hectare expansion of the Science and Enterprise Park to the west of Loughborough University.

3.6.7 Within the Service Centres of Anstey, Barrow Upon Soar, Mountsorrel, Quorn, Rothley, Sileby and Syston, the Council will plan for:

- the provision of at least 3,000 new homes and approximately 7 hectares of employment land within and adjoining the service centres between 2011 and 2028; and
- safeguarding services and facilities.

3.6.8 The Council will also plan positively for sustainable development which contributes towards meeting the remaining development needs.

3.6.9 In other settlements, the Council will meet the local social and economic need for development by providing at least 500 new homes, responding positively to small scale opportunities and safeguarding service and facilities.

3.6.10 **Policy CS7 (Regeneration of Loughborough)** further details the Core Strategy ambitions for the town. These include supporting proposals for town centre uses at strategic regeneration sites, in particular, at Devonshire Square and towards the southeast of Loughborough town centre in accordance with Policy CS9; supporting development that enhances the tourism potential of the town's heritage assets; and requiring any development adjacent to the canal to contribute to an active waterfront with public access.

3.6.11 Policy CS8 (Regeneration of Shepshed) sets out the regeneration priorities for Shepshed, which include supporting developments which contribute to the vitality and viability of Shepshed in accordance with Policy CS9; provide managed workspace and small business start up space; and that improve access to community facilities.

3.6.12 **Paragraphs 6.55 to 6.58, 6.77 and 6.81** identify the hierarchy of centres in Charnwood as follows:

- Loughborough Town Centre;
- District Centres: Anstey, Birstall, Barrow upon Soar, Gorse Covert, Shelthorpe, Shepshed, Sileby and Syston; and
- Local Centres: Melton Road in Thurmaston, Leicester Road in Mountsorrel, Market Place in Mountsorrel, Sharpley Road in Loughborough and the centres at Quorn and Rothley.

3.6.13 **Policy CS9 (Town Centres and Shops)** details more specific spatial ambitions for the defined centres.

3.6.14 In relation to Loughborough, the policy states that the council will make a significant contribution to the regeneration and the continued vitality of the town centre by supporting developments which:

- reinforce and enhance the compact, legible and walkable character of the town and maintain the Market Place at its heart;
- maintain the continuous street frontage activity in and around the retail core;
- Follow the design principles set out in the 2007 Loughborough Town Centre Masterplan unless it can be demonstrated that an alternative high-quality design is needed; and
- Make a significant improvement to the character and appearance of the town centre from key gateways.

3.6.15 It further states that the Council will support commercial leisure uses that will promote activity throughout the day and night; focus all new convenience and the majority of comparison retail floorspace to the south east of Loughborough Town Centre and Devonshire Square. Loughborough Town Centre is expected to accommodate 70% of all additional floorspace for main town centre uses in the borough. To achieve this the Council will:

- Ensure comprehensive redevelopment of the key town centre opportunity sites;
- Secure adequate vehicular access from the inner relief road to Baxter Gate;
- Encourage the delivery of a new car park;

- Enhance key pedestrian routes between Baxter Gate, Churchgate, Market Place, Devonshire Square and town centre green spaces; and
- Promote heritage features to help secure regeneration of opportunity sites.

3.6.16 Other town centre uses to the north west of the town centre will be supported where development will not compromise the redevelopment of Devonshire Square and the south east of the town centre and where proposals support the compact and walkable character of the town.

3.6.17 In relation to Shepshed District Centre, the policy includes that the Council will make a significant contribution to the regeneration of Shepshed by supporting 'town centre' development that is well integrated and contributes to the vitality and viability of the centre; supporting development that improves accessibility to the centre; improving the pedestrian environment and public realm.

3.6.18 At Gorse Covert and Shelthorpe District Centres the Council will support retail development where it can be clearly demonstrated that it is the minimum necessary to ensure the vitality and viability of the centre, to sustain their position as a District Centre serving the needs of their community, and where it does not compromise the Council's regeneration strategies for Loughborough and Shepshed.

3.6.19 For other District and Local Centres, the Council encourage town centre development that supports their vitality and viability where it is physically integrated into the defined centre and of an appropriate scale for that centre. It identifies Thurmaston and Mountsorrel Local Centres as particular priorities for investment.

3.6.20 The Council further requires it sustainable urban extensions to include local centres.

3.6.21 Policy CS9 further requires a sequential approach to site selection for the development of main town centre uses. An impact assessment is required for main town centre uses in edge and out of centre locations where the gross floorspace is above the following locally set thresholds:

- Loughborough – 1,000 sq.m
- District Centres – 500 sq.m
- Other locations – 200 sq.m

3.6.22 Other relevant policies in the Core Strategy include Policy CS19 (North East of Leicester Sustainable Urban Extension), CS20 (North of Birstall Direction of Growth) and Policy CS22

(West of Loughborough Sustainable Urban Extension), which each include that a new Local Centre will be provided as part of these sustainable urban extensions that will include, as a minimum, local shops and a supermarket, small scale employment and a range of non-retail and community facilities and services. Policy CS21 (Watermead Regeneration Corridor – Direction of Growth) includes that the Council will support developments that contribute directly to the regeneration of Melton Road in Thurmaston Local Centre.

3.7 Borough of Charnwood Local Plan 1991 – 2006

3.7.1 The Borough of Charnwood Local Plan 1991 – 2006 was adopted in January 2004. Whilst most of the policies contained within Borough of Charnwood Local Plan 1991 – 2006 were replaced by the adoption of the Core Strategy in 2015, a number of policies remain saved until they are replaced by the adoption of the new Local Plan.

3.7.2 Saved policies CA/7, CA/10, CA/11 and CA/12 relate to retail and town centre matters and provide guidance relating to pedestrianisation within Loughborough Town Centre, the provision of new local centres in association with major housing development, permitted uses for upper floors within defined centres, and shop front design.

3.8 Loughborough Town Centre Masterplan

3.8.1 The Loughborough Town Centre Masterplan was published in August 2017 as part of the evidence base informing the implementation of Policies CS7 and CS9 of the Core Strategy. The masterplan will also inform the creation of new polices for inclusion in the replacement new Local Plan currently under preparation by the Council.

3.8.2 The masterplan Vision is that:

> *'Loughborough Town Centre will be a successful and vibrant place with a strong identity that stems from its role as a market town and home to Loughborough University. It will be an attractive destination with a diverse retail and leisure offer, a mix of housing and a wide range of employment opportunities.*
>
> *The town will be easy to access with a well connected network of vehicular and pedestrian routes. Activity in the town will be supported by a range of events and innovative marketing, business and promotional strategies that will make Loughborough a great place to be.'*

3.8.3 To achieve this vision the masterplan sets out three key objectives that seek to strengthen connections across the town centre, enhance the character and identity of the town centre, protect and enhance its offer, and to promote the town's brand, attract visitors and enliven the town centre.

3.8.4 The masterplan document sets out a number of proposals to achieve these objectives, which fall under four categories: public realm improvements; changes to the movement network and parking; opportunity sites; and small interventions.

3.8.5 Public realm improvements set out in the masterplan aim to extend the existing pedestrian priority area in the town centre to provide high quality pedestrian links between Market Place, the main pedestrian entry points into the town and important destinations such as The Rushes Shopping Centre and Queen's Park.

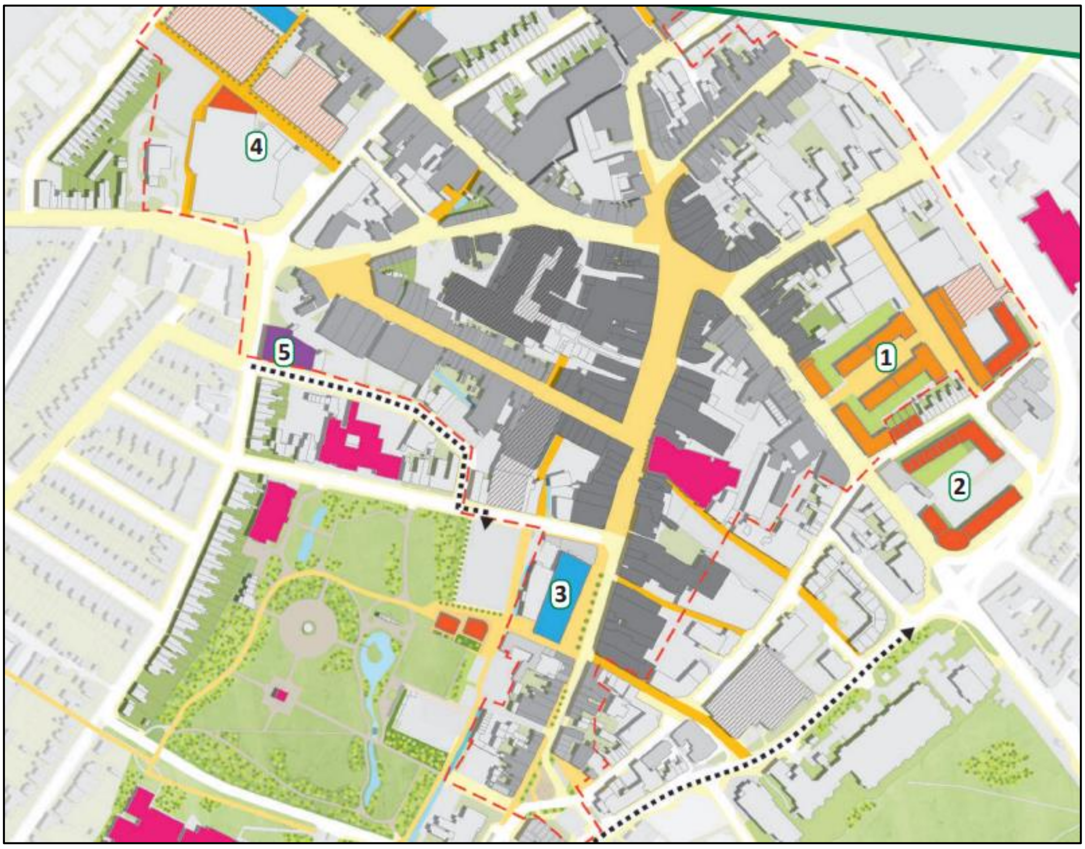
3.8.6 To support the improvements to the pedestrian network, the masterplan proposes a number of changes to the vehicular movement network. These seek to reduce traffic flows from Bedford Square in the south of the centre enabling its transformation to allow significant public realm improvements including shared surfaces.

3.8.7 The masterplan identifies six opportunity sites that are currently under-utilised and offer potential for development to strengthen the town centre offer and improve the townscape and sense of space. The masterplan develops a set of design principles for each site and a preferred development option as follows:

1. Baxter Gate (also identified in 2004 Local Plan) - A mixed-use development providing new retail units, a replacement health centre, residential apartments, a limited number of student residences enabling a new town centre car park.
2. Aumberry Gap - A development of new apartments to encourage town centre living.
3. Devonshire Square (also identified in 2004 Local Plan) - The refurbishment of the Devonshire Square block and provision of additional floorspace accommodating an apart-hotel above. A new entrance into Queen's Park via Devonshire Lane.
4. Sainsbury's, Ashby Road – Remodelling of site to improve the layout to create pedestrian links across the site and active frontage, and provide a landmark feature at the corner of Derby Road and Broad Street.
5. The Generator – conversion of the University School of Art and Design Building into a centre for creative businesses. The project is expected to deliver 13,500 sq.ft with the capacity to accommodate 120 jobs on site. The proposals will also include a networking café / exhibition space.

3.8.8 The location of the opportunity sites is shown in Figure 3.1 below.

Figure 3.1 Loughborough Town Centre Opportunity Sites

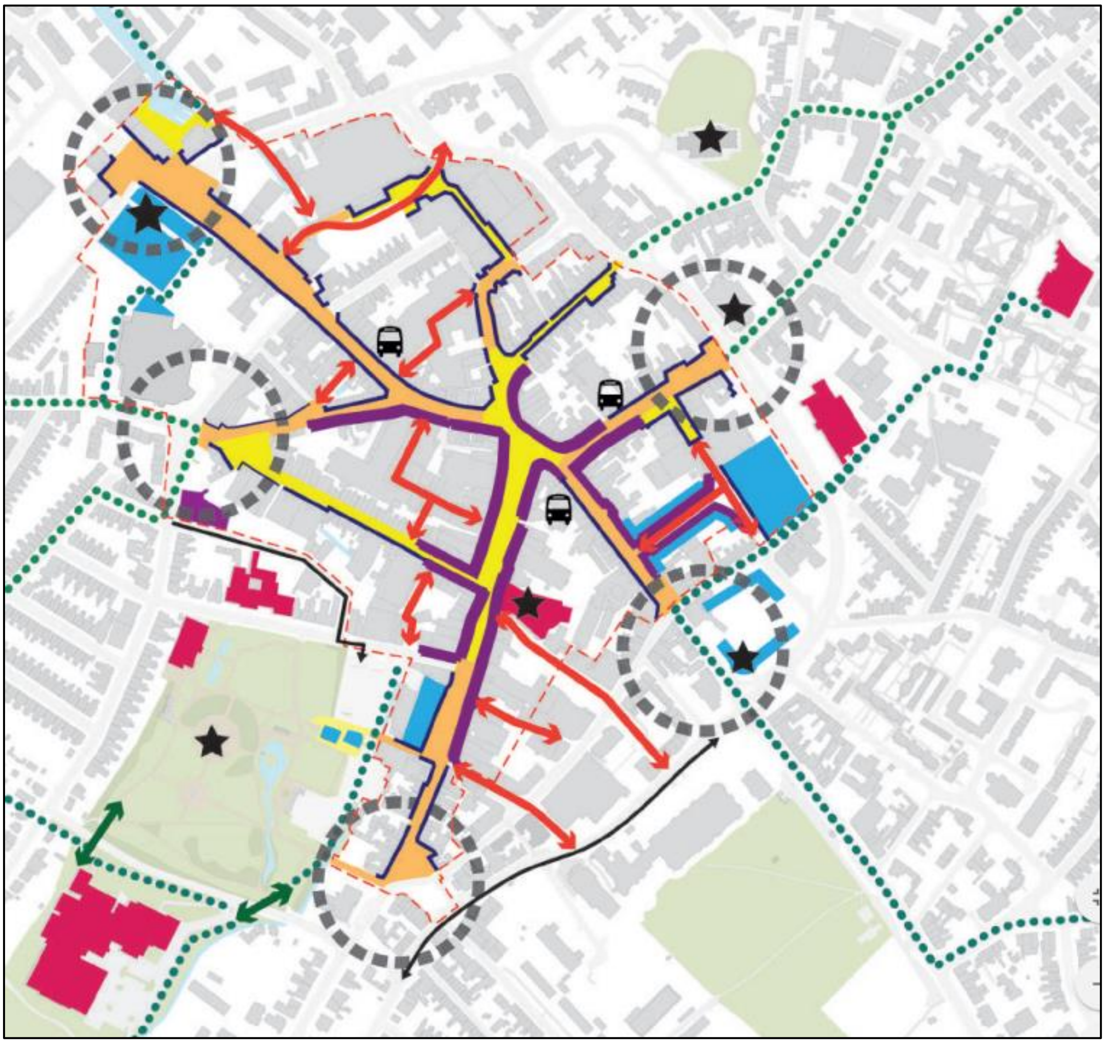


Source: Loughborough Town Centre Masterplan

3.8.9 A range of small interventions are further identified, which seek to deliver immediate and tangible change in the centre, which focus on events, animating the town and supporting businesses.

3.8.10 The masterplan further identifies a town centre boundary for Loughborough along with main frontages and other frontages as shown in Figure 3.2 below.

Figure 3.2 Town Centre Boundaries identified in the Masterplan



Key:
Town centre boundary
Primary frontages
Secondary frontages
Source: Loughborough Town Centre Masterplan 2018

4.0 Health Checks of Centres in Charnwood Borough

4.1 Introduction

4.1.1 Comprehensive up-to-date monitoring of town centre performance is an important exercise that is required to identify the strengths and weaknesses of a centre, establish how its vitality and viability can be improved, and to effectively plan for the future of the centre.

4.1.2 As part of our instruction, we have undertaken a detailed and up-to-date assessment of the health of each of the defined town, district and local centres in Charnwood (commonly referred to as a 'health check'), namely:

- Loughborough town centre;
- District centres – Anstey, Barrow upon Soar, Birstall, Gorse Covert, Shelthorpe, Shepshed, Sileby and Syston; and
- Local centres – Melton Road, Thurmaston; Leicester Road and Market Place, Mountsorrel; Sharpley Road, Loughborough; Quorn; and Rothley.

4.1.3 Generally, the district centres meet more day-to-day retail and service needs that typically arise locally, and local centres provide a range of small shops that serve a small local catchment.

4.1.4 The criteria by which the health of a centre can be judged is set out in the Government's Ensuring the Vitality of Town Centres Planning Practice Guidance of March 2014. Indicators which should be monitored on a regular basis in order to judge the health of a centre and its performance over time include the following.

- **Diversity of uses** – Data on the diversity of uses in the centres was collated during our surveys on Thursday 2nd August 2018.
- **Proportion of vacant street level property** – Vacant properties were identified during the undertaking of the surveys.
- **Commercial yields on non-domestic property** – Information in relation to commercial yields was sourced from Co-Star.
- **Customers' views and behaviour -** Analysis of customers' views and behaviour collected as part of our household survey in respect of Loughborough town centre and Syston district centre is provided in the subsequent Section 5 of this report.
- **Retailer representation and intentions to change representation** – Information on the performance of centres and the current strength of retailer representation has been derived from our surveys of the centres and Venuescore's

2016-17 UK Shopping Venue Rankings.

- **Commercial rents** - Information in relation to rents was sourced from CoStar.
- **Pedestrian flows** – General footfall and pedestrian flows were observed during the undertaking of the centre surveys.
- **Accessibility –** Consideration of access to and around each centre is informed by our site visits to each centre supplemented by desk-based research.
- **Perception of safety and occurrence of crime** – Consideration of safety measures within each centre has been informed by our observations while undertaking our site visits.
- **State of town centre environmental quality –** Consideration of the quality of the buildings and public realm in each of the centres has also been informed by our observations when undertaking field work.

4.1.5 Below, we set out a summary of our health check assessments for Loughborough town centre and each of the defined district and local centres in Charnwood, along with a 'SWOT' analysis to identify the strengths, weaknesses, opportunities and threats relating to each centre. We provide a full, detailed assessment of the health of these centres at Appendix 2 (Loughborough town centre) and Appendix 4 (district and local centres), and with supporting tables and plans set out at Appendices 3 and 5, respectively.

4.1.6 Before we commence our assessments, we first identify the sub-regional retail context, considering the role and movement of Charnwood's centres in the sub-regional shopping hierarchy as identified by Venuescore's 2016-2017 UK Shopping Venue Rankings.

4.2 Sub-Regional Retail Context

Overview

4.2.1 Charnwood Borough is located in the East Midlands between the three cities of Leicester, Nottingham and Derby.

4.2.2 Loughborough is situated in the north of Charnwood Borough and is the largest settlement in Leicestershire after Leicester itself. Loughborough town centre is the principal centre in the Charnwood Borough and provides the retail and leisure focus for the north of the borough.

4.2.3 Shepshed is located to the west of Loughborough in the north west of the borough and is the second largest settlement in Charnwood. A string of villages extends southwards from Loughborough towards Leicester along the Soar Valley and A6 corridor, which include Quorn, Barrow Upon Soar, Mountsorrel, Sileby, Rothley, Syston, Birstall and Thurmaston. Shepshed and these villages act as service centres to the rural parts of our Borough. The village of Anstey is located in the south west corner of Charnwood and also performs the role of a service centre.

4.2.4 Leicester borders Charnwood to the south and provides a retail and leisure focus for the south of the borough and the wider Leicestershire area. There are a number of centres serving the settlements located in the south of Charnwood Borough close to the northern edge of Leicester, including Anstey, Birstall and Thurmaston. These settlements physically adjoin the urban area of Leicester but continue to have their own distinct identity and centres.

4.2.5 Loughborough contains three principal edge and out-of-centre retail and leisure destinations as summarised below:

- Willowbrook Retail Park - Willowbrook Retail Park is located off Derby Road approximately 1.5 km north west of Loughborough Town Centre. Current tenants include The Range, B&M Bargains, Halfords, Bensons for Beds, Pets at Home and Dreams.
- Regent Place Retail Park - Regent Park Retail Park is located at the north western fringe of Loughborough Town Centre off Derby Road. The retail park contains five major non-food bulky goods retailers: Dunelm Mill, SCS, Currys PC World/Carphone Warehouse, Carpetright and Harveys Furniture.
- Jubilee Drive - Whilst not a specific retail park, the area around Jubilee Drive around 1 km north of Loughborough Town Centre along Jubilee Drive and Belton Road hosts a series of medium to large sized retail units and includes tenants such as B&Q, Aldi, Screwfix, Topps Tiles and Wickes.

4.2.6 In the south of the borough is Thurmaston Shopping Centre, an out-of-centre retail and leisure park located the north of Thurmaston. Thurmaston Shopping Centre includes TK Maxx, Next, Poundland, Outfit, Boots, Sports Direct, Dunelm Mill and M&S Foodhall. Pizza Hut, McDonald and Starbucks are also located at Thurmaston Shopping Centre.

4.2.7 A number of out of centre retail and leisure parks are located within the Leicester urban area, most notably Fosse Park Shopping Centre, Abbey Retail Park and St George’s Retail Park, as well as in Nottingham and Derby.

Movement in the National Retail Rankings

4.2.8 Table 4.1 charts the movement of Loughborough town centre in Venuescore, the UK shopping venue rankings produced by Javelin Group and compares it to the position in the Venuescore rankings of the principal competing centres within the sub-region. Also included in Table 4.1 are the Venuescore rankings of the defined district centres and retail parks in Charnwood, where assessed. None of the local centres in Charnwood were evaluated in Venuescore.

4.2.9 Venuescore's index ranks 3,295 retail venues within the UK (including city, town district and local centres, stand-alone malls, retail warehouse parks and factory outlet centres), based on the strength of their current retail and food and drink provision. Towns and major shopping centres are rated using a scoring system which takes account of the presence in each location of multiple retailers – including anchor stores, fashion operators and non-fashion multiples.

4.2.10 Venuescore further allocates each centre to a tier, reflecting its role and function. The eight tiers comprise (highest to lowest): 'Major City', 'Major Regional', 'Regional', 'Sub-Regional', 'Major District', 'District', 'Minor District' and 'Local'.

4.2.11 Loughborough town centre is ranked 174th of all the 3,295 venues evaluated in Venuescore 2016-17. As would be expected, Loughborough is by far the highest ranked centre in the Charnwood Borough. The centre has gradually improved its position in the UK shopping venue rankings between 2010 and 2016, rising 29 places over this period, and has upgraded its location grade from a 'sub-regional' centre in the 2011, 2013 and 2014 rankings to a 'regional' centre in the 2016 rankings. Moreover, the national multiple comparison offer in Loughborough town centre has moved up the quality scale from a 'lower middle' market position in the 2011, 2013 and 2014 rankings, to a 'middle' market position in 2016.

4.2.12 Over this same period, Nottingham and Leicester, which are both graded as 'major city' centre, have broadly maintained their positions in the retail rankings. Burton upon Trent, the only other 'regional' centre in Table 4.1, has fallen 26 places over the same period. The 'major regional' venue of Derby has fallen 11 places down the rankings and Fosse Park in Leicester, which is classed as a 'sub-regional' shopping venue has fallen 15 places. In contrast, the 'sub-regional' shopping venues of Market Harborough and Melton Mowbray have increased their positions in the rankings by 74 and 35 places, respectively.

4.2.13 Overall, Table 4.1 indicates that that Loughborough town centre has improved the strength of its retail offer and attractiveness as a shopping destination in recent years compared to the larger competing centres in the sub-region.

4.2.14 Thurmaston Retail Park is the second highest ranked venue in Charnwood, with a Venuescore rank of 799th at 2016 and has improved its position in the retail rankings by 53 places since 2010. The highest ranking of the defined district centres in Charnwood Borough is Syston, followed by Shelthorpe, Gorse Covert and Shepshed. None of the other district centres in Charnwood are assessed in the rankings.

4.2.15 It is emphasised that whilst the Venuescore rankings provide a useful indicator of a centre's position within the national hierarchy, Venuescore's methodology does not take account of many factors that contribute to the vitality and viability of a centre, such as independent businesses. As such, a degree of caution should be applied when considering the Venuescore rankings, which should be considered in conjunction with the other healthcheck indicators provided in this report.

Table 4.1: Venuescore's Sub-Regional Shopping Hierarchy

	Venuescore 2016-17			Venuescore 2013 and 2010		Change 2010 Rank to 2016 Rank
Centre	**Location Grade**	**Market Position**	**2016 Rank**	**2013 Rank**	**2010 Rank**	
Nottingham	Major City	Upper Middle	8	7	7	-1
Leicester	Major City	Middle	15	17	14	-1
Derby	Major Regional	Middle	32	27	21	-11
Burton upon Trent	Regional	Middle	121	116	95	-26
Loughborough	Regional	Middle	174	192	203	29
Fosse Park, Leicester	Sub-Regional	Middle	274	250	259	-15
Melton Mowbray	Sub-Regional	Middle	274	317	309	35
Long Eaton	Sub-Regional	Lower Middle	323	326	319	-4
Beeston	Major District	Lower Middle	382	441	463	81
Beaumont Leys, Leicester	Major District	Lower Middle	495	495	456	-39
Swadlincote	Major District	Lower Middle	520	557	711	191
Hinkley	Major District	Lower Middle	551	343	308	-243
Coalville	Major District	Lower Middle	558	495	450	-108
Thurmaston RP	District	Middle	799	752	852	53
Ashby de la Zouch	District	Middle	968	930	1,098	130
Syston	Local	-	2,171	2,061	1,132	-193
Shelthorpe, Loughborough	Local	Middle	2,171	2,061	3,356	1,185

	Venuescore 2016-17			Venuescore 2013 and 2010		Change 2010 Rank to 2016 Rank
Centre	Location Grade	Market Position	2016 Rank	2013 Rank	2010 Rank	
Regents Place RP, Loughborough	Local	Middle	2,171	-	1,886	-285
Gorse Covert, Loughborough	Local	Middle	2,377	2,428	-	-
Willowbrook RP, Loughborough	Local	Middle	2,566	2,061	2,428	51
Shepshed	Local	Middle	2,815	2,216	2,192	-374

Source: Venuescore 2016-2017/2013-14 UK Shopping Venue Rankings (Javelin Group). Shelthorpe listed as Epinal Way, Loughborough. Shepshed listed as Charnwood Road, Loughborough. No data for Regents Place Retail Park, Loughborough at 2013.

4.3 Loughborough Town Centre Health Check

4.3.1 Loughborough town centre is generally a healthy town centre performing in accordance with its role as a market and university town, and the principal centre in Charnwood Borough. It is an attractive centre, which benefits from a number of period and historic buildings and public spaces complemented by modern developments at The Rushes Shopping Centre and Baxter Gate.

4.3.2 The convenience retail provision in the centre is strong, with Tesco and Sainsbury's both operating large foodstores in the centre, along with an M&S Simply Food, Iceland and Farmfoods, and a range of independent convenience operators. The large outdoor markets supplement the independent offer available in the centre and are an important attraction in their own right.

4.3.3 The comparison offer in the centre is also good. Market Place, along with the Carillon Shopping Centre and The Rushes provide the focus of Loughborough's comparison retail offer and are performing well. These areas benefit from the presence of many of the top national multiple comparison retailers, including Argos, Boots, New Look, Next, Primark, TK Maxx, Topman and Topshop, Waterstones, WHSmith and Wilko. The centre also provides a large and varied independent comparison retail offer supplemented by the regular outdoor markets. The edge-of-centre Regent Retail Park focused on bulky goods offer that complements the offer available in the town centre and is in close enough proximity to facilitate linked trips with town centre destinations.

4.3.4 Loughborough has improved its position and quality grading in the UK shopping venue rankings over recent years, confirming that Loughborough town centre has improved the strength and attractiveness of its national multiple comparison retail offer compared to the larger competing centre in Leicestershire, with a high street retail offer is bettered only be Leicester. Nevertheless, clothing and footwear provision in the centre is below the UK average in terms of the proportion of outlets and floorspace.

4.3.5 Loughborough town centre also provides a strong and varied service and leisure offer that includes a theatre, two multiplex cinemas, a bingo hall and a range of restaurants, cafés, takeaways, bars and pubs. The relatively recent Baxter Gate leisure development has provided the town centre with an important leisure hub that has significantly improved the family orientated restaurant offer in the centre and supports a strong evening economy.

4.3.6 Overall, vacancy in the centre is relatively low. Whilst the number of vacant units in the centre is slightly above the UK average, these units are generally small. Nevertheless, there are concentrations of vacant units in secondary parts of the town centre and in the southern parts of the centre. Published demand for units in Loughborough town centre is relatively limited.

4.3.7 Pedestrian activity across the centre is also strong, particularly on market days. However, routes between some key destinations are unclear most notably between The Rushes Shopping Centre and Market Place, and between the Baxter Gate leisure complex and The Rushes Shopping Centre. The centre also lacks a distinct retail circuit to guide pedestrians on a route around the town centre.

4.3.8 A spatial imbalance across the centre also represents an issue for Loughborough. The large supermarkets, Regent Place Retail Park and many of the national multiple stores that function as important anchor stores are concentrated in the north of the town centre. This imbalance may have dampened activity in the south of the town centre.

<u>SWOT Analysis</u>

4.3.9 As an outcome of our survey work and health check assessment, we consider that the principal strengths, weaknesses, opportunities and threats to Loughborough town centre are as follows:

Strengths

- Principal shopping, leisure and service destination in Charnwood with large catchment population
- Market and university town with distinctive and attractive town centre environment

that encompasses a number of listed and period buildings.

- Compact and walkable town centre with a largely pedestrianised shopping and large public space at Market Place.
- Strong and varied leisure offer focused on the recent Baxter Gate leisure development.
- Presence of large foodstore anchors in the town centre
- A broad comparison retail offer and representation from many of the main high street retailers.
- Large and popular outdoor markets that attract visitors to the centre.
- Proximity and edge-of-centre location of a number of important facilities in Loughborough that support linked trips with the town centre, including Queen's Park, Regent Place Retail Park – where the bulky goods focus of the offer complements that available in the town centre – and Loughborough Leisure Centre.

Weaknesses

- Fragmented main 'high street' and lack of a clearly defined retail circuit.
- Limited larger units in the town centre core and oversupply of small units.
- No foodstore anchor in the south of the town centre.
- Relatively few higher quality fashion multiples and independent boutique stores.
- Poor quality pedestrian links between Market Place and The Rushes and no direct link between the Baxter Gate leisure complex and The Rushes Shopping Centre.
- One-way streets around town centre core confusing for people in vehicles, particularly from the south.

Opportunities

- Potential to attract new national multiple and independent operators, and particularly fashion operators, given the large student and young adult population in the town along with the growth in the resident and daytime population that will be delivered through the planned sustainable urban extensions and Science and Enterprise Park extension.
- Delivery of a new town centre car park, preferably in the south of the centre, that will help support the shops and services in this part the centre.
- Redevelopment of Devonshire Square block, which would improve pedestrian links to Queen's Park and further develop the leisure role of the town centre.
- Improve pedestrian connections between key town centre destinations to drive footfall around the town centre and improve the quality of the centre.

Threats

- Lack of larger modern properties in the core retail areas limiting the potential of the centre to attract additional national multiple retailers, and the limited site availability restricting the potential for future development in the centre.
- Increasing level and prominence of vacant units compromising the quality and perceptions of the town centre, with concentrations of small vacant units pointing to a structural issue.
- Increasing competition from out-of-centre retailing, with new Lidl and Aldi stores both under development in out-of-centre locations in Loughborough, which will divert trade and footfall from the town centre.
- North-south imbalance in car parking provision and increasing car parking demand.

4.4 District Centre Health Checks

Anstey District Centre

4.4.1 Anstey is regarded as a healthy centre, which benefits from a good mix of retail and service provision, a low vacancy rate and good general accessibility. The recent upgrades to The Nook roundabout have helped to reduce the dominance of traffic at this important focal point by improving pedestrian links across this area. However, The Nook does suffer somewhat from mixed building frontage quality and some street clutter. The centre does have a general lack of seating and soft landscaping throughout its entirety and whilst there is some green space at St Mary's Church, this is at the periphery of the main area of retail activity around The Nook.

Strengths

- Good overall retail and service offer.
- Good overall environmental quality with recent upgrade to The Nook roundabout improving pedestrian connections.
- Few vacant units.
- Easily accessible for pedestrians, by bus and car, with well-located parking opportunities.

Weaknesses

- Limited soft landscaping.
- Presence of prominent dated and poorly maintained buildings
- Traffic dominated focal point at The Nook.

- Limited and dispersed nature of retail and service provision on Bradgate Road.

Opportunities

- Additional soft landscaping enhancements and improved signage to/on alleyways to facilitate pedestrian accessibility.

Threats

- Proximity and competition from larger Beaumont Leys Shopping Centre in Leicester local authority area.
- Council car park found to be operating at capacity and could discourage users if finding a parking space is difficult at peak times.

Barrow upon Soar District Centre

4.4.2 Barrow Upon Soar District Centre is situated within the village of Barrow Upon Soar, approximately 4.5km to the south east of Loughborough town centre. The centre is focused on High Street and North Street, with a cluster of retail and service units located in the south of the centre on High Street and one around 100m to the north on North Street, with the two areas separated by residential properties. The wider area is predominantly residential in character.

4.4.3 Barrow Upon Soar district centre contains a total of 30 units, including a small Co-op Food store, small Boots, and some range of independent convenience and comparison retailers. The centre also contains a reasonable retail and leisure service offer with limited vacancy.

4.4.4 We would typically expect a district centre to encompass a larger foodstore than provided by the Co-op, one which functions as a 'main' rather than 'top-up' food shopping destination. However, residents have indicated that the provision in the centre meets their day-to-day needs. We further note that a Tesco Extra store is located in Shelthorpe around a 5 km (8 minute) drive from Barrow Upon Soar and for most residents it is possible to access the supermarket facilities in Loughborough town centre by bus. We therefore consider that whilst a larger supermarket facility in the centre could improve local residents access to a 'main' food shopping destination, Barrow Upon Soar is a healthy centre with a good mix of shops and services that meet the needs of the village residents and its surrounding rural catchment.

4.4.5 Relatively high levels of traffic though the centre detract from the overall environmental quality. Nonetheless, the centre is generally attractive and well maintained. It benefits from many period properties, heritage features, planters and hanging baskets, particularly in the south of the centre on High Street. The overall environmental quality is lower around North Street. Units in this area are less well maintained and appear dated, there are areas of poorly maintained paving and planting is more limited. The north of the centre would therefore benefit from public realm improvements.

4.4.6 A lack of car parking in the centre represents a key issue for Barrow Upon Soar. There is no fully public car park present in the centre and on-street car parking is limited. High Street car park provides a modest number of public car park spaces for the centre, but this car park is located around 50m south of the centre boundary and is some distance from the north of the centre.

Swot Analysis

Strengths

- Adequate number of units and a good mix of shops and services.
- Reasonable retail service and leisure offer.
- Attractive environment.

Weaknesses

- Lack of car parking provision.
- Through traffic on High Street and North Street.
- No Post Office provision.

Opportunities

- Environmental improvements in the north of the centre.
- Potential redevelopment 6-10 North Street, which is currently marketed for sale.
- Potential to increase off street car parking provision serving the centre through extension of High Street Car Park and improved management.

Threats

- Recent closure of the Post Office and loss of associated footfall.
- Lack of significant opportunity sites within the centre to accommodate additional car parking provision.

Birstall District Centre

4.4.7 Birstall is considered generally to be a healthy centre with a strong convenience offer and a variety of other retail and service provision that meets the needs of the local community. The environment was considered to be good quality and generally attractive.

4.4.8 The linear form of the centre and substantial distance between its north and southern ends does create a physical disconnection between the north and south of the centre. Despite this separation, pedestrian activity was observed at both ends and between them, and the low vacancy rate indicates that there is good demand from business to locate in the centre.

Swot Analysis

Strengths

- Large number and good mix of retail and service units with Co-op and Tesco Express providing important anchor stores in the south and north of the centre.
- Low vacancy rates.
- Good environmental quality.

Weaknesses

- Relatively limited leisure services offer with a focus on takeaways.
- Elongated nature of the centre and slight disconnect between the northern and southern ends of Sibson Road.

Opportunities

- Further enhance environmental quality through provision of additional soft landscaping and planting in the north of the centre.

Threats

- Proximity to and competition from Leicester.

Gorse Covert District Centre

4.4.9 Gorse Covert District Centre is located within the urban area of Loughborough approximately 2 km north west of Loughborough town centre. The centre sits within the residential area of Dishley and serves the residents of Dishley and Thorpe Acre to the south of the centre. The centre comprises a large modern Morrisons foodstore and adjoining purpose-built shopping parade, together with adjacent community uses and a small area of residential use. In total, there are nine retail and service units in the centre including the Morrisons foodstore, Well

Pharmacy and Betfred, along with a range of independent operators including an opticians, hair and beauty salon, post office and takeaway.

4.4.10 Gorse Covert performs an important role in providing a range of community and commercial uses that meet the day to day needs of residents in the north west of Loughborough. The Morrisons store provides a key facility that meets residents' convenience and, to a lesser extent, comparison shopping needs. The centre is reasonably busy, modern and attractive, and appears to be performing well. There are no vacant units in the centre.

4.4.11 Nevertheless, the offer in the centre is dominated by the Morrisons store and the small number of other units in the centre provide only a limited range of other goods and services. Moreover, the Morrisons store turns its back to the other uses in the centre, which are hidden behind the staff and storage areas at the rear of the store. The dominance of the Morrisons store and its poor relationship with the other units in the centre fails to maximise its potential benefit in supporting linked trips with other destinations in the centre.

Swot Analysis

Strengths

- Modern and attracting setting with a high environmental quality.
- Large supermarket providing an important anchor store.
- Strong community and service focus of uses in the centre.

Weaknesses

- Small number of units and limited range of shops and services.
- Morrisons entrance facing away from the parade of shops

Opportunities

- Large residential catchment area encompassing the north west of the Loughborough urban area.

Threats

- Dominance of Morrisons in the centre and its poor relationship with other operators in the centre.
- Lack of prominence and visibility of the parade of small shops.
- Lack of vacant units or opportunity sites within or adjacent to the centre that would enable any new and additional operators to open or the centre to expand.

Shelthorpe District Centre

4.4.12 Shelthorpe district centre is situated within the urban area of Loughborough approximately 1.5 km south of Loughborough town centre. The centre sits within the residential area of Shelthorpe and serves the residents in the south of the Loughborough urban area. The centre comprises a large Tesco Extra foodstore and associated petrol filling station shop off Park Road. A church and church hall are further located within the centre on Park Road.

4.4.13 Another parade of 12 small shops and three further retail and service units fronting the A6004 Epinal Way/Ling Road and Park are located adjacent to the defined Shelthorpe district centre boundary and function as part of the district centre. These units were identified in the Borough of Charnwood Local Plan 2004 as within the 'Park Road, Loughborough' local centre. However, as part of its 2011 Review of Local Centres the Council identified the potential for merging this centre within the adjacent Shelthorpe district centre, and 'Park Road, Loughborough' is no longer defined as a distinct centre in the Charnwood Local Plan 2011 – 2028 Core Strategy. We consider that the facilities in this area function as part of Shelthorpe district centre and in considering the overall health of Shelthorpe district centre, we take account of the provision within this area as part of the centre.

4.4.14 Shelthorpe district centre is a healthy centre with a good mix of shops and services for its size. The large Tesco Extra foodstore provides a large convenience and comparison goods offer as well as other service functions. The Tesco Extra store is complemented by a range of small shops and vacancy in the centre is low. However, whilst the Tesco Extra store provides an important anchor for the centre, it also dominates the offer in the centre. The total number of units in the centre is relatively limited for a district centre, and the Tesco Extra store accounts for around three quarters of the total floorspace in the centre[16].

4.4.15 The centre performs an important leisure service role, with almost a third of the units in the centre leisure service operators. However, over half of these leisure uses are takeaways. To ensure that the retail function and daytime vitality of the centre is maintained and protected we recommend that the Council considers restricting the proportion of takeaway outlets in the centre. Limiting the proportion of takeaways in a centre also serves to encourage healthy food choices.

4.4.16 There is ample car parking within the centre within the large Tesco Extra store car park. Although a customer car park, there are no parking restrictions enabling customers to

[16] Including the floorspace within the 12 small shops and 3 further retail and service units fronting the A6004 Epinal Way/Ling Road that are located outside of the defined centre boundary.

complete linked trips with other destinations in the centre. There is also a good level of on street car parking provision off the main road that provides easy and safe access to the small shops within the centre.

4.4.17 Whilst on a busy highway route, the centre benefits from wide pavements and numerous pedestrian crossing facilities that create a more pedestrian friendly environment. Nevertheless, the centre is visually dominated by the expanse of highway, the public realm is dated in appearance and lacks soft landscaping in the vicinity of the small shops that would increase the visual attractiveness of the centre.

Swot Analysis

Strengths

- Large Tesco Extra store that provides a large range of convenience and comparison goods, and functions as an important anchor for the centre.
- Highly visible and accessible centre with ample cark parking and good pedestrian and cycling facilities.

Weaknesses

- Limited number of shops and services in addition to the Tesco store.
- Dated public realm and lack of soft landscaping.

Opportunities

- Wide areas of pavement providing an opportunity to provide a high-quality environment and public realm.

Threats

- High proportion of fast food takeaways.

Shepshed District Centre

Health Check Summary

4.4.18 Shepshed district centre is situated within the town of Shepshed, which is the second largest settlement in Charnwood after Loughborough. The centre is located approximately 5.5 km to the west of Loughborough town centre and is focused on Field Street, Hall Croft and Brook Street/Cheapside. Shepshed district centre contains a total of 69 retail and service units. An Asda foodstore on Charnwood Road abuts the southern boundary of the centre. A further retail unit is located immediately north of the defined centre boundary on Brook Street. The retail and service units within the centre are interspersed with residential units, particularly in the peripheral areas of the centre. The surrounding area is predominantly residential in character.

4.4.19 We consider that the health and performance of Shepshed district centre is reasonable, but that there is significant room for improvement. The centre benefits from a Co-op Food supermarket and an Asda store which is located immediately outside of the centre boundary, which we consider functions as part of the centre. Whilst the overall number and range of independent convenience operators in the centre is somewhat limited, the independent offer is supported by the weekly market held in Shepshed.

4.4.20 The comparison retail offer of the centre is relatively limited with no or a limited offer within some important comparison goods categories that we would expected to see in a centre of this size, such as household goods, homewares and clothing. The centre benefits from a good retail service and strong and varied leisure service offer.

4.4.21 Vacancy in the centre is slightly below the UK average. However, conversion of former retail and service units to residential use is evident in peripheral and secondary parts of the centre, which has left the retail and service provision in the centre spread out and diluted.

4.4.22 There are many attractive and well-maintained buildings and features in the centre. However, others are poorly maintained and dated in appearance. Narrow pavements, a general lack of trees and planting, and limited pedestrian crossing facilities on key routes contribute to a streetscape that is dominated by cars.

4.4.23 Overall, we consider that whilst the centre fulfils an important role in providing local shops and services for residents of Shepshed, the north and southern parts of the centre are disjointed, and the centre suffers from a poor-quality pedestrian environment and streetscape.

Swot Analysis

Strengths

- A large district centre offer with a good convenience retail and retail service offer.

Weaknesses

- Disjointed centre lacking in legibility with no clear focal point.
- Retail and service uses spread over a wide area and interspersed with residential and vacant properties.

- Limited comparison goods retail offer given the size and scale of the centre.
- Poorly maintained and dated appearance of many buildings.
- Narrow pavements on Field Street and poor quality public realm and spaces.
- Dominance of highways within the centre with large amounts of the street given over to vehicles.
- Lack of soft landscaping and planting.

Opportunities

- Increase quantity and quality of public realm by tightening road layouts to provide additional space for pedestrians and new landscaping at Market Place/Cheapside and at junction of Charnwood Road and Field Street.
- Improve pedestrian routes by providing new pedestrian crossings facilities at Bull Ring and across Field Street to Hall Croft.
- Co-op Food's investment in refurbishing its Shepshed store.
- Encourage change to residential use in peripheral areas to help concentrate retail and service uses within a core area of the centre.
- Large and growing local catchment of residents in Shepshed.
- Delivery of the Shepshed Town Centre Master Plan.

Threats

- Competition from Loughborough town centre.
- Dilution and dispersion of retail and service uses within the district centre core through conversion to residential use.

Sileby District Centre

<u>Health Check Summary</u>

4.4.24 Sileby has a strong independent trader offering and benefits from the presence of a Tesco Express store, which provides an important anchor convenience store in the centre. The centre also provides a strong service sector offer for its size. However, the retail provision in the centre is relatively limited, with only a fifth of the total of 37 units occupied by retailers. There are also notably omissions from the offer that we would normally expect to see in a centre of this size, namely a chemist and a post office.

4.4.25 The village of Sileby is relatively spread out and the centre is located at the western edge of the settlement. The walking catchment of the centre is therefore limited, with the majority of the village beyond a reasonable walking distance of the centre. Whilst the centre can easily be reached from these areas by bus or by car, a number of additional retail and service units are scattered across the village outside of the defined centre boundary, most notable on The Banks and Swan Street to the east of the centre, and north of the centre on Barrow Road. Residents may therefore need to travel to other destinations in Sileby to meet all of their day to day retail and service needs.

4.4.26 Despite this, pedestrian footfall was good, the car park was observed as being well used and vacancy rates in the centre were low – all indicating that Sileby is a healthy centre. The car park is well located to serve the centre with direct pedestrian access to the surrounding shopping streets. However, environmental improvements could be made to improve the quality of these pedestrian connections. The centre's environment is considered to be attractive, well maintained and have a strong character.

Swot Analysis

Strengths

- Attractive street scene and built environment.
- Adjacent to Sileby railway station and proximity of the car park to the main shopping area.
- Low vacancy rates.
- Strong retail service and leisure offer, and a good convenience store anchor provided by Tesco Express.

Weaknesses

- Narrow roads limiting on street car parking provision on High Street and King Street and a lack of capacity in car park.
- Prevalence of small scale retail units and their limited appeal.
- Peripheral location within the wider village of Sileby.

Opportunities

- Opportunities to improve the attractiveness of the pedestrian links from the public car park to the main shopping streets.
- Reconfiguration of the car park to increase car parking provision in the centre.

Threats

- Capacity of the car park in the centre, which serves both the centre and users of the train station, which could present issues for anyone wishing to visit the centre in busy periods.

- Relatively limited walking catchment of the village and competition from local retail and service facilities in edge and out of centre locations in Sileby.

Syston District Centre

Health Check Summary

4.4.27 Syston was found to be one of the busier centres within the district and provides a strong and varied shopping and service offering, with the highest number of retail units of any centre in the district outside of Loughborough. The overall range of retail is services provides a balanced offering, which alongside a low vacancy rate indicates that the centre is in good health. The Tesco and Aldi and other independent retailers is a key strength of the centre, which supports linked trips to other shops and services.

4.4.28 The north western of the centre was found to exhibit less pedestrian activity, with the car park at the Town Square Shopping Centre unpopular and largely unused. Opportunities could potentially be explored to encourage footfall to this part of the centre and along High Street.

Swot Analysis

Strengths

- Large number of retail and service units providing a varied offer that includes Tesco and Aldi, and a good range of national comparison retailers.
- Low vacancy rates.
- Good accessibility and parking provision.

Weaknesses

- Large number of retail and service units providing a varied offer that includes Tesco and Aldi, and a good range of national comparison retailers.
- Low vacancy rates.
- Good accessibility and parking provision.

Opportunities

- Soft landscaping enhancements at roundabout to help reduce dominance of traffic and visual attractiveness of this focal point.

Threats

- Proximity to and competition from Thurmaston Retail Park

4.5 Local Centre Health Checks

Melton Road, Thurmaston Local Centre

Health Check Summary

4.5.1 Melton Road, Thurmaston Local Centre provides a limited range of small shops and services, including a convenience store, pharmacy, hairdressers and takeaways that meeting the basic day-to-day shopping needs of local residents. Nevertheless, the offer serving residents basic day-to-day shopping needs is limited given that the centre encompasses 25 retail and service units. There is no supermarket in the centre and convenience retail provision accounts for only around 7% of the total floorspace within the defined centre boundary and only 4% if the retail and service units outside of but adjacent to the defined centre boundary are taken into account. Many of the comparison retailers offer specialist, high-value or business products. The centre also serves an important leisure and community function, with a working mens club, conservative club, handful of takeaways, a café and a restaurant located in the centre, along with a church, community centre and pre-school.

4.5.2 There are no vacant retail or service units in the centre. Nevertheless, there is evidence of recent and ongoing change from commercial to residential use and a number of units in the centre are underutilised and/or in low value use, indicating a lack of demand for retail and service units in the centre.

4.5.3 It is apparent that the centre has suffered from competition from the out-of-centre Thurmaston Shopping Park and the Sainbury's foodstore located approximately 1km to the north and south of the Melton Road Local Centre, respectively, as well as from the parade of local shops on Humberstone Lane. Moreover, the centre is located at the western edge of Thurmaston with Watermead Country Park to the east, limiting its residential catchment area. The residential catchment is further constrained by the presence of the A607 dual carriage way to the east of the centre, which acts as a barrier to both pedestrian and vehicular links with the residential areas beyond and removes any passing trade from Melton Road.

4.5.4 The overall environmental quality of the centre is considered to be relatively poor. The centre encompasses a number of attractive and period buildings and has benefitted from a number of recent residential redevelopments. However, several prominent properties are dated in appearance and in need of investment. The low value uses and underused properties and sites in the centre further lower the overall environmental quality.

4.5.5 Overall, the centre was quiet, with the limited retail and service provision dispersed across the centre. We consider that it is marginally fulfilling its role as a local shopping and service facility for residents within Thurmaston, with key facilities not provided in the centre. Nevertheless, we consider that Melton Road Local Centre remains an important facility for local residents that fulfils a wider leisure role within Thurmaston as well as meeting the needs of the daytime population within nearby industrial/commercial areas to the north and south. We consider that its designation as a local centre should therefore be maintained and its vitality and viability supported.

Swot Analysis

Strengths

- Several attractive civic and community buildings are located within the centre.
- Community function and wider leisure role within Thurmaston.
- Proximity to large and attractive green and recreation spaces.
- Independent offer distinct from national multiple retail offer available at Thurmaston Shopping Park.

Weaknesses

- Limited convenience retail offer and lack of a large foodstore or supermarket to provide an anchor for the centre.
- Limited quantity of retail and retail service uses, and notable omissions such as a post office, opticians or bank.
- Dispersed nature of the centre.
- Poor quality property offer and presence of underused and low quality sites leading to an overall poor environmental quality.
- Limited walk-in residential catchment and the presence of the pedestrian and vehicular severance caused by the A607, and consequently very limited footfall and passing vehicular traffic.

Opportunities

- Proximity to green spaces of wider importance, namely the River Soar and Watermead Country Park, as well as the locally important refurbished park and play area on Hadrian Road providing opportunity to develop the role of Melton Road Local Centre as a leisure hub by improving the quality of links to these destinations.

- Pockets of underutilised land in the centre and market interest in residential redevelopment provides opportunity to upgrade the commercial property offer in the centre as part of mixed-use schemes.
- Proximity of industrial/commercial estates located to the north and south of the centre, which contribute to the daytime population of Thurmaston.
- Introduce short stay car-parking in the vicinity of the shops to support visits.
- Improve pedestrian and vehicular links to the east across the A607.
- Consolidation of retail and service uses in a core area through redevelopment of underutilised sites for residential with ground floor retail and supporting changes to residential use in peripheral areas.

Threats

- Proximity to and competition from the out-of-centre Thurmaston Shopping Centre to the north and the Sainsbury's foodstore to the south of the centre, as well as the neighbourhood parade of shops on Humberstone Lane around 500m to the south of the centre.
- Increasing dispersion of retail and service provision through change to residential and other uses.

Leicester Road, Mountsorrel Local Centre

Health Check Summary

4.5.6 Leicester Road, Mountsorrel local centre is an attractive centre, with the buildings and street scene within the centre generally attractive, and the centre retains a positive village character.

4.5.7 The uses observed indicate that the centre serves an extremely limited role as a shopping destination. Nevertheless, the centre fulfils an important retail service, leisure and community function within the village of Mountsorrel, as evidenced by the presence of the Soar Valley Leisure Centre and the Memorial Centre.

4.5.8 Vacancy in the centre is relatively high. We note that two of the four vacant units in the centre were constructed in November 2017, and it is not unusual for it to take a period of time for occupiers to take up new units in a small centre. At this stage, therefore, we consider that the high vacancy rate is not a particular cause for concern but recommend that the Council closely monitor the vacancy situation in the centre.

4.5.9 The adjacency of Castle Hill Park adds to the overall visual quality and promotes a variety of recreation options. The centre includes multiple public spaces such as the village green, the Memorial Centre's car park and Castle Hill Park, which could potentially be utilised for events or 'pop up' features to act as another draw to the centre.

Swot Analysis

Strengths

- High quality environment with attractive buildings, street scene and landscaping.
- The Soar Valley Leisure Centre and Memorial Centre are major positive attractions for the centre.

Weaknesses

- Limited convenience shopping role and lack of comparison goods offer that meets the day-to-day shopping needs of local residents.

Opportunities

- Improve the retail offer in the centre through take up of vacant units in the centre.

Threats

- High level of vacancy.
- Competition from out-of-centre Waitrose foodstore, which limits the potential to attract a convenience store to the centre.

Market Place, Mountsorrel Local Centre

Health Check Summary

4.5.10 Market Place, Mountsorrel is a small, attractive centre, which retains a traditional village character. However, there are no convenience or comparison retail units within the defined centre boundary. Some retail provision is located outside of the defined centre boundary, which we consider functions as part of the centre, but this too is relatively limited and largely provides a specialist rather than day-to-day comparison retail offer. We consider this to be an extremely limited retail offer for a local centre, which typically fulfil an important role in meeting the day-to-day convenience goods shopping needs of residents.

4.5.11 Instead the provision in the centre and immediate surrounding area is focused on retail service and leisure uses, suggesting a wider, although still small, role of the centre as a leisure destination for both residents of Mountsorrel with access to a car, given the limited walk-in catchment of the centre, and visitors to the River Soar and moorings located 100m to the north of the centre.

4.5.12 Overall, we consider that Market Place local centre largely functions as an extension of Leicester Road, Mountsorrel local centre, with the majority of Mountsorrel residents visiting destinations in both centres, albeit not necessarily as part of the same trip given the distance between the two. There is limited overlap between the offer in the two centres and significant overlap between their catchment areas. We therefore consider that these two centres effectively function largely as a single centre with two focal points, one around the Memorial Centre and one around the market cross on Market Place.

Swot Analysis

Strengths

- High quality environment with attractive buildings, street scene and landscaping.
- Small wider leisure service role.

Weaknesses

- Limited convenience goods offer that meets the day-to-day shopping needs of local residents.
- Limited overall retail and service offer.

Opportunities

- Develop role as a leisure service destination in proximity to the River Soar and moorings.

Threats

- Subordinate role to the larger Leicester Road local centre.
- Competition from out-of-centre Waitrose foodstore.
- Peripheral location within Mountsorrel.

Sharpley Road, Loughborough Local Centre

Health Check Summary

4.5.13 Sharpley Road local centre is situated within the urban area of Loughborough approximately 3km west of Loughborough town centre. The centre comprises a small shopping parade with residential uses above along with a small residential block with retail and service units at ground floor level. It is served by a car park off Sharpley Road with further car parking spaces are available off Hermitage Road. The surrounding area is primarily residential.

4.5.14 Sharpley Road Local Centre provides residents within a small local catchment with access to a basic range of shopping and service facilities, comprising a convenience store, a post office, a chemist, a café and a takeaway. The centre is easy to access on foot from the surrounding residential areas via the highway network and footpaths that cut through the rows of housing to the north and south of the centre. The centre benefits from a wide area of pavement and largely pedestrianised environment in front of the parade of shops. A good-sized car park is provided in the centre. The shop fronts are generally well maintained and in a good state of repair.

4.5.15 However, the overall environmental quality is relatively poor. The shopping parade is orientated perpendicular to Sharpley Road creating dead frontage to the highway. The car park and paving appear tired and dated with a patchwork of materials used to complete repair work, disorderly car parking, and the limited soft landscaping of a poor quality. The entrances to the residential uses above the shopping parade suffer from graffiti and are of a poor quality and state of repair. The façade of the commercial units within the residential block is poorly designed for retail and service use.

4.5.16 The centre would therefore benefit from refurbishment of the units within the residential block to create units better suited to retail and service use along with environmental improvements to improve and modernise the appearance of the centre. Most notably, this includes improving the quality and layout of the paving and car parking areas, cleaning of the residential entrances within the shopping parade, and increasing and upgrading the soft landscaping.

Swot Analysis

Strengths

- Provides a small local catchment with access to a basic range of small shops, services and facilities.
- Accessible local centre with good sized car park.

Weaknesses

- Limited overall number of units and the two units within the residential block of a poor quality ill-suited to retail and service uses.
- Overall poor-quality environment, with dated and tired paving and car parking areas

along with evidence of graffiti.

Opportunities

- Upgrading units in residential block to provide larger glazed frontage and entrances facing Sharpley Road.
- Upgrading and modernising the environment of the centre.

Threats

- Potential for long term vacancy within the residential block given the poor suitability of these units for retail and service uses.

Quorn Local Centre

Health Check Summary

4.5.17 Quorn local centre is situated within the village of Quorn approximately 4 km to the south east of Loughborough town centre. The centre is focused on High Street and Station Road, and also extends onto Leicester Road and Meeting Street. Quorn local centre contains a total of 28 retail and service units, which are interspersed with residential units, particularly in the peripheral areas of the centre. A further three retail and service units are located immediately outside the defined centre boundary on Station Road. The wider area is predominantly residential in character. A Co-op Food store is located approximately 150 m north west of the western boundary of the centre.

4.5.18 Quorn local centre is an attractive and healthy centre with a strong independent and leisure offer and no vacant units. The retail offer in the centre is more limited, although not unusually so for a village of Quorn's size. Only one small convenience store located in the centre – a Nisa Local – and the comparison retail offer is focused on non-essential goods, rather than a basic comparison goods offer that meets the day-to day needs of residents. The centre does include a Boots and Post Office.

4.5.19 The centre benefits from an accessible village location and is within a short walk of almost all residential areas of the village. There is a good sized public car park serving the centre on Station Road and a limited number short-stay on street parking spaces. Nevertheless, an overall lack of car parking provision is considered to be a key issue for the centre and land adjacent to School Lane is identified as a possible site for new car parking.

Swot Analysis

Strengths

- Strong upmarket independent retail service and leisure offer.
- Historic and attractive buildings and environment.

Weaknesses

- Limited convenience shopping role and lack of a basic comparison goods offer that meets the day-to-day shopping needs of local residents.
- Lack of sufficient car parking provision.

Opportunities

- Potential delivery of additional car parking provision.

Threats

- Limited retail function of the centre.

Rothley Local Centre

Health Check Summary

4.5.20 We consider Rothley to be a healthy centre, with an appropriate mix of uses for a centre of its size and standing. The centre has a low vacancy rate and the range of retail goods and services available is proportionally in line with national averages. The focus of the centre is Woodgate and Cross Green, which sees the most pedestrian activity and provides an attractive focal point. The centre includes a Nisa convenience store which provides a day-to-day top-up convenience offer.

Swot Analysis

Strengths

- Cross Green and Woodgate acts as a main focus for activity.
- Attractive street scene and landscape environment / quality.
- Good public transport links and facilities.

Weaknesses

- The northern part of the defined centre along Mountsorrel Lane is predominantly made up of residential properties.
- Limited conveniently located town centre parking options for busier periods.

Opportunities

- Cross Green and centrally located community buildings provide opportunities to host one-off and temporary events within the village, which can help support the vitality of the centre.

Threats

- Close proximity and accessibility of alternative larger centre, such as Syston, as well as Loughborough and Leicester.

5.0 Original Market Research

5.1 Introduction

5.1.1 A key requirement of the study is the detailed understanding of shopping behaviour in respect of both convenience and comparison goods. To this end, WYG commissioned specialist market researchers NEMS to undertake a telephone survey of households to identify consumers' habits and preferences in the Study Area. The household survey enables us to identify the market share claimed by specific retail destinations (that is, the number of trips to, or expenditure at, a particular destination as a proportion of the total number of trips, or total expenditure), the frequency of visits to purchase various types of goods, the incidence of linked trips, the most popular means of accessing town centre facilities, the use of other town centre facilities, and so on.

5.1.2 The undertaking of original market research enables an in-depth analysis of shopping behaviour at a local level and allows the evaluation of the retail turnover and trade draw of particular centres. The use of specifically commissioned and tailored survey research is fundamental to identifying the likely capacity for future retail floorspace across the Study Area. Notwithstanding this, WYG acknowledges that there can be limitations to survey research, particularly with regard to the sample size which can be achieved, and the results should therefore be taken to be a broad indication of consumer preferences.

5.1.3 We set out the general methodological approach to the household survey along with the key results below.

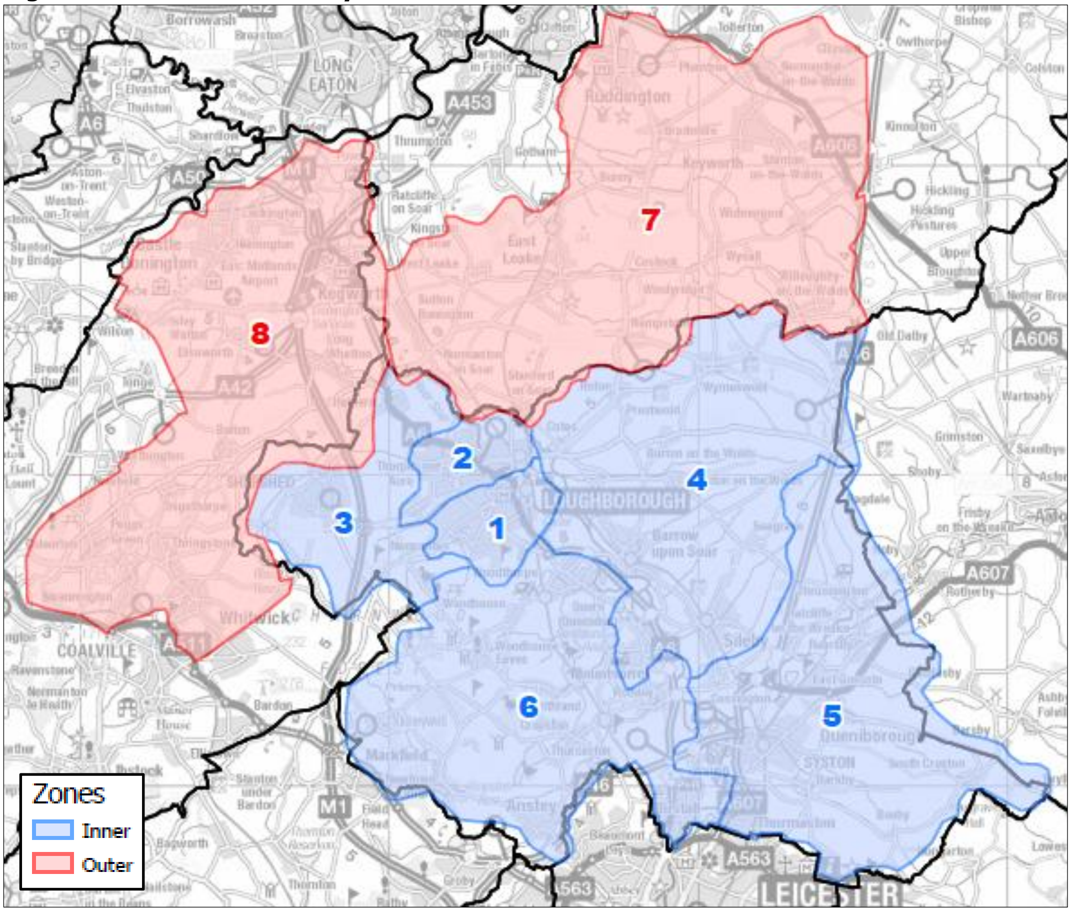
5.2 Study Area

5.2.1 A plan of the Study Area for the household survey is provided at Appendix 1, which is reproduced in Figure 5.1 below.

5.2.2 The Study Area comprises eight zones labelled 1 to 8. Zones 1 to 6 broadly correlate with the Charnwood Borough administrative area and Zones 7 and 8 which cover the outer areas over small parts Rushcliffe and North West Leicestershire local authority areas. The eight zones cover the same eight zones which made up the study area for the 2013 Retail Study. In 2013, a ninth zone was also included which covered a small part of the Hinckley and Bosworth local authority area. This was not included as part of the current Study Area given the limited level of inflow of expenditure identified to be attracted to destinations within

Charnwood within the 2013 Retail Study. As such, our assessment of shopping patterns concentrates on Zones 1 to 8 only from 2013 and 2018. The use of the same zone boundaries allows the comparison of shopping patterns over time, which is helpful in considering whether the role and function of particular centres is changing.

Figure 5.1: Charnwood Study Area



Source: Study Area Plan at Appendix 1

5.2.3 As was the case in 2013 (and previously in 2008), the highest order centre in the borough, Loughborough, is divided into two survey zones, reflecting the size of the urban area and the higher density of population here compared to elsewhere in the borough. The zone boundaries broadly split the town north-south, with the town centre itself and residential areas to the south (including Shelthorpe district centre) falling within Zone 1, and areas to the north of the town centre (including Gorse Covert district centre and the main concentrations of out-of-town retail warehouses) falling within Zone 2. Other smaller towns and villages within Charnwood Borough are distributed across Zones 3 to 6: Shepshed falls within Zone 3; Mountsorrel, Barrow-upon-Soar and Sileby fall within Zone 4; Syston and Thurmaston fall within Zone 5; and Anstey and Birstall fall within Zone 6. The urban area of Leicester sits to the south of Zone 6, outside the Study Area boundary.

5.3 Household Survey

5.3.1 A survey of 803 households was undertaken in July and August 2018, which asked respondents 55 questions relating to their retail and leisure habits. The household survey questions and full tabulation of the results from the household survey are provided at Appendix 5.

5.3.2 For convenience goods, respondents were questioned in respect of where they last visited and where they visited 'the time before last' to undertake 'main' food shopping[17] and 'top up' food shopping[18]. For comparison goods, respondents were questioned in respect of where they last visited to purchase eight separate categories of comparison goods ('clothing and footwear'; 'CDs, DVDs and books'; 'small household goods'; 'toys and recreational goods'; 'chemist goods'; 'electrical goods'; 'DIY and gardening goods' and 'furniture'.

5.4 Assessment of Retail Shopping Patterns

5.4.1 The household telephone survey allows the assessment of the convenience and comparison goods shopping of residents across the Study Area. The household survey enables us to identify the market share of trips claimed by specific retail destinations, which we can then apply to the total convenience and comparison expenditure of residents to provide an assessment of the current pattern of retail expenditure.

5.4.2 The assessment of the current pattern of retail expenditure is provided in Tables 1a to 4b at Appendix 7 for convenience goods and Tables 7a to 25b for comparison goods. An associated step-by-step explanation is provided below and further details are also provided in Section 6 and in the notes accompanying the tables at Appendix 7.

Population

5.4.3 Population forecasts for each of the Study Area zones at the base year of 2018 are as set out in Tables 1a and 7a at Appendix 7. We provide a full summary of how the population has been forecast across the Study Period and distributed across the Study Area at Section 6 below.

5.4.4 For Zones 1 to 6, which broadly correspond to Charnwood Borough, 2016 population estimates were sourced from Experian Micromarketer G3 2016 data (which was issued in

[17] Which often takes the form of a 'trolley shop' and might be undertaken on a weekly basis
[18] Which often takes the form of a 'basket shop' involving the purchase of grocery staples, such as milk and bread, and is generally undertaken on a more frequent basis

December 2017) for each study zone. Population projections for all of the Study Area zones for the base year of 2018 were also sourced from Experian Micromarketer G3 data.

5.4.5 The total population growth projected between 2016 and the 2018 base year across Zones 1 to 6 were distributed across each zone based on the distribution of completed housing development within Charnwood Borough between 2016 and 2018 as provided by Charnwood Borough Council. Further comprehensive detail is provided in Section 6.

Expenditure

5.4.6 Per capita expenditure on convenience and comparison goods for each of the Study Area zones at 2016 (the most recent estimates available) was also sourced from Experian Micromarketer G3 data as set out in Table 1b and Table 7b at Appendix 7.

5.4.7 The 2016 per capita expenditure data was then rolled forward to the 2018 base year using the retail expenditure growth forecasts provided by Experian in Retail Planner Briefing Note 15. We also made a deduction from the expenditure per capita on convenience and comparison goods to take account of the proportion of expenditure spent through special forms of trading (i.e. expenditure that does not take place in shops, namely internet, catalogue or mail order shopping). The deduction for special forms of trading is based on the 2018 estimates for non-store retail sales (adjusted for sales from stores) provided by Experian in its Retail Planner Briefing Note 15 (December 2017), of 3.4% for convenience retail sales and 15.4% for comparison retail sales. Further details on the expenditure growth forecasts and deductions for SFT are set out in Section 6.3.

5.4.8 The total expenditure pot within each zone at 2018 is derived from the product of the population of each zone (as set out in Table 1a at Appendix 7 for convenience goods and Table 7a at Appendix 7 for comparison goods) and the per capita expenditure on convenience goods and each of the eight categories of comparison goods at 2018 (as set out in Table 1b at Appendix 7 for convenience goods and Table 7c at Appendix 7 for comparison goods).

5.4.9 The total convenience goods expenditure by the residents of each zone is set out in Table 2a at Appendix 7. The total convenience goods expenditure at 2018 by the residents of each zone is then split between main and top-up food shopping in Table 2b at Appendix 7 based on residents' typical weekly spend on main and top-up food shopping as determined from the household survey. The Study Area residents' convenience goods expenditure in the 2018 base year amounts to a total of £487.9m, of which £400.0m (82.0%) of the total convenience goods expenditure is spent on main-food shopping and £87.9m (18.0%) is spent on top-up food shopping.

5.4.10 The total comparison goods expenditure by the residents of each zone along with the total spending in each of the eight categories of comparison goods is set out in Table 8a at Appendix 7. In total, approximately £752.7m of comparison goods expenditure is available to residents of the Study Area in the 2018 base year of which:

- £187.5m is spent on clothing and footwear goods;
- £52.0m is spent on CDs, DVDs and books;
- £107.2m is spent on chemist goods;
- £90.6m is spent on household goods;
- £104.3m is spent on recreation goods and toys;
- £61.4m is spent on furniture;
- £44.4m is spent on DIY and gardening goods; and
- £105.3m is spent on electrical goods.

Pattern of Retail Expenditure

5.4.11 For convenience goods, the total main and top-up expenditure by the residents of each zone (Table 2b) is then applied to the percentage shopping patterns identified from the household survey (Table 3) to estimate the pattern of main and top-up convenience goods spending by the Study Area residents (Table 4a). Table 4b sums the spending on main and top-up shopping to provide an overall pattern the convenience goods spending in monetary terms and in percentage terms.

5.4.12 For comparison goods, the total expenditure by the residents of each zone on each of the eight categories of comparison goods (Table 8) is then applied to the percentage shopping patterns identified for the associated category of comparison goods from the household survey (Tables 9, 11, 13, 15, 17, 19, 21, 23) to estimate the pattern of spending by the Study Area residents for each category of comparison goods (Tables 10, 12, 14, 16, 18, 20, 22, 24). Table 25a sums the spending across the eight categories of comparison goods shopping to provide an overall pattern the convenience goods spending in monetary terms, as well as in percentage terms (Table 25b).

5.4.13 It is emphasised that our assessment of current shopping patterns relates to the Study Area residents and commentary relates to tangible retail destinations only (in other words, expenditure which is committed through the internet and other special forms of trading does not form part of the market share element of the commentary that follows).

5.5 Convenience Goods Shopping Patterns

Main Destinations for Convenience Goods Expenditure

5.5.1 Table 5.1 below provides the main convenience destinations in terms of convenience goods expenditure both within and outside of the Study Area. In terms of Loughborough town centre, the key destination is the Sainsbury's foodstore located on Ashby Road which attracts £28.0m or 5.7% of all of the available convenience expenditure (both main and top-up). This is followed by the Tesco within the Rushes Shopping Centre which attracts £11.1m or 2.3%. In 2013, the stores attracted 9% and 4% of the expenditure from Zones 1-8 respectively.

5.5.2 Overall, Loughborough town centre attracts a total of £51.3m of the Study Area residents' convenience goods expenditure, equating to a market share of 10.5%. In 2013, Loughborough town centre attracted £57.6m[19] of convenience goods spending from residents of Zones 1 to 8. Study Area residents' convenience goods spending in Loughborough town centre has therefore decreased by £6.3m, or 10.9%, since 2013.

5.5.3 Turning to destinations within the Study Area but outside of Loughborough town centre, as was the case in 2013, the main destination is the Tesco Extra at Shelthorpe which attracts £70.9m or 14.5% of all of the available convenience expenditure. In 2013, the store was also the principal convenience destination and attracted 15.9% of the expenditure from Zones 1 to 8. This is followed by the Aldi at Belton Road and the Morrisons at Gorse Covert attracting 8.5% and 8.3% of the available expenditure. The Asda at Inglenook Park now attracts 5.6% of the available expenditure, which has reduced since 2013 when it attracted 10.0% of the available expenditure.

[19] In 2016 prices. Adjusted from the £58.5m in 2013 prices sourced from Charnwood Retail & Town Centre Study – 2013 Update, Table 7b at Appendix 1 using the prices indices at Appendix 4b of Experian's Retail Planner Briefing Note 15. Adjusted

Table 5.1: Main Destinations for Convenience Goods Expenditure Inside Study Area

Destinations	2018 Study Area Residents' Expenditure £m	2018 Market Share %	2013 Market Share %
Inside Study Area			
Loughborough Town Centre			
Sainsbury's, Ashby Road, Loughborough	28.0	5.7%	9.0%
Tesco, Unit 1, The Rushes Shopping Centre, Loughborough	11.1	2.3%	3.5%
Other Destinations in Loughborough town centre	12.2	2.5%	1.6%
Loughborough Town Centre Total	**51.3**	**10.5%**	**14.1%**
Elsewhere in Study Area			
Tesco Extra, Park Road, Shelthorpe, Loughborough	70.6	14.5%	15.9%
Aldi, 51 Belton Road, Loughborough	41.6	8.5%	3.9%
Morrisons, Gorse Covert District Centre, Maxwell Drive, Loughborough	40.7	8.3%	6.7%
Asda, Inglenook Park, Barkby Thorpe Lane, Thurmaston	27.1	5.6%	10.0%
Tesco Metro, 1197 Melton Road, Syston	19.7	4.0%	2.5%
Aldi, 1169 Melton Road, Syston	16.8	3.5%	2.8%
Morrisons, Whitwick Road, Coalville	15.7	3.2%	4.1%
Asda, 25 Charnwood Street, Shepshed	11.5	2.4%	1.8%
Outside Study Area			
Asda, 184 Loughborough Road, West Bridgford, Nottingham	16.2	3.3%	2.4%
Sainsbury's, Melton Road, Leicester LE4 7SJ	12.8	2.6%	-
Aldi, Adcock Road, Coalville	10.6	2.2%	1.1%
Tesco Extra, 1 Bradgate Mall, Beaumont Shopping Centre, Beaumont Leys	9.7	2.0%	3.7%

Source: Table 4b at Appendix 7

Main Destinations for Main Food Expenditure by Zone

5.5.4 Table 5.2 below provides the top two destinations for residents in each respective zone for main food shopping, and sets out the location of each of these destinations. Table 5.2 demonstrates that for residents in Zones 1, 2, 3 and 5, the principal destinations for main food shopping are also located within the corresponding zones, demonstrating a degree of sustainable shopping patterns. For residents in Zone 4, the principal main food shopping destination is the Tesco in Loughborough town centre, which although is located outside of the zone is within close proximity for residents in Zone 4. However, it does demonstrate the lack of main food shopping destinations within Zone 4 and particularly within Barrow Upon

Soar and Sileby district centres, other than the small Co-op Food on High Street in Barrow Upon Soar and the Tesco Express located on High Street in Sileby.

5.5.5 In terms of Zone 5, the Tesco Metro is performing an important main food shopping role under the Asda in Thurmaston, regardless of the relatively small size of store and lack of overall qualitative offer when compared to the larger foodstores. Turning finally to Zone 6, it is surprising that the Waitrose (the former Budgens store) is not attracting a high proportion of shopping trips from residents in Zone 6. Instead, residents are choosing to travel to the Tesco Extra at Beaumont Leys or the Aldi at Belton Road in Loughborough to meet their main food shopping requirements, perhaps demonstrating a desire to shop at cheaper convenience stores for their weekly shop, instead of higher end convenience destinations such as Waitrose.

Table 5.2: Main Destinations for 'Main' Food Expenditure by Zone

Zone	Main Destinations	Location of Store
1	Tesco Extra, Park Road, Loughborough (57.9%) Sainsbury's, Ashby Road, Loughborough (14.3%)	Zone 1 Zone 1
2	Morrisons, Gorse Covert District Centre (41.2%) Aldi, Belton Road, Loughborough (20.9%)	Zone 2 Zone 2
3	Asda, Charnwood Street, Shepshed (19.5%) Tesco Extra, Park Road, Loughborough (13.7%)	Zone 3 Zone 1
4	Tesco Extra, Park Road, Loughborough (37.3%) Aldi, Belton Road, Loughborough (10.8%)	Zone 1 Zone 2
5	Asda, Inglenook Park, Thurmaston (29.0%) Tesco Metro, Melton Road, Syston (28.4%)	Zone 5 Zone 5
6	Tesco Extra Beaumont Leys (14.0%) Aldi, Belton Road, Loughborough (10.6%)	OSA Zone 2
7	Asda, West Bridgford (23.2%) Morrisons, Gamston District Centre (11.1%)	OSA OSA
8	Morrisons, Coalville (15.3%) Aldi, Coalville (13.4%)	Zone 8 OSA

Source: Table 3 at Appendix 7

Main Destinations for Top-Up Food Shopping by Zone

5.5.6 Turning to the principal destinations for top-up convenience shopping, the retention rates and proportion of expenditure spent at stores located in the same zone as where residents reside is substantially higher. We also begin to see that smaller foodstores such as the Co-op stores and Tesco Express stores perform important roles in meeting residents' top-up shopping needs, demonstrating also that residents will choose destinations in close proximity to meet their day-to-day convenience needs (i.e. to purchase bread and milk).

5.5.7 The highest proportion of shopping trips is attracted to the Asda in Shepshed from residents in Zone 3, where 44.1% of all top-up shopping trips by these residents are attracted to the store. Existing convenience destinations located within the defined centre boundaries are also important in meeting top-up shopping needs, which could also be assisting in encouraging linked-trips with the surrounding uses and encouraging residents to visit the centres.

Table 5.3: Principal 'Top-up' Food Shopping Destinations by Zone

Zone	Main Destinations	Location of Store
1	Tesco Extra, Park Road, Loughborough (23.1%) Sainsburys, Ashby Road, Loughborough (12.7%)	Zone 1 Zone 1
2	Morrisons, Gorse Covert District Centre (29.3%) Aldi, Belton Road, Loughborough (14.7%)	Zone 2 Zone 2
3	Asda, Charnwood Street, Shepshed (44.1%) Co-op, Anson Road, Shepshed (17.5%)	Zone 3 Zone 3
4	Co-op, Barrow on Soar (19.9%) Co-op, Rothley Road, Mountsorrel (15.3%)	Zone 4 Zone 6
5	Tesco Metro, Syston (32.8%) Asda, Thurmaston (19.6%)	Zone 5 Zone 5
6	Co-op, Anstey (21.2%) Tesco Express, Birstall (14.8%)	Zone 6 Zone 6
7	Co-op, Main Street, East Leake (32.8%) Co-op, Ruddington (16.2%)	Zone 7 Zone 7
8	Morrisons, Coalville (18.8%) Co-op, Kegworth (15.7%)	Zone 8 OSA

Source: Table 3 at Appendix 7

Changes in Convenience Shopping Patterns Since 2013

5.5.8 Table 5.4 below provides a summary of the overall changes in shopping patterns since the publication of the 2013 Retail Study. Table 5.4 provides the overall proportion of convenience expenditure spent at destinations located within Charnwood Borough (Zones 1 to 6), the proportion of expenditure spent at destinations located within the Study Area but outside of Charnwood Borough (Zones 7 and 8) and the proportion spent outside of the Study Area. We compare the 2018 figures with the corresponding figures from the 2013 Retail Study (i.e. Zones 1 to 6, Zones 7 and 8, and elsewhere).

5.5.9 Tables 5.4 demonstrates that in total, £341.2m of the available £487.9m of convenience expenditure generated by residents in the Study Area is spent at destinations within Charnwood Borough. This equates to 69.9% of the available expenditure. At 2013, the corresponding market share was 71.9%, indicating that the market share retained by destinations in Charnwood Borough has reduced by 2.0 percentage points, or 2.8%. Table

5.1 above demonstrates which destinations have experienced a reduction in market share since the 2013 Retail Study.

5.5.10 In addition to the reduction in market share to destinations in Charnwood Borough (Zones 1 to 6), we can see that there has also been a reduction in market share to destinations located within the Study Area but outside of the borough (Zones 7 and 8) from 9.9% in 2013 to 6.9% in 2018. As such, the result has been an increase in market share attracted to destinations located outside of the Study Area from 18.2% to 23.1%. Key destinations located outside of the Study Area which have had an impact on the market share include the Asda at West Bridgford, the Aldi at Coalville (located on the boundary of the Study Area) and the Sainsbury's at Melton Road in Leicester.

Table 5.4: Convenience Goods Expenditure Retention and Leakage

Destinations	2018 Study Area Residents' Expenditure £m	2018 Market Share %	2013 Market Share %
Inside Study Area			
All Destinations Inside Charnwood Borough	341.2	69.9%	71.9%
All Destinations Outside Charnwood Borough	33.8	6.9%	9.9%
All Destinations Inside Study Area	**375.0**	**76.9%**	**81.8%**
Outside Study Area			
All Destinations Outside Study Area	**112.9**	**23.1%**	**18.2%**
Total	**487.9**	**100.0%**	**100%**

Notes: Table 4b at Appendix 7

5.5.11 Finally, in analysing convenience goods expenditure within the Study Area, it is useful to look at the proportion of convenience expenditure from each zone which is spent at convenience destinations located within Charnwood Borough. Table 5.5 below provides the zonal breakdown of spending in Charnwood Borough from each zone, establishing that for Zones 1 to 5, over 80% of residents' expenditure is spent at destinations located in the borough. For Zones 1 and 2, the proportion is above 95%. However, for Zone 6, the proportion is less than 60%, demonstrating that over 40% of the residents' expenditure is spent at destinations located outside of the borough (i.e. Zones 7 and 8 and outside the Study Area). The principal convenience destination for Zones 6 residents outside of the Study Area is the Tesco Extra at Beaumont Leys, which attracts a total of 12.5% of all available expenditure.

5.5.12 The proportion of expenditure spent in Charnwood Borough from residents in Zones 7 and 8 is substantially lower and under 35% in both cases, which is not surprising in light of the proximity of large foodstores to these residents in Zones 7 and 8 and outside of the Study Area.

Table 5.5: Charnwood Borough Market Share of Expenditure at 2018 – Convenience Goods

Zone	Total Convenience Expenditure £m	Spending in Charnwood Borough £m	Charnwood Borough Market Share %
1 (Loughborough Central and South)	64.9	62.4	96.2%
2 (Loughborough North)	58.8	58.0	98.7%
3 (Shepshed)	33.7	28.0	83.1%
4 (Soar Valley)	55.5	49.7	89.6%
5 (Syston & Thurmaston)	66.6	56.1	84.3%
6 (South West Charnwood)	75.0	42.3	56.5%
7 (South Rushcliffe)	65.7	22.4	34.1%
8 (Kegworth & Castle Donnington)	67.8	22.1	32.6%
Study Area Total	**487.9**	**341.2**	**69.9%**

Notes: Sourced from Tables 2a and 4b at Appendix 7

5.6 Comparison Goods Shopping Patterns

Main Destinations for Comparison Goods Expenditure in Charnwood Borough

5.6.1 Turning to comparison goods shopping patterns, Table 5.6 below firstly looks at the principal destinations for comparison shopping for all residents within the Study Area, looking at destinations located within and outside of the Study Area. Table 5.6 demonstrates that Loughborough town centre is the principal comparison destination, attracting 25.9% of the available comparison expenditure within the Study Area. This proportion has increased since 2013, when the proportion of available expenditure from Zones 1 to 8 spent in Loughborough town centre was 23.7%, demonstrating an increase in market share by 2.2 percentage points or 9.3% of the town centre compared to eight years ago.

5.6.2 In monetary terms, Loughborough town centre attracts a total of £194.7m of the available comparison expenditure generated by residents in the Study Area. In 2013, Loughborough town centre attracted £136.2m (in 2016 prices) of comparison goods spending from residents of Zones 1 to 8[20] , indicating that spending in Loughborough town centre has increased markedly by £58.5m, or 43.0% since 2013.

5.6.3 In addition to Loughborough town centre, principal comparison destinations for residents in the Study Area include Regents Place Retail Park (4.9%), the Tesco Extra in Shelthorpe (3.9%) and the B&Q at Jubilee Drive in Loughborough (3.4%). Thurmaston Shopping Centre and the adjacent Asda store in Thurmaston also collectively attract 4.2% of all available comparison expenditure. Along with Loughborough town centre, the market share attracted to Regents Place Retail Park and the Tesco Extra in Shelthorpe has increased since 2013. The market share attracted to the B&Q in Loughborough and Thurmaston Shopping Centre has decreased since 2013.

Table 5.6: Main Destinations for Comparison Goods Expenditure within Charnwood Borough

Destinations	2018 Study Area Residents' Expenditure £m	2018 Market Share %	2013 Market Share %
Inside Study Area			
Loughborough town centre	194.7	25.9%	23.7%
Regents Place Retail Park, Derby Road, Loughborough	37.1	4.9%	4.2%
Tesco Extra, Park Road, Shelthorpe, Loughborough	29.3	3.9%	2.6%
B&Q, Jubilee Drive, Loughborough	25.3	3.4%	4.6%
Thurmaston Shopping Centre, Barkby Thorpe Lane, Thurmaston	18.4	2.4%	3.7%
Asda, Inglenook Park, Barkby Thorpe Lane, Thurmaston	13.4	1.8%	1.8%
Syston District Centre	16.5	2.2%	1.8%
Willowbrook Retail Park	12.5	1.7%	1.9%
Birstall Village Centre	9.0	1.2%	0.6%
Shepshed District Centre	13.5	1.8%	1.1%
Outside Study Area			
Leicester city centre	105.7	14.0%	14.4%
Nottingham city centre	50.9	6.8%	8.0%
Fosse Park Shopping Centre	45.3	6.0%	8.2%

Source: Tables 25a and 25b at Appendix 7, and the 2013 Retail Study.
Notes: Loughborough town centre includes Sainsbury's at Ashby Road and Tesco and Marks & Spencer Foodhall at the Rushes Shopping Centre. Syston District Centre includes Aldi at Melton Road. Shepshed District Centre includes Asda at Charnwood Street.

[20] Adjusted from the £138.4m in 2013 prices sourced from Charnwood Retail & Town Centre Study – 2013 Update, Table 4b at Appendix 1 using the prices indices at Appendix 4b of Experian's Retail Planner Briefing Note 15.

5.6.4 Turning to comparison destinations located outside of the Study Area, Leicester city centre, Nottingham city centre and Fosse Park all play an important role in attracting comparison expenditure from residents in Zones 1 to 8. However, in each case, the proportion of expenditure attracted to these destinations from residents in the Study Area has reduced since 2013.

Comparison Goods Expenditure Retention within the Study Area

5.6.5 Table 5.7 below sets out the comparison goods expenditure retention and leakage, as was demonstrated for convenience expenditure above. The Table demonstrates that the proportion of comparison expenditure from residents in the Study Area spent at destinations in Charnwood Borough is 53.9%, or £405.7m of the available £752.7m of comparison expenditure. The equivalent figure from the 2013 Retail Study equated to 48.3% of the available expenditure from residents in Zones 1 to 8. This indicated that the level of expenditure retained in the borough has increased by 5.6 percentage points, or 11.6%, which is a positive sign of the attraction of destinations within the borough compared to 2013.

5.6.6 In terms of the proportion of expenditure retained by destinations in the Study Area but outside of the borough, this has also increased since 2013, from 1.2% to 2.5%, equating to a total retention rate within the Study Area of 56.4%, compared to the equivalent figure of 49.5% in 2013. As a result, the level of expenditure leaking outside of the Study Area has reduced since 2013 from 50.5% to 43.6%.

Table 5.7: Comparison Goods Expenditure Retention and Leakage

Destinations	2018 Study Area Residents' Expenditure £m	2018 Market Share %	2013 Market Share %
Inside Study Area			
Inside Charnwood Borough (Zones 1-6)	405.7	53.9%	48.3%
Outside Charnwood Borough (Zones 7-8)	18.9	2.5%	1.2%
All Destinations Inside Study Area	**424.7**	**56.4%**	**49.5%**
Outside Study Area			
All Destinations Outside Study Area	**328.0**	**43.6%**	**50.5%**
Total	**752.7**	**100.0%**	**100.0%**

Source: Tables 25a and 25b at Appendix 7, and the 2013 Retail Study.

Comparison Goods Expenditure Retention within Charnwood Borough

5.6.7 Table 5.8 provides a breakdown of the market share of residents in each zone which is retained within Charnwood Borough, and compares this with the findings of the 2013 Retail Study. We can see that for Zones 1 to 4, over 70% of residents' comparison goods spending is retained within Charnwood Borough, which has increased in each case since 2013. The highest levels of expenditure retained in the borough are within Zones 1, 2 and 3, at 79.7%, 80.0% and 77.9% of the available expenditure in those zones, respectively. The most significant increase is seen in Zone 4, from 52.7% to 70.4%. This is principally due to a substantial increase in comparison market share attracted to Loughborough town centre from Zone 4 residents, from 24.0% in 2013 to 34.7%[21] in 2018. Indeed, the level of expenditure spent in Loughborough town centre from residents in Zones 1, 2, 3 and 4 has increased in each case.

5.6.8 The proportion of comparison expenditure retained in the borough within Zones 5 and 6 has also increased since 2013, albeit to a lesser degree. Retention to Charnwood Borough's destinations in Zones 6, 7 and 8 is less than 35% in each case, with the retention from Zone 7 residents being the lowest at 30.1%. For Zone 7 residents, the principal comparison destination is Nottingham city centre, which is unsurprising given the proximity of Zone 7 to Nottingham city centre.

Table 5.8: Comparison Goods Spending Market Share of Charnwood Zones by Zone

Zone	2018 Total Comparison Expenditure £m	2018 Spending in Charnwood Borough £m	2018 Charnwood Borough Market Share %	2013 Charnwood Zones Market Share %
1	98.4	78.2	79.7%	68.1%
2	84.3	67.2	80.0%	75.4%
3	50.9	39.6	77.9%	68.1%
4	87.8	62.1	70.4%	52.7%
5	101.3	50.6	50.1%	42.4%
6	123.0	42.9	34.6%	30.4%
7	104.7	31.5	30.1%	35.9%
8	102.2	33.5	32.7%	36.2%
Study Area Total	**752.7**	**405.5**	**53.9%**	**48.3%**

Source: Tables 25a and 25b at Appendix 7, and the 2013 Retail Study.

[21] Loughborough town centre including Sainsbury's at Ashby Road and Tesco and Marks & Spencer Foodhall at the Rushes Shopping Centre.

Categories of Comparison Goods Shopping

5.6.9 It is also useful to look at the proportion of retention of expenditure within Charnwood Borough for the eight separate categories of comparison goods. Table 5.9 below provides a breakdown of the market share for each of the eight categories attracted to the principal comparison destinations both within and outside of the Study Area. The table demonstrates that for each of the eight category of goods except DIY & gardening goods and furniture goods, the market share attracted to Loughborough town centre is over 20%. Regents Road Retail Park attracts a high proportion of the electrical goods market share and furniture goods market share.

5.6.10 Looking at clothing and footwear goods market share in particular, which accounts for the highest proportion of available comparison expenditure in the Study Area (24.9% or £187.6m), we can see that the principal destinations for meeting clothing and footwear shopping requirements are Loughborough town centre, followed by Leicester city centre. Other key destinations are Nottingham city centre and Fosse Park located outside of the Study Area, followed by Thurmaston Shopping Centre, the Tesco Extra in Shelthorpe and the Asda at Thurmaston, all located within the Study Area. As such, a substantial proportion of the market share for clothing and footwear goods is travelling to destinations outside of the Study Area (see Table 5.10 below, demonstrating that 59.5% of the clothing and footwear market share is leaking outside of the Study Area).

Table 5.9: Main Destinations for Comparison Goods Shopping Patterns within Charnwood Borough

Destinations	Market Share of Study Area Residents' Expenditure								
	Clothing & Footwear	Books/CDs/ DVD	Small Household	Recreation	Chemist	Electrical	DIY & Gardening	Furniture	All Comparison
Inside Study Area									
Loughborough town centre	24.4%	38.0%	22.1%	33.3%	33.4%	23.9%	8.7%	19.0%	25.8%
Regents Place Retail Park, Derby Road, Loughborough	0.9%	0.3%	4.1%	3.8%	0.2%	21.7%	0.4%	10.0%	4.9%
Tesco Extra, Park Road, Shelthorpe, Loughborough	3.4%	8.9%	4.7%	4.9%	5.2%	3.6%	0.0%	0.0%	3.9%
B&Q, Jubilee Drive, Loughborough	0.0%	0.0%	0.0%	0.6%	0.0%	0.2%	55.4%	2.0%	3.4%
Thurmaston Shopping Centre, Barkby Thorpe Lane, Thurmaston	3.9%	0.0%	6.9%	0.3%	3.8%	0.4%	0.4%	0.5%	2.4%
Asda, Inglenook Park, Barkby Thorpe Lane, Thurmaston	2.8%	1.0%	0.6%	2.7%	3.3%	0.8%	0.8%	0.0%	1.8%
Outside Study Area									
Leicester city centre	23.0%	10.7%	14.2%	16.6%	4.7%	12.9%	2.8%	12.7%	14.1%
Nottingham city centre	10.8%	9.6%	9.4%	1.5%	1.9%	6.1%	1.5%	4.6%	6.8%
Fosse Park Shopping Centre	10.5%	2.0%	4.4%	2.0%	1.3%	9.8%	0.2%	10.8%	6.0%

Source: Tables 9, 11, 13, 15, 17, 19, 21 and 23 at Appendix 7.
Notes: Loughborough town centre includes Sainsbury's at Ashby Road and Tesco and Marks & Spencer Foodhall at the Rushes Shopping Centre.

5.6.11 Table 5.10 below demonstrates that the market share retained within Charnwood Borough for chemist goods and DIY & gardening goods is over 65% in each case, with the highest retention rate from the DIY & gardening category at 76.2%. The high retention rate for chemist goods corresponds with typical shopping patterns for these types of goods, in that residents will often visit local pharmacies or pharmacies within their local foodstores to meet these requirements. The high retention rate for DIY & gardening goods is principally due to the popularity of the B&Q store at Jubilee Drive located in Zone 2, which attracts 53.0% of the total market share.

Table 5.10: Charnwood Borough Retention for Each Category of Goods

	Market Share of Study Area Residents' Expenditure								
	Clothing & Footwear	Books/CDs/ DVD	Small Household	Recreation	Chemist	Electrical	DIY & Gardening	Furniture	All Comparison
Charnwood Borough Retention	40.6%	59.7%	49.1%	53.3%	69.0%	56.7%	76.2%	50.8%	53.9%

Source: Derived from Tables 10, 12, 14, 16, 18, 20, 22 and 24 at Appendix 7.

5.7 Customer Behaviour

5.7.1 The results of the household survey are useful in understanding customer behaviour in terms of how people undertake their convenience and comparison goods shopping. When respondents to the household survey were asked to provide the principal reason they choose to undertake their main food shopping at a particular store, the most popular response (provided by 33.4% of respondents) was that their chosen store was near to home. The next most popular answer was that the store offered lower prices (identified by 17.4% of respondents), followed by the choice of food goods (stated by 7.6%) and the quality of food goods available (stated by 5.6%).

5.7.2 In total, 37.3% of respondents travel between 1 and 5 minutes to undertake their main food shop, and 30.0% travel between 6 to 10 minutes to undertake their main food shop. A total of 77.2% of respondents travel by car (as a driver) to their main food shopping destination and 9.6% walk.

5.7.3 When asked how often households undertake their main food shop, 71.3% responded stating they undertake the shop at least once a week, with 13.0% confirming they undertake it at least once a fortnight. Just 1.6% stated they undertake their main food shop daily. Respondents were then asked when they normally undertake their main food shop. A total of 44.6% responded stating they undertake the shop in the week during the day and 14.3% confirmed it is during the week in the evening. A total of 17.7% confirmed they undertake their main food shop at the weekend.

5.7.4 In terms of linked trips, the household survey results have been analysed in order to identify those respondents who link main food shopping trips at town centre stores with other activities. In total, 73.9% responded stating that when they undertook their last main food shop, they did not link their trip with any other activity. A total of 26.1% confirmed they do link their trips with another activity, comprising 8.6% who stated they link their trips with non-food shopping, 2.8% with travelling to and from work, 2.6% with other food shopping and 2.2% with visiting a café/pub/restaurant. When asked specifically where they link the trip with, 43.7% confirmed this was with Loughborough town centre.

5.7.5 Respondents were also asked whether they ever visit Loughborough town centre or Syston district centre, the two principal centres within Charnwood Borough. In total, 73.8% confirmed they visit Loughborough town centre and 23.9% confirmed they visit Syston district centre, with a total of 16.4% respondents stating they don't visit either.

5.7.6 Table 5.11 below sets out the frequency of residents' visits to each of the centre. It demonstrates that for Loughborough town centre, the highest proportion (30.1%) visit the centre at least once a week, followed by 16.7% who visit the centre at least once a fortnight. In terms of Syston district centre, 25.4% state they visit at least two times a week and 19.6% state they visit at least once a week.

Table 5.11: How Often Do You Visit the Centre

Frequency	Loughborough Town Centre	Syston District Centre
Daily	4.9%	10.7%
At least two times a week	13.7%	25.4%
At least once a week	30.1%	19.6%
At least once a fortnight	16.7%	14.0%
At least once a month	16.0%	13.5%
At least every two months	5.2%	8.6%
At least every 3 months	4.9%	1.9%
At least every 6 months	2.2%	2.1%
Less often than once every 6 months	1.3%	0.0%

5.7.7 When respondents were asked what their main reason was for visiting both centres, the most popular answer was because of the choice and range of shops (30.3% for Loughborough and 43.8% for Syston). In terms of Loughborough town centre, 10.3% stated that their main reason for visiting was because of its proximity to home, followed by 9.3% who stated it was due to the choice of leisure facilities. For Syston district centre, 8.3% stated that the principal reason for visiting the centre was because it was close to home and 6.8% stated it was because of the choice of services, followed by 6.5% who stated that it was convenient to meet family and friends. Just 1.9% in Loughborough and 0.4% stated that their principal reasons for visiting the centres was due to the environmental quality of the centre.

Table 5.12: Principal Reasons for Visiting a Centre

Reason	Loughborough Town Centre	Syston District Centre
Choice and range of shops	30.3%	43.8%
Close to home	10.3%	8.3%
Choice of leisure facilities (restaurants, pubs etc)	9.3%	5.8%
Choice of services (hairdressers, banks etc)	7.3%	6.8%
Good market	4.3%	0.0%
Close to work	4.1%	5.5%
Market	4.0%	0.0%
Quiet / not too busy	3.6%	0.0%
Convenient for meeting family / friends	3.3%	6.5%
Good for window shopping / browsing	3.1%	1.5%
Supermarket	2.6%	5.2%
Environmental quality of centre	1.9%	0.4%

5.7.8 All respondents were also asked what measures could be introduced to encourage visits to both centres. For Loughborough town centre, the principal measure suggested to encourage visits was to increase the choice and range of shops (23.4%), followed by the provision of cheaper parking (6.8%) and additional parking (6.8%). In Syston district centre, the principal measure suggested was the provision of more parking (13.3%), followed by a reduction in traffic congestion (7.9%) and an increased choice and range of shops (5.7%).

Table 5.13: Principal Measures to Encourage Visits to Centres

Reason	Loughborough Town Centre	Syston District Centre
Increased choice and range of shops	23.4%	5.7%
Cheaper parking	6.8%	2.7%
More parking	5.5%	13.3%
Improved non-food shops in the town centre	4.6%	1.5%
Improved quality of shops	4.2%	0.0%
Less vacant shops	2.8%	0.8%
Better environment	2.3%	0.4%
Improved leisure facilities	1.7%	1.9%
Increased public transport	1.7%	2.9%
Improved street cleaning	1.4%	0.0%
Reduce traffic congestion	1.3%	7.9%
Better security	1.3%	1.9%

5.7.9 Respondents were asked whether they undertake shopping via electronic means i.e. home, mobile or TV shopping. The majority of respondents (57.0%) stated that they shop via home internet, 26.0% shop via portable internet devices (mobile phone, tablets etc) and 2.5%

shop via the TV. When asked which goods their household purchases via electronic shopping, the highest positive response was for clothes (50.6%), followed by books (36.2%) and CDs, DVDs and music (28.2%). Overall, 9.0% of respondents said that they shop via internet for food.

6.0 Population and Expenditure

6.1 Introduction

6.1.1 This section of the report considers the population and available expenditure (for both convenience and comparison goods expenditure) across the Study Area.

6.2 Study Area Population

6.2.1 For Zones 1 to 6, which broadly correspond to Charnwood Borough ('the Charnwood Borough zones'), 2016 population estimates were sourced from Experian Micromarketer G3 2016 data (which was issued in December 2017) for each study zone. Population projections for the Charnwood Borough zones at the base year of 2018 and at each of the subsequent forecast years were also sourced from Experian Micromarketer G3 data.

6.2.2 Experian data provides 2016 based population estimates that accord with the findings of the 2011 Census release and population projections from 2016. Experian's methodology is based on a 'demographic component model' that takes into consideration current age and gender estimates and the Government's population projections. Future population projections reflect assumed birth and death rates, and net migration.

6.2.3 Population and Household Projections provide projections of households and populations (i.e. residents) from 2017 up to 2036. Population projections are also split by gender and age bands. Population and Household Projections were first built in 1994, and have again been rebuilt this year using the latest input data and an enhanced 'demographic component model' methodology.

6.2.4 As the enhanced 2016 Experian figures have been used as a base, projections from 2017 onwards can be compared to the Experian 2016 mid-year population age and gender estimates. Although Experian uses ONS data as an input, there are additional inputs and approaches used by Experian to create the projections.

6.2.5 The 'demographic component model' is based on age and gender estimates and government population projections by age/gender (for local authority districts). The 'demographic component model' uses the Experian 2016 mid-year age and gender estimates as a base and then projects the population forward year-on-year until the final year is reached. Birth rates, ageing, net migration and death rates are taken into account within the method.

6.2.6 The communal population within communal establishments (hospitals, boarding schools, student halls, prisons and care homes) within each local area is assumed to be static over time. The annual birth, net migration and death rates are calculated from the government population projections which are available for approximately 400 'control areas' (such as Local Authority Districts). As Experian's most recent age band estimates are used as a base (which are more up-to-date than the 'base year' used by government projections) the resultant Experian projections are not scaled to the government projections but are instead checked to confirm that 'rates of population change' agree with the government data source.

6.2.7 The mid-year estimates from the ONS are Local Authority based estimates. The Royal Mail delivery point information is Postcode level, and uses Local Authority level figures. The projections data from the ONS are Local Authority level projections.

6.2.8 As such, Experian's population projections are an industry wide accepted source, and are used by retail planning consultants in the preparation of retail studies to form part of local authority clients' evidence base documents across the country and for a number of years. The projections are accepted as the industry standard basis for long term retail planning. The benefit of using Experian's population projections, not only in terms of the reliability of the forecasts, is that the population data is intrinsically linked to the expenditure per capita data which is generated on a zonal basis. Without this, we would be unable to accurately quantify the level of available expenditure in each zone and the associated implications this has on the performance of existing retail destinations within the Study Area.

6.2.9 Experian's population projections show a +14.8% growth for the Study Area as a whole between 2018 and 2036, from 244,441 to 280,835 (+36,394). In terms of the Charnwood Borough figure, Experian projects that the difference in population between 2018 and 2036 will be 30,799 or an increase by +16.5%. The Sub National Population Projections estimate an increase in 27,900 or +15.4%.

6.2.10 The total population growth forecasts across the Charnwood Borough zones were distributed across each zone based on the distribution of completed and planned housing development within Charnwood Borough as provided by Charnwood Borough Council.

6.2.11 The Charnwood Local Plan 2011 to 2028 Core Strategy aims to provide 14,000 homes over the plan period and sets out the planned housing growth for Loughborough, Birstall, Thurmaston, Shepshed, each of the seven Service Centres and in the rest of the borough/other settlements. Between 2011 and 2016, 3,356 additional homes were completed within Charnwood Borough, and a further 1,973 homes were completed between

2016 and 2018. The total population growth forecast for the Charnwood Borough zones (Zones 1 to 6) between 2016 and 2018 was distributed across each of the six zones based on the distribution of housing completions across Charnwood Borough over the period 2016 to 2016.

6.2.12 We then deducted the housing completions within each of the Charnwood Borough zones between 2011 and 2018 from the overall 14,000 homes planned across the borough to provide the planned housing growth distribution from 2018 to 2028. This distribution was used as the basis for allocating the total population growth forecast across the Charnwood Borough zones from 2018 to each of the forecast years.

6.2.13 The population forecasts for the Charnwood Borough zones (Zones 1 to 6) upon which this study is based are thereby consistent with the scale and distribution of housing growth set out in the Charnwood Local Plan 2011 to 2028 Core Strategy, and the number and location of housing completions between 2011 and 2018. We note that whilst the Core Strategy plan period extends only to 2028, the delivery of the planned housing growth set out in the Core Strategy within the Urban Extensions is now expected to be competed over the period up to 2036. The population forecasts therefore represent an appropriate basis for the purposes of modelling future retail needs.

6.2.14 For Zones 7 and 8, which broadly encompass areas outside of Charnwood Borough, we assume that Experian's distribution of its future population projections represents the most appropriate data source for the purposes of modelling future retail needs. The Experian data is reflective of growth rates that take into account Office for National Statistics (ONS) population projections, and current age, gender and socio-economic estimates.

6.2.15 Table 6.1 below sets out our estimates of the population for each zone in the Study Area for the 2018 base year and reporting years 2023, 2028, 2033 and 2036.

Table 6.1: Study Area Population by Survey Zone (2018 to 2036)

Zone	2018 (Persons)	2023 (Persons)	2028 (Persons)	2033 (Persons)	2036 (Persons)
1	36,179	37,222	38,410	39,394	39,871
2	30,038	31,081	32,269	33,253	33,730
3	17,359	18,416	19,621	20,619	21,103
4	28,888	29,515	30,230	30,823	31,109
5	33,924	37,475	41,522	44,875	46,499
6	37,230	38,486	39,916	41,102	41,676
7	29,665	30,733	31,637	32,442	32,844
8	31,158	32,061	32,933	33,638	34,002
Total Study Area	**244,441**	**254,989**	**266,539**	**276,147**	**280,835**

6.3 Retail Expenditure

Growth in Spending on Comparison and Convenience Goods

6.3.1 In order to calculate per capita convenience and comparison goods expenditure, we have again utilised Experian Micromarketer G3 data which provides detailed information on local consumer expenditure which takes into consideration the socio-economic characteristics of the local population. Experian is a widely accepted source of expenditure and population data and is regularly used by retail planning consultants in calculating retail capacity.

6.3.2 The base year for the Experian expenditure data is 2016 (the latest available). Per capita annual expenditure growth forecasts are sourced from Experian's Retail Planner Briefing Note 15 (published in December 2017). Figure 6 of Appendix 3 of the Retail Planner Briefing Note identifies the following annual growth forecasts for convenience and comparison goods which inform our assessment and are reproduced in Table 6.2 below.

6.3.3 The latest growth forecasts suggest that Brexit has influenced per capita expenditure growth in 2017 and that retail spending will remain on a slower growth trajectory over 2018 and 2019. Experian expects the squeeze on household incomes to continue through 2018 but in the medium term (2020-2024), retail sales volumes are expected to return to a stronger footing as the Brexit-related uncertainty unwinds and economic conditions improve.

6.3.4 For convenience goods, Experian forecasts negative or static per capita expenditure growth between 2017 and 2032 (in the range -0.7% to 0.2%). The forecast position therefore suggests that sales will generally remain relatively static over the longer term.

6.3.5 In contrast, whilst Experian forecasts that Brexit will result in comparison goods per capita expenditure growth decreasing from 5.0% at 2016, to 2.4% at 2017, and then to 0.8% at

2018, the position in the medium to long term is significantly more positive. Comparison goods per capita expenditure growth is forecast to increase to 2.1% at 2019, to 2.9% at 2020, and then to 3.3% at 2021. Experian forecasts that the annual growth rate will remain above at or above 3.0% in the period from 2022 to 2032.

Table 6.2: Annual Per Capita Expenditure Growth Forecasts

Year	Convenience (%)	Comparison (%)
2016	1.0	5.0
2017	0.1	2.4
2018	-0.7	0.8
2019	-0.2	2.1
2020	0.2	2.9
2021	0.2	3.3
2022	0.1	3.4
2023	-0.1	3.4
2024	0.1	3.3
2025	0.1	3.2
2026	0.1	3.2
2027	0.1	3.1
2028	0.1	3.0
2029	0.0	3.1
2030	0.0	3.2
2031	0.2	3.4
2032	0.1	3.3
2033	0..2	3.4
2034	0.1	3.3
2035	0.2	3.4
2036	0.0	3.2

Source: Figure 6 of Appendix 3, Retail Planner Briefing Note 15 (December 2017)

6.3.6 However, it should be noted that growth in expenditure forecasting in the longer term (beyond the next ten years) should be treated with caution given the inherent uncertainties in predicting the economy's performance over time. Assessments of this nature should therefore be reviewed on a regular basis in order to ensure that forecasts over the medium and long term are reflective of any changes to relevant available data.

Growth in Spending on SFT

6.3.7 Experian Retail Planner Briefing Note 15 also provides forecasts in respect of the proportion of expenditure which will be committed through special forms of trading (comprising 'non-store retailing', such as internet sales, TV shopping and so on) over the reporting period. We have 'stripped out' any expenditure which survey respondents indicated was committed via special forms of trading and instead have made an allowance derived from Experian's recommendation.

6.3.8 The findings of the household survey suggest that the proportion of the Study Area residents' spending on online/home delivery shopping at 2018 is 5.1% for convenience goods and 25.6% for comparison goods.

6.3.9 However, in considering special forms of trading, it should be noted that many products which are ordered online are actually sourced from a physical store's shelves or stockroom (particularly in the case of convenience goods). As such, expenditure committed in this manner acts to support stores and should be considered 'available' to tangible retail destinations.

6.3.10 Accordingly, in order not to overstate the influence of expenditure committed via special forms of trading, our approach is based on Experian's 'adjusted' figure for special forms of trading (provided at Figure 5 of Appendix 3 of its Retail Planner Briefing Note 15) which makes an allowance for internet sales which are sourced from stores.

6.3.11 The proportion of expenditure committed through special forms of trading cited below at Table 6.4 is 'stripped out' of the identified expenditure as it is not available to stores within the Study Area.

Table 6.4: Special Forms of Trading Forecasts

Year	Convenience %	Comparison %
2018	3.4	15.4
2023	4.2	17.4
2028	4.8	17.6
2033	5.2	17.9
2036	5.3	18.0

Source: Figure 5 of Appendix 3, Experian Retail Planner Briefing Note 15 (December 2017)

6.3.12 Based on the above growth rates and special forms of trading allowances, it is possible to produce expenditure estimates for each survey zone at 2018, 2023, 2028, 2033 and 2036. In doing so, our assessment takes into account both per capita retail expenditure growth and population change.

6.4 Convenience Goods Expenditure

6.4.1 Taking into consideration the above changes in population and per capita expenditure, it is estimated that, at 2018, the resident population of the Study Area generates £487.9m of convenience goods expenditure[22].

6.4.2 The Table 6.5 below indicates that available convenience goods expenditure is then forecast to increase to £505.7m by 2023 and then increase to £527.8m by 2028 and to £547.1m by 2033. By 2036, the total available convenience expenditure is estimated to be £557.4m. The overall increase of £69.5m between 2018 and 2036 represents an increase of 14.2%.

Table 6.5: Total Available Study Area Convenience Goods Expenditure

2018 (£m)	2023 (£m)	2028 (£m)	2033 (£m)	2036 (£m)
487.9	505.7	527.8	547.1	557.4

Source: Table 2a of Appendix 7

Table 6.6: Growth in Available Study Area Convenience Goods Expenditure

Growth 2018-2023 (£m)	Growth 2018-2028 (£m)	Growth 2018-2033 (£m)	Growth 2018-2036 (£m)
17.8	39.9	59.2	69.5

Source: Table 2a of Appendix 7

6.4.3 The proportion of convenience goods expenditure that is spent during 'main food' shopping trips and through 'top-up' shopping trips was estimated with reference to respondents' answers to Question 18 and Question 25a of the household survey, which ask respondents to estimate their weekly main food shopping expenditure and weekly top-up shopping expenditure respectively. We analysed the responses to these questions to derive an estimate of the split between main and top-up expenditure on a zonal basis as shown in Table 6.7 below.

[22] Expressed in 2016 prices, as is every subsequent monetary value

Table 6.7: Assumed Split of Convenience Goods Expenditure Between Main and Top-Up Shopping

Zone	Main Food (%)	Top-Up (%)
1	82%	18%
2	80%	20%
3	84%	16%
4	83%	17%
5	78%	22%
6	82%	18%
7	81%	19%
8	85%	15%

6.4.4 By applying these estimates to the total convenience goods expenditure for each zone at 2018, we estimate (by adding together our estimates of the monetary split between main and top up shopping expenditure within each zone) that across the Study Area as a whole, £400.1m of convenience goods expenditure will be spent during main food shopping trips and £87.9m during top up shopping trips.

6.4.5 The proportion of the Study Area residents' convenience goods expenditure spent during main food shopping trips therefore equates to 82.0% of their overall convenience shopping expenditure. The remaining 18.0% of expenditure (which will typically be spent on regular purchases such as milk, bread and so on) is therefore attributed to the respondents' top-up convenience shopping destination.

6.5 Comparison Goods Expenditure

6.5.1 For comparison goods, Table 6.8 sets out our estimation that the resident population of the Study Area will generate £752.7m of comparison goods expenditure at 2018. Available comparison goods expenditure is then forecast to increase to £889.3m at 2023, £1,082.8m at 2028, £1,313.0m at 2033 and £1,469.9m at 2036. As identified by Table 6.9, this represents an increase of £717.2m, or 95.3%, between 2018 and 2036.

6.5.2 Whilst the identified expenditure increase is clearly significant, the rate of forecast growth is more modest than that which has been previously achieved. This is as a consequence of forecast growth being more modest than that which has historically been secured and also a consequence of further increases in expenditure committed through special forms of trading (most particularly, internet shopping).

Table 6.8: Total Available Study Area Comparison Goods Expenditure

2018 (£m)	2023 (£m)	2028 (£m)	2033 (£m)	2036 (£m)
752.7	889.3	1,082.8	1,313.0	1,469.9

Source: Tables 8a-c of Appendix 7

Table 6.9: Growth in Available Study Area Comparison Goods Expenditure

Growth 2018-2023 (£m)	Growth 2018-2028 (£m)	Growth 2018-2033 (£m)	Growth 2018-2036 (£m)
136.6	330.1	560.3	717.2

Source: Table 8c of Appendix 7

6.5.3 For the purpose of this study, comparison goods expenditure has been divided into eight sub-categories: 'DIY', 'Electrical' and 'Furniture' (these three categories collectively being referred to as bulky goods)'; and, 'Clothing & Footwear', 'CDs, DVDs and Books', 'Small Household Goods', 'Toys, Games, Bicycles and Recreational Goods' and 'Health and Beauty/Chemist Goods' (collectively referred to as non-bulky goods). The proportion of expenditure directed to each sub-category is estimated by Experian on a zonal basis.

6.5.4 In considering the above, it should be noted that if an excess of expenditure manifests itself within the Study Area, this does not necessarily translate directly into a requirement for additional floorspace. In assessing quantitative need, it is also necessary to take account of:

- Existing development proposals;
- Expected changes in shopping patterns; and
- The future efficiency of retail floorspace.

7.0 Retail Capacity in Charnwood Borough

7.1 Introduction

7.1.1 In this section we set out our assessment of the quantitative capacity for additional convenience and comparison goods floorspace in Charnwood Borough over the study period from 2018 to 2036, and at five-year reporting periods (i.e. at 2018, 2023, 2028, 2033 and 2036).

7.1.2 At the outset, it is important to note that a quantitative assessment of capacity over the long term should be viewed with caution, due to the obvious difficulties inherent in predicting the performance of the economy and shopping habits over time. In any event, any identified capacity should not necessarily be viewed as justification of new retail floorspace outside of the town centre as this could prejudice the implementation of the Loughborough Masterplan Strategy and the development of more central sites that may be currently available or that could become available over time.

7.1.3 Appendix 7 provides a complete series of quantitative capacity tables that provide further detail in terms of the step-by-step application of our quantitative assessment methodology.

7.1.4 Following our quantitative capacity assessment, we assess the qualitative need for additional convenience and comparison retail floorspace in the borough. We do this by considering whether there are any deficiencies or gaps in terms of the location and quality of the existing provision, along with factors including consumer choice and competition, and over-trading at existing stores.

7.2 Capacity Formula

7.2.1 For all types of capacity assessment, the conceptual approach is identical, although the data sources and assumptions may differ. The key relationship is Expenditure (£m) (allowing for population change and retail growth) less Turnover (£m) (allowing for improved 'productivity') equals Surplus or Deficit (£m).

7.2.2 **Expenditure (£m)** – The expenditure element of the above equation is calculated by taking the population within the defined catchment and then multiplying this figure by the average annual expenditure levels for various forms of retail spending per annum. The expenditure is estimated with reference to a number of factors, namely:

- Growth in population;

- Growth in expenditure per person per annum; and
- Special Forms of Trading (e.g. the internet, catalogue shopping and so on).

7.2.3 **Turnover (£m)** – The turnover figure relates to the annual turnover generated by existing retail facilities within the Study Area. The turnover of existing facilities is calculated using Mintel Retail Rankings and Verdict UK Grocery Retailers reports – independent analysis that lists the sales densities for all major multiple retailers.

7.2.4 **Surplus/Deficit (£m)** – This represents the difference between the expenditure and turnover figures outlined above. A surplus figure represents an effective under provision of retail facilities within the Study Area (which, all things being equal, would suggest that additional floorspace could be supported), whereas a deficit would suggest a quantitative overprovision of retail facilities.

7.2.5 Although a surplus figure is presented in monetary terms, it is possible to convert this figure to provide an indication of the quantity of floorspace that may be required. The level of floorspace will vary dependent on the type of retailer proposed and the type of goods traded. For example, in the case of comparison goods, non-bulky goods retailers tend to achieve higher sales densities than bulky goods retailers. However, within the bulky goods sector itself there is significant variation, with electrical retailers tending to have a much higher sales density than those selling DIY or furniture goods.

7.3 Future Capacity for Convenience Goods Floorspace

7.3.1 In order to appraise the need for additional convenience goods retail floorspace, we first consider the performance of the current provision. Next, we assess how the performance of stores will be affected by future growth in expenditure. We then set out the anticipated increases in expenditure that will be available to the borough's convenience goods retail facilities.

7.3.2 Following these exercises, we then take account of any new convenience goods floorspace that has been implemented subsequent to the date of the household survey and consider the effect that extant planning commitments will have in addressing any identified convenience goods shopping needs.

Trading Performance of Existing Convenience Provision

7.3.3 We assess the individual performance of each of the main convenience goods facilities in Charnwood Borough by comparing the survey-derived turnover of each food retail destination to its 'benchmark' turnover. The 'benchmark' turnover indicates the level of turnover that the store would generally be expected to attract, based on company average trading levels. A judgement can then be made on the trading performance of existing facilities by comparing the survey-derived turnover with the expected 'benchmark' turnover of existing provision.

7.3.4 The 'benchmark' turnover differs for each operator based on its average turnover per square metre throughout the country. Although robust up-to-date information is available in terms of the convenience goods floorspace provided by large foodstores and average turnover per square metre (from nationally published trading information from Mintel and Verdict), it can be more difficult to quantify the extent and performance of local convenience provision as there is no single comprehensive database to rely upon. Where we have been unable to verify the exact quantity or performance of floorspace provided by existing smaller-scale convenience goods stores (such as 'corner shops' located within defined centres), we have assumed that stores are trading 'at equilibrium' (i.e. the survey-derived turnover equates to the expected level of turnover). Accordingly, in assessing the quantitative capacity for additional convenience goods floorspace in Charnwood Borough, we make an adjustment for under or over-trading at existing convenience retail stores in Charnwood Borough in the 2018 base year[23].

7.3.5 Our assessment is based upon a 'goods based' approach, which disaggregates expenditure by category type, and it is important to recognise that major foodstore operators generally sell an element of non-food goods such as books, compact discs, clothing and household goods. To account for this, the typical ratio between convenience/comparison goods provision for each operator[24] has been applied to the estimated net floorspace of each foodstore. This provides an indication of the likely sales area dedicated to the sale of convenience goods at each store.

7.3.6 Whilst survey results are commonly accepted as a means by which to identify existing shopping patterns, their findings should be treated with a 'note of caution' as they can have a bias towards national multiple retailers and, as a consequence, may overstate the role and performance of larger national multiple stores whilst understating that of smaller stores and independent retailers. To minimise the potential for such bias, our household survey asked shoppers where they last undertook particular types of shopping rather than where they

[23] Excluding any under or over-trading at smaller-scale stores for which we were unable to verify the performance of the floorspace.
[24] Generally derived from Verdict's 2018 estimates of the typical floorspace split for major convenience goods retailers. Where Verdict data is not available or is considered not to appropriately reflect how a store trades in practice, we have applied professional judgement in the manner set out in the notes to Table 5 of Appendix 7.

most frequently shop, which is more likely to record infrequent purchases that are typically made at smaller centres and stores.

7.3.7 We have made an allowance for an additional uplift in turnover of several stores at the southern fringe of Charnwood Borough, in Thurmaston, Anstey and Birstall, which the findings of the 2015 Leicester Town Centre and Retail Study suggest attract significant spending from residents just outside the Study Area in nearby Leicester. In calculating the survey derived turnover for the stores in these locations we have therefore made an allowance for inflow of expenditure from outside of the Study Area based on the findings of the 2015 Leicester Town Centre and Retail Study. We set out all our assumptions in this regard within Table 5 at Appendix 7.

7.3.8 A summary of our benchmark assessment showing the current overall trading position of convenience goods floorspace in Charnwood Borough including an allowance for inflow of from outside of the Study Area compared against the expected 'benchmark' turnover is provided in Table 7.1 below.

Table 7.1: Overall Trading Performance of Foodstores in Charnwood Borough at 2018

	Benchmark Turnover (A) £m	Survey Derived Turnover		Over- or Under-trading (B+C-A) £m
		Survey Turnover (B) £m	Inflow (C) £m	
Total Charnwood Borough	372.2	341.1	19.7	-11.4

Source: Table 5 at Appendix 7

7.3.9 Our assessment identifies that taking all convenience goods retail facilities in Charnwood Borough together, the expected turnover of provision is £372.2m per annum at 2018, which is £19.7m higher than the total £341.1m turnover identified to be drawn from the Study Area residents and through inflow from outside of the Study Area.

Surplus Expenditure Available for Additional Convenience Goods Floorspace

7.3.10 Table 7.2 below sets out the surplus convenience expenditure available to support additional convenience goods retail floorspace in Charnwood Borough. The surplus expenditure assessment takes account of the current convenience goods trading position compared against the 'benchmark' (or anticipated) turnover of existing convenience goods floorspace and identifies the position prior to taking account of planning commitments for new convenience goods floorspace.

Table 7.2: Surplus Expenditure Available for Additional Convenience Goods Floorspace in Charnwood Borough

Year	Benchmark Turnover of Existing Stores	Available Expenditure		Surplus Expenditure
		Expenditure Drawn from Study Area	Inflow from Outside Study Area	
	(A)	(B)	(C)	(B+C-A)
	£m	£m	£m	£m
2018	372.2	341.1	19.7	-11.4
2023	371.5	353.6	20.4	2.5
2028	372.9	369.0	21.3	17.3
2033	374.8	382.5	22.0	29.7
2036	375.9	389.7	22.5	36.2

Source: Table 6a of Appendix 7

7.3.11 Accordingly, Table 7.2 sets out the benchmark turnover of existing convenience retail facilities in Charnwood Borough in the 2018 base year and projects this forward to 2036 assuming that the benchmark turnover of existing floorspace will increase through improvements in floorspace efficiency at the rates set out in Experian Retail Planner Briefing Note 15.

7.3.12 The £341.1m of convenience goods expenditure generated by residents of the Study Area and spent in destinations within Charnwood Borough at 2018 equates to a market share of 69.9% (the proportion of the Study Area residents' expenditure on convenience goods which is spent in Charnwood Borough). Given the geography of the borough, its strong retention of convenience goods expenditure across Zones 1 to 5, and its proximity of its residents in the south of the borough to facilities in Leicester, our assessment assumes that the current market share of facilities in Charnwood Borough is maintained over the study period to 2036.

7.3.13 After increases in population are considered against the forecast changes in floorspace productivity[25] and expenditure per capita, we estimate that the total available convenience goods expenditure in Charnwood Borough drawn from residents of the Study Area will be £353.6m at 2023, increasing to £369.0m at 2028, £382.5m at 2033 and £389.7m at 2036.

7.3.14 Table 7.2 includes an allowance for inflow of expenditure from outside the Study Area to facilities in Thurmaston, Anstey and Birstall, which we estimated to provide an additional £19.7m of available expenditure in Charnwood Borough at 2018. The allowance for inflow is

[25] Account has been made for the turnover efficiency of existing convenience goods floorspace to change in accordance with the projections set out in Table 4a of Experian Retail Planner Briefing Note 15 (these being -0.1% at 2018, -0.2% per annum at 2019, 0.0% per annum between 2020 and 2024, and +0.1% between 2025 and 2032). Operators have historically been able to make their existing floorspace more productive over time. However, these negative turnover efficiency growth rates reflect current forecasts for convenience goods floorspace productivity to fall or remain static over the study period.

projected forward to 2036 assuming that the proportion of the total available expenditure in Charnwood Borough derived through the inflow is maintained over the study period. This allows for some 'background growth' in inflow in proportion to the expenditure growth identified within the Study Area.

7.3.15 Table 7.2 shows that a convenience goods expenditure deficit of -£11.4m is identified at 2018. However, by 2023, a surplus of £2.5m is identified in Charnwood Borough. We estimate that the expenditure surplus will be £17.3m at 2028, £29.7m at 2033 and £36.2m at 2036.

Commitments for New Convenience Goods Floorspace

7.3.16 The next stage is to make an allowance for planning commitments for new convenience goods floorspace, comprising floorspace implemented subsequent to the household survey in July 2018 and extant planning permissions. There are a number of such commitments that are expected to draw on the convenience goods expenditure available in Charnwood Borough as scheduled in Table 6d at Appendix 7.

7.3.17 The most notable are the new foodstores proposed at Station Avenue and Allendale Road, along with the proposed new centres associated with the Sustainable Urban Extensions at North East Leicester, West Loughborough and North Birstall.

7.3.18 We estimate that retail planning commitments that are expected to draw on the available convenience goods expenditure in Charnwood Borough together provide an estimated combined turnover of £85.3m if operational in the 2018 base year.

Table 7.3: Allowance for Planning Commitments for New Convenience Goods Floorspace

Scheme	Application Reference	Address	Convenience Turnover Drawn from Expenditure in Charnwood Borough £m
Erection of retail store (class A1) with associated car parking and landscaping following demolition of existing buildings.	P/16/2141/2	Land to the North of Station Avenue, Loughborough, Leicestershire	8.0
Erection of food retail store (Class A1), coffee shop with drive through and take away facility (Class A3/A5), three retail units (Class A1/A2/A3) with associated access, car parking and landscaping.	P/17/0942/2	Land at Allendale Road Loughborough Leicestershire LE11 2HX	10.9
Hybrid application for mixed-use residential led development	P/13/2498/2	North East Loughborough SUE	38.6
Hybrid application for mixed-use residential led development	P/14/1833/2	West of Loughborough SUE	8.6
Erection of building to provide 4 retail units and 6 residential units with associated parking.	P/15/0421/2	Local Centre Site, Hallam Fields Road, Birstall, Leicester, LE4 3LH	2.9
Outline permission for Sustainable Urban Extension (SUE) of up to 1650 dwellings, up to 15ha of employment land, local centre, community resource centre, reserved land for travelling showpeople sites, primary school, allotments, open space and other associated works.	P/16/1660/2	Land North of Birstall	16.1
Total			**85.3**

Source: Table 6d at Appendix 7

7.3.19 We have assumed that all of the estimated convenience turnover of the commitments within Charnwood Borough will be drawn from the available expenditure within the borough, other than Broadnook local centre, proposed on land north of Birstall. We have adopted the applicant's trade draw assumptions from the submitted Retail Impact Assessment, which assumes that 90% of the trade will be drawn from residents in the Study Area (the applicant adopted the same Study Area as that which was used in the 2013 Retail Study).

7.3.20 Full details of the assumptions made in estimating the turnover of commitments are provided in the notes which accompany Table 6d of Appendix 7.

Residual Quantitative Need for Additional Convenience Goods Floorspace

7.3.21 Table 7.4 below sets out the residual convenience expenditure capacity in Charnwood Borough taking into account the turnover requirements of the commitments for new convenience retail floorspace. The estimated turnover of the commitments is deducted from the surplus expenditure capacity figures identified in Table 7.2 above.

Table 7.4: Residual Quantitative Need for Additional Convenience Goods Floorspace in Charnwood Borough after Implementation of Commitments

Year	Surplus Convenience Goods Expenditure (A) £m	Turnover of Commitments (B) £m	Residual Convenience Goods Expenditure (C=A-B) £m	Floorspace Requirement	
				Min (C/£13,609 per sq.m) sq.m	Max (C/£10,997 per sq.m) sq.m
2018	-11.4	85.3	-96.7	-8,100	-12,100
2023	2.5	85.2	-82.7	-6,900	-10,400
2028	17.3	85.5	-68.2	-5,700	-8,500
2033	29.7	85.9	-56.2	-4,600	-7,000
2036	36.2	86.2	-49.9	-4,100	-6,200

Source: Table 6c at Appendix 7

7.3.22 The residual expenditure identified when taking account of the turnover of commitments is then converted into floorspace requirements using average sales densities of £13,609 per sq.m and £10,997 per sq.m, dependent on the nature of the convenience operator. The lower sales density is more typical for retailers such as Aldi and Lidl, and the higher sales density is an average of the 'top four' convenience operators (Tesco, Asda, Sainsbury's and Morrisons). Using two sales density figures gives an idea as to how any identified quantitative needs could be met in practice.

7.3.23 The expenditure surplus reduces to a residual deficit of −£96.7m at 2018 once the turnover requirements of planning commitments are taken into account. Even after increases in population are considered against the changes in expenditure and floorspace productivity, the residual convenience expenditure capacity will remain in deficit over the entire study period to 2036, albeit decreasing to −£49.9m at 2036.

7.3.24 Accordingly, such is the quantity of convenience goods floorspace already committed in Charnwood Borough that there is no quantitative requirement for any additional convenience goods floorspace within the borough over the entire study period to 2036. However, given the inherent uncertainties in predicting the economy's performance over time, we recommend that the longer term (beyond ten years) estimates are viewed with some caution.

7.4 Future Capacity for Comparison Goods Floorspace

7.4.1 Turning to comparison goods capacity, it is important to note that our methodology deviates from that in respect of convenience goods for two principal reasons. Firstly, it can be extremely difficult to attribute an appropriate benchmark turnover to existing comparison goods provision. Secondly, there tends to be greater disparity between the trading performance of apparently similar comparison goods provision depending on its location, the character of the area and the nature of the catchment.

7.4.2 As a consequence, we do not consider it appropriate to calculate a benchmark trading performance for comparison goods floorspace based on an assumed sales density. Instead, we adopt the approach that comparison goods floorspace is trading 'at equilibrium' at 2018 (i.e. our survey derived turnover estimate effectively acts as benchmark). Accordingly, in assessing the quantitative capacity for additional comparison goods floorspace in Charnwood Borough, we make no adjustments for under or over-trading at existing comparison retail stores in Charnwood Borough in the 2018 base year.

7.4.3 Therefore, in assessing the future capacity for new comparison goods floorspace in Charnwood Borough, we first identify the total comparison goods expenditure generated by the residents of the Study Area and spent in destinations within Charnwood Borough assuming that the future performance of Charnwood's facilities will be commensurate with its current market share.

7.4.4 We then identify the comparison goods turnover of existing stores assuming that the turnover of existing comparison goods floorspace at 2018 equals the total available expenditure within Charnwood Borough in the 2018 base year. We allow for the turnover of existing stores to increase over the study period to allow for year on year increases in the productivity of existing floorspace.

7.4.5 Following this exercise, we then consider the effect that extant planning commitments for additional comparison retail floorspace will have in addressing any identified comparison goods shopping needs.

Surplus Expenditure Available for Additional Comparison Goods Floorspace

7.4.6 The £405.7m of comparison goods expenditure generated by residents of the Study Area and spent in destinations within Charnwood Borough at 2018 equates to a market share of 53.9%. Again, it is assumed that the future performance of Charnwood Borough's facilities will be commensurate with its current market share. Our assessment therefore 'rolls forward' this market share to examine the likely level of comparison goods floorspace required to maintain the role and function of Charnwood's retail facilities.

7.4.7 Assuming that the current market share is maintained over the study period, we estimate that the total available comparison goods expenditure in Charnwood Borough will increase from £405.5m at 2018 to £792.4m at 2036.

7.4.8 Assuming that the existing comparison retail facilities in Charnwood Borough are trading 'at equilibrium', we estimate that existing stores attract a total of £405.7m of comparison goods expenditure at 2018. We therefore assume that there is no surplus expenditure and no quantitative need for any additional floorspace across the borough at the base year. We then estimate the future turnover requirements of existing stores taking account of the forecast increases in the sales efficiency of existing comparison goods floorspace as set out in Experian Retail Planner Briefing Note 15[26].

7.4.9 After accounting for forecast increases in population and comparison goods expenditure, and allowing for year on year increases in the productivity of existing floorspace, we estimate that there will be an expenditure surplus available to support additional comparison goods floorspace within Charnwood Borough of £27.0m at 2023, increasing to a more substantial £78.8m at 2028, £144.9m at 2033 and £191.5m at 2036. The surplus expenditure available to support additional comparison goods floorspace is summarised in Table 7.5.

[26] Table 4b of the Experian Retail Planner Briefing Note 15 identifies improvements in comparison goods floorspace sales efficiency of +0.9% at 2018, +1.8% at 2019, +2.3% per annum between 2020 and 2024, and +2.2% per annum between 2025 and 2032).

Table 7.5: Surplus Expenditure Available for Additional Comparison Goods Floorspace in Charnwood Borough

Year	Expenditure Drawn from Study Area (A) £m	Turnover of Existing Stores (B) £m	Surplus Expenditure (A-B) £m
2018	405.7	405.5	0.0
2023	479.4	452.2	27.0
2028	583.7	504.6	78.8
2033	707.8	562.6	144.9
2036	792.4	600.6	191.5

Source: Table 26a of Appendix 7

Commitments for New Comparison Goods Floorspace

7.4.10 The next stage is to make an allowance for extant planning commitments for new comparison goods floorspace. There are a number of such commitments that are expected to draw on the comparison goods expenditure available in Charnwood Borough as scheduled[27] in Table 26d at Appendix 7. The most notable of which is the floorspace proposed associated with the Sustainable Urban Extensions as part of the proposed new centres.

7.4.11 As summarised in Table 7.6 below, we estimate that retail planning commitments that are expected to draw on the available comparison goods expenditure in Charnwood Borough together provide an estimated turnover of £50.7m if operational in the 2018 base year.

[27] Only commitments providing a total gross retail floorspace of greater than 500 sq.m have been included in our assessment as it is considered that proposals of a lesser scale will not have a tangible effect on shopping patterns.

Table 7.6: Allowance for Planning Commitments for New Comparison Goods Floorspace

Scheme	Application Reference	Address	Comparison Turnover Drawn from Expenditure in Charnwood Borough £m
Erection of retail store (class A1) with associated car parking and landscaping following demolition of existing buildings.	P/16/2141/2	Land to the North of Station Avenue, Loughborough, Leicestershire	2.0
Erection of food retail store (Class A1), coffee shop with drive through and take away facility (Class A3/A5), three retail units (Class A1/A2/A3) with associated access, car parking and landscaping.	P/17/0942/2	Land at Allendale Road Loughborough Leicestershire LE11 2HX	2.2
Demolition of existing buildings and erection of a non-food shopping park (Class A1) and complementary A3 uses together with access and servicing arrangements, car parking and landscaping and associated works including closure of Everard Way to create new pedestrian link into Fosse Shopping Park	15/0577/FUL (Blaby Authority Reference)	Everards Brewery - Fosse Park	2.0
Hybrid application for mixed-use residential led development	P/13/2498/2	North East Loughborough SUE	33.8
Hybrid application for mixed-use residential led development	P/14/1833/2	West of Loughborough SUE	4.8
Erection of building to provide 4 retail units and 6 residential units with associated parking.	P/15/0421/2	Local Centre Site, Hallam Fields Road, Birstall, Leicester, LE4 3LH	2.4
Outline permission for Sustainable Urban Extension (SUE) of up to 1650 dwellings, up to 15ha of employment land, local centre, community resource centre, reserved land for travelling showpeople sites, primary school, allotments, open space and other associated works.	P/16/1660/2	Land North of Birstall	3.5
Total			**50.7**

Source: Table 26d of Appendix 7

7.4.12 We have assumed that all of the estimated comparison turnover of the commitments within Charnwood Borough will be drawn from the available expenditure within the borough.

7.4.13 We have included the extant scheme for the extensive expansion to Fosse Park on the former Everards Brewery site situated in Blaby's administrative area. Whilst the scheme is expected to have a total turnover of nearly £100m at 2018, based on the retail impact assessment submitted by the applicant's retail consultant Quod, just 2% of the proposal's turnover is expected to be drawn from residents located within Charnwood Borough.

7.4.14 Full details of the assumptions made in estimating the turnover of commitments are provided in the notes which accompany Table 26d of Appendix 7.

Residual Quantitative Need for Additional Comparison Goods Floorspace

7.4.15 Table 7.7 below sets out the residual comparison expenditure capacity in Charnwood Borough, taking into account the turnover requirements of the planning commitments for new comparison retail floorspace, and converts this to a floorspace requirement.

7.4.16 A residual comparison goods expenditure deficit of –£50.7m at 2018 is identified once the turnover requirements of planning commitments are taken into account. Extant planning permissions are expected to absorb all of the surplus expenditure capacity in Charnwood Borough in the short-term period up to 2023. However, even accounting for the existing commitments, the population growth and growth in spending on comparison goods forecast over the study period will still generate a substantial expenditure residual to support additional comparison retail provision in Charnwood Borough over the longer term, of £15.7m at 2028, £74.5m at 2033 and £116.4m at 2036.

Table 7.7: Residual Quantitative Need for Additional Comparison Goods Floorspace in Charnwood Borough after Implementation of Commitments

Year	Surplus Comparison Goods Expenditure (A) £m	Turnover of Commitments (B) £m	Residual Comparison Goods Expenditure (C=A-B) £m	Floorspace Requirement Min (C/£5,000 per sq.m) sq.m	Floorspace Requirement Max (C/£3,000 per sq.m) sq.m
2018	0.0	50.7	-50.7	-10,100	-16,900
2023	27.0	56.5	-29.6	-5,800	-8,800
2028	78.8	63.1	15.7	2,800	4,200
2033	144.9	70.4	74.5	11,700	17,700
2036	191.5	75.1	116.4	16,400	24,900

Source: Table 26c at Appendix 7

7.4.17 Table 7.7 then translates the identified residual expenditure figures into floorspace requirements, using a maximum average sales density of £5,000 per sq.m and a minimum of £3,000 per sq.m at 2018. The maximum average sales density is based on the identified need being met through the delivery of high street floorspace and the minimum figure relates to need being met by bulky goods retailers or independent retailers (which both generally achieve lesser sales densities).

7.4.18 As discussed, we do not estimate that there will be a comparison goods floorspace requirement until 2028, when an additional 2,800 sq.m to 4,200 sq.m of comparison retail floorspace will be needed, rising to between 11,700 sq.m and 17,700 sq.m at 2033, and to between 16,400 sq.m and 24,900 sq.m at 2036 depending on the format of the floorspace.

7.4.19 Whilst these longer-term forecasts should be treated with caution, the figures do demonstrate that over the longer term there is potentially substantial capacity for additional comparison goods floorspace within Charnwood Borough.

7.5 Qualitative Need

7.5.1 Paragraphs 31 and 32 of the NPPF makes clear that local planning authorities should ensure that the Local Plan is based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area.

7.5.2 Deficiencies and gaps in existing retail provision can be considered on a borough wide basis or in terms of the borough's individual centres. As set out within Section 5 of this report, we consider that the Study Area secures a reasonably good market share of convenience and comparison goods expenditure.

Convenience Goods Floorspace

7.5.3 In assessing the potential qualitative need for additional retail provision, whilst this is a more subjective matter, there are important factors to consider when reviewing the existing provision within the administrative area. Issues such as 'gaps' in existing provision, ensuring that communities have easy access to retail facilities and that there is a range of operators to provide choice to residents, along with location specific needs such as higher levels of deprivation, all need to be taken account of when assessing the qualitative need.

7.5.4 As set out in detail above, we have not identified any quantitative capacity for additional convenience floorspace across the borough, once committed convenience floorspace has been taken into account. This is principally due to the commitments associated with the Sustainable Urban Extensions, although these extensions are also increasing the population in Charnwood substantially.

Gap Analysis

7.5.5 The plans at Appendix 8 identify the areas within a 400m and 800m walking distance and a 5km driving catchment of the borough's defined centres and foodstores.

7.5.6 The catchment plan for the defined centres shows that the main settlements in Charnwood Borough of Loughborough, Shepshed, the string of villages along the A6 corridor to

Leicester, and the villages at the northern fringe of Leicester, are primarily served by the retail provision in the borough's main centre of Loughborough town centre, along with the defined district and local centres.

7.5.7 All of the main areas of population within the borough therefore fall within the areas immediately served by the existing network of centres in Charnwood Borough. Whilst there are a number of small rural settlements in the north west, south west and south east of the borough without a defined district of local centre, substantial retail provision in such locations would not be appropriate.

7.5.8 The catchment plan for foodstores in the borough highlights that all the main settlements benefit from access to smaller foodstores with less than 1,500 sq.m net floorspace. Loughborough itself is further served by four larger foodstores – the Tesco and Sainsbury's stores in Loughborough town centre, Tesco Extra in Shelthorpe in the south of the town, and Morrisons in Gorse Covert in the north west of Loughborough – that provide good coverage to serve residents across the urban area of Loughborough and surrounding rural areas.

7.5.9 However, access to larger foodstores with over 1,500 sq.m of net floorspace, which offer residents a full and choice range of convenience products, is more limited outside of Loughborough. The Asda store in Thurmaston provides the only large foodstore in Charnwood Borough outside of Loughborough, which serves residents of Thurmaston and Syston to the north. Residents in the south of the borough in Anstey and Birstall are within relatively close proximity to several large foodstores within Leicester, namely, Tesco Extra in Beaumont Shopping Centre, Sainsbury's at Melton Road, and Asda at Abbey Lane.

7.5.10 There is a gap in the provision of larger foodstores serving the remaining main areas of population within the borough, including the main settlements of Shepshed, and Barrow Upon Soar, Quorn, Mountsorrel and Rothley along the A6 corridor in the central part of the borough. Nevertheless, Barrow Upon Soar, Quorn, Mountsorrel and Rothley are all rural villages where a large foodstore would not be appropriate. Shepshed is a town and the largest of these settlements, and we consider that a larger foodstore would be appropriate in Shepshed. However, Shepshed already benefits from the presence of a sizeable Asda foodstore, (around 1,200 sq.m net), along with a smaller Co-op Food store (approximately 900 sq.m net) and two small foodstores. Furthermore, a large foodstore is committed as part of the Sustainable Urban Extension to the west of Loughborough, which will improve Shepshed residents' access to such provision. We do no therefore consider there to be a qualitative need for an additional large foodstore (of over 1,500 sq.m net) in Shepshed.

Retailer Representation and Consumer Choice

7.5.11 When reviewing the existing convenience provision across the borough as a whole, there is representation of all of the 'big four' supermarket operators (i.e. Tesco, Asda, Sainsbury's and Morrisons) and discounters (i.e. Aldi and Lidl) either within or just outside of the borough. Furthermore, there are extant commitments for both an Aldi foodstore and a Lidl foodstore within Loughborough.

7.5.12 We can see from the findings of the household survey (Table 5 of Appendix 6), that overall the existing foodstores are undertrading. However, there are some which are substantially overtrading including the Tesco Extra in Shelthorpe district centre, which is overtrading by approximately £18.8m when compared to benchmark average, along with the Aldi on Belton Road in Loughborough, which is overtrading by approximately £32.2m and the Aldi on Melton Road in Syston district centre which is overtrading by approximately £7.0m. All three of these stores were also identified as overtrading as part of the 2013 Retail Study produced by Roger Tym & Partners. The 2013 Retail Study also recognised at 2013 that the Morrisons in Gorse Covert district centre was substantially undertrading, which given its location within the defined centre boundary, needed to be monitored moving forward. Based on the findings of the new household survey, we now identify that the Morrisons is overtrading when compared to Morrisons' national average, and has therefore improved in performance since the previous study. Indeed, its overall market share has increased from 6.7% in 2013 to 8.3% in 2018.

7.5.13 Whilst it is not uncommon for discounters to be identified as overtrading in retail studies, it does demonstrate the popularity and importance of these retailers in meeting local residents' needs. It is worth noting however, that two additional discount foodstores are proposed and benefit from extant permission to the north and south of Loughborough in Zones 1 and 2, which could go some way to alleviating reducing the level of overtrading of the Tesco Extra in particular.

7.5.14 The 2013 Retail Study also recognised that the main centres in the borough are all served by at least one main foodstore. However, the study also noted that despite the presence of the then new Asda in Shepshed, the centre was continuing to lose market share and that time was required to let the store 'settle in'. Roger Tym & Partners' overall recommendations with regard to Shepshed were that over the medium to long term, there may be scope for a large store to promote sustainable shopping patterns.

7.5.15 The 2018 household survey results demonstrate that the Asda has in fact now increased its overall market share from 1.8% in 2013 to 2.4% in 2018 (based on residents in Zones 1 to 8). Indeed, a greater proportion of residents are now choosing to shop at the Asda for their convenience shopping (23.4%) compared to the proportion in 2013 (17.9%). This however, appears to have been at the detriment of the market share attracted to the Co-op in Shepshed centre which has reduced from 11.1% to 5.2%, rather than a reduction in leakage of expenditure outside of Zone 3 to other stores in neighbouring zones. The decline in the popularity of the Co-op store in Shepshed and shift to the new Asda store in Shepshed was further confirmed during our stakeholder consultations, with price identified as a key reason for this shift.

7.5.16 In terms of leakage outside of Zone 3, it is important to note also that residents in Zone 3 spread their convenience shopping trips over surrounding zones, visiting stores including the Tesco Extra in Loughborough in Zone 1 (12.0%), the Aldi on Belton Road and Morrisons in Gorse Covert district centre in Zone 2 (9.3% and 9.8% respectively), along with the Morrisons in Coalville (9.3%) located outside of the Study Area. There is a substantial level of expenditure being spent at foodstores outside of Zone 3, and it would appear that some residents are travelling further afield to meet their convenience shopping needs, relating back to Roger Tym & Partners' conclusions that there is a qualitative need for an alternative store in Shepshed. WYG's view is that although the level of convenience floorspace within Shepshed is proportionate to the requirements of the local population, there is a qualitative reason as to why residents are choosing to shop elsewhere, whether it be price, offer or overall accessibility of the stores (the Co-op in particular is located in a relatively constrained part of the centre).

7.5.17 Turning to residents in Zone 6, it is again apparent that a substantial proportion of the available expenditure is being spent at convenience destinations located outside of Zone 6, indicating that qualitatively, the offer is not meeting residents' requirements. In particular, just 8.2% of the available expenditure generated by residents in Zone 6 is spent at the Co-op in Birstall district centre and 4.9% is spent at the Waitrose in Mountsorrel (located outside of the local centre boundary). Instead, residents in Zone 6 are travelling to the Aldi on Belton Road in Zone 2, the Asda in Thurmaston in Zone 5 and more considerably to the Tesco Extra at Beaumont Leys, located outside of the Study Area. The substantial level of 'leakage' outside of Zone 6 to surrounding Zones and foodstores would indicate a qualitative deficiency within the zone in terms of convenience provision.

7.5.18 In terms of both Zones 3 and 6, it is important to note the current commercial market and the types of operators who are actively seeking to expand their portfolio (the discount end of the market, i.e. Aldi and Lidl). Should either retailer seek additional presence in Charnwood, and particularly Shepshed or in proximity to Mountsorrel, Rothley or Anstey, and proposal should be directed in the first instance to the defined centres in accordance with policy.

Comparison Goods Floorspace

7.5.19 Turning to the qualitative need for comparison goods, we focus primarily on Loughborough town centre, which – as the largest centre in Charnwood – is most likely centre to attract interest from retail operators and developers. We also consider the need for new comparison goods provision in the two largest district centres of Shepshed and Syston. Shepshed and Syston district centres serve the largest settlements in the borough after Loughborough and offer the most potential to attract market interest from retailers. Significant comparison goods retail development would not be appropriate in the smaller district and local centres in Charnwood.

7.5.20 We note that the 2013 Retail Study identified a qualitative need to diversify of the retail offer in Loughborough to support the vitality and viability of the town centre in the medium to long term, and in particular the development of more large and modern units. Improvements to the quality of the property stock in Shepshed were also identified as beneficial.

<u>Loughborough Town Centre</u>

7.5.21 Out health check of Loughborough town centre identified that the comparison retail provision in Loughborough town centre is broadly in line with the UK average and that the centre contains many of the top high street retailers.

7.5.22 Nevertheless, clothing and footwear provision in the centre was identified as below the UK average in terms of the proportion of outlets and floorspace. It is notable that there is no department store in Loughborough town centre and no Marks & Spencer store, although it is recognised that the Marks & Spencer Simply Food store at The Rushes Shopping Centre provide a click and collect facility for the full range of M&S products. Other key fashion retailers not present in the centre include H&M, Dorothy Perkins, HMV, Monsoon Accessorize and River Island.

7.5.23 The below average fashion offer is surprising given the large student and young adult population in the town and we consider that there is potential to attract additional operators if the right type of properties in the right locations – modern large floorplate units in prime town centre location – were to become available.

7.5.24 A department store and/or full range Marks & Spencer store and the addition of other major fashion multiples would deliver qualitative benefits to Loughborough town centre in attracting footfall and better enabling the centre to compete with Thurmaston Shopping Park as well as higher order destinations such as Leicester and Nottingham. However, given the current commercial climate and associated down-scaling of overall portfolio offer of such operators, particularly in smaller town centres, the demand within the town centre may be limited, and discussions with commercial agents will assist in establishing whether there is requirement.

7.5.25 It is noted that until recently, there were no such available larger properties in Loughborough town centre. However, the failure of Poundworld and the recent closure of its store at The Rushes Shopping Centre has provided an opportunity to test market interest from new high street fashion stores in entering Loughborough and the potential to attract further interest in locating in Loughborough town centre through the delivery of new and modern large floorplate units in the town centre.

Shepshed District Centre

7.5.26 Our health check of Shepshed district centre found the overall quantity and breadth of comparison retail provision in the centre is below the level expected for a town of Shepshed's size. The offer is particularly limited or non-existent in the chemist, small household goods, and clothing and footwear sub-sectors and representation of comparison goods national multiples is also extremely limited. Shepshed district centre retains only 10.9% of spending on comparison goods by the residents of its own zone (Zone 3), which we consider to be low for a centre serving the borough's second largest settlement with a population of around 13,500 (at 2011). The centre has also fallen 374 places in the UK shopping venue rankings between 2010 and 2016, indicating that the comparison retail function of the centre has declined in recent years.

7.5.27 We consider that this deficiency is largely due to the proximity of and competition from Loughborough town centre, along with the lack of larger and modern retail units to accommodate 'high street' multiples, and that there is no easily discernible main 'high street' within the centre. Whilst the residents of Shepshed will and should continue to be attracted to the shopping facilities in Loughborough town centre as the principal centre in the borough, which is only 6km away, Shepshed should be able to better meet the basic comparison goods needs of its residents. The attraction of more comparison goods retailers to Shepshed district centre would benefit its overall vitality and viability.

7.5.28 Proposals to increase and diversify the comparison goods offer in Shepshed district centre should be supported. However, we recognise that opportunities for development of large modern retail units are limited. We therefore suggest that the main priorities in the comparison sector are to protect the retail use of existing properties in the centre and to enhance the retail property offer and quality of the environment through the delivery of the Shepshed Town Centre Masterplan.

Syston District Centre

7.5.29 Our health check of Syston district centre found the comparison retail provision in the centre to be more commensurate with the level expected for a settlement of its size, which has a population of approximately 12,800 (at 2011). The centre provides a good comparison retail offer that meets the basic comparison goods shopping needs of Syston's residents. The centre encompasses some 28 comparison retail units and includes representation from a small number of top high street comparison retailers (Wilko, Boots and Poundstretcher). The centre also provides a reasonably varied independent retail offer with operators across the range of comparison goods sub-sectors.

7.5.30 Syston district centre retains 14.8% of spending on comparison goods by the residents of its own zone (Zone 5), which we consider to be reasonable, particularly given the competition posed by Thurmaston Shopping Centre, which is also located in Zone 5.

7.5.31 Overall, we consider that the centre fulfils its role as an important comparison goods shopping destination for the residents of Syston and its surrounding rural catchment. Nevertheless, the attraction of more comparison goods retailers to the centre would benefit its overall vitality and viability and opportunities to increase and diversify the comparison goods offer in Syston should be supported.

8.0 Commercial Leisure Needs

8.1 Introduction

8.1.1 Our approach to the assessment of commercial leisure needs departs from our retail methodology for a number of reasons, including the fragmentation of the market and the limited availability of accurate expenditure data. However, the household survey questioned respondents about their use of commercial leisure facilities and, through reference to market share, we are therefore able to form a view as to how facilities currently meet the needs of the borough's population in relation to the bingo, cinema, ten-pin bowling and health and leisure centre sectors. In considering commercial leisure needs, it is important to note that facilities elsewhere within Leicestershire help meet needs which originate in Charnwood and the assessment which follows is undertaken on this basis.

8.1.2 We utilise national statistics in respect of the typical level of provision of specific types of facilities to assist our judgement in respect of the likely future need for additional facilities in the administrative area. By reference to estimated increases in the Study Area population, this 'benchmarking' exercise provides an indication of the likely future need for additional commercial leisure facilities in Charnwood Borough.

8.1.3 The assessment of current participation rates and proportion of visits to existing commercial leisure destinations is based on the findings from the household survey, which included residents within the adopted Study Area. The capacity figures provided below for each commercial facility is based on the expected population growth in the Study Area only. However, we provide further commentary on this point below, given the potential for these additional visitors to the borough and particularly the town centre, to generate additional commercial leisure requirements.

8.1.4 For each leisure sector, we consider the current broad patterns of existing use, before then assessing the quantitative need for additional facilities.

8.2 Participation Rates

8.2.1 The Household Survey asked respondents which leisure activities they participate in. Across the Study Area as a whole, the most popular leisure activity mentioned by respondents was visiting restaurants (which 58.8% of respondents visit), followed by the cinema (50.0%) and then pubs/bars (41.5%). Just 7.6% of respondents stated that they visit ten pin bowling facilities and 3.2% of respondents stated that they visit nightclubs. The popularity of residents participating in visits to restaurants, pubs and the cinema reflect national trends, along with the low participation rates for visiting bingo halls, which as we discuss in more detail below, has reduced considerably in popularity over the past decade.

Table 8.1: Participation Rates

Leisure Activity	Participation Rate
Restaurant	58.8%
Cinema	50.00%
Pub / bars	41.5%
Theatre / concert hall	28.7%
Health & fitness	21.3%
Museum / art galleries	20.1%
Leisure centre activities	16.0%
Ten pin bowling	7.6%
Social club	4.7%
Bingo	4.0%
Nightclub	3.2%

Question 46 of Household Survey, Appendix 5

8.3 Bingo

8.3.1 Charnwood Borough accommodates one formal bingo hall at the Old Cinema on Baxter Gate in Loughborough (Zone 1) which is also the most popular bingo destination for residents in the Study Area.

Table 8.2: Market Share of Facilities for Bingo Hall Visits (%)

Zone	Address	Total
Inside Study Area		
1	Beacon Bingo, The old cinema, Baxter Gate, Loughborough	53.4%
5	Other, Zone 5	14.8%
Outside Study Area		
OSA	Gala Bingo, Beaumont Way, Leicester	13.5%
OSA	Other, N W Leicestershire	7.2%
OSA	Gala Bingo, Gala Way, Nottingham	2.6%
OSA	Mecca, Freeman's Park Campus, Aylestone Road, Leicester	2.4%
OSA	Other, Leicester	2.4%

Source: Question 52 of Household Survey, Appendix 5
Note: 'OSA' relates to facilities outside of the Study Area

8.3.2 The Study Area has a total estimated population of 244,441 at 2018, increasing to 280,835 at 2036. Mintel reports[28] that there were 353 bingo halls in the UK at March 2017, which applying the Office for National Statistics' estimated population of the UK of 66.2 million (for June 2017)[29], suggests that each hall is supported by a catchment of 187,535 persons or thereabouts. Accordingly, as we set out below at Table 8.3, we estimate that the population of the Study Area (and Charnwood Borough, in particular) could support 1.5 bingo clubs across the reporting period to 2036.

8.3.3 It should also be noted that the bingo market has been significantly affected by the 2007 ban on smoking in enclosed public places, an increase in the proliferation of fixed odd gaming machines, and an increase in online gambling. Recent reports indicate that the industry has begun to stabilise, supported by the Government halving Bingo Duty from July 2014 and a shift towards a refreshed and younger customer base. As a consequence, Mintel[30] anticipates that there will be very modest year on year market growth of around 1.5% in the short term, with consumer expenditure forecast to increase from £732m at 2016 to £794m at 2021. The 2019 forecast has increased from £728m as reported by Mintel in 2015, to £767m which suggests that growth has occurred at a slightly faster rate than previously anticipated which further supports the indications that the industry has begun to stabilise.

8.3.4 Nevertheless, as a consequence of the generally stagnant market, new bingo hall openings are few and far between. Indeed, the 2017 report indicates a loss of 1 bingo hall since 2015. There is a lack of commercial desire to open new bingo halls and from a qualitative point of view, the offer within Charnwood is sufficient to meet the participation rates identified in the household survey alone. If a new facility were to come forward, it would be important to offer a qualitatively different format to that which is already provided by Beacon Bingo in a suitable and sustainable location.

8.3.5 In any event, should any proposals for such development be forthcoming, we recommend that they are judged on their own merit in accordance with relevant town centre planning policy at the time of the application's submission.

[28] 'Casinos and Bingo', Mintel, March 2017
[29] 'Population Estimates for UK, England and Wales, Scotland and Northern Ireland: Mid-2015', Office for National Statistics, June 2016
[30] 'Casinos and Bingo', Mintel, March 2017

Table 8.3: Bingo Hall Requirement in Study Area and Charnwood

Year	Study Area Population	Typical Population Required to Support Hall	Potential Number of Clubs Supported by Study Area	Charnwood Population	Potential Number of Clubs Supported in Charnwood
2018	244,441	187,535	1.3	183,618	1.0
2023	254,989	187,535	1.4	192,195	1.0
2028	266,539	187,535	1.4	201,969	1.1
2033	276,147	187,535	1.5	210,067	1.1
2036	280,835	187,535	1.5	213,989	1.1

Note: Number of persons required to support a bingo hall derived from Mintel's Casinos and Bingo Halls report and ONS population data
Charnwood Population Assumed to be all residents in Zones 1-6

8.4 Cinema

8.4.1 As set out below at Table 8.4, the results of the household survey indicate that the Cineworld in Loughborough town centre is by far the most popular destination for residents in the Study Area, attracting 42.4% of the total number of trips, followed by the Odeon at the Cattle Market also within the town centre, which attracts 22.4% of the total number of trips. The remaining 35.2% of trips are to cinemas located outside of the Study Area, including the Vue in Leicester (12.0% of trips), the Showcase in Leicester (10.5% of trips) and the Broadway in Nottingham (2.7% of trips).

Table 8.4: Study Area Market Share for Cinema Visits (%)

Zone	Address	Total
Inside Study Area		
1	Cineworld, Old Hospital Court, Loughborough	42.4%
1	Odeon, Cattle Market, Loughborough	22.4%
Outside Study Area		
OSA	Vue Cinema, Meridian Leisure Park, Lubbesthorpe Way, Braunstone, Leicester	12.0%
OSA	Showcase Cinema De Lux, Highcross Lane, Leicester	10.5%
OSA	Broadway Cinema, Broad Street, Nottingham	2.7%
OSA	Savoy Cinema, Derby Road, Nottingham	2.5%
OSA	Phoenix Cinema & Art Centre, Midland Street, Leicester	1.6%
OSA	Other, East Midlands	1.4%
OSA	Cineworld, Forman Street, Nottingham	1.0%

Source: Question 43 of Household Survey, Appendix 5
Note: 'OSA' relates to facilities outside of the Study Area
Includes total responses over 1.0%

8.4.2 The cinema sector has generally struggled over the last eight years with falling admissions. Total admissions of 158 million in 2014 represented a decline of 8% from the level recorded in 2011[31]. The market was expected to return to growth and admissions for 2015 were estimated to be 173 million, with Mintel[32] forecasting an increase in admissions to 175 million in 2020. This forecast is maintained in the most recent Mintel[33] report which goes on to forecast a further increase of admissions to 178 million in 2022.

8.4.3 In terms of facilities, the number of cinemas in the UK experienced gradual decline between 2010 and 2014 during the economic downturn. However, 2015 saw a moderate increase in the total number of UK cinema sites, which increased from 743 at the close of 2014 to 771 at the close of 2015. Growth continued to occur in 2016, Mintel reporting that the number of sites in the UK increased again by the end of the year to 788.

8.4.4 Once again, we estimate that the Study Area has a total estimated population of 244,441 at 2018, increasing to 280,835 by 2036. Mintel estimates that the UK population on average visits a cinema 2.7 times per annum and that each cinema screen attracts around 42,927 separate admissions.

8.4.5 Based on the above, Table 8.5a below calculates that the population in the Study Area could support 15.4 screens at 2018, rising to 17.7 screens by 2036. Table 8.5b then provides a calculation as to the level of screens which could be supported by the population in the borough alone. Based on the calculations above, the level of screens which could be supported by the population in the borough only is 11.5 at 2018, increasing to 13.5 by 2036.

8.4.6 The Cineworld in Charnwood opened in 2016, and as such is a relatively new cinema serving the population of Charnwood with modern facilities. The cinema comprises 8 screens with 1,087 seats. In addition, the Odeon at the former Cattle Market also within the town centre which comprises 6 screens, including 3D facilities. We are also aware that the FLIX Loughborough Student Cinema, which is a student-run cinema is located within the University's Students' Union includes an additional 1 screen. As such, in total there are 15 screens serving the population of the borough and the Study Area as a whole. This broadly corresponds with the requirement as set out in Tables 8.5a and 8.5b below. Based on these calculations, we would not recommend the addition of new screens within Loughborough town centre, as we are of the view that the provision sufficiently meets the requirements of residents in Charnwood. Whilst a proportion of residents of the Study Area are travelling to destinations outside of the Study Area, these are principally residents in Zones 5, 7 and 8,

[31] 'Cinemas', Mintel, November 2014
[32] 'Cinemas', Mintel, November 2015
[33] 'Cinemas', Mintel, November 2017

and as such we do not consider there to be the potential to materially alter these current leisure patterns.

Table 8.5a: Cinema Screen Requirement in Study Area

Year	Study Area Population	Number of Cinema Visits Per Person	Attendance	Number of Admissions Required to Support Screen	Screens Supported
2018	244,441	2.7	659,991	42,927	15.4
2023	254,989	2.7	688,470	42,927	16.0
2028	266,539	2.7	719,655	42,927	16.8
2033	276,147	2.7	745,597	42,927	17.4
2036	280,835	2.7	758,255	42,927	17.7

Note: Number of cinema visits per person and trips required to support cinema screen derived from Mintel's Cinemas report (November 2015)

Table 8.5b: Cinema Screen Requirement in Charnwood

Year	Charnwood Population	Number of Cinema Visits Per Person	Attendance	Number of Admissions Required to Support Screen	Screens Supported
2018	183,618	2.7	495,769	42,927	11.5
2023	192,195	2.7	518,927	42,927	12.1
2028	201,969	2.7	545,316	42,927	12.7
2033	210,067	2.7	567,181	42,927	13.2
2036	213,989	2.7	577,770	42,927	13.5

Note: Number of cinema visits per person and trips required to support cinema screen derived from Mintel's Cinemas report (November 2015)
Charnwood population assumed to be residents in Zones 1-6

8.5 Ten Pin Bowling

8.5.1 The most popular ten pin bowling facility in the Study Area is the Hollywood Bowl on Lubbesthorpe Way in Leicester which attracts 75.4% of all trips, followed by the Tenpin on Redfield Way in Nottingham which attracts 19.9% of all trips. Both of the destinations are located outside of the Study Area.

Table 8.6: Study Area Market Share for Ten Pin Bowling Visits (%)

Zone	Address	Total
OSA	Hollywood Bowl, Lubbesthorpe Way, Leicester	75.4%
OSA	Tenpin, Clifton Boulevard, Redfield Way, Nottingham	19.9%

Source: Question 46 of Household Survey, Appendix 5. Includes all responses located within Study Area and those receiving more than 2.0% of total market share of trips outside Study Area
Note: 'OSA' relates to facilities outside of the Study Area.

8.5.2 The ten pin bowling sector in general has experienced decline over the last ten years, with a gradual reduction in the number of facilities. However, in very recent times, the market has shown positive signs, with Mintel[34] forecasting modest market growth equivalent to approximately 6% per annum between 2016 and 2020, slowing in 2020 to approximately 3% growth. An alternative business model has recently developed for in-centre 'boutique' bowling facilities, with a greater focus on food and beverage as a fashionable alternative to the traditional family orientated bowling experience. This business model has potential to support the evening economy within towns and cities as an alternative use for struggling nightclub venues, where the market has been found to have contracted in recent years. Participation in ten pin bowling is found to have remained relatively popular amongst both young adults and families. Mintel identifies that 54% of 16 to 34 year olds visited a bowling alley within the last year, with this reducing to 41% of those aged between 35 to 44, and 13% of those aged 45+.

8.5.3 In terms of the expected benchmark level of provision in the Study Area, we note that the Mintel Tenpin Bowling report of May 2017 identified that there were 5,242 bowling lanes across the UK in 2017. This represents a decrease from the reported figure of 5,617 in 2014. Given that the UK population at 2017 is approximately 66.2 million[35], this equates to one lane for every 12,630 persons. Based on the estimated population within the Study Area, our assessment indicates that 19.4 lanes could be supported at 2018, increasing to 22.2 lanes at 2036. Within Charnwood, the identified need equates to 14.5 lanes at 2018, increasing to 16.9 lanes at 2036.

8.5.4 As stated above, there are no ten-pin bowling facilities within Charnwood Borough. We note that the 2013 Retail Study identified that the majority of the spending for 'family entertainment centres' was travelling outside of the borough, reflecting the general lack of provision. Roger Tym & Partners' conclusions were that there may be scope for an enhancement of this type of leisure facility over the course of the study period in order to reduce residents to travel further afield. Since then, the new Cineworld has been delivered which has met the qualitative cinema requirement but no additional ten-pin bowling facilities have been brought forward. There may be the potential for an additional bowling facility within Charnwood, but due to the current market and general lack of investment and decline in this sector, operators may not be forthcoming. Discussions with commercial agents would be useful in this regard to establish if there was a market in Loughborough for additional facilities, particularly given the student population.

[34] 'Tenpin Bowling', Mintel, May 2017

[35] 'Population Estimates for UK, England and Wales, Scotland and Northern Ireland: Mid-2014', Office for National Statistics, June 2015

Table 8.7: Ten Pin Bowling Requirement in Study Area and Charnwood

Year	Study Area Population	Typical Population Required to Support One Ten Pin Lane	Potential Number of Ten Pin Lanes Supported in Study Area	Charnwood Population	Potential Number of Ten Pin Lanes Supported in Charnwood
2018	244,441	12,630	19.4	183,618	14.5
2023	254,989	12,630	20.2	192,195	15.2
2028	266,539	12,630	21.1	201,969	16.0
2033	276,147	12630	21.9	210,067	16.6
2036	280,835	12,630	22.2	213,989	16.9

Note: Typical number of persons required to support a bowling lane derived from Mintel Tenpin Bowling report of May 2017
Charnwood Population assumed to be all residents in Zones 1-6

8.6 Health and Fitness Centres

8.6.1 In the health and fitness sector, the number of local authority owned leisure centres and swimming pools has generally increased in the past few years, although, with reductions to their sport and leisure funding budgets, local authorities are increasingly being required to adopt more commercial approaches. Mintel[36] records that, at September 2017, 32% of adults were found to use a local authority owned health centre or swimming pool. This is a minor reduction from the figure of 33% recorded in 2015 and a further reduction from the figure of 40% recorded in 2013, although operator data suggests that admissions have remained resilient overall, pointing to losses being concentrated around more casual users (who visit less often). The replacement of aging facilities to allow local authority health and fitness centres to compete with private facilities remains a key challenge.

8.6.2 Mintel[37] forecasts indicate that the private health and fitness sector had a market value of approximately £2.9 billion in July 2016. This is forecast to continue to grow substantially by approximately £200 million per year, reaching 3.9 billion in 2022. Mintel also notes that, whilst only 12% of adults currently use a private health and fitness club, the potential for a further expansion of the market remains strong. Perhaps unsurprisingly, the 16 to 24 and 25 to 34 age groups have the highest participation rates, with 19% and 18% respectively of the population within these age groups visiting private health clubs, with participation dropping off quickly within older age groups.

8.6.3 The composition of the private health and fitness sector has experienced great change in recent years with the rise of budget gym operators presenting a challenge to the more

[36] 'Leisure Centres and Swimming Pools', Mintel, September 2017
[37] 'Health and Fitness Clubs', Mintel, July 2017

established key players. Mintel indicates that the market has expanded significantly with a shift towards budget operators bringing possibilities for more convenient access and affordability for the customers. Budget operator Pure Gym has expanded to become the market leader both in terms of number of members (930,000) and clubs (176). It should be noted that Pure Gym has continued to rapidly expand year on year in terms of the number of members and sites, which were previously reported by Mintel as being 520,000 (members) and 99 (sites) in 2015. At the same time, Pure Gym's main competitor, The Gym, has also greatly increased its membership since 2015 from 350,000 to 535,000 members and 63 to 100 clubs, albeit more modestly. Nuffield has emerged as the largest 'full service' health club chain with 476,000 members and 112 sites, overtaking David Lloyd Leisure (407,095 members, 83 sites) and Virgin Active Group (251,000 members, 61 sites) who were the largest in 2015. Mintel has predicted 25% growth for the private sector health and fitness market up to 2022, to reach a value of £3.9 billion.

8.6.4 Table 8.8 below sets out the health and fitness market share attracted to each of the health and fitness facilities within the Study Area. The Table demonstrates that the principal health and fitness destination in the Study Area for residents is the Loughborough Leisure Centre located on Browns Lane, located adjacent to Queen's Park, approximately 300 metres to the south west of Loughborough town centre. The Loughborough Leisure Centre is a standalone development with its own dedicated car parking and includes a swimming pool, sports hall, fitness gym, soft play centre and facilities for birthday parties and informal gatherings. As such, the Centre provides a range of comprehensive modern facilities for all ages and is an important facility in Loughborough.

8.6.5 Soar Valley Leisure Centre in Mountsorrel also attracts 10.0% of all health and fitness trips, which is located in Zone 6 of the Study Area. Residents from Zones 2, 4 and 6 all travel to Soar Valley Leisure Centre to meet their health and fitness requirements (1.8%, 33.4% and 26.1% respectively).

8.6.6 Loughborough town centre had the second to highest proportion of trips at 12.9%, with PureGym at 5.2%. We expect that the 12.9% of responses will be referring to a range of facilities within the town centre, including Anytime Fitness, Fit4Less and Dynamite Gym.

Table 8.8: Study Area Market Share of Trips to Health and Fitness Centres (%)

Zone	Address	Total
Inside Study Area		
1	Loughborough Leisure Centre, Browns Lane, Loughborough	15.4%
1	Loughborough Town Centre	12.9%
6	Soar Valley Leisure Centre, Kingfisher Road, Mountsorrel, Leicester	10.0%
1	PureGym, The Rushes, Loughborough	5.2%
6	South Charnwood Leisure Centre, Parkstone Road, Syston, Leicester	3.5%
6	Leicester Road / Market Place, Mountsorrel Local Centre	3.2%
1	Other, Zone 1	3.2%
5	Syston District Centre	2.1%
Outside Study Area		
OSA	Other, Leicester	4.8%
OSA	Hermitage Leisure Centre, Silver Street, Whitwick, Coalville LE67 5EU	4.3%
OSA	Other, N W Leicestershire	4.1%
OSA	Other, East Midlands	3.0%
OSA	Rushcliffe Arena, Rugby Road, West Bridgford, Nottingham NG2 7HY	2.7%
OSA	The Workhouse Gym, Maple Road, Castle Donington DE74 2UT	2.2%
OSA	East Leake Leisure Centre, Lantern Lane, East Leake, Loughborough LE12 6QN	2.1%
OSA	Leicester City Centre	2.1%

Source: Question 48 of Household Survey, Appendix 5. Includes all responses located within Study Area and those receiving more than 4.0% of total market share of trips outside Study Area
Note: 'OSA' relates to facilities outside of the Study Area

8.6.7 Charnwood is served by a range of public and private health and fitness facilities including the Loughborough Leisure Centre, Soar Valley Leisure Centre and South Charnwood Leisure Centre. There are a number of national gym names missing in Charnwood, including Virgin Activeand David Lloyd. However, there is the presence of a PureGym within the town centre at The Rushes.

8.6.8 From an audit of available facilities, it appears that provision is appropriately distributed throughout Charnwood's key settlements and, as such, Charnwood appears to be relatively well provided for in terms of indoor health and fitness facilities.

8.6.9 Accordingly, whist there does not appear to be a pressing need to allocate additional land for such leisure uses, it is considered that proposals for new indoor sports, health and fitness provision should be considered positively, provided that they are in accordance with the provisions of the development plan and national planning policy.

8.6.10 Our assessment of the health and fitness sector indicates that Charnwood appears to be well served by a range of public and private leisure facilities which are distributed throughout the area and we did not identify any immediate requirement to further increase this offer. However, there may be opportunities for further private sector fitness clubs to be brought forward throughout the borough and in the defined centres in particular, serving both local needs but also the needs of office workers within the town centre. New proposals for gyms and health and fitness centres should be judged on their own merits and in accordance with local and national policy, with a town centre first approach where suitable sites are available. It may be that any such uses would come forward as part of a wider mixed-use scheme.

8.7 Food and Drink

8.7.1 Consumer spending on eating out through visits to restaurants and takeaways is recognised as a sector which has performed well during the economic downturn. Mintel[38] identifies that the eating out market grew by around 14% between 2012 and 2016, to an estimated £66bn, and predicts that the market will continue to experience growth, forecast to be around 11% in the period up to 2022 to reach a value of £75 billion. The emergence into the restaurant market of multiple new specialist operators, many with significant plans for expansion, has increased opportunities for landlords to provide a diverse and distinct food offer.

8.7.2 A recent report by Savills[39] entitled 'Casual Dining in the UK' has found that casual dining brands in the UK, which operate from under 25 sites, such as Wahaca and Cau, have grown by 39% over the past three years. The report identifies that such dining brands, in combination, have opened 489 new outlets across the UK. This emphasises the popularity and growth of smaller chains, a trend which has led to increased diversity and consumer choice across the sector. During the same time period brands providing a larger number of outlets such as Pizza Express, Prezzo and Nandos, have grown by 13%. In terms of the casual dining market as a whole, Savills identifies that 80% is made up of brands with fewer than 25 restaurants. The Savills report also identifies that there has been growth in different cuisines, with North American, Caribbean and Thai cuisines increasing in popularity.

8.7.3 Despite significant pub closures in recent years, there is reason for optimism within the licensed premises sector. The Cask Report[40] reporting that six fewer pubs are closing a week in 2017 than in 2016. Visitor numbers have been found to be stable, with the industry expected to experience modest growth in the period to 2019. Mintel identifies that some

[38] 'Eating Out Review', Mintel, Sep 2017
[39] Casual Dining in the UK, Savills, June 2016
[40] 'Pub Visiting' Mintel, May 2017

79% of adults visited a pub or bar in 2016/17 for a drink, with the 18 to 24 age group found to be most likely to drink in pubs or bars on a weekly basis. The cask ale market in particular is reported to have grown by 6.3% in the last 5 years[41]. Nevertheless, a quality food offer has become increasingly important within the sector, as the contribution which food sales make to pub revenues has increased steadily over a prolonged period.

Table 8.9: Study Area Market Share of Trips to Restaurants (%)

Zone	Address	Total
Inside Study Area		
1	Loughborough Town Centre	32.8%
1	Syston District Centre	4.6%
6	Quorn Local Centre	3.7%
1	Barrow-upon-Soar District Centre	2.5%
6	Rothley Local Centre	2.3%
Outside Study Area		
OSA	Leicester City Centre	18.5%
OSA	Nottingham City Centre	5.9%
OSA	Coalville Town Centre	2.0%

Source: Question 44 of Household Survey, Appendix 5. Includes all responses located within Study Area and those receiving more than 2.0% of total market share of trips outside Study Area
Note: 'OSA' relates to facilities outside of the Study Area

8.7.4 In terms of the existing food and drink provision within Charnwood's defined centres, the most popular destination for restaurant use is Loughborough town centre which attracts 32.8% of trips, followed by Syston district centre which attracts 4.6% of trips. Outside of the Study Area, Leicester city centre attracts 18.5% of the trips from residents in the Study Area, following by Nottingham city centre which attracts 5.9% of all trips.

8.7.5 There are signs that the independent restaurant sector remains relatively positive, and as such, there are opportunities to expand and build on the existing offer particularly within Loughborough town centre to serve both visitors and residents. There are operators who are seeking to expand their portfolio and as we discuss in more detail in the strategy section below, discussions with operators directly would be beneficial to establishing future requirements in Charnwood subject to the right scheme and provision of suitable units. Such uses can increase 'dwell time' within the centre and a diverse restaurant offer can encourage a wider range of users to visit Loughborough town centre. The newly constructed Cineworld complex includes a number of national multiple restaurants such as Pizza Express, Centro Lounge (part of the Loungers), Nandos, Bella Italia, Starbucks and Pesto. However, there are

[41] 'The Cask Report 2015-16', Cask Matters, September 2015

some national multiples not present in the town centre including Wagamamas, Zizzi, Prezzo, Café Rouge, Las Iguanas, Barburrito and Frankie and Bennys. All of these operators are however present in either or both of Leicester and Nottingham city centre, which may account for the proportion of trips travelling to these centres to visit a restaurant.

8.7.6 We acknowledge that the independent restaurant offer in Loughborough town centre is relatively good, and that these operators should be protected moving forward. The independent offer acts as a draw to the centre, offering a qualitatively different appeal for residents. However, we do believe there is scope to enhance the overall restaurant offer within the town centre and this could be done by providing modern format units of an appropriate size to accommodate them.

8.8 Other Leisure Uses

8.8.1 In recent years, the presence of leisure facilities such as trampolining centres, climbing walls and soft-play centres have increased substantially across the UK.

8.8.2 In an increasingly competitive retail environment, centres are seeking more adventurous and exciting leisure operators to provide differentiation and draw consumers in. For example, indoor soft play facilities such as Average Joe's and Loughborough Leisure Centre in proximity to Loughborough town centre, and Noah's Ark located in Shepshed.

8.8.3 Trampoline parks for example, offer a broad range of activities, from children's parties, fitness classes, corporate team building activities, to teen and adult club nights, whilst most also have onsite cafés. The same can be said for climbing walls and soft-play centres, where a wide range of activities are present alongside the main leisure facilities.

8.8.4 In terms of trampolining facilities, Jump Giants is located in Burton on the Wolds, approximately 5.4km to the north east of Loughborough town centre and in terms of climbing walls, The Climbing Station is located just 0.8km to the east of the town centre.

8.8.5 As is the case in Charnwood, these facilities generally occupy relatively large (500 sq.m to 2,500 sq.m) units with high ceiling heights and are often found in former employment or retail premises on business parks and retail parks. As such, applications to change the use of the premises to allow the use by Class D2 operators if the units are located outside of the defined town centre, will need to be assessed against the relevant main town centre use planning policies of the sequential and impact tests.

9.0 Potential Development Sites

9.1 Introduction

9.1.1 The study brief sets out the requirement to consider the availability of sites to meet identified needs within and adjoining the defined centres in Charnwood Borough. Paragraph 85 of the NPPF states that planning policies should allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead and that meeting anticipated needs for retail, leisure, office and other main town centre uses over the period should not be compromised by limited site availability, so town centre boundaries should also be kept under review where necessary.

9.1.2 As set out at Section 7 above, based on the current retention rates within the Borough, we do not identify a quantitative requirement for any additional convenience goods floorspace within Charnwood's catchment up to 2036 once existing commitments are considered. In terms of comparison goods floorspace requirements, again based on a constant market share across the Borough, we identify that by 2028, there will be between 3,500 sq.m and 5,300 sq.m of comparison goods floorspace required, increasing to between 17,100 sq.m and 26,000 sq.m by 2036. In terms of the potential locations for additional comparison floorspace within the borough, we consider that Loughborough is most likely to attract interest from retail operators and developers.

9.1.3 In terms of commercial leisure needs, we have identified in Section 8 above that there is a quantitative and qualitative requirement for a ten-pin bowling facility and the increase in provision of the food and beverage offer.

9.1.4 As part of our visits and surveys of each of the defined centres in the borough, we sought to identify under-used and vacant sites that offered potential for redevelopment within or on the edge of the defined centres. An edge of centre site is defined as being within 300 metres of the primary shopping area for retail uses and for other main town centre uses, 300 metres from the defined town centre boundary. For the district and local centres where it is not appropriate to define a primary shopping area, the town centre boundary is of relevance.

9.1.5 Our search for potential development sites consisted of the following:

- A review of commercial (or mixed-use) allocations within the adopted development plan and other supporting documents, including the Charnwood Core Strategy, the Loughborough Town Centre Masterplan and the Shepshed Masterplan.

- A review of online resources such as EGi, CoStar and Shopproperty for available sites.
- A desk-top based search for sites using online mapping.
- An on-site review of sites, looking at potentially underutilised sites, development opportunities and amalgamations of vacant units.
- Discussions with the Council.

9.1.6 This section of the study provides a high-level assessment of the development potential of a total of seven sites we identified in Loughborough town centre and in the district and local centres as part of our visits to the centre and our desk-top based searches. Our assessments provide an overview of the existing use and physical characteristics of each site followed by a high-level assessment of development constraints, site potential and commercial viability.

9.1.7 In addition, we conducted a high-level review of the findings of the Loughborough Town Centre Masterplan in relation to the opportunity sites it identified in Loughborough town centre. Our review focused on the potential for these sites to accommodate the needs for retail and leisure floorspace identified in this study. We do not seek to provide detailed analysis of the development opportunities on the Loughborough town centre sites given that the Masterplan was only very recently adopted and provides up to date guidance in terms of the potential development options and quantum of floorspace. We take this into account in establishing whether there is additional need for the allocation of other sites within the local plan.

9.2 Summary of Site Assessments

9.2.1 Our assessments of each of these sites, which include a plan showing the site location, are provided at Appendix 8 and the findings are summarised in Table 9.1 below.

9.2.2 The scale of development, in terms of retail and commercial leisure floorspace, for the purposes of our site assessments is defined as follows:

- Small scale – up to 1,000 sq.m (gross) floorspace;
- Medium scale – 1,000 – 2,500 sq.m (gross) floorspace; and
- Large scale – in excess of 2,500 sq.m (gross) floorspace.

9.2.3 The quantity of additional retail floorspace potentially deliverable on each site represents the net additional retail floorspace that could potentially be delivered taking account of any retail floorspace already located on the site. It is an estimate only and could vary depending on site circumstances, design and the ability to fully assemble or even expand sites. The floorspaces identified in this study are therefore a guide.

9.2.4 The extent of the assessments, whilst identifying whether sites are in single or multiple ownership, do not go as far to explore the length of unexpired leases, restrictive covenants nor have there been discussions with site owners as to their intentions/aspirations for sites. As such the site assessments provide a useful guide as to the suitability and availability of sites to meet future capacity but are not definitive. In addition, the information and conclusions of the site assessments do not imply that retail/leisure development on the sites will be granted planning permission by the Council, which would be assessed on their own planning merits should applications be forthcoming.

Table 9.1 Summary of Site Assessments

Site Location	Site Size	Availability	Potential Character of Development	Commercial Viability	Potential Additional Retail Floorspace
Loughborough - Land adjacent to Carillon Shopping Centre, Derby Square	0.1 ha	Cleared and available for redevelopment.	Medium scale ground floor retail with residential above. Outline planning permission was granted in 2011 for an extension to the shopping centre to provide new larger retail units and approximately 60 student residences above. However this has now lapsed.	Likely to be commercially viable.	Small scale - Up to 500 sq.m gross
Anstey - Leicester Road	0.4 ha	Largely in active use. However, encompasses a vacant retail unit and low value uses, offering development potential for higher value uses.	Small to medium scale retail/leisure uses or residential led scheme with retail/leisure uses at ground floor level.	Potentially to be commercially viable, but site will require assembly and significant clearance works.	Small scale - Up to 250 sq.m gross
Barrow Upon Soar - High Street	1.0 ha	Much of the site in active use and is not currently available.	Mixed used development comprising medium scale retail/leisure uses, community/health uses and car parking.	Highly unlikely to be commercially viable and will require public funding to deliver.	Small scale - Up to 750 sq.m gross
Shepshed - Hall Croft, Land to the North of Field Street	0.9 ha	In use and not currently available for development,	Small scale retail/leisure and community uses.	Given that the site is active use, the considerable	Limited capacity given the mix of existing uses.

Site Location	Site Size	Availability	Potential Character of Development	Commercial Viability	Potential Additional Retail Floorspace
		with multiple ownerships.		level change and the likely need to re-accommodate existing uses on the site, it is highly unlikely that the comprehensive redevelopment of the site would be commercially viable. We expect that redevelopment would therefore require public sector investment to assemble the site and progress its delivery in partnership with the Co-op Food.	
Sileby - King Street	0.3 ha	In use by an established business and not currently available for development.	Small scale retail/leisure uses and residential uses	Redevelopment likely to be commercially viable if the site becomes available.	Small scale - Up to 750 sq.m gross
Sileby - Brook Street	0.3 ha	In use and not currently available for development, but much of the site is in industrial use and offers potential for redevelopment for higher value uses.	Small scale mixed use development for ground floor retail/leisure and residential above.	Redevelopment will require comprehensive site clearance and most likely remediation. We recommend a more detailed site assessment to establish whether redevelopment is likely to be commercially viable for the medium to long term.	Small scale - Up to 500 sq.m gross
Syston - Telephone Exchange, Melton Road	0.2 ha	In use and not currently available for development, but may potentially become available in the future.	Small scale retail/leisure/commercial uses, potentially with residential uses above ground floor level.	Site is in single ownership and conversion of the existing building and/or redevelopment of the site has the potential to be commercially viable in the medium to long term.	Small scale - Up to 500 sq.m gross

9.2.5 Overall, we have identified that the six sites located outside of Loughborough town centre within Anstey, Barrow, Shepshed, Sileby and Syston are all small scale and could have the potential to accommodate approximately 2,750 sq.m of commercial floorspace. It is important to note that the quantum of floorspace for each site assessed to be able to be delivered is an estimate only and could vary depending on site circumstances, design and the ability to fully assemble or even expand sites. The floorspaces identified in this study are therefore a guide.

9.2.6 However, given that there are uncertainties with regard to both the future availability and commercial viability of the sites' abilities to deliver new commercial floorspace, given existing land ownerships, existing uses and potential constraints, it is important to note that the sites identified outside of Loughborough town centre may not be achievable and suitable across the plan period. We therefore concentrate our search on Loughborough town centre opportunities, which we set out in more detail below.

9.3 Loughborough Town Centre Masterplan Opportunity Sites

9.3.1 As detailed in Section 3.8, the Loughborough Town Centre Masterplan identifies opportunity sites that are currently under-utilised and offer potential for development to strengthen the town centre offer and improve the townscape and sense of space. A detailed analysis of these sites was conducted as part of the masterplan and a preferred development option identified for each site.

9.3.2 The Baxter Gate site, which is located to the south of the Baxter Gate Leisure complex and to the north of Pinfold Gate, was the only one of the six sites identified as suitable for significant retail development. The preferred option for its development is a retail led scheme with the flexibility to include other active ground floor uses, including leisure, community/health as demand dictates. Upper floors given over to residential uses, perhaps including student accommodation too and a new multi-storey car park to help support wider town centre accessibility. The preferred option set out in the approved masterplan is for the delivery of a scheme which includes up to 5,150 sq.m of retail floorspace.

9.3.3 The remaining sites identified in the masterplan offer limited potential to accommodate substantial quantum of retail or leisure uses. The approved Masterplan identified the following uses for the remaining development sites:

- Aumberry Gap – redevelopment of the site with a residential-led scheme including student housing. Commercial uses at ground floor level would be supported if proved viable.
- Devonshire Square – redevelopment and extension of existing retail block to allow for development at upper floors.
- Sainsbury's – development of the Sainsbury's site for a mixed-use scheme with relocated/reconfigured foodstore, decked car parking and residential development. However, Sainsbury's have confirmed that they have no immediate plans to redevelop the store but advised if they were to redevelop, they would require a replacement store of the same size and an increase in car parking. As such, a more likely scenario is the refurbishment of the existing store.
- The Generator – refurbishment of the building to provide work spaces for the creative industries.

9.3.4 The approved Masterplan therefore principally identifies the Baxter Gate site as the main opportunity for the delivery of any substantial level of retail floorspace, which we consider to be the principal opportunity for additional commercial floorspace across the Borough as a whole.

9.4 Capacity to Meet Identified Needs

9.4.1 In Section 7, we identified that there is no quantitative requirement for any additional convenience goods floorspace within the borough over the entire study period to 2036 once the convenience goods floorspace already committed in Charnwood Borough is taken into account. Turning to comparison goods floorspace, we identified that over the 10-year period up to 2028, there will be a comparison goods floorspace requirement for an additional 2,800 sq.m to 4,200 sq.m of comparison retail floorspace depending on the format of the floorspace. The need for additional comparison goods floorspace rises to between 11,700 sq.m and 17,700 sq.m over the longer term period to 2033, and to between 16,400 sq.m and 24,900 sq.m at 2036.

9.4.2 Reflecting the uncertainty in forecasting long-term retail trends, the revised NPPF has removed the requirement for local plans to meet identified needs 'in full' over the local plan period under the previous version. The NPPF states at paragraph 85 that planning policies should '*…allocate a range of suitable sites in town centres to meet the scale and type of* *development likely to be needed, looking at least ten years ahead…*'. Policies therefore only need to look at least ten years and not necessarily over the full plan period when allocating sites to meet the 'likely' need for town centre uses.

9.4.3 Paragraph 85 of the NPPF continues that planning policies should, *'where suitable and viable town centre sites are not available for main town centre uses, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre'.* Accordingly, should there not be sufficient sites within Loughborough town centre capable of accommodating the identified needs over the period up to at least 2028, sites outside the town centre will need to be considered.

9.4.4 On the basis of the site assessments undertaken as part of the Loughborough Town Centre Masterplan and the additional site assessments completed as part of this study, the sites in Loughborough town centre are estimated to have the potential to deliver the following:

- Baxter Gate site: approximately 5,150 sq.m gross / 3,605 sq.m net[42] of comparison goods retail floorspace or commercial leisure floorspace; and
- Land adjacent to Carillon Shopping Centre, Loughborough: up to 500 sq.m gross / 350 sq.m net[43] of commercial floorspace.

9.4.5 In addition, the six sites we identified elsewhere in the borough as set out in Table 9.1 above, could potentially accommodate a total of up to around 2,750 sq.m of additional retail floorspace. However, active uses are present on all of these sites, none are immediately available for development and the opportunity to redevelop the sites at this stage is uncertain. We would recommend that local commercial agents are engaged to begin discussions with landowners should appropriate schemes be identified for these centres but we do not recommend that the sites identified are allocated within the local plan.

9.4.6 Overall, Baxter Gate has the potential to accommodate in the region of 5,150 sq.m of gross retail floorspace and the Carilion Court Site has the potential to accommodate approximately 500 sq.m of commercial floorspace, with additional uses on floors above ground floor, equating to around 3,995 sq.m of net floorspace. Current vacant units in Loughborough town centre further provide opportunities to accommodate some of the identified retail needs where these are well located and suited to the needs of modern retailers. Such units

[42] Assuming a net to gross ratio of 70%, which is typical for retail unit of the size and type proposed in the masterplan.
[43] Ibid.

include a 360 sq.m gross unit at The Rushes Shopping Centre and a 710 sq.m gross unit on Market Street, which were recently vacated by Poundworld and Poundland, respectively. These units are not accounted for in the quantitative capacity assessment, and policy is clear that existing stock should be used in the first instance where possible.

9.4.7 These two sites together with currently vacant units in Loughborough town centre therefore offer the potential to accommodate all of the identified comparison retail needs arising over the ten-year period up to 2028. Accordingly, there is no need to consider sites outside of the town centre should the Baxter Gate site come forward, and we therefore consider it important that future potential uses for the site are explored with commercial agents and other stakeholders to bring forward a comprehensive commercial scheme on the site. The Baxter Gate site could also accommodate larger format units that are currently limited in Loughborough town centre and will enable the centre to attract new key operators that are currently missing from the centre.

9.4.8 We therefore support the Council's adopted Masterplan aspirations to bring forward additional commercial uses at Baxter Gate to increase footfall within the town centre and further enhance the area. In addition, the Baxter Gate site has the potential to accommodate additional commercial leisure uses identified in this Study as part of a wider mixed-use development should the market dictate the requirement. Commercial uses such as a new ten-pin bowling alley would unlikely be appropriate outside of the town centre, and again we do not recommend that sites are allocated outside of Loughborough town centre for additional commercial floorspace.

9.4.9 We provide further recommendations below with regard to future investment in Loughborough town centre, and how this Study supports the future short to medium term growth of new retail and leisure floorspace within Loughborough town centre, which should be supported by the Council.

10.0 Key Findings and Policy Recommendations

10.1 Introduction

10.1.1 This Retail and Town Centres Study has been undertaken to establish current provision and future needs in the retail and commercial leisure sectors within the Borough over the plan period. The Council's previous evidence base in respect of retail and leisure needs was published in 2013, and previous to that in 2008. Given the time that has elapsed since the previous study was produced, it was considered appropriate to undertake an entirely new study.

10.1.2 In addition, this Study provides additional recommendations in respect of other potential policy guidance required to help support the future growth, improvement and regeneration of the defined town, district and local centres, along with providing a list of recommended sites to meet the identified quantitative need for town centre uses, having regard to market deliverability factors, town centre hierarchy and national planning policy.

10.1.3 Charnwood has a series of relatively up-to-date policies and strategic guidance to help realise the overall aspirations to improve centres within the borough, and particularly Loughborough and Shepshed centres. However, the delivery of the identified commercial sites within Loughborough town centre in particular is slow and there are a number of sites which have been identified for over a decade which have not yet been realised. As we set out in more detail below, the latest evidence which supports this Study can be used to further encourage and allocate commercial sites within Charnwood and particularly the town centre to deliver new floorspace and seek to draw back expenditure and encourage extended visits to the defined centres. Our conclusions and recommendations made throughout the Study and below do not seek to materially alter these previous policy frameworks and guidance adopted by the Council, particularly given that we consider these to be a good basis upon which to build our latest policy recommendations. Instead, the purpose is to provide updated recommendations based on the latest household and healthcheck findings, along with the recent retail and leisure trends which have impacted upon the commercial markets but which will also continue to do so. It is important to plan positively, taking account of the realisms of the market and other external factors which in some cases may be beyond the Council's control. Furthermore, a key concept of local and national policy is to concentrate on the protection of defined centres but also acknowledging that there are a range of uses suitable to be accommodated in defined centres beyond the 'traditional' retail uses.

10.1.4 Adopted Core Strategy Policy CS 9 sets out the current retail strategy for Charnwood, seeking to strengthen Loughborough town centre by supporting major retail, leisure and other 'town centre' developments. The Policy also seeks to encourage the regeneration of Shepshed district centre and protect the other district and local centres. Finally, the adopted Policy also sets out the relevant guidance relating to the sequential and impact tests, providing a locally set threshold for impact tests of 1,000 sq.m for Loughborough town centre, 500 sq.m for district centres and 200 sq.m for 'other locations'.

10.1.5 The purpose of this section therefore, is to set out the key findings from each of the elements of the study, from both a quantitative and qualitative need perspective, and provide recommendations on appropriate policy responses for the new Local Plan to address the key issues raised in the research.

10.1.6 We start this section by assessing the key findings in respect of retail need within the Borough, having regard to the current market share claimed by destinations in the Borough but also specifically within the town centre. We then turn to consider how Charnwood should plan for any future growth in convenience and comparison floorspace. The second part of this section sets out WYG's recommendations in terms of policy objectives to help guide future town centre policies and how these will assist in shaping the defined centres in the future to meet residents' needs.

10.1.7 It is useful to set out at this juncture the national policy guidance in respect of ensuring the vitality of town centres. Paragraph 85 of the NPPF indicates that local planning authorities should:

a. define a network and hierarchy of town centres and promote their long-term vitality and viability – by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters;

b. define the extent of town centres and primary shopping areas, and make clear the range of uses permitted in such locations, as part of a positive strategy for the future of each centre;

c. retain and enhance existing markets and, where appropriate, re-introduce or create new ones;

d. allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary;

e. where suitable and viable town centre sites are not available for main town centre uses, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre; and

f. recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.

10.1.8 The national policy position has informed the Study and its requirements which, where relevant, are considered in relation to Charnwood Borough below.

10.2 Key Findings: Quantitative Need

10.2.1 Section 7.0 of the Study sets out the full assessment of the quantitative capacity for additional floorspace in Charnwood across the study period. This assessment provides floorspace capacity figures based on a series of assumptions and estimated forecasts over the short, medium and long term.

10.2.2 As we have set out in the Study, longer term growth rates and capacity estimates should be treated with caution given the inherent uncertainties of predicting the economy in the future. For example, spending on convenience goods on a yearly basis has decreased per person in recent years, with a similar trend set to continue over the next ten years or so. On average following the recession, households chose to cut back on convenience goods spending, and at the same time increasing spending on comparison goods. This is partly explained by the fact that prices of convenience goods have continuously risen, while those of comparison goods saw little growth and therefore by consuming fewer convenience goods, some households had more money available to spend on comparison goods. Furthermore, the squeeze on household incomes continues, along with inflation remaining above wage growth, resulting in retail spending remaining on a slower growth trajectory.

10.2.3 Based on the current retention rates within the Borough, we do not identify a quantitative requirement for any additional convenience goods floorspace within Charnwood's catchment up to 2036 once existing commitments are considered. There are commitments within Charnwood which will be delivered as part of the SUE's, along with the permitted new Aldi and Lidl foodstores, all of which absorb any of the limited convenience capacity identified pre-commitments.

10.2.4 In terms of comparison goods floorspace requirements, again based on a constant market share across the Borough, we identify that by 2028, there will be between 2,800 sq.m and 4,200 sq.m of comparison goods floorspace required, increasing to between 16,400 sq.m and 24,900 sq.m by 2036.

10.2.5 The 2015 Core Strategy recognises at paragraph 6.54 that up to 8,800 sq.m (net) of additional convenience floorspace could be supported up to 2031. Paragraph 6.64 then states that the Council wanted to see 70% of the floorspace for new town centre uses taking place in the town centre. However, since the publication of the 2013 Study and the 2015 Core Strategy, there have been a number of convenience commitments permitted across the Borough, including a new Aldi and Lidl foodstore, along with substantial new commercial floorspace associated with the SUE's at North East Loughborough, West of Loughborough and Birstall. This newly committed floorspace has therefore absorbed any capacity, along with the effect of the reduction in any convenience expenditure growth across the plan period.

10.2.6 The identified comparison capacity for additional floorspace has also reduced due to recent permissions for additional floorspace proposed as part of the SUE's and again, a reduction in expected growth in comparison expenditure across the study period. However, it is important to note that there is a substantial level of capacity identified for additional comparison floorspace even when the commitments have been taken account of, and our recommendations on how the Council plans for this growth is set out below.

10.3 Key Findings: Qualitative Need

10.3.1 In assessing the potential qualitative need for additional retail provision, whilst this is a more subjective matter, there are important factors to consider when reviewing the existing provision within the administrative area. Issues such as 'gaps' in existing provision, ensuring that communities have easy access to retail facilities and that there is a range of operators to provide choice to residents, along with location specific needs such as higher levels of deprivation, all need to be taken account of when assessing the qualitative need.

10.3.2 As set out in detail above, we have not identified any quantitative capacity for additional convenience floorspace across the borough, once committed convenience floorspace has been taken into account. This is principally due to the commitments associated with the

Sustainable Urban Extensions, although these extensions are also increasing the population in Charnwood substantially.

10.3.3 The catchment plan for the defined centres shows that the main urban areas of Loughborough, Shepshed, the string of villages along the A6 corridor to Leicester, and the villages at the northern fringe of Leicester, are primarily served by the retail provision in the borough's main centre of Loughborough town centre, along with the defined district and local centres. There are centres outside of the borough which perform a function for Charnwood residents, and whilst not located in the borough itself, provide sustainable shopping destinations in proximity to residential areas within the local authority. Such locations include Beaumont Leys, Coalville, Rushcliffe and Hamilton.

10.3.4 All of the main areas of population within the borough therefore fall within the areas immediately served by the existing network of centres in Charnwood Borough. Whilst there are a number of small rural settlements in the north west, south west and south east of the borough without a defined district of local centre, substantial retail provision in such locations would not be appropriate and access to existing provision is good, particularly by car.

10.3.5 However, access to larger foodstores with over 1,500 sq.m of net floorspace, which offer residents a full and choice range of convenience products, is more limited outside of Loughborough. The Asda store in Thurmaston provides the only large foodstore in Charnwood Borough outside of Loughborough, which serves residents of Thurmaston and Syston to the north. Residents in the south of the borough in Anstey and Birstall are within relatively close proximity to several large foodstores within Leicester, namely, Tesco Extra in Beaumont Shopping Centre, Sainsbury's at Melton Road, and Asda at Abbey Lane.

10.3.6 Based on the above, we have identified that there is a gap in the provision of larger foodstores serving the remaining main areas of population within the borough, including the main settlements of Shepshed, and Barrow Upon Soar, Quorn, Mountsorrel and Rothley along the A6 corridor in the central part of the borough. Nevertheless, Barrow Upon Soar, Quorn, Mountsorrel and Rothley are all villages where a large foodstore would unlikely be considered appropriate.

10.3.7 Shepshed is a town and the largest of these settlements, and we consider that a larger foodstore would be appropriate in Shepshed. However, Shepshed already benefits from the presence of a sizeable Asda foodstore, (around 1,200 sq.m net), along with a smaller Co-op Food store (approximately 900 sq.m net) and two small foodstores. Furthermore, a large foodstore is committed as part of the Sustainable Urban Extension to the west of Loughborough, which will improve Shepshed residents' access to such provision. We do no therefore consider there to be a qualitative need for an additional large foodstore (of over 1,500 sq.m net) in Shepshed.

10.3.8 In terms of both Zones 3 and 6, it is important to note the current commercial market and the types of operators who are actively seeking to expand their portfolio (the discount end of the market, i.e. Aldi and Lidl). Should either retailer seek additional presence in Charnwood, and particularly Shepshed or in proximity to Mountsorrel, Rothley or Anstey, any proposal should be directed in the first instance to the defined centres in accordance with planning policy. However, we do not consider it appropriate to specifically allocate sites for additional convenience floorspace within the local plan given the uncertainties in the commercial market and lack of identified quantitative need, and instead should applications be forthcoming, they can be assessed against the relevant local and national planning policies.

10.3.9 Turning to the qualitative need for comparison goods, we focus primarily on Loughborough town centre, which – as the largest centre in Charnwood – is most likely centre to attract interest from retail operators and developers. We also consider the need for new comparison goods provision in the two largest district centres of Shepshed and Syston. Shepshed and Syston district centres serve the largest settlements in the borough after Loughborough and offer the most potential to attract market interest from retailers. Significant comparison goods retail development would not be appropriate in the smaller district and local centres in Charnwood.

10.3.10 We note that the 2013 Retail Study identified a qualitative need to diversify of the retail offer in Loughborough to support the vitality and viability of the town centre in the medium to long term, and in particular the development of more large and modern units. Improvements to the quality of the property stock in Shepshed were also identified as beneficial. These conclusions therefore remain unchanged as part of this 2018 Study.

10.3.11 The clothing and footwear provision in Loughborough town centre was identified as below the UK average in terms of the proportion of outlets and floorspace. It is notable that there is no department store in Loughborough town centre and no Marks & Spencer store, although it is recognised that the Marks & Spencer Simply Food store at The Rushes Shopping Centre provides a click and collect facility for the full range of M&S products. Other key fashion retailers not present in the centre include H&M, Dorothy Perkins, HMV, Monsoon Accessorize and River Island.

10.3.12 The below average fashion offer is surprising given the large student and young adult population in the town and we consider that there is potential to attract additional operators if the right type of properties in the right locations – modern large floorplate units in prime town centre location – were to become available. It is noted that until recently, there were no such available larger properties in Loughborough town centre. However, the failure of Poundworld and the recent closure of its store at The Rushes Shopping Centre has provided an opportunity to test market interest from new high street fashion stores in entering Loughborough and the potential to attract further interest in locating in Loughborough town centre through the delivery of new and modern large floorplate units in the town centre. Understanding the precise commercial market requirements within Loughborough will be key to deliver any future growth, particularly given the presence of both Nottingham and Leicester city centres. However, as we explore in more detail in the following section of the Study, the Council has for a long time identified suitable sites within the town centre for the delivery of new commercial floorspace, and there therefore may be potential to bring forward new modern format units to meet potential incoming tenant's requirements.

10.3.13 In terms of Shepshed district centre, our health check found that the overall quantity and breadth of comparison retail provision is below the level expected for a town of Shepshed's size. We consider that this deficiency is largely due to the proximity of and competition from Loughborough town centre, along with the lack of larger and modern retail units to accommodate 'high street' multiples, and that there is no easily discernible main 'high street' within the centre. Whilst the residents of Shepshed will and should continue to be attracted to the shopping facilities in Loughborough town centre as the principal centre in the borough, which is only 6km away, Shepshed should be able to better meet the basic comparison goods needs of its residents. The attraction of more comparison goods retailers to Shepshed district centre would benefit its overall vitality and viability.

10.3.14 Finally, looking at Syston district centre, overall we consider the centre to fulfil its role as a comparison goods shopping destination for the residents. However, the attraction of more comparison goods retailers to the centre would benefit its overall vitality and viability and opportunities to increase and diversify the comparison goods offer should be supported.

10.4 Key Findings: Commercial Leisure

10.4.1 Section 8.0 of the Study provides an assessment of commercial leisure needs across the Borough, using the results from the household survey.

10.4.2 In terms of 'traditional' commercial leisure uses (bingo halls, cinemas and ten-pin bowling facilities) we have only identified that there is a requirement for a ten-pin bowling facility within the Borough. This is particularly the case given that the new Cineworld has recently been delivered within Loughborough town centre, providing eight additional screens to serve the residents in Charnwood.

10.4.3 However, based on the estimated population within the Study Area, our assessment indicates that 19.4 ten-pin bowling lanes could be supported at 2018, increasing to 22.2 lanes at 2036. Within Charnwood, the identified need equates to 14.5 lanes at 2018, increasing to 16.9 lanes at 2036.

10.4.4 There are no ten-pin bowling facilities within Charnwood Borough. We note that the 2013 Retail Study identified that the majority of the spending for 'family entertainment centres' was travelling outside of the borough, reflecting the general lack of provision. Roger Tym & Partners' conclusions were that there may be scope for an enhancement of this type of leisure facility over the course of the study period in order to reduce residents to travel further afield. Since then, the new Cineworld has been delivered which has met the qualitative cinema requirement but no additional ten-pin bowling facilities have been brought forward. There may be the potential for an additional bowling facility within Charnwood, but due to the current market and general lack of investment and decline in this sector, operators may not be forthcoming. Discussions with commercial agents would be useful in this regard to establish if there was a market in Loughborough for additional facilities, particularly given the student population and the potential for boutique style facilities which offer wider food and beverage opportunities too, encouraging longer stays and a more varied experience.

10.4.5 In terms of health and fitness centres, we conclude that the existing provision is appropriately distributed across Charnwood's key settlements and as such, Charnwood appears to be relatively well provided for. However, there may be opportunities for further private sector fitness clubs to be brought forward throughout the borough and in the defined centres in particular, serving both local needs but also the needs of office workers within the town centre. New proposals for gyms and health and fitness centres should be judged on their own merits and in accordance with local and national policy, with a town centre first approach where suitable sites are available. It may be that any such uses would come forward as part of a wider mixed-use scheme.

10.4.6 In terms of the existing food and drink provision within Charnwood's defined centres, the most popular destination for restaurant use is Loughborough town centre which attracts

32.8% of trips, followed by Syston district centre which attracts 4.6% of trips. Outside of the Study Area, Leicester city centre attracts 18.5% of the trips from residents in the Study Area, following by Nottingham city centre which attracts 5.9% of all trips.

10.4.7 There are signs that the independent restaurant sector remains relatively positive, and as such, there are opportunities to expand and build on the existing offer particularly within Loughborough town centre to serve both visitors and residents. There are operators who are seeking to expand their portfolio and as we discuss in more detail in the strategy section below, discussions with operators directly would be beneficial to establishing future requirements in Charnwood subject to the right scheme and provision of suitable units. Such uses can increase 'dwell time' within the centre and a diverse restaurant offer can encourage a wider range of users to visit Loughborough town centre. The newly constructed Cineworld complex includes a number of national multiple restaurants such as Pizza Express, Centro Lounge (part of the Loungers), Nandos, Bella Italia, Starbucks and Pesto. However, there are some national multiples not present in the town centre including Wagamamas, Zizzi, Prezzo, Café Rouge, Las Iguanas, Barburrito and Frankie and Bennys. All of these operators are however present in either or both of Leicester and Nottingham city centre, which may account for the proportion of trips travelling to these centres to visit a restaurant and may have some bearing on whether the operators would also seek additional presence within Loughborough town centre.

10.4.8 We acknowledge that the independent restaurant offer in Loughborough town centre is relatively good, and that these operators should be protected. The independent offer acts as a draw to the centre, offering a qualitatively different appeal for residents. However, we do believe there is scope to enhance the overall restaurant offer within the town centre and this could be done by providing modern format units of an appropriate size to accommodate them.

10.5 Recommended Site Allocations

10.5.1 Section 9.0 of the Study then provides a summary of the development potential of a total of seven sites we have identified in the town and district centres within Charnwood. The assessments undertaken by WYG provide an overview of the existing use and physical characteristics of each site followed by a high-level assessment of development constraints, site potential and commercial viability. Our review also extended to include the sites identified by the Council in the Loughborough Masterplan, with the detailed analysis of these six sites included in the adopted Masterplan.

10.5.2 Reflecting the uncertainty in forecasting long-term retail trends, the revised NPPF has removed the requirement for local plans to meet identified needs 'in full' over the local plan period under the previous version. The NPPF states at paragraph 85 that planning policies should *'…allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead…'*. Policies therefore only need to look at least ten years and not necessarily over the full plan period when allocating sites to meet the 'likely' need for town centre uses.

10.5.3 Paragraph 85 of the NPPF continues that planning policies should, *'where suitable and viable town centre sites are not available for main town centre uses, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre'.* Accordingly, should there not be sufficient sites within Loughborough town centre capable of accommodating the identified needs over the period up to at least 2028, sites outside the town centre will need to be considered.

10.5.4 On the basis of the site assessments undertaken as part of the Loughborough Town Centre Masterplan and the additional site assessments completed as part of this study, the sites in Loughborough town centre are estimated to have the potential to deliver approximately:

- Baxter Gate site: approximately 5,150 sq.m gross / 3,605 sq.m net[44] of comparison goods retail floorspace and
- Land adjacent to Carillon Shopping Centre, Loughborough: up to 500 sq.m gross / 350 sq.m net[45].

10.5.5 In addition, the six sites we identified elsewhere in the borough (as set out in detail at Section 9.0 and in the appendices), could potentially accommodate a total of up to around 2,750 sq.m of additional retail floorspace. However, there are currently active uses are present on all of these sites and none are currently available for development. Should the Council wish to encourage future commercial uses on these sites, we would encourage that agents are instructed to speak to landowners. However, we do not recommend that these sites are allocated as part of the forthcoming local plan given the inherent uncertainties in redeveloping the sites for commercially viable uses and lack of certainty that the sites will become available over the plan period.

[44] Assuming a net to gross ratio of 70%, which is typical for retail unit of the size and type proposed in the masterplan.
[45] Ibid.

10.5.6 Overall, the two sites in Loughborough town centre offer the potential to accommodate in the region of 5,650 sq.m of gross retail floorspace, equating to around 3,995 sq.m of net floorspace. Currently vacant units in Loughborough town centre further provide opportunity to accommodate some of the identified retail needs where these are well located and suited to the needs of modern retailers. Such units include a 360 sq.m gross unit at The Rushes Shopping Centre and a 710 sq.m gross unit on Market Street, which were recently vacated by Poundworld and Poundland, respectively. Where the existing vacant floorspace does not meet modern occupiers' needs, then schemes to refurbish, regenerate and amalgamate units needs to be investigated to bring the existing stock back into economically viable use. Creating new floorspace on alternative sites in cases where existing floorspace remains vacant goes against national policy, and indeed the sequential approach directs schemes into the town centres in the first instance. Where stock has remained vacant for a prolonged period of time, then further work to establish why this has happened is required, and additional action plans to bring the floorspace or sites back into use should be progressed. Early discussions with landowners are required to establish future plans for the existing vacant stock within the defined centres and particularly Loughborough.

10.5.7 These two sites along together with currently vacant units in Loughborough town centre, therefore offer the potential to accommodate all of the identified comparison retail needs arising over the ten-year period up to 2028. Accordingly, there is no need to consider sites outside of the town centre. The Baxter Gate site could also accommodate larger format units that are currently limited in Loughborough town centre and will enable the centre to attract key operators new key operators that are currently missing from the centre.

10.5.8 The Loughborough Town Centre Masterplan provides robust guidance to support the delivery of new commercial floorspace within Loughborough town centre. It is a good policy document to encourage future delivery and guide where and how this should be provided. However, given the commercial market and other external factors, investment on the sites has yet to be forthcoming, despite the recent policy guidance which supports this delivery. Indeed, the sites were identified in the 2004 Local Plan and the 2007 Loughborough Masterplan and only the northern part of the Baxter Gate site has been developed as a leisure development including the new Cineworld and supporting food and beverage uses.

10.5.9 As the Council recognises, the Baxter Gate site is a blight on the area and presents a poor impression from the southern and eastern approach to the town centre. The Loughborough Town Centre Masterplan identifies that the site has the potential to accommodate up to 5,150 sq.m of retail floorspace alongside other commercial and residential uses. WYG has again identified that there is capacity for additional comparison floorspace in the Borough, and that it should be directed to the Baxter Gate site in the first instance given the importance that the site plays in the wider aesthetics of the centre, along with the potential to improve permeability across this part of the centre.

10.5.10 Whilst there are inherent difficulties in planning for the improvement of town centres in the current commercial climate and the associated lack of funding and confidence from landowners to bring forward larger scale investment schemes (which is the case across the UK but particularly in town centres), there may be opportunities to enhance and redevelop these sites particularly given the support from the evidence of this Retail Study and the potential requirements to improve both the comparison retail and leisure provision within the town centre.

10.5.11 Based on the above and our latest findings, WYG's recommendation is that investment on the Baxter Gate site is continued to be supported by the Council to deliver new commercial floorspace to meet modern operator's requirements and in doing so, the site is allocated within the forthcoming local plan as a potential development site.

10.5.12 The delivery of a new commercial scheme could also go someway to drawing residents back into Loughborough town centre, increasing spending and increasing additional investor confidence in Loughborough town centre but also Charnwood Borough as a whole. We have also identified that there are key food and beverage operators not present in Loughborough town centre, along with a lack of any ten-pin bowling facility. It may be that any scheme could incorporate space suitable for additional restaurant or bar operators along with a boutique bowling facility, both of which would meet the needs of residents but also the substantial student population.

10.5.13 A key purpose of any future strategy should be to seek to extend 'dwell time' and spend of both residents and visitors to the town centre, which in turn will help to enhance the overall vitality and viability of the centre. We consider it imperative that early engagement takes place with commercial agents to better understand supply and demand within Loughborough town centre. Separate, standalone advice is required to assess the current commercial requirements for Loughborough and Charnwood as a whole and the realistic prospects of attracting additional operators into the centre. This advice would also be useful to understand whether operators are seeking to expand their portfolio by opening a new unit within the centre or even improve their offer in the centre by relocating to modern floorspace. As the Council is aware, there is often a preference to locate to out of centre destinations given viability matters, but if a site can be offered within the town centre for both comparison and leisure operators, then this needs to be explored further. We note that the Council's current Masterplan for the site provides sufficient flexibility for future developers and as such, the site and potential scheme needs to be pulled together collaboratively to ensure that not only is any future scheme commercially viable, but that it meets residents and visitors requirements alike.

10.5.14 As such, to progress this further, we suggest that the Council engages with the landowners and commercial agents to establish whether there would be commercial appetite from operators to occupy new units within this part of the town centre.

10.6 Policy Recommendations: Defined Centre Boundaries

10.6.1 A series of recommendations are provided in respect of appropriate centre boundaries for Loughborough town centre; the district centres of Anstey, Barrow upon Soar, Birstall, Gorse Covert, Shelthorpe, Shepshed, Sileby and Syston; and the local centres of Melton Road, Thurmaston; Leicester Road and Market Place, Mountsorrel; Sharpley Road, Loughborough; Quorn; and Rothley. These recommendations are provided at Appendix 5 and summarised below.

Loughborough Town Centre

10.6.2 The centre boundaries for Loughborough town centre currently remain as identified in the saved Borough of Charnwood Local Plan 1991 – 2006 Proposals Map, which was adopted in 2004. The Proposals Map defines a Core Area and an Outer Area for Loughborough town centre.

10.6.3 As detailed in Section 3.2, paragraph 85 of the NPPF indicates that planning policies should 'define the extent of town centres and primary shopping areas, and make clear the range of uses permitted in such locations as part of a positive strategy for the future of each centre'. The NPPF defines the primary shopping area as the defined area 'where retail development is concentrated' (p70) and the town centre as the defined area 'including the primary shopping area and areas predominantly occupied by main town entre uses within of adjacent to the primary shopping area' (p72).

10.6.4 The titles of the Core Area and Outer Area are not therefore consistent with the wording of the NPPF. We note, however, that the defined Core Area broadly corresponds to the definition of a primary shopping area boundary and the Outer Area corresponds to a town centre boundary. Moreover, given the time that has passed since the Proposals Map was adopted and the changes that have taken place in the town centre over this period, we consider that the defined boundaries are now out-of-date and we have therefore reviewed the defined boundaries. In doing so, we have taken account of the recommendations for the town centre boundary identified in the Loughborough Town Centre Masterplan.

10.6.5 Our recommended primary shopping area and town centre boundary for Loughborough town centre are shown on the Recommended Primary Shopping Area and Town Centre Boundary Plan which supports the healthcheck report and is located at Appendix 4.

10.6.6 For consistency with current national policy, we recommend that the title of the Core Area is amended to 'primary shopping area'. We further recommend that the boundary is amended to encompass The Rushes Shopping Centre, which opened in the early 2000s and to exclude Baxter Gate, which is now largely in leisure use and no longer serves a significant shopping function. We recommend a number of other minor amendments to the boundary to reflect the current use in peripheral parts of the primary shopping area, most notably, extension of the primary shopping area to encompass the shops and services in Ashby Square and those at the southern end of High Street.

10.6.7 Regarding the town centre boundary, we similarly recommend that the defined Outer Area is retitled the 'town centre boundary' along with minor amendments in peripheral areas. In particular, we recommend the removal of the Ashby Road area from the town centre boundary as we consider that the shops and services in this area fulfil a more localised function distinct from the town centre. We also recommend the removal of the western end of Granby Street and the area to the south of Wood Gate and Bee Hive Lane, which are both largely in residential and/or community use. We consider that the services at the north of Leicester Road, extending south from High Street, are well related to the facilities on High Street and contribute to the town centre offer. We recommend that this area is included within the town centre boundary.

10.6.8 We note that the previous version of the NPPF recommended that local authorities additionally define primary and secondary frontages and set policies that make clear which uses will be permitted in such locations. However, this policy requirement is deleted from the revised version of the NPPF. The Ministry for Housing, Communities and Local Government has confirmed that the deletion of this requirement is to encourage a more positive and flexible approach to planning for the future of town centres due to the rapid changes taking place in the retail and leisure industries. However, the removal does not preclude local planning authorities from identifying primary and secondary shopping frontages where their use can be justified.

10.6.9 Following on from this, in accordance with the NPPF, we consider that there is no benefit in defining primary and secondary frontages in Loughborough town centre. Our healthcheck identified that the town centre encompasses a diverse mix of uses with no single main shopping street. Whilst retail uses are focused on Market Place, the Carillon Shopping Centre and The Rushes Shopping Centre, the compact nature of the centre and property offer means that the location of retail and service uses is relatively mixed across the centre. The mix of uses and strong leisure offer in Loughborough town centre contribute significantly to the distinctiveness and vibrancy of the centre. We therefore consider that the take up of vacant units by a diverse mix of retail and service uses should be encouraged across the centre to help maintain its vitality and viability.

District and Local Centres

10.6.10 Whilst undertaking the healthcheck appraisals we have reviewed all the existing district and local centre boundaries as defined in the Proposal Maps accompanying the Borough of Charnwood Local Plan 2004. Our recommended boundaries for the district and local centres are provided at Appendix 4. We set out the rationale for our recommendations below.

District Centres:

- **Anstey** - We recommend several adjustments to the boundary. Areas we propose to be removed from the centre boundary are either in residential use, have been previously proposed to be developed for residential or have the current boundary drawn through the centre of the gardens of residential properties. We further recommend tightening the boundary of the centre on Bradgate Road where the retail and service provision is limited and dispersed. We propose the extension of the existing boundary to the east in order to include the car park that currently serves the Co-op Food store on Cropston Road and also to include Potters Superstore on Leicester Road.
- **Barrow Upon Soar** – The defined centre boundary encompasses and number of residential uses and so we recommend that the boundary is tightened to omit the pockets of residential properties in the north western and south east of the existing centre boundary.
- **Birstall** – Our analysis shows that the current boundary is generally robust and reflects the current extent of retail and service uses in the centre. Despite there being a degree of separation between the units located around Birstall Central roundabout and those along Sibson Road, we observed pedestrian movement between these areas indicating that these areas function as a whole. We propose the removal of the

residential area immediately to the north of the Co-op superstore on Wanlip Lane. We also propose the inclusion of the entire Sibson Road car park to reflect that it serves the town centre.

- **Gorse Covert** - We recommend only a minor amendment to the Gorse Covert boundary relating to the residential properties in the south west of the defined centre, which we recommend is omitted from the boundary.
- **Shelthorpe** – We recommend that the defined centre boundary is extended to the north west to encompass the retail and service units fronting Park Road and the A6004 Epinal Way/Ling Road that function as part of the centre, but are omitted from the existing boundary. We also recommend that the boundary is extended to encompass the whole of the Tesco store site.

  Shepshed – The retail and service uses in Shepshed are spread over a wide area and interspersed with residential and vacant properties. We identified that the centre would therefore benefit from consolidation into a core area. The presence of retail and service uses in the northern and western periphery of the existing centre is sporadic and there is also evidence of recent conversion or redevelopment of former commercial properties to residential use in these areas. We therefore recommend that the boundary is contracted to remove Britannia Street and the northern periphery of the existing Shepshed boundary on Brook Street/Cheapside from the district centre, and direct retail towards vacant units and sites on Field Street, Hall Croft and Charnwood Road. We further recommend minor amendments to the Shepshed boundary to omit residential properties in the east and western periphery of the existing boundary.

  We recommend that the existing boundary is extended to the south to include the adjacent Asda store that functions as part of Shepshed district centre.
- **Sileby** - The existing defined boundary includes additional land and sites behind the retail frontage on the western side of High Street which do not provide main town centre uses. Buildings in residential or non-main town centre uses have been omitted from the recommended centre boundary.
- **Syston** – We recommend that the existing boundary is extended to the south west to include the Aldi store. At the north western fringe of the centre it is recommended that the boundary is extended to include the businesses found around the The Green public square, incorporating the Syston and District Conservative Club and the Council owned car park on Chapel Street into the district centre.

Local Centres:

- **Melton Road, Thurmaston** – We recommend several alterations to the boundary which generally includes a north eastwards and south westwards extension. The north extension is to include the Working Mens' Club and the adjacent retail units. The southwards extension is to include the car sales firm and also the vacant units which we identify as a potential development site.
  We also recommend the removal of the plot behind 744/746 Melton Road given this is an area of open land to the rear of residential units. We also recommend the removal of the area along White Hart Close given this is a residential cul-de-sac.
- **Leicester Road and Market Place, Mountsorrel** - The existing centres provide a relatively disbursed distribution of local retail, service and community facilities in a linear fashion along Leicester Road / Market Place. There is no clear distinction of two separate centres. We consider that the distances between the various shops and services across the two respective local centres do not significantly prohibit the shops and facilities being accessed together and that there is customer cross-over between the two centres. Therefore, we consider the amalgamation of the two centres into a single centre to be appropriate.
  We recommend that the boundary is tightened at its southern end to remove terrace residential properties on the eastern side of Leicester Road. The boundary is recommended to be extended to include commercial units on the north eastern side of Market Place, around the junction with Sileby Road.
- **Sharpley Road, Loughborough** – we recommend that the residential properties currently located within the defined centre boundary are omitted from the boundary.
- **Quorn** – The existing boundary encompasses a number of pockets of residential uses and we recommend that the boundary is tightened to omit those residential areas at the east and southern periphery of the existing centre boundary. We further recommend that the existing boundary is extended to the north east to encompass the main town centre uses on Station Road immediately outside the existing boundary that function as part of the centre.
- **Rothley** – We recommend several major alterations to the boundary which result in a reduction in the town centres size. This is primarily to remove the residential areas (such as The Roods) which have been included within the current adopted boundary. Despite being spatially separate from the main area of Rothley Town Centre (which we identified as being Woodgate and Cross Green), we have included the Rothley Centre as we recognise the importance this site plays in a community and civic capacity.

10.7 Recommended Local Impact Threshold

10.7.1 In accordance with the requirements of paragraph 89 of the revised NPPF, it is appropriate to identify thresholds for the scale of edge of centre and out of centre retail, leisure and office development which should be the subject of an impact assessment. Any such threshold policy applies only to the impact test (all 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 should be subjected to the sequential test[46]).

10.7.2 Based on the findings of the Study and the recommendations provided above with regard to protecting Loughborough town centre from trade diversion and further shifts in shopping patterns to out of centre floorspace, we are of the view that a lower threshold should be applied to Loughborough town centre. Given the nature of the district and local centres, we are also of the view that thresholds should also apply to these centres too in order to protect their role.

10.7.3 Paragraph 89 of the NPPF states that:

'When assessing applications for retail, leisure and office development outside of town centre, which are not in accordance with an up-to-date Local Plan, local planning authorities should require an impact assessment if development is over a proportionate, locally set floorspace threshold (if there is no locally set threshold, the default threshold is 2,500 sq.m).'

10.7.4 The Ensuring the Vitality of Town Centres Planning Practice Guidance provides further clarification in respect of the impact test and the setting of local thresholds. Paragraph 13 of the Practice Guidance states that:

'The purpose of the test is to ensure that the impact over time (up to five years (ten for major schemes)) of certain out of centre and edge of centre proposals on existing town centres is not significantly adverse. The test relates to retail, office and leisure development (not all main town centre uses) which are not in accordance with an up to date Local Plan and outside of existing town centres. It is important that the impact is assessed in relation to all town centres that may be affected, which are not necessarily just those closest to the proposal and may be in neighbouring authority areas.'

10.7.5 Paragraph 16 provides specific guidance in relation to floorspace thresholds and states:

[46] With the exception (in accordance with paragraph 88 of the NPPF) of small scale rural office proposals and other small scale rural development.

'The impact test only applies to proposals exceeding 2,500 square metres gross of floorspace unless a different locally appropriate threshold is set by the local planning authority. In setting a locally appropriate threshold it will be important to consider the:

- **Scale of proposals relative to town centres**
- **The existing viability and vitality of town centres**
- **Cumulative effects of recent developments**
- **Whether local town centres are vulnerable**
- **Likely effects of development on any town centre strategy**
- **Impact on any other planned investment.'**

10.7.6 The current adopted Policy CS 9 sets out local thresholds for impact tests at 1,000 sq.m for Loughborough town centre, 500 sq.m for the district centres and 200 sq.m for other locations.

10.7.7 We agree with Charnwood's current policy that the imposition of a blanket threshold will be inappropriate across all types of centre within an administrative area. For example, a convenience store with a net sales area of 250 sq.m (which could be operated by, for example, Tesco Express or Sainsbury's Local) would have a significantly greater impact on a small centre than it would on a large town centre. Such stores generally have net sales areas slightly below the 280 sq.m net sales area limit for extended Sunday trading and generally have a gross floorspace approaching 400 sq.m. Whilst of a relatively moderate size, these convenience stores often have a relatively substantial turnover and it is considered necessary for the local planning authority to retain control in respect of the consideration of impacts arising from the implementation of such proposals. Therefore, in implementing a local threshold policy, it is considered more appropriate to apply a range of thresholds in accordance with the type of centre the proposed development is proximate to. The thresholds should not only apply to new floorspace, but also to changes of use and variations of condition to remove or amend restrictions on how units operate or trade in practice.

10.7.8 In terms of comparison goods units, it is often the case that the larger units in defined centres (similarly to the larger convenience goods units) provide space for key retailers which act as an 'anchor' to the centre, which attract shoppers in and result in 'spin-off' trade to the rest of the centre. Should one of these anchor units or operators leave the centres, there is a real potential to have a significant detrimental impact on those centres.

10.7.9 Where there is genuine potential for an application proposal to divert a material level of expenditure away from a defined centre (i.e. a level which could result in a significant adverse impact on the vitality and viability of a centre), or potentially remove important tenants from that centre, then it will likely be necessary to consider the impacts arising from the proposal in detail. In this instance, we consider that there is a real potential for edge or out of centre comparison and convenience goods retail schemes to have a significant impact on the overall health of the defined centres within Charnwood, and, therefore, we believe that a relatively low impact threshold should be applied to ensure that the Council retains appropriate control over such development.

10.7.10 We note that there are a relatively limited number of units greater than 500 sq.m in the district centres and we consider that a unit of such a scale could potentially accommodate an operator of importance to the future vitality and viability of the town centres. Such units of this scale could therefore provide space for 'anchor' operators, which provide a key attraction to a centre and draw in shoppers, thus increasing the potential for 'linked-trips'.

10.7.11 Anchor units are considered to represent units of 500 sq.m and above in terms of convenience and comparison retailers and leisure uses. There are relatively few units of this size and to lose an occupier of that scale could have a significant adverse impact on the centres.

10.7.12 We note that there are a relatively limited number of units greater than 500 sq.m in Loughborough town centre (less than 13% of the total stock of commercial units have a greater floorspace than this, which includes the large format convenience operators and the units located on the retail parks) and we consider that a unit of such a scale could potentially accommodate an operator of importance to the future vitality and viability of the town centre.

10.7.13 Furthermore, we also note that the threshold applies to individual application proposals and that it could be possible for an applicant to 'circumnavigate' the requirements of the test through the submission of multiple, small-scale applications which together would provide for a larger development. As such, we recommend that the impact threshold of relevance to Loughborough town centre is set at 500 sq.m, for applications relating to both convenience and comparison retail floorspace, along with the wider Borough, if the proposal does not fall within the specific additional threshold requirements for district centres as set out below.

10.7.14 This recommendation is reflective of the potential for existing nearby out of centre retail destinations to become even stronger in the future at the expense of the centre, particularly in light of the substantial extension proposed at Fosse Park on the Everards Brewery Site.

10.7.15 Due to the smaller scale of the majority of the district centres, and the relatively modest size of most of their commercial units, we consider it appropriate for a lower impact threshold of 300 sq.m to apply to potential development proximate to these centres. Reviewing the existing stock of units within the centres, it is typically only the small to medium format foodstores in each district centre which measure over 300 sq.m, with some centres without any units measuring over 300 sq.m. This is in keeping with their more localised role and function but demonstrate the potential implications out of centre developments could have on these centres.

10.7.16 A policy threshold of 300 sq.m is also considered appropriate for the district centres due to their localised function and overall offer and size of units. Furthermore, the district centres are typically anchored by a national multiple convenience store (typically a Co-op but also other named operators such as Asda, Morrisons and Tesco). These operators provide a key role for the district centres, bringing in shoppers and encouraging 'linked-trips'. Should a proposal come forward which could impact on the performance of these stores, there is a real risk of a significant adverse impact on the overall vitality and viability of the centres and as such, must be protected accordingly. There are relatively few units of this size within the district centres and to lose an occupier of that scale could have a significant adverse impact on the centres.

10.7.17 Accordingly, in the local context, 300 sq.m constitutes a substantial sized unit for both the town and district centres. The setting of a lower threshold for the district centres will ensure that schemes which have the potential to result in significant adverse impacts are appropriately assessed, in order that appropriate consideration is given to the town centres' vitality and viability in considering the acceptability of future development.

10.7.18 For the local centres within Charnwood, it is recommended that a lower policy threshold of 200 sq.m applies as set in the current policy. This lower threshold is set at a level which ensures that the impacts arising from proposed convenience stores operated by 'main four' food retailers (which can have a have a substantial seven-figure turnover) can be appropriately considered. We are aware of recent appeals where Inspectors have found that such convenience stores can have a significant adverse impact on smaller centres[47]. We believe that this type of development has the potential to divert expenditure and potential operators from the District's smaller centres and that the setting of lower thresholds is therefore justified.

10.7.19 We believe that the proposed lower thresholds for local centres are appropriate as a consequence of their localised role and function, and the fact the opening of a small format convenience store outside of these smaller centres is likely to directly compete with type of local needs provision typically found within such centres. We therefore believe it is reasonable for applicants proposing developments of 200 sq.m gross floorspace for local centres and above, to demonstrate that their proposal will not have a significant adverse impact on smaller centres sharing part of the same catchment.

10.7.20 The proposed thresholds at local centre level are considered to reflect the relatively small size of some of the centres at the lower end of the retail hierarchy and their consequent potential susceptibility to alternative 'out-of-centre' provision. In practice, it is envisaged that a proposal of just greater than 200 sq.m adjacent to a local centre would generally require an impact assessment of proportionate length (i.e. for development of such a scale, impact may on occasion be able to be dealt with as part of the covering letter accompanying the application). Where an application proposal is above the respective stated impact threshold, we would recommend that the applicant discusses and agrees the scope of the retail impact assessment with the Council prior to submission. The lower threshold of 200 sq.m for local centres is considered appropriate due to potential for convenience stores of even a relatively small nature could substantially impact upon the performance of existing operators, due to the potential higher sales densities of such proposals. This would ensure that particular protection of these smaller centres is considered appropriately.

10.7.21 We believe that it is appropriate to qualify the area to which each local impact threshold will apply. We recommend that the thresholds of relevance to the borough's district centres (i.e. the lower threshold of 300 sq.m) would be applicable within 800 metres of the boundary of the relevant centre. The distance of 800 metres is broadly commensurate with the potential walk-in catchments of smaller centres and is identified by Guidelines for Providing for Journeys on Foot (The Institution of Highways & Transportation, 2000) as being the 'preferred maximum' acceptable walking distance to a centre. We consider it to be appropriate for the higher threshold of 500 sq.m to apply Borough-wide (beyond 800 metres

[47] Such cases include the appeal against the refusal of planning permission for a Tesco Express at Luton (PINS reference APP/B0230/A/13/2203864) and the appeal against the refusal of planning permission for a Sainsbury's Local (PINS reference APP/e59000/A/14/2217680) at Tower Hamlets

of these centres), due to the lesser likelihood of significant adverse impacts arising from retail, leisure and office development.

10.7.22 Based on the above, we are of the view that an impact assessment will be necessary for proposals (including the formation of mezzanine floors) for/or which include retail, leisure and office developments which are not located within a defined centre where:

- The proposal provides a floorspace greater than 500 sq.m gross; or
- The proposal is located within 800 metres of the boundary of District Centre and is greater than 300 sq.m gross; or
- The proposal is located within 800 metres of the boundary of a Local Centre and is greater than 200 sq.m.

10.7.23 In our experience, it will only generally be development of a scale greater than these thresholds which could lead to a 'significant adverse' impact, which could merit the refusal of an application for town centre uses in accordance with the provisions of paragraph 90 of the NPPF.

Glossary of Terms

Capacity Retail capacity in terms of this report refers to surplus/deficit of expenditure (£m) which represents the difference between the expenditure and turnover of the identified facilities.

Comparison Goods Comparison goods relate to items not obtained on a frequent basis, these include clothing, footwear, household and recreational goods. A more detailed breakdown of comparison goods categories is provided below.

Chemist Goods *All consumer retail expenditure on prescription and non-prescription drugs, adhesive and non-adhesive bandages, first-aid kits, hot-water bottles, toilet shops, sponges, and so on.*

Clothing & Footwear *All consumer retail expenditure on shoes and other footwear, garments for men, women, children and infants either ready-to-wear or made-to-measure, underwear, ties, handkerchiefs, scarves, and so on.*

DIY Goods *Includes all consumer expenditure on hardware, DIY, decorators' supplies and garden centre type goods. This category includes products such as hammers, saw, screwdrivers, wallpaper, plumbing items, floorboards, ceramic tiles, plants, pots, turf for lawns, and so on.*

Electrical Goods *All consumer retail expenditure on domestic electrical and gas appliances, such as washing machines, dryers, dishwashers, ironing and press machines, cookers, freezers and fridge-freezers, coffee makers, radios, televisions, DVD players, and so on.*

Furniture Goods *Includes all consumer expenditure on furniture, floor coverings and household textiles such as beds, sofas, tables, cupboards, bed linen, curtains, towels, lamps, mirrors, and so on.*

Household Goods *Includes household textiles and soft furnishings, china, glassware, jewellery and other miscellaneous goods such as greeting cards, notebooks, pens, pencils, and so on.*

Recreational Goods *All consumer retail expenditure on bicycles and tricycles (excluding toy bicycles), musical instruments, sports equipment, camping equipment, toys of all kinds including dolls, soft toys, and so on.*

Convenience Goods Convenience goods relate to everyday essential items including confectionary, food, drinks, newspapers and magazines.

Town centre Town centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library.

Expenditure Per Capita	The average spend of each person within the defined Study Area on a variety of retail goods.
Expenditure	Expenditure is calculated by taking the population within a defined area and then multiplying this figure by average annual expenditure levels for various forms of goods.
Expenditure Forecasts	This assessment has been undertaken using the 'goods based' approach as prescribed in the Planning for Town Centres Practice Guidance. Retail expenditure forecasts have been derived from Experian Retail Planner Briefing Note 15 (December 2017).
Experian (MMG3)	The database used to identify population, expenditure and socio-economic breakdown of the Study Area population.
Gross Floorspace	Represents the level of total floorspace or footprint of a specific development (i.e. sales area, storage, checkouts, café, display, and so on).
GOAD Plans	Provide accurate information on the composition of town centres, shopping areas, out-of-town retail parks and outlet villages in the UK. Identifies the fascia name, retail category, floorspace, and exact location of all retail outlets and vacant premises.
GOAD Reports	Provide a snap-shot of the retail status or demographic make-up of Goad surveyed town centres. Provides a comprehensive breakdown of floorspace and outlet count for all individual trade types in the Convenience, Comparison, Retail Service, Leisure, Financial/Business Services and Vacancy sectors.
Local Centre	Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, large villages may perform the role of a local centre.
Net Floorspace	Represents the level of internal area devoted to the sale of goods.
Market Share	Market shares derived from the household survey results, which are based on either the proportion of shopping trips or the proportion of expenditure attracted to a particular centre/facility.
National Multiple	This is defined as a retail or service operator which is or part of a network of nine or more outlets.
Price Base	The price base for the study is 2016.
Rates of Productivity	This takes into account the potential for existing retail floorspace to improve their turnover productivity (e.g. smaller goods could be sold from a smaller area for more money, increased opening hours, etc.).
Sales Density	Retail capacity figures are expressed in term of floorspace, relying on the application of assumed sales density figures to the surplus

	expenditure identified. This is based on the typical turnover of a store by square metre/foot.
Special Forms of Trading	Defined by Experian as expenditure not directed to traditional floorspace such as the internet, mail order, party plan and vending machines and other non-store activity such as market and road-side stalls.
Study Area	This represents the household survey area, which is based on postal sectors.
Trade Draw	This refers to the level of trade attracted to a particular facility/centre from a particular area.
Turnover	The turnover figure relates to the annual turnover generated by existing retail facilities.
Town Centre	A town centre will usually be the second level of centres after city centres and, in many cases, they will be the principal centre of centres in a local authority's area. In rural areas they are likely to be market towns and other centres of similar size and role which function as important service centres, providing a range of facilities and services for extensive rural catchment areas. In planning the future of town centres, local planning authorities should consider the function of different parts of the centre and how these contribute to its overall vitality and viability.