



Preston Retail and Leisure Study

Final Report

Preston City Council

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Prepared on behalf of WYG Environment Planning Transport Limited.

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Executive Summary

Introduction and Background

1. WYG was commissioned by Preston and Chorley Councils in 2018 to undertake a Retail and Leisure Study covering the Central Lancashire Region. A separate Retail and Leisure Study has already been prepared on behalf of South Ribble Council in 2017.
2. The Study will act as an evidence base to assist in the formulation of future development plan policy within the new Central Lancashire Local Plan.
3. The Study draws on new empirical research in the form of a telephone survey of 1,800 households across the defined Study Area, which comprises 16 separate zones covering Preston and Chorley authority areas and parts of the surrounding authority areas of Wyre, Blackburn and Fylde. The Study draws on the recommendations and strategy as set out in the previous evidence base documents, along with the policies and guidance as set out in the current development plan for Preston.
4. The three Councils collectively are now reviewing the 2012 Core Strategy and individual local plans, with the aim to deliver a single Central Lancashire Local Plan (CLLP) to reflect both the shared strategic policy objectives and more detailed non-strategic policies and to allocate suitable sites for new development. As such, the purpose of this Study is to assist in the preparation of the new CLLP, by providing the evidence base on retail and other main town centre use matters across both Chorley and Preston authority areas.

Vitality and Viability

5. The Retail and Leisure Study includes a review of Preston's city and local centres as defined within the current development plan for Preston, consisting of the 2015 Local Plan and the Preston City Centre Area Action Plan, adopted in 2016. The purpose of the review of the defined centres was to assess their overall vitality and viability using the health check indicators set out in national planning policy guidance, along with providing sufficient information to enable WYG to provide recommendations with regard to their current designations and the current defined town centre boundaries and primary shopping areas.
6. The review of Preston city centre identified a range of strengths and weaknesses and set out a series of opportunities and threats in planning for the future for the city centre. It is acknowledged that the centre has a strong national, regional and independent retailer



representation but there were disproportionately higher vacancy rates and floorspace compared to national figures, even when units subject to regeneration schemes or were currently under alteration were considered. The proportion of vacant units was also identified in the Preston City Centre Plan (2016) as a weakness and an aspect of the city's health which needs addressing.

7. It is also recognised that Preston city centre is well connected nationally, regionally and locally by the strategic highways network and public transport connections with Preston bus station (recently renovated as part of a two-year programme) on the eastern edge of the city centre and Preston railway station located on the western edge.
8. Significant areas of the city centre are pedestrianised (Friargate, Orchard Street) allowing for easy access for less able users and the free flow of pedestrians around the centre, however there is a noticeable difference between the quality and condition of pathways between the western half (centring along the south part of Friargate and all of Fishergate) of the centre notably higher quality and newer, and eastern half of the city centre which is dated.
9. There is a clear east to west divide in terms of the location of vacant units, pedestrian flow rates and environmental quality, with the eastern part of the centre generally having higher concentrations of vacant units, poorer environmental and building quality and less pedestrian activity than the west.
10. Preston has a series of up-to-date policies and strategic guidance to help realise the overall aspirations to improve centres and particularly Preston city centre. Furthermore, there is a Local Plan target to produce a joint Central Lancashire Local Plan by the end of 2020, with submission at the end of 2019.
11. Preston has seen the delivery of a number of key redevelopment schemes within the city centre, including the prize winning markets site, Level leisure, food and beverage complex at the Guild Hall, the refurbishment of the Listed bus station and multi-storey car park. In developing the city centre, a range of activities are being undertaken to develop and implement city-wide schemes, for example, completing complementary public realm schemes, progressing an office business case (Altus office scheme), developing key leisure schemes (cinema / leisure complex), progressing masterplans (Stoneygate) and promoting marketing collateral (Harris Museum and Art Gallery).
12. However, ensuring that ongoing investment and future schemes are realised, including City Deal projects in Preston city centre, the Preston Guild City projects and the delivery of the



emerging Stoneygate Masterplan, are also key to maintaining the vitality and viability of the city centre and attracting residents, employees, students and visitors into the city, must be the key priority moving forward.

Market Share

13. A key requirement of this 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.
14. 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.

Convenience Goods

15. Existing facilities within the Preston Local Authority Area attract a market share of 32.0% (£350.5m) of the total £1,096.1m of convenience goods expenditure generated by residents of the Study Area. Some 30.1%¹ of the total population within the Study Area is resident within Preston. As noted above, we typically expect the convenience goods shopping needs of residents to be met locally and would expect the overall market share of destinations in Preston to be comparable to the proportion of the Study Area population resident within this area. This is due to residents generally shopping locally (i.e. within a five-minute drivetime) to meet their convenience shopping needs. The market share of 32.0% therefore appears broadly consistent with the proportion of the Study Area's population which is located within

¹ Derived from 2018 population projections sourced from Experian Micromarketer G3 data.



Preston's administrative area, demonstrating an overall good retention rate based on the proportion of population in the Study Area.

Comparison Goods

16. In total, 42.6% of the available comparison expenditure within the Study Area is spent at destinations located within Preston's administration area. A further 32.0% is spent at destinations within the Study Area and 25.4% is spent at destinations located outside of the Study Area. This equates to £603.1m of available comparison expenditure which is spent at destinations within Preston, of which £341.3m or 56.6% of this expenditure is spent at destinations within Preston city centre (including the shopping centres) and 26.3% at Deepdale Retail Park.

Quantitative Retail Capacity

17. Based on the current retention rates within the administrative, we do not identify a quantitative requirement for any additional convenience goods floorspace within Preston's catchment up to 2036 once existing commitments are considered.
18. In terms of comparison goods floorspace requirements, again based on a constant market share across the authority area, we identify that by 2033, there will not be any surplus for additional comparison goods floorspace within the administrative area. However, in the longer term to 2036, we have identified a requirement for between 8,200 sq.m and 13,700 sq.m, although these longer-term quantitative need figures should be treated with caution.

Qualitative Capacity

19. 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.

Convenience Provision

20. Looking initially at Zone 1 which covers Central Preston, we have identified a qualitative deficiency of a larger format foodstore of over 1,500 sq.m (net sales) which we would typically state would meet residents' comprehensive main food shopping requirements. There is the



presence of two Aldi's (Corporation Street and Queens Retail Park) and Lidl, alongside the M&S foodhall and Iceland adjacent to the market, with a new build Food Warehouse at Queens Retail Park. However, the centre lacks the presence of one of the UK 'big four' supermarket operators (Asda, Morrisons, Sainsbury's or Tesco). However, given that these operators are not currently seeking to expand their portfolio and the accessibility to larger foodstores in surrounding zones, we do not consider that allocating a site for a new foodstore in Preston city centre is a commercially viable option for the Council.

21. We consider that the majority of the main areas of population within Preston's authority area therefore fall within the areas immediately served by the existing network of centres and foodstores. 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 in the northern part of Zone 2.
22. 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 northern part of Zone 2. However, with the allocation of a new district centre as part of the planned housing growth at Cottam, this would go some way to meeting a qualitative requirement within this part of the administrative area, dependent on the nature of the development.

Comparison Provision

23. Turning to the qualitative need for additional comparison floorspace, we focus principally on Preston city centre in the Study, which is the most likely to attract interest from retail operators in the comparison market.
24. Looking at the overall provision within the city centre from the national multiples, we consider that the overall national multiple comparison offer is good, with anchor operators such as Debenhams, Marks and Spencer, TJ Hughes, TK Maxx, Argos and Primark all occupying large units within the city centre, along with additional retailers such as Aldi, The Range and The Food Warehouse within the edge of centre Queen Street Retail Park. Overall, the clothing and footwear provision in the city centre was identified at or above the UK average, along with the proportion of floorspace occupied by department stores. As such, the offer of comparison retailers within the city centre is considered to be good, with no qualitative requirement to provide a substantial proportion of new floorspace to meet any immediate capacity. This conclusion is reached given the current commercial market.



25. Furthermore, residents are well served by the out of centre provision within the administrative area, particularly at Deepdale and Riversway Retail Parks, which functions as part of the overall comparison provision meeting residents' needs. Whilst these parks also compete directly with the offer in the city centre, they do act to retain the expenditure in the authority area instead of it leaking outside to destinations such as Middlebrook Shopping Park, Manchester city centre and the Trafford Centre, with added benefits to Preston. It is important however that Preston city centre offers something qualitatively different to the out of centre retail parks to ensure that residents still choose to meet their needs in the defined centre. This is particularly the case given the extant permission at Cuerden Investment Site which will deliver a substantial proportion of new comparison floorspace which could compete directly with the city centre. Although the future of the scheme is uncertain following the withdrawal of key operators, the threat of competition still remains whilst the permission stays 'live'.

Leisure Capacity

26. In terms of 'traditional' commercial leisure uses (bingo halls, cinemas and ten-pin bowling facilities) the assessment does not identify any quantitative need for additional facilities within the authority area. We note that an independent cinema provision report was produced on behalf of Preston City Council in September 2014 by dcinex to explore options to regenerate the city centre with a particular focus on a cinema-led redevelopment scheme. The idea of which was to encourage increased dwell-times from visitors to the city centre via spin-off trips. The report, which is a more complex assessment of the viability of a cinema scheme within the city centre, concluded that a new multiplex of any size in the city centre would impact positively on admissions within the Preston catchment, and that the future of a scheme would ultimately lie with the 'will' of the local authority to stimulate one part of the city or indeed the appetite for any of the significant landowners to progress with a leisure scheme.
27. Our calculations set out in detail in the Study demonstrate that based on the authority's population alone, the provision within Preston (comprising the Odeon at Port Way and the Vue at the Capitol Centre) meets the identified need based on national trends in terms of the number of cinema trips per person per year. Furthermore, a brand new facility is now open at the Flower Bowl Entertainment Complex near Brock in Wyre's administrative area, which will also be serving Preston's residents, along with existing facilities within South Ribble.
28. However, given that the city centre serves a catchment wider than the population within Preston's administrative area alone, it is important that the leisure provision also serves that wider catchment. On this basis, given the current deficiency of a cinema scheme within the



city centre, and the wider benefits this could bring to the city centre as a whole, we agree with the previous recommendations that there is a qualitative need for additional screens.

Policy Recommendations

29. The Study provides a series of policy recommendations in accordance with the requirements of the National Planning Policy Framework. The policy recommendations have been made to assist the Council in protecting the established network of centres across the administrative area, whilst being realistic that the full extent of defined centres no longer provide commercial uses in accordance with the definition of town centres within the NPPF. Indeed, the recommendations have also been made having regard to the fact that not all centres are the same, and their offer, size and general 'quality' vary considerably dependent on demographics and location. A summary of the proposed amendments to the defined centre boundaries is provided in the report and in the associated appendices.
30. One of the key recommendations made by WYG is to reduce the threshold which applies to retail impact assessments for developments located outside of defined centres. The current adopted policy for Preston does not provide a locally set threshold for impact assessments, referring back to the 2,500 sq.m (gross) threshold as applied in the NPPF. The issue with setting a high default threshold is that applicants do not need to undertake a formal assessment of impact on defined centres should their proposal fall below 2,500 sq.m, which the majority of proposals for new commercial floorspace will do.
31. As such, based on a review of the existing stock of units in the centres, and the overall health of the centres, WYG has set out an alternative approach to adopting lower local thresholds within the new CLLP.



1.0 Introduction

1.1 Instruction

- 1.1.1 WYG Planning (hereafter referred to as 'WYG') was commissioned by Preston and Chorley Councils in July 2018 to undertake a Retail and Leisure Study for both authority areas. The two studies for Preston and Chorley Councils will help inform the Central Lancashire Local Plan, alongside the South Ribble Retail Study produced in 2016, and updated in 2019.
- 1.1.2 Central Lancashire covers the three authority areas of Preston, Chorley and South Ribble, which functions as one integrated local economy and commuting area. It is a single housing market area with high levels of self-containment and as such, it is appropriate for the three Councils to be working strategically in collaboration to ensure the policies are joined up and complementary. The three Councils have a long history of working together in partnership to produce local plans and deliver strategic objectives. The current Central Lancashire Core Strategy was adopted by the three Councils in July 2012, setting out the strategic planning policies for Central Lancashire, and is supported by the individual local plans produced by each Council in 2015 and the Preston City Centre Area Action Plan, adopted in 2016.
- 1.1.3 The three Councils collectively are now reviewing the 2012 Core Strategy and individual local plans, with the aim to deliver a single Central Lancashire Local Plan (CLLP) to reflect both the shared strategic policy objectives and more detailed non-strategic policies. As such, the purpose of this Study is to assist in the preparation of the new CLLP, by providing the evidence base on retail and other main town centre use matters across both Chorley and Preston authority areas.
- 1.1.4 The latest Central Lancashire Retail and Leisure Review was undertaken on behalf of the three local authorities of Preston, South Ribble and Chorley in March 2010 by GVA Grimley. The 2010 Study was supported by a household telephone survey of 1,600 households across the sub-region, which sought to establish household shopping habits. A standalone Retail and Leisure Study covering Preston city centre was also commissioned by the Council in 2013 and undertaken by Deloitte. We comment on the findings of these historic retail studies as we progress through this Study.
- 1.1.5 WYG has therefore been commissioned to undertake a new retail study to cover the Central Lancashire Region, providing an assessment of the future quantitative and qualitative capacity for additional retail and leisure floorspace up to the year 2036 within Preston and



Chorley, along with a review of the current health of the defined centres within Preston and Chorley. Our Study then provides the wider strategic recommendations with regard to defined centre boundaries, site allocations, future policy protection over the defined centres and local thresholds for impact assessments.

- 1.1.6 This Retail Study presents the findings of the study of particular relevance to the authority area of Preston, concentrating on the shopping and leisure patterns, health checks of defined centres, and quantitative and qualitative retail and leisure capacity for additional floorspace and facilities.
- 1.1.7 The key purposes of the Study are as follows:
- An assessment of planning policy and market context;
 - An audit of the role, vitality, viability of centres in Preston;
 - An assessment of need for retail and main town centre uses for the period up to 2036;
 - Assessment of the capacity for defined centres in Preston to accommodate retail and town centre uses, supported as necessary by site by site assessment / proformas, looking in particular at Preston city centre; and
 - Recommended boundaries for city and local centres to be designated in the Local Plan.
- 1.1.8 In order to address the above requirements, the Study draws on new empirical research, with NEMS Market Research Limited ('NEMS') undertaking a survey of 1,800 households within the defined Study Area (Appendix 1) in July and August 2018.
- 1.1.9 The Study Area for the household survey comprises a total of 16 zones which cover Chorley, Preston and South Ribble's administrative areas and surrounding areas within Fylde, Wyre, Ribble Valley and West Lancashire authorities. A copy of the Study Area is provided at Appendix 1.
- 1.1.10 In terms of Preston's administrative area in particular, Zones 1, 2, 3, 4 and 5 all cover parts of the authority's area. Zones 1, 2 and 3 are mostly contained within Preston's administrative boundary.
- 1.1.11 As such, it will be these zones which we concentrate on in detail as part of this Study, looking particularly at the shopping patterns of residents located within Preston's authority area but also those residents within the surrounding zones which travel into Preston to meet their convenience and comparison shopping needs and their commercial leisure needs.



- 1.1.12 This Study also draws on the most recent Experian population and expenditure data (published in December 2018) in order to establish the most up-to-date position with regard to 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 Preston city centre and the eight defined 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 provides our review of the future requirement for additional commercial leisure uses in Preston; and
- Section 9 provides our overall summary and policy recommendations to assist with the preparation of the CLLP.



2.0 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 a number of 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 actually 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 Preston and particularly the defined centres within the administrative area.

2.2 Polarisation and the Decline of Secondary Centres

- 2.2.1 In recent years, shoppers have been increasingly prepared to travel in order to access a greater choice of shops and the type of leisure facilities which are more commonly available in larger towns and cities. As a consequence, larger retail venues (with a regional or sub-regional role) have tended to perform relatively strongly, but a number of 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. Whilst Preston is seen as an established sub-regional centre, it has direct competition from larger regional and other sub-regional centres in relative proximity, including Manchester city centre, Liverpool city centre along with Bolton town centre, Middlebrook Shopping Park, Lancaster city centre and Blackburn town centre.



- 2.2.2 Colliers reflects² 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 region. A large number of BHS stores are still vacant and the situation has been exacerbated by CVAs including New Look. The Centre for Retail Research issued a list in October 2018 of 'Who's Gone Bust in Retailing 2010-18³?' details UK retailers who went into receivership between 2005 and 2018, based on research carried out at the time and based on the understanding of The Centre for Retail Research of those business affairs then.
- 2.2.3 The Centre for Retail Research has analysed the main retail failures in the period since the recession. There are 32, with 12,770 stores affected and 175,714 employees. They range from Blacks Leisure in 2008 to BHS in 2016, Store Twenty-One and Palmer and Harvey in 2017 and Toys 'R'Us, House of Fraser, Maplin and Poundworld in 2018. Woolworths was the biggest casualty in this period with 820 stores and 30,000 staff, BHS was the second largest in terms of stores and House of Fraser the second largest in terms of staff. These figures are based on the CRR's own research over this period.
- 2.2.4 In November 2017 M&S set out a five-year transformation programme for the business, involving a slowdown in the Simply Food store opening programme and an acceleration of the UK store estate closure programme, after the better than expected levels of sales transfer from closures and plans to grow online sales. In May 2018 M&S announced proposed further store closures⁴, followed by more recent announcements of additional closures in January 2019⁵. M&S propose to close over 100 stores in total by 2022. However, the M&S proposed closures announcements exclude stores in Preston. The transformation programme includes relocations, conversions, downsizes and the introduction of concessions (including for a Metro Bank and a trail of an in-store opticians service).
- 2.2.5 In October 2018, Debenhams confirmed the proposed closure of up to 50 of its 165 stores over the next three to five years. To date, Debenhams have not released a list of proposed store closures.

² Colliers Midsummer Report 2018

³ <http://www.retailresearch.org/whosegonebust.php>. The Centre for Retail Research includes the following legal notice: '*this listing of UK retailers who went into receivership between 2005 and 2018 is based on research carried out at the time and our understanding of their business affairs then. Some of these companies recovered and came out of administration; some were bought by other businesses; some were sold as going concerns but changed their name; for some, the name was bought and this is still used, but under different ownership; and others ceased to exist. The presence of any business in this historical listing must not be taken to imply that it no longer exists, its name is not used or that such business, if still trading, is impaired in anyway.*'

⁴ <https://corporate.marksandspencer.com/media/press-releases/2018/m-and-s-uk-store-estate-update>

⁵ <https://www.bbc.co.uk/news/business-46876749>



- 2.2.6 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.
- 2.2.7 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.
- 2.2.8 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 2018⁶ 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. 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. However, it is considered that Preston city centre is not significantly adversely impacted by these issues compared to other comparable city centres.
- 2.2.9 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

⁶ UK High Streets: Dead or Alive? Cushman & Wakefield, April 2018



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, as a consequence, 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.

- 2.2.10 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.
- 2.2.11 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 as a means 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 Mintel⁷ 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 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

⁷ 'UK Retail Rankings', Mintel, April 2018



straightforward as that. There are some general themes, but for most of the businesses that have been closed down 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 over-expanded 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 As a consequence, 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 number of 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.

Table 2.1: Market Share of Key UK Food Retailers

Operator	2011	2012	2013	2014	2015	2016
Tesco	23.7%	23.9%	23.0%	22.5%	22.0%	21.6%
Sainsbury's	12.8%	13.1%	12.9%	12.8%	12.2%	11.9%
Asda	12.5%	13.3%	13.0%	13.0%	12.0%	11.5%
Morrisons	9.5%	9.3%	8.9%	8.2%	7.9%	7.7%
Aldi	1.9%	2.6%	3.3%	4.2%	4.8%	5.3%
Co-operative Food	5.5%	5.4%	5.1%	4.9%	4.8%	4.7%
Waitrose	3.5%	3.6%	3.7%	3.9%	3.9%	3.9%
Marks & Spencer	3.6%	3.7%	3.7%	3.8%	3.9%	3.9%
Lidl	1.9%	2.0%	2.0%	2.2%	2.4%	2.7%
Iceland	1.8%	1.9%	1.9%	1.9%	1.8%	1.8%

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 in order 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.
- 2.3.6 Booths is a premium range grocery chain based in Lancashire, focused on regional produce. The Booths central office is located in Preston as well as a distribution centre on Bluebell Way and a large manufacturing unit at Riversway (where much of their meat is butchered and packaged). Booths has stores in the Study Area at Chorley, Fulwood, Penwortham and Longridge. In September 2008, The Grocer reported that Waitrose had signed a deal with Booths⁸ to pool their resources and share buying duties on a range of products in an effort to lower product sourcing costs.
- 2.3.7 In November 2018, Booths announced a trail partnership with Dobbie's Garden Centres, through the introduction of a Booths branded chiller in Dobbie's stores and Booths products are now available in Fenwick's. In October 2017, Booths announced its agreement with Amazon Fresh whereby a range of ready meals, cheese and deli products will be available across parts of south east England.
- 2.3.8 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 2018⁹, bringing its total number of stores to around

⁸ <https://www.thegrocer.co.uk/companies/waitrose-booths-shake-on-surprise-buying-alliance/193363.article>

⁹ Article headlined 'Aldi pursues UK expansion', UK.Reuters.com 4 January 2018

800. Over the longer term, it intends to trade from 1,000 UK stores by 2022¹⁰. Aldi reports to require sites which are freehold, in town centre or edge of centre locations with a minimum of 1.3 acres¹¹.

- 2.3.9 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 schemes¹².

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. Experian¹³ 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 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 Statistics¹⁴ 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

¹⁰ Article headlined 'Supermarkets: discounters race for space', Property Week, 2 November 2016

¹¹ <https://www.aldi.co.uk/about-aldi/property/required-towns>

¹² <https://www.lidl.co.uk/en/Site-Requirements-5377.htm>

¹³ 'Experian Retail Planner Briefing Note 15', December 2017

¹⁴ 'Statistical Bulletin: Internet Access Households and Individuals', Office for National Statistics, August 2018



is also increasing in popularity¹⁵. 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 Global Data's report Click & Collect in the UK, 2017-2022, indicates that despite rapid growth anticipated over the next five years, click & collect sales will be impacted as retailers continue to close unprofitable stores as physical locations struggle against the online channel, reducing the number of click & collect locations. In addition to this, more retailers are investing in delivery saver schemes following the success of Amazon Prime and ASOS Premier, encouraging shoppers to subscribe and save on delivery costs. As this is a primary driver of click & collect, this will also hinder sales via the channel.
- 2.4.5 Charlotte Pearce, Retail Analyst at GlobalData, comments¹⁶: "Click & collect sales will become increasingly threatened as delivery saver schemes become more widely available and retailers continue to extend their choice of fulfilment options. Retailers must ensure that their click & collect propositions are competitive in terms of price and/or threshold as well as speed of delivery into stores. This will help to drive footfall into stores and encourage additional spend at the retailer."
- 2.4.6 In addition, it is important to note that many purchases made online are actually 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 trading¹⁷ in order 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.

¹⁵ 'Click and Collect', Mintel, September 2014

¹⁶ <https://www.globaldata.com/uk-click-collect-sales-set-soar-55-6-2022/>

¹⁷ 'Experian Retail Planner Briefing Note 15', December 2017



2.4.7 Figure 2.2 below shows the change in non-store retail sales for convenience goods since 2006, and the predicted change up to 2036.

Figure 2.2: Convenience Non-Store Retail Sales (Experian, December 2018)



2.4.8 For comparison goods, the adjusted allowance is 17.0% at 2018, increasing to 20.1% at 2023, to 21.3% at 2028, to 21.6% at 2033, and to 21.7% at 2036. The adjustment is greater for comparison goods, reflecting the fact that most online food purchases are taken from the shelves of actual stores. Figure 2.3 below shows the change in non-store retail sales for comparison goods since 2006, and the predicted change up to 2036.

Figure 2.3: Comparison Non-Store Retail Sales (Experian, December 2018)





2.4.9 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 Eats¹⁸. However, in very recent months, key national brands have announced their downsizing and closure of restaurants, including Prezzo and Jamie Oliver's.

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. As a consequence, 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 The casual dining sector is experiencing a fall in like-for-like sales growth. The Guardian reports that the number of UK restaurants going insolvent increased by a fifth in 2017 compared with 2016¹⁹, according to law firm Moore Stephens, as major chains came under pressure from rising labour costs, higher business rates and increasing food costs (exacerbated by a weaker pound following the EU referendum) and competition amid a squeeze on consumer spending.

¹⁸ <https://www.pwc.co.uk/services/business-recovery/insights/restructuring-trends/restaurants-2017-food-for-thought.html>

¹⁹ <https://www.theguardian.com/business/2018/feb/19/number-of-uk-restaurants-going-bust-up-by-a-fifth-in-2017>



- 2.5.4 Deloitte summarises casual dining trends in its presentation on 'Changing Tastes, the UK casual dining market, September 2017'. Such trends include millennials and Generation Z seeking choices of healthy eating options, budget dining, gourmet fast food and indulgent meal options, informal and experiential dining experiences (select your own produce, show cooking concepts and immersive experiences), home delivery options, as well as increased consumer focus on food provenance and sustainability and the incorporation of digital technology throughout the customer journey, for example to provide delivery and pre-ordering services, or to connect to consumers in-store to offer customisable menus and dynamic pricing.
- 2.5.5 In November 2018, The Retail Bulletin reported that Waitrose intends to further roll out its supper clubs. Working with social dining platform WeFiFo, WWeFiFo organises and hosts the events on behalf of chefs who develop menus using products available from Waitrose.
- 2.5.6 Colliers²⁰ 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.
- 2.5.7 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 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 Company²¹ 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.
- 2.5.8 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

²⁰ Ibid

²¹ As reported in the article headlined 'Why budget gyms could be set to take over the sector', Sports Insight, 11 June 2016



competition, ensure that visitors' dwell times are increased, and assist a town's evening economy.

- 2.5.9 As a result of the credit crunch, the subsequent recession, the growth in e-commerce and the consequential effects for investor confidence and the availability of finance, there has been a substantial reduction in large scale in-centre retail planning commitments. Comparison goods retailers with retailer requirements for a site in Preston are likely to seek small to medium sized stores, having integrated their business models into e-commerce. There is no qualitative need for an additional department store in Preston. Retailer and leisure operator requirements and national economic circumstances are rapidly evolving. Retailers are increasingly seeking operator representation in centres where there is housing growth, a diverse range of retail and leisure facilities and a quality food and drink offer within a safe, high quality environment incorporating green infrastructure. Such characteristics of centres appeal to a broad customer base.

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 2016²² 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.

²² 'Economic & Retail Update: H2 2016', Verdict, September 2016



- Brexit may have a negative impact on the housing market and a consequential 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 that 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 Influential Reports

2.7.1 The effects of the 2008 recession and the growth in e-commerce led to three influential UK reports on the future of town centres, these being the Portas Review (December 2011), the Grimsey Review (September 2013), and the Taskforce Report: Beyond Retail (November 2013). These three reports share common elements of:

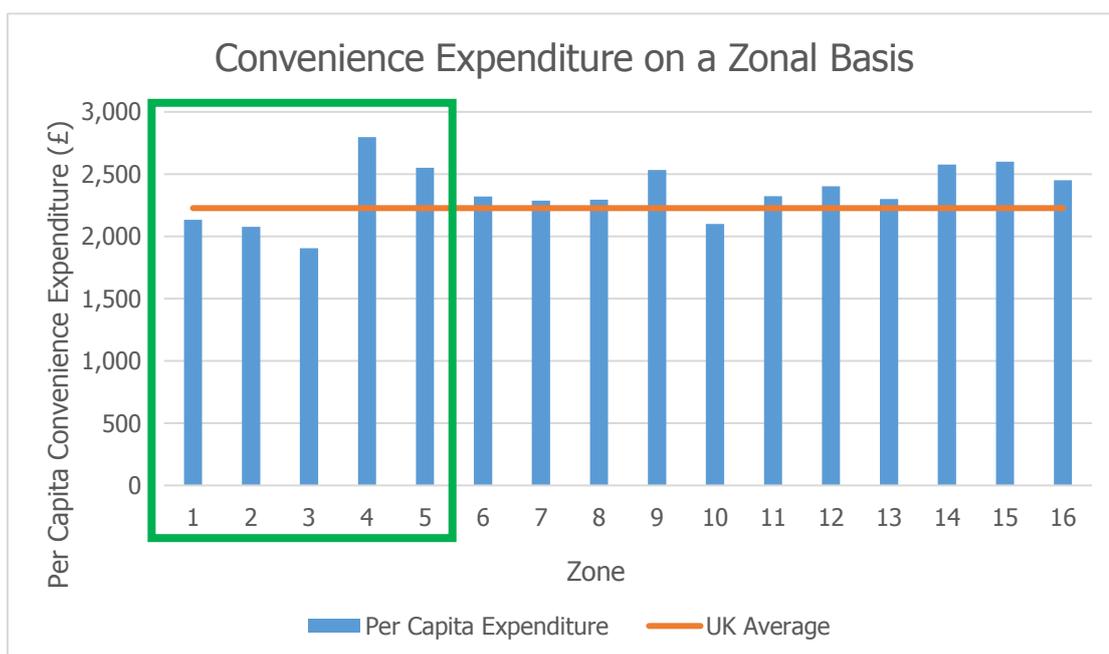
- a recognition that there is a need to diversify town centres, so as to encompass other non-retail functions;
- a recognition of the need for a review of the business rates system, so as to reduce occupational costs for town centre businesses, compared to online retailers;
- a need to make it easier to change the use of buildings in town centres through further reforms to the General Permitted Development Order (which have subsequently been implemented by Government);
- the need for local planning authorities to be more proactive in the use of their CPO powers and for simplification of the CPO procedures; and
- a need for enhancement of secure car parking facilities within town centres and a review of pricing and management practices, so as to enable town centres to better compete with out-of-centre locations with free car parking.



2.8 Expenditure in Preston

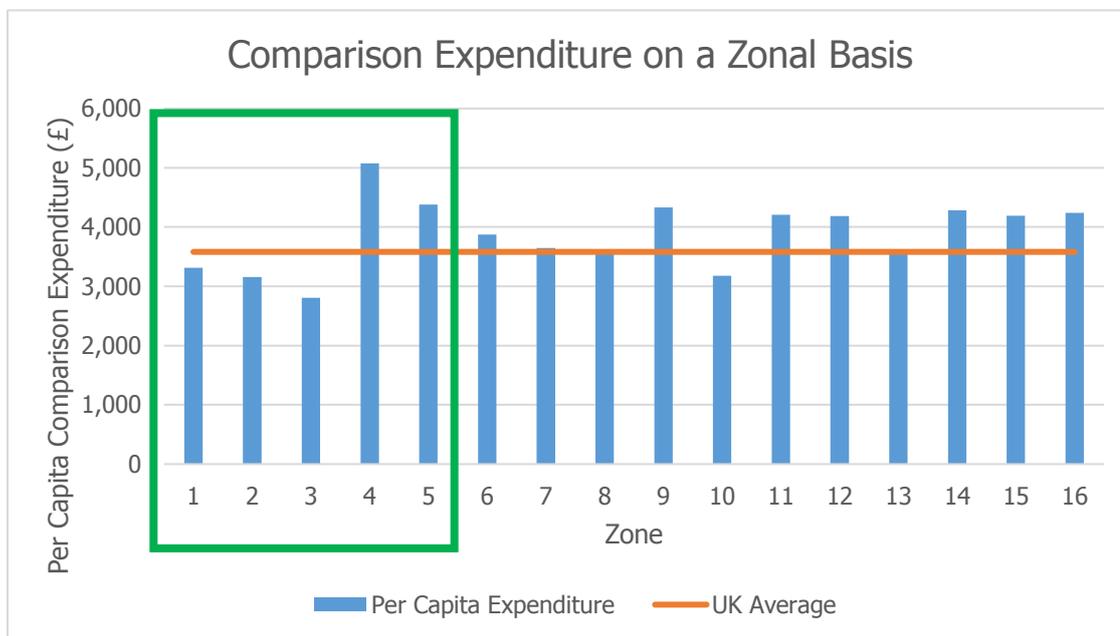
2.8.1 The overall available expenditure within Preston’s towns and residential areas varies in terms of both the convenience and comparison expenditure. Table 2.4 below sets out the convenience expenditure per capita on a zonal basis across the Study Area as a whole, compared to the UK average. The Table demonstrates the differences in the spending per person on convenience goods across the Study Area, with the highest level of spending present in Zone 4 which covers the north western part of Preston’s authority area, including Catforth, Broughton and Woodplumpton. The lowest level of spending in the convenience sector across the Study Area is from residents in Zone 3, which covers Sharoe Green, Ribbleton and Fulwood, and the area to the north east of Preston city centre. The green outline on Table 2.1 below depicts the zones broadly covered by Preston’s authority area.

Table 2.4: Convenience Expenditure Per Capita across the Study Area



2.8.2 Table 2.2 below provides the same data on a zonal basis but for comparison spending. The Table demonstrates that the spending on comparison goods also varies considerably across the zones within the Study Area, with the lowest level of spending in Zone 3, as was the case for convenience spending. Again, the level of spending on comparison goods Zones 4 and 5 falls above the UK average. Comparing to the Indices of Deprivation, the lowest spending on convenience goods in zone 3 also accords with those areas which fall within the 10% most deprived within the UK.

Table 2.5: Comparison Per Capita Expenditure Across the Study Area



2.8.3 The contrasts between spending in each zone have wider implications in terms of the performance of centres and correlate with the types of operators which are present in the centres.

2.9 Implications for Preston

2.9.1 Preston’s administrative area comprises a range of defined centres and out of centre retail and commercial provision. The city centre, as noted in the Preston City Centre Plan (2016), plays an ‘above and beyond’ role in the context of its broader locality and has a wide range of assets that are sub-regionally significant such as the University, Crown Courts and the Railways Station. It is an important asset for the Central Lancashire Region and the protection of it is key for the combined authority, along with Preston Council.

2.9.2 However, as summarised above, the current commercial market is uncertain, and therefore planning to substantially increase retail floorspace in particular, is not necessarily supported by market evidence. We have seen the closure or reduction in portfolio of a number of operators over the past 12-24 months, along with a number of operators seeking to downsize and relocate to units on out of centre retail parks which offer less constrained sites, cheaper rents and wider opportunities and benefits in terms of accessible car parking for shoppers and easy servicing for the retailers. Operators are therefore often seeking to



rationalise their portfolio, seeking optimum formats with cheaper rents and floorspace suitable to display a wide range of goods and services. Edge and out of centre retail parks are therefore still popular options for modern retailers and pose a threat to defined centres and particularly Preston city centre.

- 2.9.3 Furthermore, whilst it has always been noted that Preston city centre does not currently benefit from a large format convenience foodstore (i.e. one of the 'big four'), these operators are also not typically seeking to expand their portfolio in this manner, and instead looking at alternative options in an attempt to compete directly with the likes of Aldi and Lidl who's share of the market is continually growing given shoppers' decisions to save money.
- 2.9.4 Commercial leisure uses, and particularly food and drink uses alongside new cinema developments were also considered to be one type of development which had a more positive outlook. Whilst we are still seeing a number of food and drink operators seeking to increase their portfolio across the country, we have also unfortunately witnessed the scaling back and even closure of a number of national multiple operators leaving this market also in a state of uncertainty. However, with the positive investment schemes coming forward in Preston, which we cover in more detail later in the report, there are signs of investor confidence in the city centre which are not necessarily present elsewhere in the country. With the provision of new schemes in the city centre, and an increase in the overall offer of retail and leisure uses, then further residents and visitors will be drawn to the city centre and increase their dwell-time.
- 2.9.5 The internet is an ongoing competition for city and town centres, and an increased reliance of residents purchasing goods online has had negative effects on defined centres. The defined centres Preston 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 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. Deepdale Retail Park, which is located approximately 1.6km to the north east of the city centre (as the crow flies), offers a wide range of convenience and comparison operators, with principally 'traditional' town centre clothing and footwear retailers such as Next, Outfit, Boots, Clarks, New Look and Mamas & Papas but also a range of leisure operators such as Frankie & Benny's, Greggs, Nando's, McDonald's and Subway. This is a popular retail and leisure destination within Preston's administrative area



and has the potential to draw more shoppers away from the city centre due to the wide offer for residents.

- 2.9.6 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 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.
- 2.9.7 However, whilst the growth of online retailing is likely to have had a detrimental impact on the turnover of Preston's retail destinations, going forward there may be opportunities for the retail facilities to benefit from multi-channel retailing in order to help drive footfall and sustain retailer representation.
- 2.9.8 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 Preston city 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.
- 2.9.9 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 Preston for more temporary stores and food offers could be explored further, to encourage traders to open pop-up shops and seasonal offerings.



- 2.9.10 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.
- 2.9.11 Preston's city centre market plays an invaluable role in drawing in shoppers to the city centre. Preston's new Market Hall opened in February 2018 and provides a wide choice of convenience goods, along with cafes, comparison goods and hot food and drink to eat-in or take-away. Alongside the new Market Hall is the Box Market which comprises a number of upgraded shopping containers under part of the historic fish market canopy and the outdoor market has not moved back to its permanent home under the 1875 Market Canopy providing a more traditional offer. This diverse offer provides an addition to the city centre which is qualitatively different to any other North West city centre and again, should be a feature which is protected by the Council moving forward.
- 2.9.12 The Ministry of Housing, Communities and Local Government and HM Treasury published a Future High Street Fund policy paper on 29 October 2018. It outlined structural changes on high streets as follows.
- 2.9.13 High streets have been affected by major changes in the past decades, and the speed of this change is increasing. Online shopping in particular has become significantly more popular than it was 10 years ago. Between 2007 and 2018 online sales increased 6-fold while growth of in-store sales has lagged behind. In 2000 online retailing accounted for less than 1% of retail sales while in August 2018 almost a fifth of all retail sales took place online (Office for National Statistics).
- 2.9.14 The rise in online retailing has reduced barriers to entry in the retail market. Online retailers are able to offer competitive prices, more choice and greater convenience than many high street competitors. In turn, consumers are changing what they want from their local high street: there is an increased importance on the overall 'experience' of high street shopping. People want local high streets to provide convenience, a sense of community and to add value through services not offered online. (Institute of Place Management)
- 2.9.15 As a result, high streets are having to evolve and adapt. Evidence shows that high streets with a wide choice alongside well designed and planned residential and office space are more resilient to these changes and are adapting more successfully. In contrast, high streets that rely heavily on traditional retail without sufficient office space and housing surrounding



the high street have found it harder to adapt to these changes and tend to be the ones that are struggling (Public Health England, British Property Foundation).

- 2.9.16 Alongside this, local leadership is an important feature of successful high streets. Research shows that strong local leadership is needed to support effective regeneration, reconfiguring space, increasing the number of homes for young and old alike, encouraging more workspaces and reducing congestion with new infrastructure. Well-designed parking policy, active management of change of use of retail units and reinstatement of roads promptly to full use after roadworks can also support vibrant town centres. (Institute of Place Management)
- 2.9.17 To respond to these challenges, government has announced a new £675 million Future High Streets Fund will be set up to help local areas to respond to and adapt to these changes. It will serve two purposes: it will support local areas to prepare long-term strategies for their high streets and town centres, including funding a new High Streets Taskforce to provide expertise and hands-on support to local areas. It will also then co-fund with local areas projects including:
- investment in physical infrastructure, including improving public and other transport access, improving flow and circulation within a town / city centre, congestion-relieving infrastructure, other investment in physical infrastructure needed to support new housing and workspace development and existing local communities, and the regeneration of heritage high streets; and
 - investment in land assembly, including to support the densification of residential and workspace around high streets in place of under-used retail units.
- 2.9.18 Preston city centre is already well underway in undertaking such measures, for example in the renovation of the bus station and bus station car park, the railway station project, the public realm improvements to Fishergate, completed and ongoing heritage works at Winkley Square and the production of the Preston City Living Prospectus.
- 2.9.19 Furthermore, in 2018, Preston City Council appointed Nexus planning consultants to work alongside Buttress Architects, Gillespies, Colliers, and WSP to work up a masterplan for an “urban village” in the Stoneygate area of the city. This urban village concept is consistent with Preston City Centre Plan AAP Policy OP4 (Stoneygate). The area covers Stoneygate, Church Street, Queens Retail Park and Cardinal Newman College. The regeneration of the



area will focus on brownfield and “under-used” sites which will be brought forward for a variety of residential, business, education, and leisure projects.



3.0 Planning Policy

3.1 National Planning Policy

National Planning Policy Framework

- 3.1.1 The National Planning Policy Framework (NPPF) was originally published in March 2012 and revised in July 2018.
- 3.1.2 The main theme of the NPPF is the 'presumption in favour of sustainable development' where plans should seek opportunities to meet the development needs of their area and be sufficiently flexible to adapt to rapid change.
- 3.1.3 Paragraph 80 establishes that significant weight should be placed on the need to support economic growth and activity, taking into account both local business needs and wider opportunities for development.
- 3.1.4 Section 7 of the NPPF seeks to ensure town centres remain at the heart of communities and establishes a town centre first approach to retail and main town centre use development.
- 3.1.5 Paragraph 85 specifically sets out that planning policies and decisions should support the role that town centres play by taking a positive approach to their growth, management and adaptation: more specifically, planning policies should:
- Define a network and hierarchy of centres and promote their long-term vitality and viability through allowing them to grow and diversify in a way that can respond to rapid changes in retail and leisure industries
 - Define the extent of town centres and primary shopping areas, and make clear use of the range of permitted uses in these locations as part of a positive strategy for the future of each centre;
 - Retain and enhance existing markets and introduce new ones, where appropriate;
 - Allocate a range of suitable sites to meet the scale and type of development likely to be needed, looking forward over a ten-year period, in order to meet anticipated retail, leisure, office and other main town centre uses. In order to ensure these uses are not compromised due to a lack of available sites, 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, planning policies should allocate appropriate edge of centre sites which are well connected to the 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.

3.1.6 Paragraph 86 requires local authorities to apply a sequential test to planning applications for main town centre uses which are neither in an existing centre nor in accordance with an up-to-date plan. The paragraph continues and sets out a town centre first approach to main town centre uses, then edge of centre sites. Out of centre sites should only be considered if suitable sites are not available or not expected to become available within a reasonable period. It is specified in Paragraph 88 that the sequential approach should not be applied to applications for small scale rural offices or small-scale rural development.

3.1.7 Paragraph 87 states that when considering proposals for edge of centre proposals, there should be a preference given towards those which are well connected to the town centre. It also states that Local Authorities and applicants should demonstrate flexibility on aspects such as format and scale to ensure opportunities to utilise suitable town centre or edge of centre sites are explored fully.

3.1.8 Paragraph 89 indicates that local authorities should require an impact assessment for retail, leisure and office development outside of town centres which are not in accordance with an up-to-date Local Plan and if the development is over a proportionate, locally set threshold. Where there is no threshold, the default threshold will be 2,500sqm.

3.1.9 Paragraph 90 indicates that where an application fails to satisfy the sequential test or is likely to have a significant adverse impact on the vitality and viability of a town centre or on an existing, planned or committed investment in a centre, it should be refused.

Ensuring the Vitality of Town Centres Planning Practice Guidance

3.1.10 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.

- 3.1.11 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.
- 3.1.12 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.
- 3.1.13 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.
- 3.1.14 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.

3.2 Local Planning Policy

- 3.2.1 The development plan for the area consists of the Central Lancashire Core Strategy (The 'Core Strategy') which was adopted in July 2012 and the Preston Local Plan (The 'Local Plan') which was adopted in July 2015. The Preston Local Plan also includes the Preston City Centre Plan adopted in June 2016, which is an Area Action Plan and sits alongside the Preston Local Plan.
- 3.2.2 The 2012 Core Strategy was jointly prepared by Chorley Borough Council, Preston City Council and South Ribble Council, therefore covering a wider area than the Local Plan.
- 3.2.3 The Local Plan target is to produce a joint Central Lancashire Local Plan by the end of 2020, with submission at the end of 2019. The plan period of the joint Central Lancashire Local Plan is 2021 to 2036.
- 3.2.4 The relevant policies from the development plan are summarised below.

Central Lancashire Core Strategy

- 3.2.5 The Core Strategy sets overarching strategic objectives for Preston to achieve its retail and leisure potential and ensure the local centres provide and cater to local needs.
- 3.2.6 Policy 1 seeks to focus growth and investment to central Preston, the Key Service Centres and other main urban areas in the plan area.
- 3.2.7 Policy 3 relates to transport and connectivity and sets out a series of measures to improve this throughout the plan area. This includes:
- Improving pedestrian facilities with high quality designed centre paving schemes;
 - Making improvements to Preston railway station;
 - Reducing the need to travel through locating development in accessible areas; and
 - Managing car use through means such as monitoring and management of long and short stay car parks in Preston city centre.

- 3.2.8 Policy 11 is the main policy relating to retailing and town centre uses. The policy establishes a retail hierarchy for the plan area which is as follows:
- City Centre: Preston
 - Principal Town Centres: Leyland and Chorley
 - District Centres: Bamber Bridge, Clayton Green, Longton, Penwortham and Tardy Gate, and those proposed at Buckshaw Village and Cottam.
- 3.2.9 It sets out that retailing and other town centre uses of a scale appropriate to the retail hierarchy and in sustainable locations will be supported, providing proposals respects the character of the centre including any special architectural and historic interest and assists in maintaining its existing retail function.
- 3.2.10 The Policy states that retail and town centre uses will be delivered in the following ways:
- Delivering a mixed-use scheme to facilitate the regeneration of the Tithebarn Regeneration Area of Preston;
 - Encourage other retail, office and leisure investment of an appropriate scale in Preston city centre so as to maintain its position as the largest retailing, commercial and service centre in Lancashire as a whole;
 - Maintaining, improving and controlling the mix of uses in the existing district and local centres and proposed centres at Strategic Sites and Locations, so as to appropriately serve local needs;
 - Focusing main town centre uses in the defined town centres; and
 - Supporting city and town centre development providing for tourists and visitors, particularly business-based tourism.
- 3.2.11 The Tithebarn Regeneration Area was a major development scheme focused in the eastern part of the city centre which was abandoned in 2011.
- 3.2.12 The Policy justification notes that Preston is the main retail and service centre in Central Lancashire along with being the centre for commercial and administrative activity, but it requires additional investment if it is to maintain and improve its position in the wider sub-region.
- 3.2.13 Policy 12 relates to cultural and entertainment facilities in the plan area. The Policy recognises that Preston has the largest range and concentration of cultural activities in the

plan area, citing major assets such as the Harris Art Gallery and Museum and the Guildhall. It also recognises that culture has an important role in revitalising and regenerating towns and cities and that cultural and entertainment assets are an important factor in attracting visitors to an area. In more specific terms, the Policy seeks to:

- Promote Preston city centre as a sub-regional centre for cultural and entertainment facilities;
- Protect existing cultural assets and help them adapt to new challenges;
- Promote public art and public realm enhancements in town centres, seeking developer contributions where appropriate; and
- Encourage cultural and heritage-based tourism and leisure facilities.

3.2.14 At the time, the policy indicated that there was a need to introduce a quality night time economy to attract people into Preston city centre and improve its overall vitality. It also sets out that cultural tourism and leisure facilities such as restaurants, cinemas and theatres will be encouraged within the city centre.

Preston Local Plan 2012-26

3.2.15 The Local Plan sets out a series of specific development management policies and allocates sites for development to support the overarching strategic policies of the Central Lancashire Core Strategy. The Local Plan does not directly apply to the city centre, as this is covered in the Preston City Centre Action Plan, but there are policies contained within which are relevant to the wider retail context of Preston.

3.2.16 Paragraph 6.36 states:

'Given the separate policy approach to the city centre, through the City Centre Plan, it is vitally important that this plan manages retail development elsewhere in Preston, so as to not undermine the role and function of the city centre.'

3.2.17 Policy EP3 proposes a district centre in Cottam to support both the new Cottam Strategic Site and north west Preston. The Policy permits the development of mixed-use retail and commercial developments within the proposed district centre. A range of appropriate uses will be encouraged including a supermarket, food and drink, leisure uses, public and community uses and other uses which are complimentary to local shops.

- 3.2.18 Policy EP4 relates to the local centres within Preston and seeks to control and promote specific forms of development within the defined use classes. In addition, the Policy seeks to protect and, where possible, enhance local centres for A1 uses and also A2 and A3 uses where appropriate and suitable.
- 3.2.19 Paragraph 6.38 of the Local Plan states that the Council will apply the sequential and impact assessments to new retail developments and main town centre uses as set out in the framework to maintain the balance between the role and function of the defined centres. However, there is no formal policy relating to the tests.

Preston City Centre Plan – An Area Action Plan to 2026

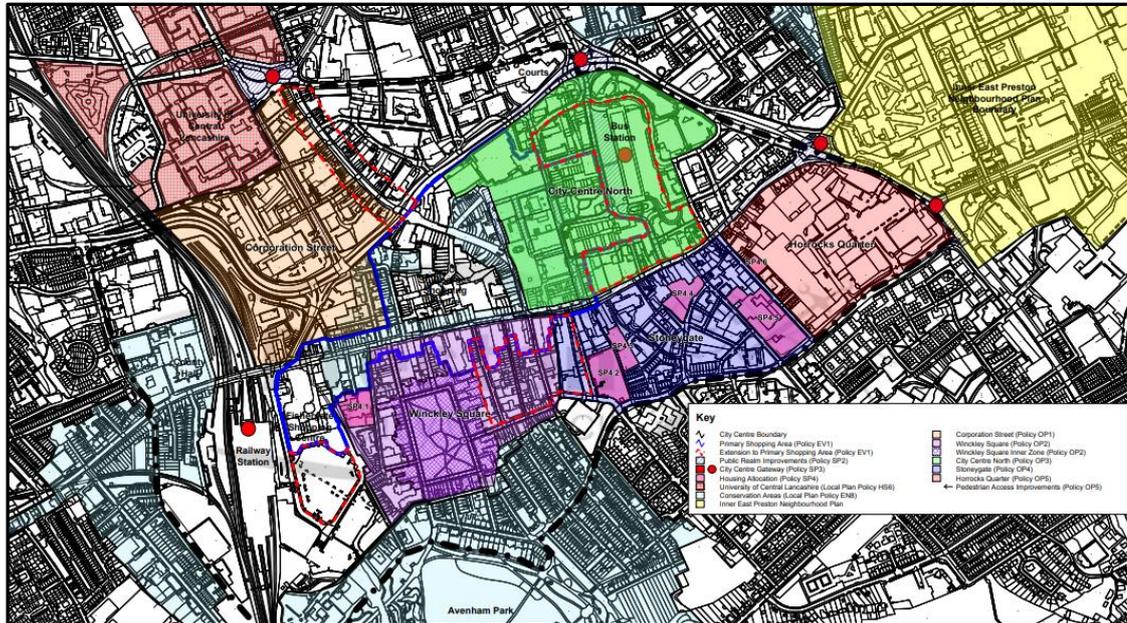
- 3.2.20 Adopted in 2016, the plan sets out an overall vision and series of objectives policies for Preston city centre as a whole alongside recognising the city centre comprises of several opportunity areas, and specific quarters within these, each with their own individual and unique characteristics and needs. The opportunity areas are; Corporation Street, Winkley Square, City Centre North, Stoneygate and the Horrocks Quarter.
- 3.2.21 Figure 3.1 below is an excerpt of the adopted proposals map contained in the Preston City Centre Plan. The proposals map highlights the opportunity areas identified in the City Centre Plan, along with the currently adopted Primary Shopping Area and city centre boundary. The City Centre Plan proposed extensions to the primary shopping area (as shown in the red dashed line on the plan) which sought to include Friargate to the north beyond the A59, and the area surrounding the Bus Station to the east off Tithebarn Street. In terms of the specific allocations for the five defined opportunity areas, these can be summarised as:
- Corporation Street – Policy OP1 allocates the site for a mix of Class B1, C1, D1 & D2, A1 (within the PSA only) and student accommodation. Mixed-use proposals will be encouraged where they contain at least one of these uses and ancillary uses including Class A1 convenience uses, Class A2 Uses, Class A3, A4 and A5 Uses and C3 dwellings.
 - Winkley Square – Policy OP2 allocates the site for a mix of uses within the 'inner zone' including Class A3, Class B1, Class C1, Class C3 and Class D1. Outside of the 'inner zone' permitted uses include Class A1 (within the PSA only), Class A2, Class A4 and A5 and Class S2.
 - City Centre North – this area is split into six separate plots which could be brought forward incrementally for development. Policy OP3 states that development proposals incorporating main town centre uses, including a new city centre cinema will be



encouraged, either as part of the reuse of buildings or new build development. New housing will also be encouraged across the site. Further specific guidance for each of the six sites is provided in the policy.

- Stonegate – Policy OP4 allocates the site for a range of main town centre uses alongside high quality and sustainable housing development, and in all cases proposals must conserve and enhance the historic character of the area and heritage assets. Specific identified uses include Class A1, A3, A5, B1, B2 and D1 & D2.
- Horrocks Quarter – this site includes Queens Retail Park and is situated on the eastern fringe of the city centre. Policy OP5 allocates the site for a mix of town centre uses including Class A1, B1, C1, C3, D2 (except cinemas), A2, A3, A4 and A5). The Policy restricts the total increase in floorspace to 12,500 sq.m (gross) unless it can be demonstrated that the proposals cannot be located in the PSA and subject to an appropriate impact assessment.

Figure 3.1: Preston City Centre Plan Policies Map Excerpt



- 3.2.22 Policy EV 1 relates to main shopping and town centre uses. The Policy seeks to support the city centre as the primary retail destination, stating that within the designated Primary Shopping Area, shopping proposals (including major redevelopment proposals) will be permitted providing they are in line with other relevant policies.
- 3.2.23 Any shopping proposals outside the primary shopping area, or within the Horrocks Quarter Opportunity Area, must demonstrate there are no other suitable sites. Within the other opportunity areas, shopping proposals will be exempt from having to demonstrate compliance with the sequential test.
- 3.2.24 The Policy also supports proposals for other main town centre uses, as defined in national policy, subject to other adopted policies.
- 3.2.25 Policy EV2 recognises the lack of and need to provide a cinema in the city centre. The policy seeks to direct, and supports, the development of a cinema in the Market Quarter area in the north of the city centre, subject to appropriate design and other policy considerations.
- 3.2.26 Policy SP1 seeks to enhance the public realm in the city centre by establishing a series of design criteria development proposals should consider. Specific measures include promoting ease of access for pedestrians, reduction of vehicle clutter within the public realm and using

public art are outlined. Policy SP2 sets out that public realm improvements will be supported throughout the city centre.

- 3.2.27 Policy MA1 seeks to promote and support proposals which improve pedestrian and cyclist facilities and access across the city centre.
- 3.2.28 Policy OP1 relates to the Corporation Street Opportunity Area and seeks to encourage a range of main town centre uses, including A1 retail within the identified Primary Shopping Area. Other A class uses are encouraged as being the ancillary part of a larger mixed-use development.
- 3.2.29 Policy OP2 relates to the Winkley Square Opportunity Area and seeks to encourage proposals which conserve and enhance the conservation area, the public realm and pedestrian permeability. It also subdivides the area into an inner and outer zone, with the inner zone deemed suitable for restaurants and cafes Use Class A3, Offices (B1a), Hotels (C1), residential (C3)) and non-residential institutions (D1). Proposals in the outer zone also will be permitted providing they are the same as those allowed in the inner zone and also allows for all other A Use Classes and assembly and leisure (D2).
- 3.2.30 Policy OP3 relates to the City Centre North Opportunity Area, which is the largest of the opportunity areas. It is subdivided down into six separate sub-areas; the Markets Quarter, Bus Station, Bishopgate, Harris Quarter, Ringway and Church Street. The Policy seeks to direct new shops to the defined Primary Shopping Area and further encourages the development of a new city centre cinema. Proposals in the opportunity area must also seek to enhance the public realm, environmental quality and pedestrian connectivity of the area and ensure the link between the core of the city centre and bus station is protected. It also includes some sub-area specific objectives:
- Markets Quarter: New market provision and refurbishment of the existing market. Development of a cinema on the old Market Hall site. The appropriate re-use of Amounderness House, a Grade II Listed Building adjacent to the Town Hall.
 - Bus Station: Identified for the development of town centre uses and a modernised and fully accessible bus station.
 - Bishopgate: comprising the area located between the Town Hall and bus station up to Ringway, it seeks to revitalise the John's Centre with enhanced links to the surroundings. Develop the Guildhall as a major entertainment hub to enhance Preston's cultural offer.



- Harris Quarter: Seeks the appropriate redevelopment of the former Post Office building, and encourages either a hotel, restaurant and café, offices, educational or assembly and leisure uses.

3.2.31 Policy OP4 relates to the Stonegate Opportunity Area, which is the area to the south of Fishergate and Church Street East down towards Avenham Lane. The Policy seeks to develop achieve an urban village concept in the area and allows development proposals which incorporate shops, restaurants and cafés, hot food takeaways, education uses, leisure uses and small-scale businesses or industrial.

3.2.32 In 2018, Preston City Council appointed Nexus planning consultants to work alongside Buttress Architects, Gillespies, Colliers, and WSP to work up a masterplan for an “urban village” in the Stonegate area of the city. This urban village concept is consistent with Preston City Centre Plan AAP Policy OP4 (Stonegate).

3.2.33 Policy OP5 relates to the Horrocks Quarter Opportunity Area, which incorporates the eastern part of Church Street and the Queens Retail Park, allows for main town centre uses to be developed. Any A Use Class uses, either individually or cumulatively, shall not exceed a net increase of 12,500sqm of floorspace unless a sequential assessment and impact assessment demonstrates the proposal has no significant adverse impact on the Primary Shopping Area.

3.3 Other Relevant Policy

3.3.1 We are aware that the Council have recently published a 10-year cultural strategy for the city centre. The overarching aim of the strategy is set out a clear vision and priorities to help support and develop a vibrant and unique cultural offer in the city. Some of the priorities the strategy has set out include:

- The development of a stronger and more autonomous Cultural Board for the city to help ensure the delivery of the shared vision in the strategy;
- Set a clear series of investment priorities to improve capacity, connectivity, delivery and leadership;
- Provide a framework to ensure the Harris Gallery plays its role in an open and nationally significant cultural organisation; and
- Provide the narrative which will support a bid for Creative People and Places funding in 2019.



4.0 Summary of Health Check Findings

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 city and local centres in Preston (commonly referred to as a 'health check'), namely:

- Preston city centre;
- Local centres as defined by the Local Plan – Blackpool Road/Woodplumpton Road (Lane Ends), Longsands Lane, Miller Road, New Hall Lane, Plungington Road, Ribbleton Avenue, Ribbleton Lane and Sharoe Green; and,
- Local centres as defined by the Broughton-in-Amounderness Neighbourhood Plan – Broughton and Northway

4.1.3 It is noted that the adopted Preston Local Plan Policy MD1 lends support to the provision of a District Centre at the Cottam Strategic Site. In addition, Policy MD2 which covered the North West Preston Strategic Location also refers to future provision of new local centres. The former Cotton Brickworks site is identified as the location for the new District Centre. Further guidance on the North West Preston Strategic Location is provided in the North West Preston Masterplan SPD, adopted March 2017.

4.1.4 The North West Preston Masterplan SPD assumes a main local centre at the junction of the planned new East West Link and Sandy Lane, supported by other smaller local centres, as shown in the indicative main Masterplan drawing (MAP05). The SPD indicates it is at the main local centre that larger scale retail facilities in the area should be directed. However, the SPD advises that the scale of these should not affect the deliverability and viability of the proposed district centre within the Cottam Strategic Site. Given that this is not yet an existing centre, we cannot provide a summary of the health of the centre but do note that the policy states that the allocated district centre at Cottam will seek to include a range of appropriate uses including a supermarket, food and drink, leisure uses, public and

community uses and other uses complementary to the local shops. We comment on the future offer the district centre may provide to residents of Preston in the qualitative capacity considerations at Section 7 of this Study.

4.1.5 Generally, the local centres provide a range of small shops that serve a small local catchment and the city centre seeks to provide a full range of retail, leisure and other main town centre uses to meet its sub-regional role within Central Lancashire.

4.1.6 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 retail and service uses in the centres was collated during our surveys in August 2018, which was used to update the latest Experian Goad data on uses and floorspace within Preston city centre. For the local centres, units were categorised by WYG using the Experian Goad categories and classification and floorspace measured from MasterMap data. A table detailing the Experian Goad classification of retail and service uses is provided at Appendix 2 for reference. The assessment considers ground floor floorspace only. The total uses identified as part of the diversity of use assessment relates to retail and service units within the defined centre boundary only. All other non-residential uses within the centres are categorised under 'other', which includes uses such as offices, health and medical services, public services and transport services. Residential uses were not categorised as part of the diversity of uses assessment.
- **Proportion of vacant street level property** – Vacant properties were identified during the undertaking of the surveys.
- **Customers' views and behaviour** - Analysis of customers' views and behaviour in respect of Preston city centre is provided in the subsequent Section 5 of this report. No data on customer views and behaviour was available for the local centres.
- **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 from Venuescore's 2016-17 UK Shopping Venue Rankings for Preston city centre.



- **Pedestrian flows** – General footfall and pedestrian flows were observed during the undertaking of the centre surveys and is supplemented by Springboard footfall data provided by Preston BID for the city centre area.
- **Accessibility** – Consideration of access to and around each centre is informed by our site visits to each centre and the Preston Parking Strategy (Stage 1), produced by AECOM in January 2013.
- **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. Recorded crime data has also been obtained from online sources (www.police.uk) and from the Lancashire Constabulary for Preston city centre. Perception of safety data was also sourced from Preston BID annual General Public Survey for 2018 (www.bidpreston.co.uk).
- **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, along with results from the residents within the household survey.

4.1.7 Below, we set out a summary of our health check assessments for Preston city centre and each of the defined local centres in the administrative area, 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 3 (Preston city centre) and Appendix 5 (local centres), and with supporting tables and plans set out at Appendices 4 and 6, respectively.

4.1.8 Further to the health check assessments of the defined centres, WYG was commissioned to undertake health check assessments of two additional centres identified in the Broughton-in-Amounderness Neighbourhood Development Plan (2016-2026) and to provide advice to the Council as to where these centres fit into the retail hierarchy. A summary of our health check assessments of these two additional centres is provided at the end of this section and a full assessment is provided at Appendix 7.

4.1.9 Before we commence our assessments, we first identify the sub-regional retail context, considering the role and movement of Preston's centres in the sub-regional shopping hierarchy as identified by Venuescore's 2016-2017 UK Shopping Venue Rankings. The analysis comments on other centres in the North West and particularly within the Central Lancashire region.



4.2 Sub-Regional Retail Context

Overview

- 4.2.1 Preston is located in the Central Lancashire Region. The City of Preston is England's newest city and is the largest settlement in the area. It acts as the main commercial and retail centre of the area with a large and successful university. Central Lancashire is bounded by Fylde and West Lancashire to the West, Ribble Valley and Blackburn with Darwen to the East, Wyre to the North and Greater Manchester to the South.
- 4.2.2 Preston city centre is situated in the South of the administrative area and just to the north of South Ribble's administrative boundary. Preston city centre is the administrative centre of Lancashire and the primary location for comparison goods shopping in Lancashire, containing several covered Shopping Centres.
- 4.2.3 Preston city centre contains high quality public realm and significant areas of green infrastructure (including Winckley Square and tree planting along Fishergate) and it is situated near to a riverside park (Avenham Park by the River Ribble). The city centre and its immediate surroundings contain a diverse range of functions befitting of a city centre, served by Preston Railway Station and Preston Bus Station. It is a major focus for employment, local government (accommodating the offices of both Lancashire County Council and Preston City Council), legal services (Preston Crown Court and Preston Magistrates' Court), further (Cardinal Newman College) and higher education (UCLAN and UCLAN masterplan area), as well as leisure opportunities (food and beverage and entertainment sectors e.g. Level) and provides a cultural hub (Harris Museum, Library and Art Gallery, the Museum of Lancashire and the 2750 capacity concert hall at Preston Guild Hall and the 716 capacity Charter Theatre). In addition, the Lancashire Infantry Museum, is located at Fulwood Barracks in a suburb of Preston.
- 4.2.4 The Council have recently published a Cultural Strategy which sets out a high-level strategy to support the development and diversify the city centres cultural offer. This is in response to the large number of cultural events which occur within the city centre including; the Caribbean Carnival, the Preston 10k run and Preston Pride.
- 4.2.5 The wider authority area contains a number of edge and out of centre retail and leisure facilities, including Queens Retail Park, the Capitol Centre, Deepdale Retail Park and Riversway Retail Park. We provide a summary of the key operators on each scheme below:



- Fulwood Retail Park – recently permitted scheme totalling in 4,340 sq.m which will include a B&M, Aldi and a number of currently unlet units. A scheme is currently under construction for six additional commercial units and a gym, with associated car parking (permitted under application reference 06/2018/0185).
- Capitol Retail Park – an out-of-centre retail park comprising a total of 25,512 sq.m of commercial floorspace and 1,438 parking spaces. The Park includes retailers such as Boots, Currys/PC World, Furniture Village, Tapi Carpets, Carphone Warehouse, Next, Pets at Home, TK Maxx, Homesense, Waitrose and Dunelm and leisure operators such as Frankie and Benny's, McDonald's, Prezzo, Nuffield Health, Starbucks, Subway and Vue Cinema. The Retail Park also contains a Park and Ride service that connects to Preston city centre.
- Deepdale Shopping Park, comprising approximately 26,480 sq.m of commercial floorspace across 34 units with approximately 1,000 car parking spaces. The commercial destination is a large Open A1 shopping park located approximately 1.6km to the north east of the city centre with a number of retailers including Aldi, Next, Clarks Wilko, M&S, New Look, Sports Direct, Mamas and Papas, Boots, Wren, Oak Furniture Land, Harveys and Sofology. The Shopping Park also includes a number of leisure operators including Nandos, Pizza Hut, Frankie and Benny's, McDonalds, KFC, Subway and Greggs, along with an outdoor children's play area. The Shopping Park was extended in 2015 which now accommodates furniture stores. The Park is located near Morrisons, Sainsbury's and Preston North End Football Club.
- Queens Shopping Park (located on the edge of the city centre in planning policy terms but within the City Centre Boundary as shown on the Policies Map and within the Horrocks Quarter allocation in the City Centre Plan) comprises approximately 7,410 sq.m of commercial floorspace and includes operators such as Aldi, The Range, The Food Warehouse by Iceland, Smyths Toys, Costa Coffee and Energi Trampoline Centre. Villeroy & Boch (bathroom and lifestyle showroom) has committed to take a new-build unit to be created out of a redevelopment of the existing Range Garden Centre area.
- Riversway Retail Park and surrounding retail commercial leisure development – collectively known as Preston Docks, the area includes Makro, Morrisons, Mothercare, Early Learning Centre, DFS, Carpetright, Bensons for Beds, Halfords, SCS, Homebase, Dwell and Pets at Home . There are two pubs, a Chiquitos restaurant, KFC and a McDonalds providing a food and beverage offer. A DW Sports Fitness gym and an Odeon Cinema are located at Port Way with adjacent multiple operator restaurants.

- North Road Retail Park (Phase 1) comprises approximately 2,000 sq.m of commercial floorspace across three units with Dreams trading from unit 1. Later phases on the retail park will include a further 4,420 sq.m of commercial floorspace. The surrounding retail and leisure units along the A6 includes an Evans cycles store, Pure Gym, American Golf, Bath Store, Wickes, a former B&Q that has been occupied by a charity shop furniture store and a pub.

- 4.2.6 In addition to the edge and out of centre commercial destinations located within the administrative area, there are also a range of destinations located outside of Preston which also have a draw on Preston's residents, including the Capitol Centre in South Ribble's administrative area and the recently opened Flower Bowl located adjacent to Barton Grange Garden Centre. The latter are co-located upmarket large-scale retail, restaurant and leisure facilities, located off the A6, slightly north of the Preston administrative area in Zone 15 (Wyre) of the Study area. The Flower Bowl is a new build facility, which opened on 3rd August 2018, containing a premium cinema, 8 lane ten-pin bowling, crazy golf, golf simulators, an Olympic sized curling rink, restaurants and a coffee shop. It is a sub-regional attraction with a canal side setting that attracts affluent customers.
- 4.2.7 We comment in more detail below with regard to the effect these destinations have on the attraction and performance of the defined centres in the administrative area.

Movement in the National Retail Rankings

- 4.2.8 Table 4.1 charts the movement of Preston city 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 local centres and retail parks in Preston, where assessed by Javelin.
- 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. The sectors covered include foodservice, which in recent years has become increasingly integrated in helping to define and differentiate successful retail offers, as well as all comparison and convenience-based product sectors.



- 4.2.10 The score attached to each operator is weighted to reflect its overall impact on shopping patterns. For example, anchor stores (e.g. John Lewis, Marks & Spencer, Selfridges) receive a higher score than unit stores. The resulting aggregate score for each venue is called its Venuescore.
- 4.2.11 Venue definitions have been fully updated in Venuescore 2017, reflecting the evolving status and extent of the UK's commercial centres. The area defined for each retail venue uses a common-sense approach, which describes the retail offer as one venue where there is a concentration of stores that shoppers would consider as part of the same 'walkable' shopping offer.
- 4.2.12 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'. Preston is categorised as Regional, as shown in Table 4.1. Preston city centre is ranked 58th of all the 3,295 venues evaluated in Venuescore 2016-17. As would be expected, Preston is by far the highest ranked centre in the administrative area and indeed the Central Lancashire Region. However, the centre has decreased in rankings from 2015/2016 by two places and by six places since 2014/2015, when the ranking of the city centre was 52. Preston's ranking in 2016/2017 falls in line with Basingstoke and Darlington centres, all of which are classes as 'Fashion Moderate' in the fashion position classifications. Looking at centres in the North West by way of comparison, Blackpool town centre is ranked 68th, Warrington town centre is 64th, Chester city centre is 39th and the Trafford Centre is 30th.
- 4.2.13 Over this same period, Blackpool, Blackburn and Chorley town centres have all increased in rankings, with Chorley town centre increasing from 278 to 270. Preston city centre needs to maintain and continually improve its offer to retain and increase its Venuescore ranking.
- 4.2.14 Deepdale Retail Park, Preston's largest out of centre retail destination has increase in rankings from 480 to 408, an increase in 72 places, along with Riversway Retail Park which has also increased from 1,047 to 968, an increase in 79 places. Capitol Retail Park, which is ranked in between Deepdale and Riversway has also increased in rankings but not to the same extent as the other two retail destinations, from 918 to 912
- 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 health check indicators provided in this report.

Table 4.1: Venuescore Classifications

Venue	Score 2016/17	Classification 2016/17	Rank		Change in rank between 2015/16 and 2016/17
			2015/16	2016/17	
Manchester City Centre	780	Major City	2	1	+1
Liverpool City Centre	548	Major City	5	5	-
Trafford Centre, Manchester	313	Major Regional	32	30	+2
Lancaster city centre	154	Regional	144	145	-1
Preston city centre	228	Regional	56	58	-2
Warrington town centre	216	Regional	70	64	+6
Blackpool town centre	212	Regional	74	68	+6
Bury town centre	187	Regional	93	94	-1
Bolton town centre	172	Regional	112	115	-3
Blackburn town centre	156	Regional	147	143	+4
Middlebrook RP	100	Sub-Regional	286	255	+31
Chorley town centre	96	Sub-Regional	278	270	+8
Preston, Deepdale RP	69	Major District	480	408	+72
Preston, Capitol Pk	35	District	918	912	+6
Preston, Riversway RP	33	District	1047	968	+79
Blackpool, Blackpool RP	24	Minor District	1548	1325	+223
Bamber Bridge	22	Minor District	1429	1418	+11
Preston, North Rd (RP)	20	Minor District	1193	1559	-366
Leyland, Centre	18	Local	1709	1696	+13
Leyland, Towngate	18	Local	1709	1696	+13
Chorley, Alliance RP/ Highfield IE	17	Local	1789	1775	+14
Leyland, Olympian Way	16	Local	1908	1888	+20
Preston, Ribbleson/Blackpool Rd IE	15	Local	2034	2021	+13
Chorley, Achkhurst Park IE	14	Local	2193	2171	+22
Preston, Station Rd	14	Local	2034	2171	-137
Chorley, Clayton Le Woods	13	Local	2577	2377	+200
Preston, Fulwood	13	Local	2394	2377	+17
Chorley, Ordnance Rd	12	Local	2577	2566	+11
Leyland, Churchill Way RP	12	Local	2827	2566	+261
Preston, Holme Slack	11	Local	2827	2815	+12
Preston, Tulketh Mill RP	10	Local	2394	3133	-739



4.3 Health Check of Preston City Centre

4.3.1 A full health check of Preston city centre is provided at Appendix 3, along with the diversity of use plan and vacancy plan an Appendix 4. We provide a brief summary below of the key findings and our overall 'SWOT' analysis, identifying the strengths, weaknesses, opportunities and threats for the city centre. The information provided below should be read alongside the full detailed health check provided at Appendix 3.

4.3.2 The Business in the Community's Healthy High Streets programme, which ended in 2017, provided intensive support for 100 high streets over a three-year period. Preston was included in the July 2015 tranche of the programme.

4.3.3 The city is home to UCLAN (University of Central Lancashire), and the seat of Lancashire County Council, and is the largest urban area in Lancashire. Preston gained city status in 2002 and has seen significant investment since this time, including via City Deal and the Preston Guild City projects. Preston city centre is focused on Fishergate, Friargate, Church Street East, Lancaster Road, Market Street and Orchard Street.

4.3.4 Preston is the largest centre in the study area (comprising a total of 719 retail units, as defined by Goad) and contains a significant amount of national multiple retailers. The city has a number of attractions including the Harris Museum & Art Gallery, Preston Guildhall, Preston Market Hall and others. There are also a large number of shopping centres and arcades located within the city centre comprising:

- Fishergate Centre – Spread over three floors and comprising 32 units and approximately 48,586 sq.m of commercial floorspace, the centre contains major national brands, including department stores. Key national multiple retailers include Argos, H Samuel, Debenhams, Primark and Sports Direct alongside leisure operators such as Starbucks and McDonald's. Fishergate is located adjacent to Preston Railway Station, with a car park consisting of 700 spaces at surface level;
- St George's Centre – Containing 111 units across approximately 25,120 sq.m of commercial floorspace and with 410 car parking spaces, St George's is the largest shopping mall in the city centre. It offers a range of national comparison brands including H&M, M&S, WHSmith, New Look and River Island and leisure operators such as Subway and Costa. Free WIFI is available throughout the mall. The Fishergate Centre, Miller Arcade and St George's Shopping Centres all have a pedestrian entrance fronting the improved public realm at Fishergate;



- St John's Centre – a large open and covered mall with 23 units and approximately 3,344 sq.m of commercial floorspace. The centre contains local traders and a variety of discount operators including B&M, Heron Foods and Wilko. It is located between Preston bus station and the market and it is one of the Preston Guild City future projects as a development opportunity for refurbishment;
- Miller Arcade – A Grade II Victorian era covered arcade including a variety of period features contributing to the distinctiveness of the shopping environment. Miller Arcade comprises approximately 13 units over 1,450 sq.m of commercial floorspace and contains a range of independent and well-established brands, including French Connection, Rohan, The Health Shack, Subway, Baluga Bar and Club, Iceburg, Heavenly Desserts and Olive Tree Brasserie; and
- Preston Market Hall – After recently undergoing a multi-million restoration, the market offers a range of convenience goods, gifts and casual dining options. The completed Preston Markets project consists of a brand-new contemporary glass enclosure Market Hall, covered by the listed Victorian market canopy. The remainder of space beneath the canopy received new paving and bespoke tables and continues to operate as Outdoor and Secondhand Markets during the day. The flexible nature of this area enables it to be transformed in to an event and performance space in the evenings. A Box Market was created under the smaller adjacent Fish Market Canopy, which accommodates both comparison goods and food and beverage retailers.

4.3.5 The diversity of use analysis of the city centre identified that there was a total of 715 commercial units in total, comprising of 170,150 sq.m of commercial floorspace. Table 4.2 below provides the proportion of each type of use within the city centre, looking at both the number of units and the proportion of floorspace.

4.3.6 It should be noted that we have not compared the 2018 data with the previous health check analysis from 2013 undertaken by Deloitte as the two sets of data do not correlate and therefore are not comparable. The Deloitte study utilised the 'Goat Centre Report' methodology, whilst we have utilised the 'Goat Category Report' methodology. WYG use the Category Report methodology as it provides a more detailed breakdown of retail categories and provides a more in-depth analysis of the composition of town centres e.g. differentiating between the services and including a broader range of main town centre uses. Furthermore, Experian confirmed to WYG in February 2018 that the Category Report methodology should be the only method used within retail assessments, with the Centre Report methodology only published for historical reasons. The category report provides an accurate and transparent



view of the centre, whereas the Centre Report methodology still groups certain categories under historical and incorrect Subclasses. Based on this information, and in the interest of providing a transparent and correct view of the composition of retail and service uses in Preston city centre, we have not attempted to compare the latest data against the previous Deloitte study which was assessed against a methodology that has since been updated.

- 4.3.7 We can see that in terms of both the proportion of units and floorspace, the city centre falls slightly below the UK average for convenience goods but for comparison goods, the city centre is below average for the number of units (28.4% compared to the UK average of 30.6%) but more substantially above average for the proportion of floorspace (40.1% compared to the UK average of 34.6%). The proportion of units occupied by leisure operators falls marginally above the UK average (26.4% compared to the average of 24.1%) but the proportion of floorspace falls below the UK average (22.0% compared the UK average of 25.1%). Leisure operators include bars, restaurants, cafes, casinos and betting offices, takeaways, health clubs, hotels, nightclubs, theatres and public houses.
- 4.3.8 In terms of the vacancy rate, the proportion of units and floorspace in Preston city centre falls above the UK average at 19.9% of the total number of units compared to the UK average of 11.3% and 20.6% of the proportion of floorspace compared to the UK average of 9.9%. The type and scale of vacant unit within the city centre varies considerably, with 9.4% of the vacant units measuring over 500 sq.m (gross) but 71.2% of the vacant units measure less than 200 sq.m (gross), indicating that a substantial proportion of the vacant units are small in nature. By way of comparison, across the city centre as a whole, approximately 68% of all units measure under 200 sq.m (gross) and 12% measure over 500 sq.m (gross).
- 4.3.9 The largest vacant unit identified is the former market hall, which forms part of the key regeneration scheme within the city centre to bring forward a mixed-use commercial scheme anchored by a cinema and food and beverage units, along with units fronting Friargate which form part of the St. Georges Shopping Centre which are proposed to be redeveloped into fresh, modern format units with substantially improved frontages. Indeed, of the vacant units, 14.4% are located within St George's Shopping Centre. The cinema and restaurants complex scheme has been designed to enable the restaurants to spill out on to a lively new square abutting the new market hall and from which the cinema will also be accessed. A new secure, 250 space, multi-storey replacement car park will be provided at basement level. Public realm improvements also form part of the scheme.



Table 4.2: Diversity of Uses in Preston City Centre

	Preston City Centre					
	No of Units	%	UK	Floorspace	%	UK
Convenience	56	7.8%	9.0%	11,670	6.9%	15.2%
Comparison	202	29.3%	30.6%	68,170	40.1%	34.6%
Retail Service	73	10.2%	14.6%	7,590	4.5%	6.9%
Leisure Service	189	26.4%	24.1%	37,490	22.0%	25.1%
Financial and Business Service	53	7.4%	10.2%	10,090	5.9%	7.6%
Vacant	142	19.9%	11.3%	35,140	20.6%	9.9%
Total	715	100%	100%	170,150	100%	100%

Source: Experian Goad Survey of Preston city centre, WYG Survey July 2018

* Re-categorised by WYG with Experian Goad Main Town Centre Uses

* UK Average Figures, Experian Goad, June 2018

Figure 4.1: Preston City Centre – Diversity of Use Based on Units

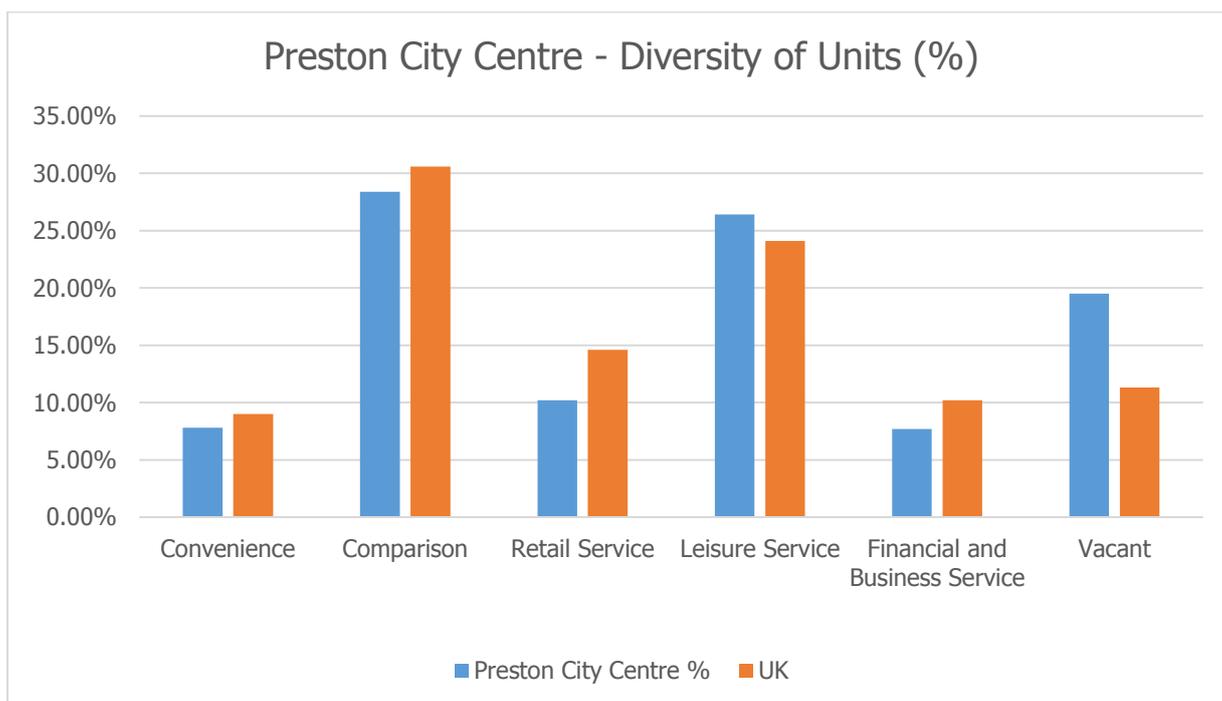
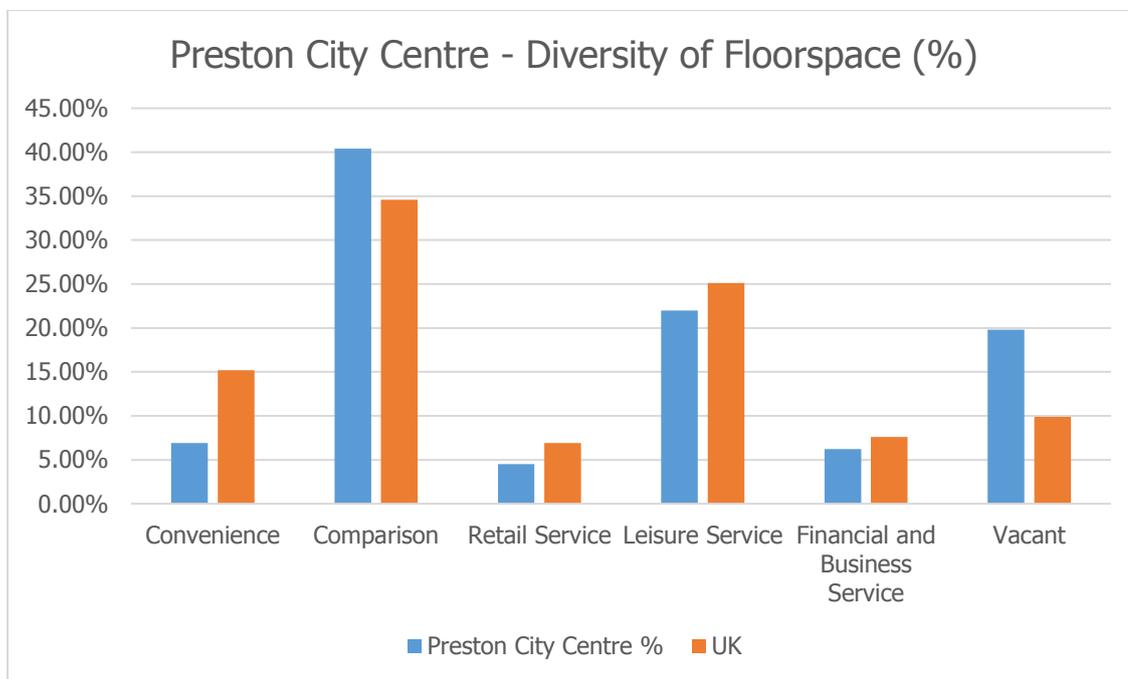




Figure 4.2: Preston City Centre – Diversity of Use Based on Floorspace



4.3.10 Although they are not directly comparable, it is useful to reference the health check undertaken in May 2013 (supported by the Goad centre report from November 2012) to support the Preston City Centre Retail Study. This analysis identified that 6.2% of the total floorspace was occupied by convenience retailers and the total floorspace occupied by comparison retailers was 51.4%. In terms of vacancies, the 2013 health check identified that 22.2% of the total floorspace was vacant. In terms of the number of units, the 2013 health check identified that 4.7% of the units were occupied by convenience operators, 40.2% occupied by comparison operators and 25.2% of the units were vacant. At 2013, it was also identified that a number of the vacant units tended to be small, outdated and predominantly concentrated away from the primary shopping area.

4.3.11 The city is currently in the midst of a series of major redevelopment and regeneration schemes which are being progressed through the Preston and Lancashire City Deal (signed in September 2013). The deal will see a total of £434m invested to expand transport infrastructure and other projects in the Preston and South Ribble area to help create 20,000 new jobs and 17,000 new homes. Within the city centre itself, the funding is set to help deliver:

- Preston's Harris Quarter, which is seeking to create the first amalgamated museum, art gallery and library in the UK;
- Modifications to Preston railway station in advance of HS2 arrival;
- Refurbishment of Preston Bus Station, which is now complete except for the public realm; and
- Various public realm improvements. The Fishergate Central Gateway Project has improved the pedestrian environment and public realm at Fishergate and has sought to create an environment conducive to retail investment. The ERDF / LCC funded project has included the narrowing of carriageway, creation of shared surfaces, removal of street clutter and traffic lights. The first phase of work extended from the Railway Station to Lune Street and is now complete, including the provision of street trees and modern seating. Works are due to commence on Phase three in 2019.

4.3.12 The centre has a strong national, regional and independent retailer representation but there were disproportionately higher vacancy rates and floorspace compared to national figures, even when units subject to regeneration schemes or were currently under alteration were considered. The proportion of vacant units was also identified in the Preston City Centre Plan (2016) as a weakness and an aspect of the city's health which needs addressing.

4.3.13 In addition to the above schemes, UCLAN, located on the northwest fringes of the city centre, is also undergoing a £200m development programme creating new and expanding existing facilities in order to accommodate increased student numbers, provide specialised facilities and improve the student experience and public realm. This includes proposed works to the Adelphi roundabout, an identified City Centre Gateway and area of Public Realm Improvements in the City Centre Plan.

4.3.14 Preston city centre is well connected nationally, regionally and locally by the strategic highways network and public transport connections with Preston bus station (recently renovated as part of a two-year programme) on the eastern edge of the city centre and Preston railway station located on the western edge.

4.3.15 In terms of service provision, the train station has direct services to London Euston (2 trains per hour (tph)), Manchester (1 tph to Victoria and 3 tph to Manchester Piccadilly, with some of these trains serving Chorley and Leyland), Blackpool North (4 tph), Edinburgh, Glasgow, Liverpool and Leeds (all 1 tph). Bus services serve the local destinations within Preston and

the wider regional and sub-regional area towards Blackburn, Burnley, Southport, Chorley, Liverpool, Leyland and Fleetwood.

- 4.3.16 Parking provision in Preston is distributed around the vicinity of the railway station (939 spaces multi-storey car park), the Fishergate Centre (700 spaces) surface car park and St George's Shopping Centre (410 spaces). There are three City or County Council controlled multi-storey car parks in the city centre, two of which – the bus station (1,169 spaces) and market car parks (508 spaces) – are included in the City Centre North Opportunity Area. WYG are aware that a 250 space, multi-storey replacement car park is proposed in the northern area as part of the Market Place redevelopment. During the survey, it was noted that the Fishergate Centre, Avenham Street (560 spaces), Hill Street and Bolton Court car parks were particularly well used. A Preston Parking Strategy (Stage 1) was produced by AECOM in January 2013. The City Centre AAP highlights that the current scale and distribution of car parking within the city centre more than meets demand. However, the car parking strategy identifies quality as an issue at many Council controlled facilities, especially the multi-storey car parks, with ageing payment machines, poor levels of lighting and cleanliness, and a clear difference in quality when compared to the privately owned stock. These quality issues could also affect perceptions of crime in these locations.
- 4.3.17 Significant areas of the city centre are pedestrianised (Friargate, Orchard Street) allowing for easy access for less able users and the free flow of pedestrians around the centre, however there is a noticeable difference between the quality and condition of pathways between the western half (centring along the south part of Friargate and all of Fishergate) of the centre notably higher quality and newer, and eastern half of the city centre which is dated.
- 4.3.18 There is a clear east to west divide in terms of the location of vacant units, pedestrian flow rates and environmental quality, with the eastern part of the centre generally having higher concentrations of vacant units, poorer environmental and building quality and less pedestrian activity than the west.
- 4.3.19 With regard to pedestrian flow, significant activity is connected with the bus station (in the City Centre North Opportunity Area: City Centre Plan Policy OP3), the railway station and St George's Shopping Centre. Footfall is also concentrated in the City Centre North Opportunity Area at the Flag Market and the adjacent Harris Museum, Library and Art Gallery, which receives almost 1000 daily²³ visits. Visitor numbers to Queens Retail Park, in the Horrocks

²³ <http://www.harrismuseum.org.uk/about-us>

Quarter in the east of the city centre, increased by 24% in a period of 12 months as reported by Place North West ²⁴.

- 4.3.20 The public realm in the eastern half of the city centre will be improved in part by the Fishergate Phase 3 proposed public realm works, which are programmed to commence in January 2019, running through to summer 2019. This Phase 3 stage includes sections of Lancaster Road, Jackson Street, Lord Street and a section of Tithebarn Street. It links to the previous improvement work on Fishergate and Church Street, and will be done in a similar style.
- 4.3.21 It is pertinent to note that there are a number of major regeneration schemes which are either planned or are already underway, some of which incorporate areas where vacant units were noted and concentrated. A summary of the schemes are set out below:
- Markets Quarter – With the first phase completed by the opening of the old Market Hall, the remainder of the development is to include an 11-screen cinema, seven restaurant / café units, an A1 retail unit, a new multi storey car park (615 spaces) and new public realm. It is understood that the second phase will commence in 2019 through the demolition of the indoor market, within which the façade of the existing Lancastrina House will be retained. The indoor market is gradually becoming vacant with existing traders moving into the new covered market hall.
 - Stoneygate – In 2018, Preston City Council appointed Nexus planning consultants to work alongside Buttress Architects, Gillespies, Colliers, and WSP to work up a masterplan for an “urban village” in the Stoneygate area of the city. The area covers Stoneygate, Church Street, Queens Retail Park and Cardinal Newman College. The regeneration of the area will focus on brownfield and “under-used” sites which will be brought forward for a variety of residential, business, education, and leisure projects.
 - Bus Station – The Listed building renovations have recently been completed although the landscaping works around the west of the bus station are yet to be fully implemented. Proposals for a youth zone were originally proposed but these have now since been removed from the scheme.
 - Guildhall – Following its purchase in 2014, the Guildhall has seen significant redevelopment already with the opening of the Level entertainment venue, which includes 10-pin bowling, crazy golf, laser tag and gaming areas. A restaurant has been

²⁴ <https://www.placenorthwest.co.uk/news/queens-central-brings-three-retailers-to-preston/> dated 8th June 2018

provided at ground floor. Further aspects are planned for the Guildhall but details are unknown at this stage.

4.3.22 We set out our SWOT analysis below:

Strengths

- The city centre has strong transport public transport connections to the local and sub-regional area. Due to its position on the west coast mainline, we would consider there to be good connections at the regional level and nationally.
- The city centre has an ample mix of surface level car parking and multi-storey car parking formats and a dedicated car park with adjacent mobility centre for disabled people.
- The city is the principal shopping, leisure, cultural and service destination in the Central Lancashire Area, which is supported by a large catchment population – including over 36,000 students and almost 3,000 staff from UCLAN and the higher education students and staff of Cardinal Newman College in the city centre. The Preston City Living Prospectus identifies an existing population of 8,000 residents and students living in the city centre;
- Accessibility to the city centre, and within, is considered to be generally good, by both private transport and public transport and has been improved for pedestrians by recent public realm works to Fishergate.
- We consider there is a strong national retailer and independent retailer representation in the city centre. The representation covers a broad variety of goods of a wide spectrum in terms of quality, accommodated both on the high street and within the indoor covered shopping centre formats. In addition, the Preston markets and Queens Retail Park provide other retail formats in the city centre providing a wider choice and offer for operators seeking representation.
- Market and university city with distinctive and attractive city centre environment that encompasses a conservation area, historic assets and a number of listed, locally listed and period buildings.
- Strong and varied growing leisure offer, particularly with the addition of the new Market Hall offering casual food and beverage amenities. Large and popular covered outdoor and box markets that attract visitors to the centre.
- There is high quality public realm and built environment in areas of the city centre, which significantly contributes to the visual amenity, local distinctiveness and quality, notable

areas being Fishergate public realm, the Flag Market area, Preston Markets, Winkley Square conservation area and Winkley Square Gardens, where the Winkley Square Townscape Heritage Initiative is in operation. Winkley Square Gardens has Green Flag Award status and retains Green Heritage Site Accreditation for the management of the historic gardens. A £1.2m 'sympathetic restoration' of Winkley Square Gardens was completed in winter 2106, backed by the Heritage Lottery Fund. The HLF funded public realm improvements on nearby Cannon Street have recently been completed. The city centre benefits from close proximity to Avenham Park, which has Green Flag Award status and is situated along the northern bank of the River Ribble.

- The presence of a strong and active Business Improvement District (BiD) team.
- Investment and regeneration activity and leadership in the city centre via the implementation of City Deal and the Preston Guild City projects.

Weaknesses

- A lack of larger foodstores within the city centre.
- There is a stark and clear east – west divide in the centre in terms of the environmental quality of the street scene (and some buildings) and pedestrian activity, which is also partly reflected in the locations and concentrations of vacant units. However, this is likely to be in part addressed by the Fishergate Phase 3 public realm works and is acknowledged via the City Centre Plan areas allocated for Public Realm Improvements (Policy SP2) and City Centre Gateways (Policy SP3). Furthermore, the environmental quality of the Winkley Square Conservation Area contrasts with the adjoining Stoneygate area, which is the subject of an emerging Masterplan that may have scope to enhance these issues in the area.
- The distribution of retail classes can be considered a weakness due to there being significant clustering in certain areas of the centre. The survey noted a concentration of comparison uses units in the western sections of the city centre, night clubs in the east section and fast food takeaways and 'drop-in' style retail service uses (notably barbers and hairdressers) along Friargate north.
- Whilst accessibility is generally considered to be good, there are issues along the north and eastern fringes of the city centre, with Ringway acting as a physical barrier to these areas of the city – Particularly for pedestrians. However, there are signalled crossings at Ringway and the junction adjacent to the Crown Court is an allocated City Centre



Gateway (Policy SP3), which will help to address this issue. Improvements have already taken place where Friargate and Corporation Street cross Ringway.

- Presently, there is minimal representation of national chain restaurants in the city centre. The national multiple restaurant offer is currently limited to operators Nandos, Pizza Express and Turtle Bay, with additional national multiple public houses such as Wetherspoons and Yate's. There is an overall deficiency in national multiple presence in these sectors and we would envisage the offer to be better within a city centre of Preston's size.

Opportunities

- There is a large array and variety of potential development sites and retail units in good locations within the primary shopping area in the city centre. This presents the opportunity to increase the overall retail and leisure provision in the primary shopping area, for new retailers to locate into, or existing retailers to locate to new premises within the centre (depending on their individual user requirements).
- Potential to attract new national multiple and independent operators, and particularly fashion operators and restaurant operators, given the large student and young adult population in the city along with the growth in the resident and daytime population that will be delivered through the planned housing growth areas.
- Several large-scale investment opportunities and regeneration projects coming forward which are addressing areas of poor environmental quality and concentrations of vacant units and also improving the range of uses in well-established areas.
- Scope to grow the city centre residential population, thereby improving city centre footfall, via the delivery of a wider choice of new homes in the city centre, as envisaged in the Preston City Living Prospectus.
- Potential to increase the health and fitness offer from national multiple operators within the city centre.
- Commitment to deliver a new cinema and leisure scheme within the city centre
- City Deal as a driver for investment in major housing, employment and infrastructure projects.
- A healthy diverse city centre with scope for growth in the leisure and food and beverage sectors, within an existing environment containing high quality contemporary public realm

and well-maintained green infrastructure assets (e.g. Winckley Square, street trees), set near a riverside park.

Threats

- Despite the number of regeneration projects coming forward in the centre being a positive indicator, there is a risk these may not be fully realised or stall entirely.
- Threats from out of centre retail and leisure development both within and outside of Preston which could divert trade away from the city centre.
- Lack of larger modern properties (over 500 and 1,000 sq.m) in the core retail areas limiting the potential of the centre to attract additional national multiple retailers.
- Concentrations of small vacant units, pointing to a structural issue.
- Wider macro-economic trends which show the decline in bricks-and-mortar retailing
- Several major retailers (e.g. New Look, Debenhams, Marks & Spencer) have announced financial difficulties and have subsequently announced store closures will be necessary. At this point in time, the final list of store closures has not been confirmed but could include branches in the town centre.

4.4 Health Checks of Local Centres

4.4.1 Individual health checks reports for each local centre in the Preston local authority area are contained at Appendix 5 and the associated plans at Appendix 6. We set out our analysis of the diversity of uses present in each of the eight local centres below, followed by a summary of our health check findings for each local centre.

Local Centres Diversity of Uses

- 4.4.2 Table 4.3 below shows the diversity of uses present across each of the local centres in terms of number of retail and service units. As can be seen from Table 4.3, there is considerable variance in the size of the local centres within the local authority area, with the largest centre, Blackpool Road/Woodplumpton Road (Lane Ends), accommodating 68 retail and service units in total, and the smallest local centre, Longsands Lane, accommodating just four units. We provide a summary of the conclusions made in relation to each centre below.
- 4.4.3 Out of the eight centres, Ribbleton Lane local centre has the highest proportion of vacant units at 39% (17 of the 44 commercial units present), followed by Blackpool



Road/Woodplumpton Road (Lane Ends) local centre which has 27%. In both cases, the proportion of vacant units is high, and substantially above the UK average of 11.3%. New Hall Lane local centre has the highest provision of convenience operators and Plungington Road has the highest proportion of comparison operators. The average vacancy rate across the eight centres in terms of proportion of units is 16% and in terms of proportion of floorspace is 13%. However, it has to be noted that two of the eight local centres did not have any vacant units recorded and two had less than two units recorded as vacant, so the averages are skewed considerably by the remaining five centres of Blackpool Road, New Hall Lane, Plungington Road and Ribbleton Avenue.

Table 4.3a: Summary of Proportion of Units in the Defined Local Centres

Local Centre	Convenience	Comparison	Retail Service	Leisure Service	Financial Services	Vacant	Total
Blackpool Road/Woodplumpton Road (Lane Ends)	5	9	17	6	11	18	66
Longsands Lane	1	1	0	1	0	0	4
Miller Road	2	1	1	1	0	1	6
New Hall Lane	10	10	8	12	3	8	46
Plungington Road	6	12	8	18	5	11	60
Ribbleton Avenue	3	4	3	7	0	2	19
Ribbleton Lane	2	4	9	7	5	17	44
Sharoe Green	2	3	0	2	0	0	7

WYG Survey, August 2018

Table 4.3b: Summary of Proportion of Floorspace in the Defined Local Centres (sq.m)

Local Centre	Convenience	Comparison	Retail Service	Leisure Service	Financial Services	Vacant	Total
Blackpool Road/Woodplumpton Road (Lane Ends)	458	1,595	1,197	908	733	1,891	6,781
Longsands Lane	300	145	0	556	0	0	1,001
Miller Road	1,204	83	85	81	0	75	1,528
New Hall Lane	1,069	784	511	1,061	210	597	4,230
Plungington Road	691	954	532	1,739	305	795	5,016
Ribbleton Avenue	381	268	201	993	0	91	1,934
Ribbleton Lane	212	306	555	476	318	1,032	2,899
Sharoe Green	2,067	278	0	403	0	0	2,748

WYG Survey, August 2018

4.4.4 Table 4.4 below looks at the provision of community uses (including supermarket / superstores) within the eight local centres in Preston. Of the eight local centres, just one – Ribbleton Lane Local Centre – does not have a pharmacy facility. There is also no pharmacy within the defined centre boundary for Ribbleton Avenue Local Centre. However, a pharmacy



is located adjacent to the centre boundary and within our recommended boundary for the centre (which we detail later in Section 9). We have therefore taken account of this pharmacy in our assessment in Table 4.4.

- 4.4.5 There are no banks within the eight local centres, although this is becoming a current trend as banks are closing their physical presence, particularly within smaller centres and focusing more on online facilities. Just two of the local centres (Longsands Lane and Miller Road) have a health centre and three (Blackpool Road/Woodplumpton Road (Lane Ends), Ribbleton Avenue and Sharoe Green) contain a dentist.
- 4.4.6 Four out of the eight centres have a Post Office (Blackpool Road/Woodplumpton Road (Lane Ends), New Hall Lane, Plungington Road and Ribbleton Avenue) and five contain a restaurant and or café facility.
- 4.4.7 Overall, Blackpool Road/Woodplumpton Road (Lane Ends) local centre is the best provided for by community facilities, which is expected given its size and it providing the highest quantum of commercial floorspace.

Table 4.4: Summary of Community Uses in the Defined Local Centres

	Supermarket or Superstore	Pharmacy	Post Office	Bank	Building Society	Public House	Restaurant / cafe	Library	Leisure Use (Leisure Centre, Cinema, Bowling etc)	Culture, Tourism and Art Use (Theatre, Museum etc.)	Surgery/ Health Centre	Dentist	Civic Use	Community Centre
Blackpool Road/Woodplumpton Road (Lane Ends)	X	✓	✓	X	X	✓	✓	X	X	X	X	✓	X	X
Longsands Lane	X	✓	X	X	X	✓	X	X	X	X	✓	X	X	X
Miller Road	✓	✓	X	X	X	X	X	X	X	X	✓	X	X	X
New Hall Lane	✓	✓	✓	X	X	X	✓	X	X	X	X	X	X	X
Plungington Road	X	✓	✓	X	X	✓	✓	X	X	X	X	X	X	X
Ribbleton Avenue	X	✓	✓	X	X	✓	X	X	X	X	X	✓	X	X
Ribbleton Lane	X	X	X	X	X	X	✓	X	X	X	X	X	X	X
Sharoe Green	✓	✓	X	X	X	X	✓	X	X	X	X	✓	X	X

WYG Survey, August 2018

- 4.4.8 We provide a summary of our health check findings below for each of the eight local centres, with full copies of the health checks provided at Appendix 5 and the associated plans at Appendix 6.

- 4.4.9 Overall, the capacity of the local centres in Preston to accommodate growth in the retail, leisure and other main town centre uses sectors, is physically constrained. This is particularly the case in the smaller centres (as measured by number of units) of Longsands Lane, Miller Road and Sharoe Green. Blackpool Road / Woodplumpton Road (Lane Ends) Local Centre is constrained in growth because it is located around a busy junction bisected by the A6 and it is within close proximity to Morrisons at Mariners Way. New Hall Lane is a generally linear local centre, which given the surrounding residential land uses, restricts options for expansion.

Blackpool Road/Woodplumpton Road (Lane Ends)

- 4.4.10 Blackpool Road/Woodplumpton Road (Lane Ends) local centre is considered to be a reasonably healthy centre. The local centre is the largest of the local centres present in the Preston local authority area and provides a good range of retail and service uses including a Spar, Boots, Post Office and the Lane End pub. The centre does have a high vacancy rate; however, it is evident that several of the vacant units are being invested in, and in spite of the vacant units, the centre maintains a reasonable level of environmental quality.
- 4.4.11 The centre is considered to be easily accessible by foot, private car or public transport. However, car parking in the centre is limited and the busy nature of Blackpool Road (A5085) means that pedestrian crossings need to be relied upon at the junction of Blackpool Road and Woodplumpton Road in order for pedestrians to safely navigate the centre.

STRENGTHS

- Good range of retail and service units, including a Spar and a Boots.
- Ease of accessibility by car, on foot and via public transport.
- The environment of the centre and the mix of uses within it contribute to positive perceptions of personal safety in the centre.

WEAKNESSES

- High vacancy rate.
- Busy, two-lane road running through centre does not assist pedestrian navigation.
- Lack of convenient on street car parking opportunities on Blackpool Road or any public off street car parking.
- Proximity of the centre to and competition from Tulketh Mill retail terrace, which is located approximately 150 m east of the centre and opened in 2011. Tulketh Mill retail terrace contains a charity shop (Sue Ryder), a hot food takeaway (Domino's Pizza), Tesco Express, Greggs and Subway, and offers free car parking for shoppers.



- Closure of the Booths store in 2015.

OPPORTUNITIES

- Opportunity to benefit from passing trade along busy roads (A5085 and B5411) through the centre and from footfall from spin off trips from visitors to the nearby Haslam Park.
- Several vacant units in the process of being refurbished.
- Enable on-street parking on Blackpool Road outside of morning and evening peak to support shopper visits to the centre as well as servicing and delivery access.

THREATS

- Any further increase in vacancy rate could act to negatively impact the vibrancy of the centre.
- Lack of car parking and servicing/delivery access limiting ability of the centre to attract trade and new operators, and to better compete with offer at Tulketh Mill retail terrace.

Longsands Lane

4.4.12 Although Longsands Lane local centre is considered to be a healthy centre in terms of the levels of custom using the centre and overall footfall observed, its good environmental quality, ease of accessibility by car and on-foot and lack of vacant units, there are only three retail and service units present within the centre. As such, we consider that the mix and range of retail and service units is limited given the role of the centre as a local centre. Nevertheless, it is evident that the centre provides an important resource for the local community in terms of catering for their day-to-day convenience goods needs and as a community hub, and it therefore remains important that Longsands Lane is maintained as a local centre and opportunities to enhance the available retail and service offer explored.

STRENGTHS

- Good environmental quality.
- Good level of customers witnessed on the day of the survey by the level of footfall.
- No vacant units.
- Presence of a medical centre and an adjacent primary school and nursery that serve to generate footfall within the centre.

WEAKNESSES

- Only three retail and service units present, which is considered limited for fulfilling a local centre role and for providing overall consumer choice.
- Limited options to access the centre by public transport.



OPPORTUNITIES

- The presence of the nursery and primary school directly to the west of the centre and medical centre within the centre, as well as its location within a suburban residential area provides opportunities for passing custom.
- The nearby education premises and medical centre within the centre will be likely to generate custom for the existing pharmacy in the centre.

THREATS

- Given the small scale of the centre, the closure of just one unit would have a significant impact on the viability of the centre.
- Given the neighbouring uses, and the centre's position between two main roads, opportunities for the expansion of the centre may be limited.

Miller Road

- 4.4.13 It is considered that Miller Road local centre is experiencing some qualitative difficulties and would benefit from improvements to create a more vital and viable centre. Although the centre is performing a role in catering for the day-to-day convenience and service needs of the local community and the range of goods and services is reasonable considering there are only six shops present in the centre, the environmental quality of the centre is poor. It is noted that the Ribble Village Health Centre and another commercial unit under construction are also present in the centre.

STRENGTHS

- Good accessibility by car given location directly off Miller Road with a surface car park available to the front of the parade of shops.
- For a small centre, provides a reasonable range of convenience goods and services to serve a local catchment, including a national multiple operator (Boots).
- Presence of health centre and large convenience store that provide important attractors to the centre and generate footfall.

WEAKNESSES

- Poor environmental quality – lots of litter, dated parade, uncompleted development in early stages of construction.
- No Post Office branch, banking facilities, public house or restaurant / café.
- Limited walk-in residential catchment.
- Lack of a national multiple foodstore operator in the centre.



OPPORTUNITIES

- Opportunity to improve the vitality and viability of the centre through interventions to improve its environmental quality.
- Offer of the centre could be widened if the unit to the east of the parade, which is under construction, is completed and occupied.

THREATS

- Given the small amount of units in the centre, further vacancies would have a significant impact on the health of the centre.

New Hall Lane

- 4.4.14 New Hall Lane is considered to be a reasonably healthy centre. There is a good mix of retail and service units, good levels of observed pedestrian activity and the environmental quality of the centre is reasonable. The centre also benefits from being on a main route (A59) into Preston city centre, with on-street parking available within the centre, thus creating opportunities for passing trade. Notwithstanding this, the vacancy rate in the local centre is quite high and there is a cluster of four vacant units present in the centre which would benefit from intervention in order that they do not detract from the streetscene. The high proportion of vacant units combined with the presence of residential uses scattered throughout the centre and the linear nature of the centre mean that retail and service uses are dispersed. Nevertheless, given the linear form of the centre, it remains easy to navigate.
- 4.4.15 The local centre is located in the Inner East Preston Neighbourhood Development Plan (2014-2029) Neighbourhood Area. The Neighbourhood Plan encourages the enhancement of the character and local distinctiveness of the local centre, including public realm and highway improvements to create a vibrant local centre. Two issues were identified in the Neighbourhood Plan through consultation with local residents, firstly that there were too many Class A1 and hot food takeaway (Class A5) Uses present and that the image and appearance of the centre was a significant issue. The Plan seeks to address this through the improvement of shop fronts, improvements to local greenspace and public realm.
- 4.4.16 We recommend that the boundary is extended slightly as shown on the plan of the centre at Appendix 6 to encompass the two convenience units on either side of Skeffington Road, on the north side of New Hall Lane. These units are in close proximity to the existing concentration of retail and service uses on the north side of New Hall Lane and function as part of the centre.



STRENGTHS

- Good levels of observed pedestrian activity.
- Good mix and range of shops and services, including independent convenience store operators.
- Attractive and modern public realm.

WEAKNESSES

- Vacancy rate is high, with a concentration of vacant units near Knowles Street.
- Retail and service uses are dispersed over a 440m stretch of New Hall Road due to the residential units interspersed throughout the centre, the linear nature of the centre and the concentration of retail and service units on the south side of New Hall Lane.

OPPORTUNITIES

- Centre is located on a main road leading to Preston city centre and therefore opportunities to benefit from passing traffic.
- Centre is located in a high-density residential area and therefore there are opportunities to benefit from the strong walk-in catchment.

THREATS

- Vacancy rate is high and any increase could act to detract from the environmental quality of the centre and perceptions of personal safety.

Plungington Road

4.4.17 Plungington Road local centre is considered to be a healthy centre. The centre is the second largest local centre in the Preston administrative area, and provides a good mix of shops and services. However, there is a dominance of fast food take-aways present in the centre, with such uses occupying a sixth of all units in the centre. The vacancy rate in the centre is quite high, although the vacant units are distributed throughout the centre, so are not considered to detract from the overall environmental quality. The centre could benefit from the introduction of additional landscaping or greenspace. The local centre is considered to be very accessible in terms of walking, public transport and private modes.

4.4.18 It is recommended that the centre boundary is extended northwards on Plungington Road as shown in the plan of the centre at Appendix 6 to include the adjacent small retail unit (appliance shop), which currently functions as part of the centre. We further suggest an extension of the centre boundary to encompass the rear of the two units to the north of Villiers Street.



STRENGTHS

- Good range of shops and services, including a Co-operative Food and a Spar.
- Contains the largest number of comparison goods uses and leisure service uses out of all of Preston's local centres (12 units and 18 units, respectively).
- Accessible centre in terms of walking, public transport and private car.
- Proximity to the University of Central Lancashire campus.

WEAKNESSES

- Dominance of fast food take away units.
- High vacancy rate.
- No 'big four' (Tesco, Asda, Sainsbury's and Morrisons) foodstore operator representation in the centre.

OPPORTUNITIES

- Centre could benefit from the introduction of additional landscaping/greenspace.

THREATS

- Further dominance of fast food take-aways could dilute the wider mix of shops and services.

Ribbleton Avenue

4.4.19 Ribbleton Avenue local centre is considered to be a reasonably healthy local centre. Although there are only 19 units present in the centre, there is a reasonable mix and range of goods and services available. The centre is however lacking in terms of a financial and business service offer, with no such units present in the centre. Whilst there is a high proportion of leisure service uses in the centre, there are no restaurants or cafes. The environmental quality and accessibility of the centre is considered to be reasonable, although the exterior of several properties would benefit from an upgrade, including the large and prominent The Gamull public house. The areas of planting and public realm surrounding the car park are also in need of maintenance and cleaning. Vacancy in the centre is low, with only two small units unoccupied. However, The Gamull pub is currently up for being marketed for a new tenancy agreement.

4.4.20 A pharmacy is located immediately outside of the centre boundary on Longridge Road, which functions as part of the centre. We therefore recommend that the centre boundary is



extended to encompass the pharmacy as shown in the centre plan at Appendix 6 to reflect the current functioning of the centre.

STRENGTHS

- Reasonable range of goods and services including a Post Office and a small Tesco Express.
- Dedicated car parking available.
- Vacancy rate below the national average.

WEAKNESSES

- No financial and business services offer, or restaurants/cafes in the centre.
- Pockets of environmental quality.

OPPORTUNITIES

- The planned refurbishment of the prominent The Gamull public house would help upgrade the environmental quality of the centre.

THREATS

- If a new tenant is not found for The Gamull public house, this large and prominent pub could become vacant, detracting from the streetscene and negatively affecting perceptions of the centre.

Ribbleton Lane

4.4.21 Ribbleton Lane local centre is experiencing substantial difficulties and would benefit from intervention. The centre has a high vacancy rate and suffers from a poor level of environmental quality. Although there is a reasonable mix and range of shops and services present in the local centre, these uses are interspersed with a high proportion of vacant units, several of which are in a state of disrepair and detract from the streetscene. The high vacancy rate in the centre and changes to residential use indicates a lack of demand for the take-up of properties. The local centre is located in the Inner East Preston Neighbourhood Development Plan (2014-2029) Neighbourhood Area.

4.4.22 We therefore recommend that the centre boundary is contracted with the aim of encouraging the take-up of vacant units in the core of the centre and focusing active uses within a smaller central area. We suggest that the extent of the western boundary of the centre is reduced as shown in the centre plan at Appendix 6. In this peripheral part of the centre, vacancy is particularly high and several of the units are now in residential use.



Outside of the recommended centre boundary, change of use of vacant units to residential use should be supported and encouraged.

STRENGTHS

- Linear form means centre is easy to navigate.
- Reasonable mix of uses present in the centre, including two independent convenience stores.
- Good accessibility by public transport.

WEAKNESSES

- Very high vacancy rate.
- Poor environmental quality, including boarded up units and litter in the street.
- Lack of an anchor store or any supporting community uses.

OPPORTUNITIES

- Centre is located on a busy route leading into Preston city centre, so there are opportunities to capture passing trade that will help support the centre perform its primary role as a local centre serving a small local catchment.
- The contraction of the centre boundary could assist in encouraging the take-up of vacant units in the core of the centre and focusing activity within a smaller central area.

THREATS

- High level of vacancy and poor environmental quality is likely to negatively affect perceptions of the centre, which could discourage new operators from locating in the centre and passing custom from utilising the centre.

Sharoe Green

4.4.23 Sharoe Green Lane is considered to be a healthy, vital and viable local centre. The centre encompasses a Booths supermarket and six additional uses, which together perform an important role in catering for the day to day needs of the local community, including staff and visitors to the adjacent Preston Royal Hospital. Although the centre does not include any retail service or financial and business services units, the mix of units present within the small local centre, which includes an anchor supermarket (Booths), a pharmacy and a café, is considered to be reasonable. The centre appears to be a popular and busy centre, with good levels of footfall observed within the centre and car parks within the centre are extremely well occupied. The centre's environmental quality is good.



STRENGTHS

- No vacant units.
- Busy centre with good levels of footfall and a well occupied car park.
- Year-round footfall in the centre likely to be in part generated by the adjacent hospital.
- Footfall in the centre might be also generated in part from the nearby Preston College, which is understood to have a student population of approximately 17,000.
- Contains a pharmacy and a Booths supermarket with a customer café.
- Affluent residential catchment area.

WEAKNESSES

- Lack of retail service or financial and business service units.
- Lack of any local banking facilities and a Post Office branch.

OPPORTUNITIES

- Centre benefits from opportunity to capture trade from staff and visitors to the adjacent hospital and from passing trade from staff and students of the nearby Preston College.

THREATS

- Visitors to the adjacent hospital may use the car park within the local centre, thus reducing the number of spaces available for customers, albeit car parking is limited to a 2-hour maximum.

4.5 Health Checks of Broughton Neighbourhood Plan Centres

4.5.1 Broughton-in-Amounderness Neighbourhood Development Plan 2016-2026 ('the Broughton Neighbourhood Plan') became part of the statutory development plan in December 2018 for the purposes of managing development in the Broughton Neighbourhood Plan area following a positive referendum result in October 2018.

4.5.2 The Broughton Neighbourhood Plan identifies two centres, namely 'Broughton village centre' and 'Northway local centre'. Neither of these two centres are identified in the hierarchy of centres established in the Local Plan, which identifies Preston city centre and eight local centres. To avoid any potential confusion regarding the status of the Broughton Neighbourhood Plan centres in the retail hierarchy and with those centres identified as local centres in the Local Plan, from hereon in we refer to the two centres identified in the Broughton Neighbourhood Plan as simply 'Broughton centre' and 'Northway centre'.

- 4.5.3 As part of the Retail and Leisure Study, WYG was commissioned by Preston Council to undertake health check assessments of the two additional centres identified in the Broughton Neighbourhood Plan, and to provide advice to the Council as to where these centres fit into the retail hierarchy.
- 4.5.4 The defined boundaries of Broughton and Northway centres are identified in Plans 5 and 7 of the Broughton Neighbourhood Plan, respectively. Individual health check reports for Broughton and Northway centres are contained at Appendix 7. We set out a summary of our health check findings for these two centres below.

Broughton

- 4.5.5 Broughton centre is located in the village of Broughton, approximately 6km to the north of Preston city centre. It is focused on the junction of Garstang Road, Whittingham Lane and Woodplumpton Lane and comprises of five units. An additional four commercial units are located outside of but adjacent to the centre boundary. The five units within the centre boundary comprise a vehicle repair and service unit, a public house/restaurant and three vacant units. The additional units adjacent to the centre boundary comprise a petrol filling station (PFS) and its associated Premier Stores convenience store, a building surveyors, a digital printing centre and a vacant unit.
- 4.5.6 Broughton centre provides residents of Broughton village with access to a limited number of retail and service facilities including a small convenience store (contained within the PFS), which serves the basic top-up convenience needs of local residents. The centre is also a focus for commercial/business activity within the village – albeit this presently appears limited. The high level of vacancy in the centre and recent departure of several operators indicates a lack of demand from retail and service operators to locate in the centre. The opening of the bypass appears likely to have reduced pass-by vehicular trade, which has undoubtedly contributed to the closure of one of the village’s petrol stations (including a small convenience store).
- 4.5.7 It is evident that Broughton centre does not currently comprise a sufficient range or mix of shops and services usually expected of a local centre. For example, there is no Post Office, stand-alone convenience store or other ‘local needs’ services such as a pharmacy, hairdressers or hot-food take away.
- 4.5.8 Given the very small scale of Broughton centre, which is substantially smaller than the ‘local centres’ defined in the Preston Local Plan, our view is that Broughton village centre sits at a

lower level in the retail hierarchy than a 'local centre' and should instead be regarded as a 'neighbourhood centre'. It should be noted that under the definition of a 'Town Centre' (which describes centres more widely) in Annex 2 of the NPPF, it is highlighted that 'small parades of shops of purely neighbourhood significance' are not to be regarded as 'centres' in the same way that town, district and local centres are.

- 4.5.9 This is not to say, however, that it wouldn't be appropriate for the Local Planning Authority to support the retention and ongoing vitality and viability of neighbourhood centres through the development of future development plan policies, or indeed via the adopted Neighbourhood Plan. DCLG guidance such as 'Parades of Shops - Towards an Understanding of Performance & Prospects' (June 2012) and 'Parades to be Proud of: Strategies to support local shops' (June 2012) emphasises that these parades provide essential opportunities for day-to-day convenience shopping and service access and make an important contribution to maintaining 'sustainable communities'.
- 4.5.10 Accordingly, whilst these centres may not have a formal standing in the local retail hierarchy in the same way that town, district and local centres do, they can still be regarded as having an important role to play in serving the day-to-day needs of local communities. Whilst it is unlikely that 'neighbourhood parades' would be considered 'centres' for the purposes of the sequential test, they could still be afforded some protection through the development plan (the Neighbourhood Plan) due to their important local role and function.
- 4.5.11 In addition, we recognise that Broughton Village centre is currently in a state of transition following the opening of Broughton village bypass in 2017, the current highway and public realm improvement works, and the proposals for the redevelopment of the former Kinders petrol filling station and former Touch of Spice restaurant site (albeit that the latter was recently refused). Reoccupation of the vacant units in the centre and future redevelopment of the former Kinders petrol filling station and Touch of Spice sites could potentially deliver a substantial improvement to the retail and service provision in the centre, and a step change in its role and function to one which is more closely aligned to a 'local centre'. It will therefore be important that the Council continues to monitor the retail and service provision in the centre, and regularly reviews its position within the retail hierarchy if any significant redevelopment proposals for the centre come forward.

Northway

- 4.5.12 Northway centre is located in the western part of Broughton village, approximately 350m to the west of Broughton centre and 6km to the north of Preston city centre. Northway centre



comprises a parade of four units that are occupied by a running footwear and clothing store, a physiotherapy centre, a float centre (health club) and a dental surgery. There are no vacant units in the centre. It is our view that Northway centre is not currently fulfilling a role as a 'local centre' for residents as it does not include a range or mix of shops and services commensurate with this. Whilst there is one comparison retail unit (footwear store) and a leisure service unit (float centre) present in the centre, both of these offer niche provision that does not cater for the daily retail and service needs of local residents. We therefore consider that the centre does not merit a formal designation in the Local Plan.

- 4.5.13 As with Broughton village centre, our view of Northway is that it sits at a lower level in the retail hierarchy than a 'local centre' and should instead be regarded as a 'neighbourhood centre'. The definition of a 'Town Centre' (which describes centres more widely) in Annex 2 of the NPPF highlights that 'small parades of shops of purely neighbourhood significance' are not to be regarded as 'centres' in the same way that town, district and local centres are.
- 4.5.14 This is not to say, however, that it wouldn't be appropriate for the Local Planning Authority to support the retention and ongoing vitality and viability of neighbourhood centres such as Northway through the development of future development plan policies, or indeed via the adopted Neighbourhood Plan. Whilst these centres may not have a formal standing in the local retail hierarchy in the same way that town, district and local centres do, they can still be regarded as having an important role to play in serving the day-to-day needs of local communities. Whilst it is unlikely that 'neighbourhood parades' would be considered 'centres' for the purposes of the sequential test, they could still be afforded some protection through the development plan (the Neighbourhood Plan) due to their local role and function.

5.0 Original Market Research

5.1 Introduction

- 5.1.1 A key requirement of this Study is the detailed understanding of consumer 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 Household Survey

- 5.2.1 A survey of 1,800 households was undertaken across the Study Area in July and August 2018, which asked respondents 47 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 8.
- 5.2.2 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 shopping²⁵ and 'top up'

²⁵ Which often takes the form of a 'trolley shop' and might be undertaken on a weekly basis



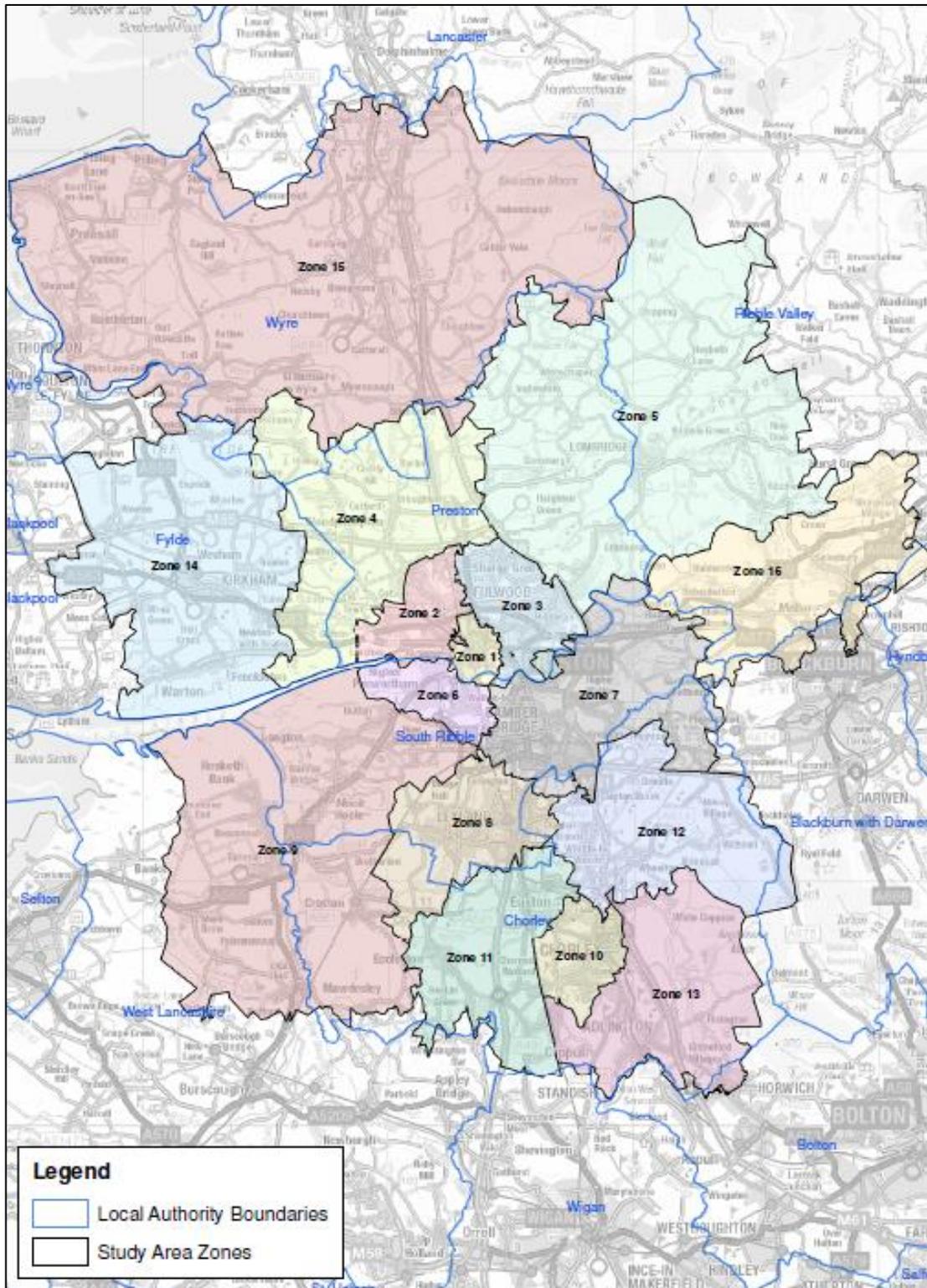
food shopping²⁶. For comparison goods, respondents were questioned in respect of where they last visited to purchase eight separate categories of comparison goods ('clothing and footwear'; 'CDs, DVDs and books'; 'small household goods'; 'toys and recreational goods'; 'chemist goods'; 'electrical goods'; 'DIY and gardening goods' and 'furniture'.

5.3 Study Area

- 5.3.1 A plan of the Study Area for the household survey is provided at Appendix 1, which is reproduced in Figure 5.1 on the following page.
- 5.3.2 The Study Area comprises 16 zones labelled 1 to 16. Zones 1, 2 and 3 fall broadly within the Preston administrative boundary, with part of Zones 4 and 5 also covered by Preston.

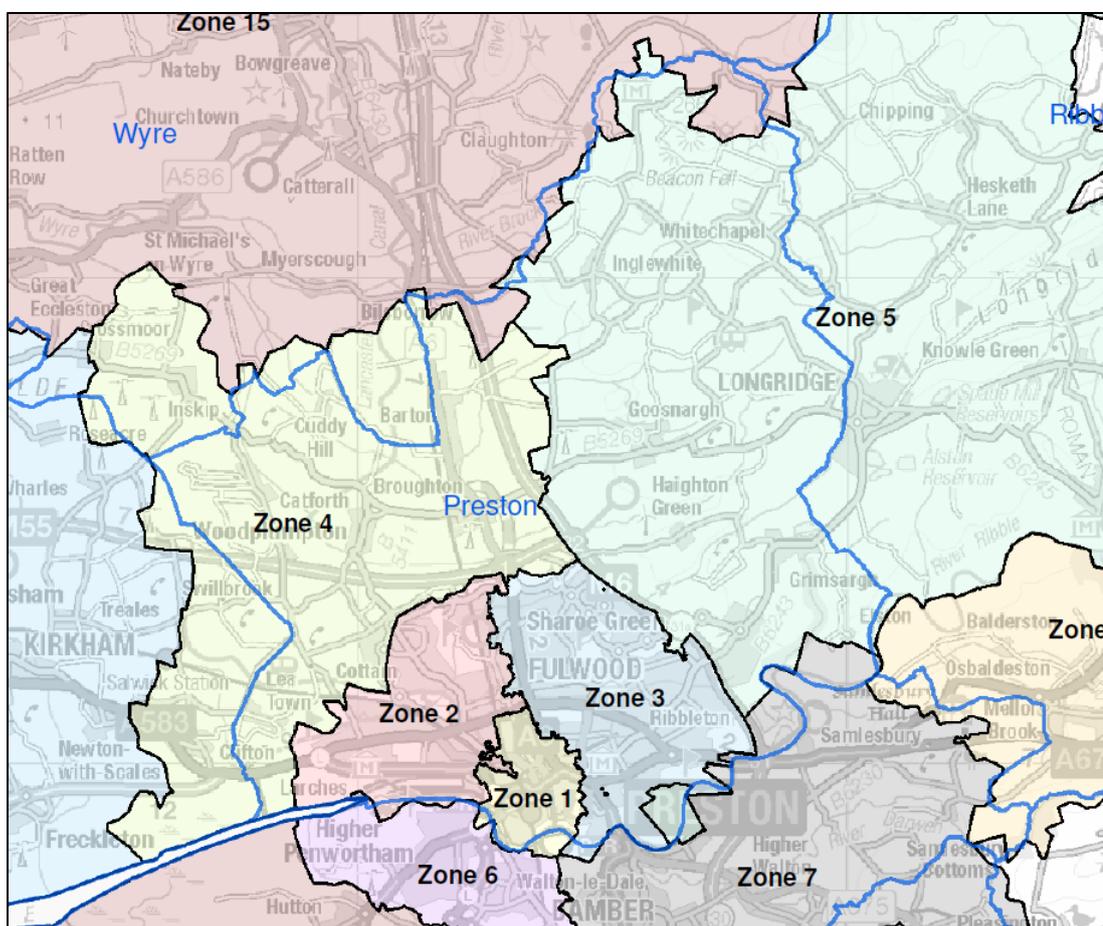
²⁶ Which often takes the form of a 'basket shop' involving the purchase of grocery staples, such as milk and bread, and is generally undertaken on a more frequent basis

Figure 5.1: Study Area



5.3.3 Figure 5.2 below provides a zoomed-in excerpt of the Study Area concentrating on Preston’s administrative area, demonstrating how Preston is covered by Zones 1, 2 and 3 in their entirety, with the majority of Zone 4 also located within the administrative area and the part of Zone 5 up to Longridge (which itself is located in Ribbles Valley). Zones 1, 2 and 3 are broadly urban in character, whilst Zone 4 is broadly of rural character except for the North West Preston SPD area. Zone 5 is mainly rural in character except for the Key Service Centre of Longridge and the employment areas.

Figure 5.2: Excerpt of Study Area Covering Preston’s Administrative Area



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 3 and 4 at Appendix 9 for convenience goods and Tables 11 to 29 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 9.

Population

- 5.4.3 The population within each study area zone at the base year of 2017 as set out in Tables 1 and 9 at Appendix 9 was sourced from Experian Micromarketer G3 data (which was issued in December 2018).
- 5.4.4 Experian's projections for each of the Study Area Zones are based on 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.

Expenditure

- 5.4.5 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 9b at Appendix 9. We make 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 estimates for non-store retail sales (adjusted for sales from stores) provided by Experian in its Retail Planner Briefing Note 15 (December 2018), of 3.4% for convenience retail sales and 15.5% for comparison retail sales at 2017.
- 5.4.6 The 2017 per capita expenditure data (excluding spending on special forms of trading) was then rolled forward to the base year using the retail expenditure growth forecasts (excluding special forms of trading adjusted for sales via stores) provided by Experian in Retail Planner Briefing Note 16.
- 5.4.7 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 9 for convenience goods and Table 9a at Appendix 9 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 1 at Appendix 9 for convenience goods and Tables 7C at Appendix 9 for comparison goods).

5.4.8 The total convenience goods expenditure by the residents of each zone is set out in Table 2a at Appendix 9. 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 9 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 £1,096.1m, of which £891.4m (81.3%) of the total convenience goods expenditure is spent on main-food shopping and £204.7m (18.7%) is spent on top-up food shopping.

5.4.9 The total comparison goods expenditure generated 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 9. In total, approximately £1,555.4m of comparison goods expenditure is available to residents of the study area in the 2018 base year of which:

- £421.2m, or 27% is spent on clothing and footwear goods;
- £74.9m, or 5% is spent on CDs, DVDs and books;
- £181.3m, or 12% is spent on small household goods;
- £207.1m or 13% is spent on recreation goods and toys;
- £206.2m or 13% is spent on chemist goods;
- £243.4m, or 16% is spent on electrical goods;
- £86.4, or 6% is spent on DIY and gardening goods; and
- £134.9m or 9% is spent on furniture goods.

Pattern of Retail Expenditure

5.4.10 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 of the convenience goods spending in monetary terms and in percentage terms.

- 5.4.11 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 11, 13, 15, 17, 19, 21, 23, 25) to estimate the pattern of spending by the Study Area residents for each category of comparison goods (Tables 12, 14, 16, 18, 20, 22, 24 and 26). Table 27 sums the spending across the eight categories of comparison goods shopping to provide an overall pattern of the convenience goods spending in monetary terms, as well as in percentage terms (Table 28).
- 5.4.12 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.
- 5.5.2 The Table demonstrates that the principal destination for convenience goods expenditure across the entire Study Area is the Asda at Pittman Way in Preston, which attracts 6.6% of all available convenience goods expenditure or £72.3m. This is followed by the Morrisons at Mariners Way in Preston which attracts 5.9% or £64.6m. Both of the survey derived turnovers and market share identified in the Study demonstrate the importance of destinations within Preston in meeting convenience shopping needs.
- 5.5.3 Looking at destinations within Zone 1 which covers the city centre and central areas of Preston, we can see that the Aldi on Corporation Street is the principal destination within the zone, attracting a total of £16.2m of convenience expenditure from the residents in the study area, or 1.5%, followed by the Lidl on West Strand attracting £15.0m or 1.4% of available expenditure and then local shops in the city centre, which attract £8.0m or 0.7% of expenditure. Taking account of all of the existing convenience destinations within Zone 1, which also include the stores in Fishergate, St Johns Shopping Centre and other operators across the city centre, the total expenditure attracted equates to £64.8m or 5.9% of the available expenditure from residents in the Study Area.

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

Destinations	Zone	2018 Study Area Residents' Expenditure £m	2018 Market Share of Study Area %
Within Preston's Administrative Area			
Asda, Pittman Way, East Way, Fulwood, Preston	3	72.3	6.6%
Morrisons, Mariners Way, Riversway, Preston	2	64.6	5.9%
Sainsbury's Superstore, Flintoff Way, Preston	3	41.6	3.8%
Aldi, Deepdale Shopping Park, Blackpool Road, Preston	3	33.1	3.0%
Morrisons, Blackpool Road, Deepdale, Preston	3	17.7	1.6%
Aldi, Corporation Street Retail Park, Corporation Street, Preston	1	16.2	1.5%
Lidl, West Strand, Preston	1	15.0	1.4%
Booths, Sharoe Green Lane, Fulwood, Preston	3	13.2	1.2%
Aldi, Queens Retail Park, Queen Street, Preston	3	12.1	1.1%
Outside Preston's Administrative Area			
Tesco Extra, Ackhurst Industrial Park, Foxhole Road, Chorley	10	50.1	4.6%
Morrisons, Olympian Way Retail Park, Olympian Way, Leyland	8	37.6	3.5%
Morrisons, Brooke Street, Chorley	10	36.8	3.4%
Asda, Clayton Green Centre, Sheephill Lane, Clayton Green	12	36.7	3.4%
Sainsbury's Superstore, Cuerden Way, Bamber Bridge	7	32.7	3.0%
Tesco Extra, Towngate, Leyland	8	30.7	2.8%
Aldi, Cuerden Way, Bamber Bridge	7	29.0	2.7%
Aldi, Lancaster Way, Buckshaw	11	25.6	2.4%
Morrisons, Mill Street, off Poulton Street, Kirkham	14	25.2	2.3%
Aldi, Moss Lane, Garstang	15	24.2	2.2%
Aldi, Harpers Lane, Chorley	10	22.1	2.0%
Aldi, Towngate, Leyland	8	21.4	1.9%

Notes: Figures taken from Table 5 of Appendix 9

5.5.4 Looking at principal destinations for residents in Zones 1, 2 and 3 which cover Preston's administrative area, the principal convenience destination for residents in Zone 1 is the Morrisons on Mariners Way (Zone 2) which attracts a total of 19.5% or £9.7m of the available expenditure from the zone, followed by the Asda on Pittman Way (Zone 3) which attracts 11.8% or £5.9m of the available convenience expenditure from the zone. This appears to reflect the lack of a 'big 4' city centre supermarket or superstore.

- 5.5.5 Turning to residents in Zone 2, The Morrisons at Mariners Way (Zone 2) attracts 22.3% of the available convenience expenditure, or £19.5m, again followed by the Asda at Pittman Way (Zone 3) which attracts 21.4% or £18.7m of the available expenditure.
- 5.5.6 Finally, turning to Zone 3 residents, the principal convenience destination is the Asda on Pittman Way (zone 3) which attracts 22.7% or £27.1m of the available convenience expenditure, followed by the Sainsbury's on Flintoff Way which attracts 19.0% or £22.7m of the available expenditure.

Main Destinations for 'Main Food' Expenditure by Zone

- 5.5.7 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. For the purposes of this Study, we have concentrated on residents located in Zones 1 to 5 to establish where they choose to visit to undertake their main food shops, with Zones 1, 2 and 3 being those which are fully contained within Preston's administrative area.
- 5.5.8 Table 5.2 demonstrates that the Morrisons at Mariners Way and the Asda at Pittman Way dominate the main food shopping patterns within Zones 1 to 5, with the Sainsbury's at Longridge and Flintoff Way also performing an important function within the main food shopping patterns within these five Zones. The Morrisons in Zone 2 at Mariners Way is the principal destination for residents in Zones 1, 2 and 4. The Sainsbury's at Longridge is the principal destination for residents in Zone 5.
- 5.5.9 In terms of residents in Zone 1, whilst the Morrisons and Asda are the top two principal main food destinations, a total of 28.7% of main food trips are retained within Zone 1 at destinations such as the Aldi at Corporation Street Retail Park (5.2%), the Iceland at Market Street (5.6%), the Lidl at West Strand (6.0%) and the M&S foodhall at Fishergate (5.3%).
- 5.5.10 In terms of Zone 2, a total of 26.9% of main food shopping trips are retained by destinations in Zone 2 but 46.6% are attracted to destinations within Zone 3, within which the Asda is located. Turning to Zone 3, a total of 85.1% of main food shopping trips are retained by destinations also located in Zone 3, including the Asda and Sainsbury's but also the Aldi at Deepdale Shopping Park which attracts 16.0% of the main food shopping trips from Zone 3 residents.



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

Zone	Main Destinations	Location of Store
1	Morrisons, Mariners Way (22.4%) Asda, Pittman Way (14.5%)	Zone 2 Zone 3
2	Morrisons, Mariners Way (24.5%) Asda, Pittman Way (24.4%)	Zone 2 Zone 3
3	Asda, Pittman Way (25.1%) Sainsbury's Flintoff Way (19.9%)	Zone 3 Zone 3
4	Morrisons, Mariners Way (18.9%) Asda, Pittman Way (17.4%)	Zone 2 Zone 3
5	Sainsbury's, Longridge (26.0%) Asda, Pittman Way (16.5%)	Zone 5 Zone 3

Source: Table 3 at Appendix 9

- 5.5.11 Existing convenience destinations in Zones 1 and 2 in particular play an important role for main food shopping for residents in Zone 6, with a total of 17.7% of main food shopping trips from these residents travelling to destinations in Zone 1 (principally split between the Aldi on Corporation Street at 7.8% and the Lidl on West Strand at 5.6%) and 30.2% travelling to destinations in Zone 2, of which 29.9% are to the Morrisons on Mariners Way. The figures demonstrate that those residents in Zone 6, which are located in South Ribble are choosing convenience destinations in Preston's administrative area to meet their main food shopping needs. However, although Zone 7 is situated in a similar location to Zone 6, the vast majority of these Zones being in South Ribble, residents choose convenience destinations located principally in Zone 7 to meet their main food shopping needs (which contains Morrisons, Sainsburys, Waitrose and Aldi), indicating that the lack of a large format UK big four foodstore or discounter foodstore in Zone 6 (which contains a Booths and some small format convenience stores, including a Sainsbury's Local, Spar and a Co-op foodstore) is presenting reduced competition for large foodstores and discounters in Preston than that which would otherwise be expected. However, these findings also perhaps indicate the ease of travel patterns along the A59 from Zone 6 to Zone 2 compared to travel from Zone 6 to Zone 7 and the greater intensity of existing development in Zones 1 and 2 compared to Zone 6.
- 5.5.12 Looking in more detail at local retention rates on a zonal basis, we can see that the highest retention rate is within Zone 3, as set out above, which retains 85.1% of main food shopping trips from residents in the same Zone. This results from the wide range of main food stores in Zone 3, which benefits from containing three of the big four supermarkets, three discounter foodstores, an M&S Foodhall and a Booths. Given the lack of any presence of a



convenience retailer within Zone 4, which contains North West Preston (Policy MD2 area), the zone does not retain any of the main food shopping trips. Residents in Zone 5, which is broadly rural in character and contains the Key Service Centre of Longridge²⁷, mainly choose convenience destinations in Zones 2 and 5 to meet their main food shopping requirements.

Table 5.3: Main Food Retention Rates by Zone

Zone	Main Food Retention
1	28.7%
2	26.9%
3	85.1%
4	0.0%
5	39.0%

Source: Table 3 at Appendix 9

Main Destinations for Top-Up Food Shopping by Zone

5.5.13 Table 5.4 sets out the principal destinations for top-up food shopping for residents in Zones 1 to 5. For residents in Zone 1, we can see that the principal destination recorded are the convenience retailers located within the city centre, which when added to the specified foodstores, totals in 24.0% of all top-up shopping trips from residents in Zone 1. Looking at residents in Zone 2, the principal destination for top-up shopping is still the Morrisons on Mariners Way but this is closely followed by the Tesco Express in Lea. Within Zone 3, again the Sainsbury’s on Flintoff Way features in the principal destinations but is very closely followed by the Booths foodstore in Fulwood.

5.5.14 The shift in shopping patterns from the locations chosen by residents to meet their main food shopping requirements, to those which meet their top-up shopping requirements, demonstrates that residents are more likely to choose destinations in proximity to home or work to meet their top-up shopping requirements, instead of travelling often further distances to larger supermarkets or choose cheaper brands for their main food shops.

²⁷ Longridge is identified as a Key Service Centre in the Central Lancashire Core Strategy, Policy 1: Locating Growth.



Table 5.4: Principal 'Top-up' Food Shopping Destinations by Zone

Zone	Main Destinations	Location of Store
1	Preston city centre (13.6%) Preston city centre with named retailers including the Iceland on Market Street, M&S Foodhall in Fishergate, Sainsbury's Local in Fishergate and Heron Foods in St Johns Centre (24.0%) Sainsbury's, Flintoff Way (10.0%)	Zone 1 Zone 3
2	Morrisons, Mariners Way (12.1%) Tesco Express, Lea (10.0%)	Zone 2 Zone 2
3	Sainsbury's, Flintoff Way (14.1%) Booths, Fulwood (13.0%)	Zone 3 Zone 3
4	Sainsbury's Local, Tag Lane, Preston (19.6%) Asda, Pittman Way (13.7%)	Zone 2 Zone 3
5	Sainsbury's, Longridge (34.9%) Booths, Longridge (18.9%)	Zone 5 Zone 5

Source: Table 3 at Appendix 9

- 5.5.15 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 Preston's administrative area.
- 5.5.16 Table 5.5 below sets out the total available convenience expenditure within Zones 1 to 5. We can see that the highest total spending of convenience expenditure at destinations located within Preston's administrative area is from residents in Zone 3, from which a total of 94.4% is spent at destinations in Preston, followed by Zone 2 from which 90.8% is spent at destinations in Preston. The lowest retention rate to destinations in Preston's authority area is within Zone 5, which is unsurprising given that the Zone covers a large part of Ribble Valley too, which is generally more rural in character, including Longridge, which is a defined Key Service Centre (Central Lancashire Core Strategy Policy 1: Locating Growth).
- 5.5.17 Table 5.5 further shows that existing facilities within the Preston Local Authority Area attract a market share of 32.0% (£350.5m) of the total £1,096.1m of convenience goods expenditure generated by residents of the Study Area. Some 30.1%²⁸ of the total population within the Study Area is resident within Preston. As noted above, we typically expect the convenience goods shopping needs of residents to be met locally and would expect the overall market share of destinations in Preston to be comparable to the proportion of the Study Area population resident within this area. This is due to residents generally shopping locally (i.e. within a five-minute drivetime) to meet their convenience shopping needs. The

²⁸ Derived from 2018 population projections sourced from Experian Micromarketer G3 data.



market share of 32.0% therefore appears broadly consistent with the proportion of the Study Area’s population which is located within Preston’s administrative area, demonstrating an overall good retention rate based on the proportion of population in the Study Area.

Table 5.5: Preston’s Market Share of Expenditure at 2018 – Convenience Goods

Zone	Total Convenience Expenditure £m	Spending in Preston Borough £m	Preston Market Share %
1	£49.1m	£44.9m	91.4%
2	£87.6m	£79.5m	90.8%
3	£120.3m	£113.6m	94.4%
4	£30.5m	£24.0m	78.7%
5	£46.2m	£19.2m	41.6%
Study Area Total	£1,096.1	£350.5m	32.0%

Notes: Sourced from Tables 2 and 5 at Appendix 9

5.5.18 Looking at zones outside of Preston, we can see that 46.7% of the available convenience expenditure from Zone 6 residents is spent at destinations in Preston, with 6.0% from Zone 7 and 7.8% from Zone 8.

5.6 Comparison Goods Shopping Patterns

Main Destinations for Comparison Goods Expenditure in Preston

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.

5.6.2 In terms of comparison destinations located within the administrative area of Preston, the principal destination is Preston city centre which attracts 23.7% or £368.7m²⁹ of all available comparison expenditure in the Study Area, followed by Deepdale Shopping Park which attracts 11.3% or £175.4m of all available comparison expenditure. This is followed by the Asda on Pittman Way which attracts 2.4% and Riversway Retail Park which attracts 1.1% (the Homebase also attracts an additional £5.6m, or 0.4%) of comparison goods expenditure in the Study Area.

²⁹ The total figure includes the expenditure assigned to shopping centres within the city centre

5.6.3 Within Chorley Borough, the principal destination is Chorley town centre which attracts 6.6% or £102.6m of all available expenditure.

Table 5.6: Main Destinations for Comparison Goods Expenditure within Preston Council

Destinations	2018 Study Area Residents' Expenditure £m	2018 Market Share %
Preston City Administrative Area		
Preston City Centre	368.7	23.7%
Deepdale Shopping Park, Blackpool Road, Preston	175.4	11.3%
Asda, Pittman Way, Preston	36.9	2.4%
Riversway Retail Park	17.6	1.1%
Queens Retail Park	6.3	0.4%
Morrisons, Mariners Way	6.1	0.4%
Homebase, Mariners Way	5.6	0.4%
Fulwood Town Centre	4.9	0.3%
Outside of Preston's Administrative Area		
Chorley Town Centre	102.6	6.6%
Capitol Retail Park, Capitol Way, Walton-le-Dale	70.1	4.5%
Middlebrook Retail & Leisure Park, Horwich, Bolton	62.6	4.0%
Leyland Town Centre	42.5	2.7%
Blackburn Town Centre	42.3	2.7%
Tesco Extra, Ackhurst Industrial Park, Chorley	24.5	1.6%
Trafford Centre	24.0	1.5%
Asda, Clayton Green Centre, Clayton Green	13.7	0.9%
B&Q, Highfield Industrial Estate, Chorley	10.3	0.7%

Notes: Total comparison figure for Preston City Centre includes all shopping centre destinations and for Chorley includes Market Walk

5.6.4 Looking at the shopping patterns of comparison expenditure for residents in Zones 1, 2 and 3 in particular, we can see that Preston city centre is the principal destination in each case, attracting 64.3%, 40.5% and 36.5% of comparison expenditure deriving from each zone respectively. A total comparison expenditure of 38.2% from Zone 4 and 22.2% from Zone 5 is also spent in Preston city centre.

5.6.5 Following the city centre, Deepdale Shopping Park also plays an important role in meeting residents' comparison shopping needs from Zones 1, 2 and 3, attracting 12.6%, 26.8% and 27.5% respectively.

5.6.6 Looking beyond Zones 1 to 5, 50.6% of the available comparison expenditure in zone 6 is also attracted to Preston city centre, with 25.1% of the available expenditure in Zone 7 and 19.2% in Zone 8. The city centre provides an important comparison shopping destination for those residents located in the surrounding residential areas outside of Preston’s administrative boundary.

Comparison Goods Expenditure Retention within the Study Area

5.6.7 Table 5.7 below sets out the comparison goods expenditure retention and leakage, as was demonstrated for convenience expenditure above. In total, 42.6% of the available expenditure within the Study Area is spent at destinations located within Preston’s administration area. A further 32.0% is spent at destinations within the Study Area and 25.4% is spent at destinations located outside of the Study Area. This equates to £603.1m of available comparison expenditure which is spent at destinations within Preston, of which £341.3m or 56.6% of this expenditure is spent at destinations within Preston city centre (including the shopping centres) and 26.3% at Deepdale Retail Park.

Table 5.7: Comparison Goods Expenditure Retention and Leakage

Destinations	2018 Study Area Residents’ Expenditure £m	2018 Market Share %
Inside Study Area		
Inside Preston Authority Area	£603.1m	42.6%
Outside Preston Authority Area but Inside Study Area	£454.0m	32.0%
All Destinations Inside Study Area	£1,057.1m	74.6%
Outside Study Area		
All Destinations Outside Study Area	£359.1m	25.4%
Total	£1,416.2	100.0%

Notes: Table 28 of Appendix 9

Comparison Goods Expenditure Retention within Preston

5.6.8 Table 5.8 provides a breakdown of the market share of residents in each zone which is retained within Preston’s administrative area.

5.6.9 The level of expenditure attracted by destinations within Preston from residents in Zones 1, 2 and 3 is above 85% in each case and as high as 89.3% within Zone 1. The retention decreases to 74.2% in Zone 4 and 57.5% in Zone 5.



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

Zone	2018 Total Comparison Expenditure £m	2018 Spending in Preston £m	2018 Preston Authority Market Share %
1	58.8	52.5	89.3%
2	109.1	95.2	87.3%
3	143.2	124.0	86.6%
4	40.6	30.1	74.2%
5	62.7	36.1	57.5%
Study Area Total	1,416.2	603.1	42.6%

Notes: Tables 27 and 28 of Appendix 9

Categories of Comparison Goods Shopping

- 5.6.10 It is also useful to look at the proportion of retention of expenditure within Preston of the eight separate categories of comparison goods.
- 5.6.11 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. We can see that the highest retention is with clothing and footwear goods, of which 33.5% is retained in the city centre and 54.2% is retained in the administrative area. Other relatively high retention rates within Preston’s authority area are within the books, CDs and DVDs sector of which 52.3% is retained in Preston and recreation goods, of which 52.2% is retained in Preston. For recreation goods in particular, whilst the retention is relatively high in the context of the Study Area in Preston’s administrative area, 14.5% of this is attracted to Deepdale Shopping Park, the out of centre facility.

Table 5.9: Main Destinations for Comparison Goods Shopping Patterns within Preston

Destinations	Market Share of Study Area Residents’ Expenditure								
	Clothing & Footwear	Books/CDs/ DVD	Small Household	Recreation	Chemist	Electrical	DIY & Gardening	Furniture	All Comparison
Preston city centre	33.5%	38.8%	19.1%	26.2%	21.7%	15.7%	8.4%	19.9%	24.1%
Preston authority retention	54.2%	52.3%	35.9%	52.2%	39.0%	39.9%	23.3%	36.1%	42.6%

Notes: Tables 11, 13, 15, 17, 19, 21, 23, 25, 27 of Appendix 9



5.6.12 We provide below a summary in respect of each type of goods and the shopping patterns of residents in Zones 10, 11 and 12 in particular (i.e. those zones which are located within the Borough).

Clothing and Footwear Shopping Patterns

5.6.13 Looking firstly at shopping patterns relating to clothing and footwear goods for residents in Zones 1 to 5, we can see that the highest proportion of clothing and footwear shopping trips to the city centre is from residents in Zone 1 at 73.2%, with the overall retention rate in Preston at 85.7%. This is followed by Zone 4, from which 40.9% of clothing and footwear trips are within Preston city centre and a further 22.0% are at Deepdale Shopping Park. The highest retention rate within the administrative area is from residents in Zone 2, from which 86.5% of all clothing and footwear shopping trips are to destinations within Preston (principally the city centre and Deepdale Shopping Park). The level of leakage outside of the Study Area from residents in Zones 1 to 5 is relatively low, with the highest being from residents in Zone 5 at 23.1%, with the highest percentage leaking to Blackburn town centre at 5.4%.

Table 5.10: Clothing and Footwear Trips To Principal Destinations

	1	2	3	4	5
Preston city centre	73.2%	44.9%	40.9%	46.6%	28.4%
Deepdale Shopping Park	9.7%	35.0%	37.4%	22.0%	36.2%
Total in Preston	85.7%	86.5%	86.3%	75.1%	69.7%
Total in Study Area	92.6%	93.0%	87.7%	77.2%	76.9%
Total Outside Study Area	7.4%	7.0%	12.3%	22.8%	23.1%

Notes: Preston city centre includes shopping centre destinations

5.6.14 Looking outside of Preston’s administrative area, 58.7% of trips from Zone 6 residents, 40.6% from Zone 7 residents, 43.4% from Zone 8 residents and 37.1% from zone 9 residents are all to Preston city centre facilities to meet their clothing and footwear shopping requirements. Indeed, 23.6% of all trips from Zone 12 residents and 37.2% from Zone 14 residents are also to Preston city centre, with the lowest proportion from Zone 10 (Central Chorley) at 6.5%. The relatively high proportion of shopping trips from all zones to Preston city centre to purchase clothing and footwear goods, demonstrates that the clear range of clothing and footwear operators in the city centre is a draw for residents across the Study Area as a whole.



CD and DVDs Goods Shopping Patterns

5.6.15 Turning to CDs, DVDs and Books, Table 5.11 below demonstrates that the highest retention rate within Preston’s administrative area is from residents in Zones 1, 2 and 3 at 96.4%, 97.2% and 96.5% respectively. Of this proportion, 68.8%, 68.3% and 55.7% is being attracted to the city centre respectively, with a further 18.2%, 9.4% and 12.5% from Zones 1, 2 and 3 respectively being attracted to Asda at Pittman Way. The retention rate in Preston is high within Zones 1 to 3 in particular, with limited levels of leakage from all five zones with the highest being from Zone 4.

Table 5.11: CDs, DVDs, Books Goods Trips to Principal Destinations

	1	2	3	4	5
Preston city centre	68.8%	68.3%	55.7%	57.6%	23.3%
Asda, Pittman Way	18.2%	9.4%	12.5%	0.0%	10.6%
Deepdale Shopping Park	1.9%	6.5%	17.2%	10.2%	8.5%
Total in Preston	96.4%	97.2%	96.5%	72.1%	51.7%
Total in Study Area	100.0%	97.2%	97.6%	76.3%	90.7%
Total Outside Study Area	0.0%	2.8%	2.4%	23.7%	9.3%

Notes: Preston city centre includes shopping centre destinations

Household Goods Shopping Patterns

5.6.16 The respective figures for household goods shopping patterns are provided in Table 5.12 below. The highest proportion of shopping trips to Preston city centre is from Zone 1, followed by Zone 2 and then Zone 4 at 52.2%, 40.6% and 30.4% respectively. The proportion of household goods shopping trips to Preston city centre is lower in Zone 3, where residents choose the Asda t Pittman Way and Deepdale Shopping Park instead to purchase such goods. Overall, the retention of household goods shopping trips is above 75% in Zones 1 to 3 and the retention in the Study Area as a whole is above 89% for Zones 1 to 3. In terms of Zone 5 residents, the principal destination for purchasing household goods is Longridge town centre located within Ribble Valley, at which 31.3% of all trips from Zone 5 residents choose to shop at.

Table 5.12: Household Goods Trips To Principal Destinations

	1	2	3	4	5
Preston city centre	52.2%	40.6%	23.7%	30.4%	25.0%
Asda, Pittman Way	17.6%	9.6%	21.0%	9.4%	0.0%
Deepdale Shopping Park	8.3%	12.8%	15.8%	11.4%	12.7%
Total in Preston	78.1%	79.1%	77.6%	69.2%	37.7%
Total in Study Area	92.6%	90.0%	89.5%	76.5%	74.9%
Total Outside Study Area	7.4%	10.0%	10.5%	23.5%	25.1%

Notes: Preston city centre includes shopping centre destinations

Recreation Goods Shopping Patterns

5.6.17 Turning to recreational goods, Table 5.13 below demonstrates that Preston city centre which includes key national multiple recreation retailer Sports Direct and department stores which also include a range of recreational goods, is the principal destination for purchasing recreation and sports goods for residents in Zones 1, 2 and 3 but for residents in Zones 4 and 5, Deepdale Shopping Park is the principal destination. This is unsurprising given the presence of key outdoor and sports retailers at Deepdale Shopping Park including JD Sports, Sports Direct, Halfords and Ultimate Outdoors, along with the ease of access and adjacent parking available for those purchasing larger goods (such as bikes, tents and outdoor toys etc). The level of leakage of recreation shopping trips outside of Preston and the Study Area as a whole is lower than other non-bulky goods, with 0% leaking outside of the Study Area within Zone 1, 3.5% in Zone 2 and 2.2% in Zone 3. The highest proportion of leakage is from Zone 4 residents, from which 19.9% leaks to destinations outside the Study Area.

Table 5.13: Recreational Goods Trips To Principal Destinations

	1	2	3	4	5
Preston city centre	64.6%	42.6%	36.0%	34.6%	20.5%
Deepdale Shopping Park	22.9%	38.6%	28.3%	41.4%	63.8%
Total in Preston	96.1%	95.3%	96.9%	76.0%	84.3%
Total in Study Area	100.0%	96.5%	97.8%	80.1%	87.4%
Total Outside Study Area	0.0%	3.5%	2.2%	19.9%	12.7%

Notes: Preston city centre includes shopping centre destinations



Chemist Goods Shopping Patterns

5.6.18 The overall retention levels for purchasing chemist goods is substantially higher than the majority of comparison goods, given that residents will typically travel short distances to purchase such goods, at local chemists, town centres or supermarkets. As we can see in Table 5.14 below, the retention rate of chemist goods shopping trips is high within Zones 1 to 4, with the highest being within Zone 1 in which 99.2% of all chemist goods trips are to destinations within Preston’s administrative area. The principal destination for residents in Zones 1 to 4 is Preston city centre in each case, with 74.8% of residents choosing the city centre in Zone 1 to purchase chemist goods and 46.4% in Zone 4. Deepdale Shopping Park is also a popular choice of destination for purchasing chemist goods in all five zones.

Table 5.14: Chemist Goods Trips To Principal Destinations

	1	2	3	4	5
Preston city centre	74.8%	43.2%	41.3%	46.4%	12.1%
Deepdale Shopping Park	6.0%	15.0%	21.4%	10.1%	21.6%
Sainsbury’s, Flintoff Way	2.7%	1.4%	9.4%	5.5%	1.0%
Total in Preston	99.2%	95.3%	94.7%	84.0%	36.5%
Total in Study Area	100.0%	99.0%	97.0%	92.9%	89.0%
Total Outside Study Area	0.0%	1.0%	3.0%	7.1%	11.0%

Notes: Preston city centre includes shopping centre destinations

Electrical Goods Shopping Patterns

5.6.19 Table 5.15 below looks at the electrical goods shopping patterns for residents and is the first of three bulky comparison goods assessed as part of the overall comparison goods shopping patterns within the Study Area. We can see that in terms of electrical goods, the principal destination for Zone 1 residents is Preston city centre which includes an Argos and large department stores which all contain elements of electrical goods sales, followed by Deepdale Shopping Park. For residents in Zones 2 to 5, the principal destination is Deepdale Shopping Park, demonstrating the pull of the retail destination for purchasing electrical goods. The Shopping Park includes retailers such as PC World, O2 and Carphone Warehouse, of which PC World will in particular draw in a substantial level of trade from surrounding residents. In total, 88.5% of Zone 1 residents shop at destinations in Preston for electrical goods, followed by 88.1% in Zone 3 and 84.5% in Zone 2. For all five zones, over 70% of residents choose destinations in Preston to meet their electrical goods shopping needs.



Table 5.15: Electrical Goods Trips To Principal Destinations

	1	2	3	4	5
Preston city centre	48.7%	28.3%	23.3%	22.4%	20.7%
Deepdale Shopping Park	26.9%	43.7%	38.2%	43.6%	50.9%
Total in Preston	88.5%	84.5%	88.1%	73.4%	73.6%
Total in Study Area	100.0%	93.7%	97.0%	85.0%	91.1%
Total Outside Study Area	0.0%	6.3%	3.0%	15.0%	8.9%

Notes: Preston city centre includes shopping centre destinations

DIY Goods Shopping Patterns

- 5.6.20 Turning to DIY goods, Table 5.16 below provides the breakdown of shopping patterns for Zones 1 to 5. The principal destination for Zone 1 residents is Preston city centre, followed by the Homebase at Mariners Way. Other key destinations for Zone 1 residents are the Wickes in Zone 1 (7.4%), Riversway Retail Park in Zone 2 (8.2%), Queens Retail Park in Zone 3 (8.7%) and B&Q Bamber Bridge (6.1%). For residents in Zones 2 and 4, the principal destination is the Homebase at Mariners Way attracting 31.3% and 24.1% of DIY trips respectively and for Zone 5 the principal destination is the B&Q at Bamber Bridge. The principle destination for residents of Zones 2, 4 and 5 are all out-of-centre destinations.
- 5.6.21 In total, 83.7% of Zone 1 residents shop at destinations in Preston for DIY goods, followed by 70.8% of Zone 2 residents. The lowest retention rate is from residents in Zone 5, from which 28.7% choose destinations in Preston to meet their DIY shopping needs. Instead, residents in Zone 5 shop at the B&Q in Bamber Bridge and Longridge town centre for DIY goods. For all five zones, over 70% choose destinations in the Study Area to meet their DIY shopping requirements and over 90% in Zones 1, 2, 3 and 5. In terms of Zone 4, a total of 20.2% of residents choose the B&Q at Whitehills Retail Park in Blackpool (in Fylde’s authority area) to meet their DIY shopping needs.

Table 5.16: DIY Goods Trips To Principal Destinations

	1	2	3	4	5
Preston city centre	32.8%	13.8%	28.5%	18.5%	11.5%
Homebase, Mariners Way	16.3%	31.3%	6.6%	24.1%	2.3%
Total in Preston	83.7%	70.8%	68.4%	56.0%	28.7%
B&Q, Bamber Bridge	6.1%	15.2%	24.5%	3.0%	29.3%
Total in Study Area	92.2%	94.3%	96.4%	72.8%	94.4%
Total Outside Study Area	7.8%	5.7%	3.6%	27.2%	5.6%

Notes: Preston city centre includes shopping centre destinations

Furniture Goods Shopping Patterns

5.6.22 Finally turning to the last bulky comparison sub-category, we can see from Table 5.17 below that Preston city centre is the principal destination for purchasing furniture goods for residents in Zones 1, 2, 3, 4 and 5. In total, the retention rate in Preston’s authority area in Zones 1 to 4 is above 70% in each case, with the highest retention in Zone 1. The lowest retention is in Zone 5, where 34.3% of all residents choose destinations in Preston to meet their furniture goods shopping needs. Instead Zone 5 residents choose Longridge town centre (27.2%) and 12.5% travel to Blackburn town centre, outside of the Study Area. Other principal destinations in Preston are the Riversway Retail Park, containing a Dwell, SCS and Homebase and Deepdale Shopping Park, both of which include large format furniture retailers.

Table 5.17: Furniture Goods Trips To Principal Destinations

	1	2	3	4	5
Preston city centre	56.1%	36.7%	39.5%	42.4%	29.0%
Riversway Retail Park	11.5%	13.8%	7.4%	10.9%	0.0%
Deepdale Shopping Park	17.1%	16.1%	13.3%	16.9%	5.3%
Total in Preston	86.3%	82.9%	70.2%	75.9%	34.3%
Total in Study Area	91.6%	97.9%	88.4%	89.4%	76.7%
Total Outside Study Area	8.4%	2.1%	11.6%	10.6%	23.3%

Notes: Preston city centre includes shopping centre destinations



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 33.3% of respondents) was that their chosen store was near to home. The next popular answer was that the store offered lower prices (identified by 15.3% of respondents), 7.7% stated it was due to the choice of food goods and 6.7% stated that it was due the quality of food goods available.
- 5.7.2 In total, 39.3% of respondents travel between 1 and 5 minutes to undertake their main food shop, and 31.3% travel between 6 to 10 minutes to undertake their main food shop. A total of 79.5% of respondents travel by car (as a driver) to their main food shopping destination and 7.5% walk. A further 3.4% travel by bus to visit the main food shopping destination. However, the proportions of travel by bus vary considerably across the Preston zones, from 13.8% in Zone 1 to 0.0% in Zone 4. This perhaps indicates the ease of access to the large format foodstores by public transport, and the distance required to travel. Furthermore, the variances in travelling by bus to access main food destinations will likely correlate with the proportion of car ownership across each zone.
- 5.7.3 In terms of linked trips, the household survey results have been analysed in order to identify those respondents who link main food shopping trips to town centre stores with other activities. In total, 71.1% responded stating that when they undertook their last main food shop, they did not link their trip with any other activity. Of the remaining 26.4% who confirmed they do link their trips with another activity, 5.4% stated they link their trips with non-food shopping, 4.7% with other food shopping and 2.8% state they link their trips with travelling to and from work. When asked specifically where they link the trip with, 14.6% confirmed this was with Preston city centre and 5.6% with Chorley town centre.
- 5.7.4 All respondents were also asked whether they ever visit Preston city centre or Chorley town centre. In total, 67.7% confirmed they visit Preston city centre and 33.3% confirmed they visit Chorley town centre, with a total of 20.0% respondents stating they don't visit either.
- 5.7.5 For those who visit Preston and Chorley centres, Table 5.18 below sets out the frequency of the visits of residents to both centres. The highest proportion of respondents stated they visit Preston city at least once a month (22.3%) followed by at least once a week (15.7%).



For Chorley town centre, the highest proportion of respondents stated they visit at least once a week (25.2%) followed by at least once a fortnight (22.7%), demonstrating the day-to-day role that Chorley town centre meets in terms of retail, service and leisure needs. In both cases, a very low proportion (0.2%) of respondents stated that they have only visited the centres once before.

Table 5.18: How Often Do You Visit the Centre (for any purpose)

	Preston city centre	Chorley town centre
Daily	5.34%	4.28%
At least two times a week	9.17%	15.16%
At least once a week	15.67%	25.15%
At least once a fortnight	14.54%	22.68%
At least once a month	22.30%	19.18%
At least every two months	12.34%	3.13%
At least every 3 months	8.53%	2.48%
At least every 6 months	5.68%	1.29%
Less often than once every 6 months	2.11%	0.82%
Have only visited once	0.22%	0.20%

Notes: See Appendix 8 for full results

- 5.7.6 Table 5.19 below then provides the principal reason residents have for visiting both of Preston and Chorley centres. The principal reason for visiting the centres in both cases is due to the choice and range of shops (40.5% and 27.2% respectively). The second reason cited is due to the centre being close to home (12.2% for Preston and 17.8% for Chorley). In terms of the market, 9.7% respondents in Chorley cited this as a principal reason for visiting the centre but with regard to Preston, just 1.2% of respondents cited this as a principal reason, perhaps reflecting temporary disruption from recent development activity at Preston Markets and the greater diversity of uses and functions in the city centre that would attract visits.
- 5.7.7 Reasons such as the environmental quality of the centre and pleasant atmosphere fall significantly lower down the list.

Table 5.19: Principal Reasons for Visiting a Centre (for any Purpose)

	Preston city centre	Chorley town centre
Choice and range of shops	40.52%	27.23%
Close to home	12.24%	17.75%
Choice of services (hairdressers, banks etc)	3.90%	8.09%
Choice of leisure facilities (restaurants, pubs etc)	4.66%	5.49%
Close to work	5.07%	3.88%
Good market	1.19%	9.67%
Good place for window shopping / browsing	2.10%	2.93%
Convenient for meeting / visiting family / friends	2.12%	2.07%
Compact layout / shops close together	1.70%	2.23%
Environmental quality of centre	1.64%	2.19%
Good layout	1.43%	1.20%
Pleasant atmosphere / people	1.40%	0.99%
Familiarity / know my way around	1.24%	0.83%

Notes: Responses over 1% for Preston city centre
See Appendix 8 for full results

5.7.8 Table 5.20 below then sets out the principal measures suggested by residents to encourage additional visits to the centres.

Table 5.20: Principal Measures to Encourage Visits to Centres

	Preston city centre	Chorley town centre
Increased choice and range of shops	10.40%	21.45%
Improved quality of shops	7.06%	20.89%
Improved non-food shops within the town centre	6.34%	15.06%
Cheaper parking	8.83%	4.20%
More parking	7.98%	4.73%
Reduce traffic congestion	5.18%	0.06%
Increased public transport	3.20%	1.80%
Less vacant shops	2.65%	1.05%
Address the homeless issue	3.01%	0.14%
More / better car parking	1.68%	2.18%
Better environment	2.14%	0.99%
Improved street cleaning	1.90%	0.86%
Improve the new market	1.73%	0.24%
Improved roads	1.55%	0.29%
More independent shops	1.18%	0.76%
Improved pavements	1.43%	0.00%



- 5.7.9 The principal measure in relation to both centres is to increase the choice and range of shops (10.4% for Preston and 21.5% for Chorley), followed by an improvement to the quality of shops (7.1% for Preston and 20.9% for Chorley). A further 6.3% of respondents for Preston and 15.1% of respondents for Chorley states that an improved non-food offer in both centres would encourage additional visits, and 8.8% for Preston and 4.2% for Chorley stated that cheaper parking would encourage additional visits.
- 5.7.10 Respondents were asked whether they undertake shopping via electronic means i.e. home, mobile or TV shopping. The majority of respondents (66.8%) stated that they shop via home internet, 30.6% shop via portable internet devices (mobile phone, tablets etc) and 3.2% shop via the TV. A total of 26.3% of the respondents stated that they did not make use of home internet shopping.
- 5.7.11 When asked which goods their household purchases via electronic shopping, the highest positive response was for clothes (45.8%), followed by books (35.8%) and CDs, DVDs and music (26.9%). Overall, 9.0% of respondents said that they shop via internet for food.
- 5.7.12 Further details of the qualitative questions on the household survey are provided in the health check appendix for Preston city centre.



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 The population within each Study Area zone at the base year of 2018 and at each of the subsequent forecast years was sourced from Experian Micromarketer G3 2017 data (which was issued in December 2018). Experian data provides 2017 based population estimates that accord with the findings of the 2011 Census release and population projections from 2017. 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.

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

Zone	2018 (Persons)	2023 (Persons)	2028 (Persons)	2033 (Persons)	2036 (Persons)
1	24,044	24,166	24,279	24,269	24,221
2	43,338	43,343	43,573	43,684	43,744
3	64,968	65,317	66,081	66,790	67,136
4	11,204	11,258	11,410	11,623	11,702
5	18,616	18,798	19,025	19,222	19,263
6	22,481	22,640	22,694	22,775	22,816
7	41,994	42,704	43,265	43,634	43,873
8	44,614	45,270	45,709	46,035	46,245
9	32,144	32,436	32,702	32,894	32,885
10	38,512	40,230	41,618	42,804	43,428
11	28,680	30,172	31,385	32,267	32,725
12	18,425	19,290	20,034	20,588	20,871
13	22,650	23,470	24,080	24,498	24,684
14	27,850	28,742	29,556	30,202	30,575
15	31,814	32,425	32,970	33,343	33,472
16	21,431	21,596	21,615	21,585	21,563
Total Study Area	492,765	501,857	509,996	516,213	519,203

Source: Experian Micromarketer G3 2018 Data



- 6.2.2 Table 6.1 on the preceding page sets out Experian’s population projections for each zone in the Study Area for the 2018 base year and reporting years 2023, 2028, 2033 and 2036.
- 6.2.3 The total Study Area population is expected to increase from 492,765 in 2018 to 519,203 in 2036, an increase in 26,438 or 5.4%. The population in Preston is set out below. The Table demonstrates that the population in Preston alone is expected to increase by 3,297 persons between 2018 and 2036, equating to an increase in 2.2%, which is less than the population growth identified across the Study Area as a whole.

Table 6.2: Preston Authority Population (2018 to 2036)

	2018	2023	2028	2033	2036
Preston	148,523	149,009	150,347	151,424	151,820

Source: Experian Micromarketer G3 2018 Data

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 2017 (the latest available). Per capita annual expenditure growth forecasts are sourced from Experian’s Retail Planner Briefing Note 16 (published in December 2018). Figure 6 of Appendix 4 of the Retail Planner Briefing Note identifies the annual growth forecasts for convenience and comparison goods which inform our assessment and are reproduced in Table 6.3 below.
- 6.3.3 Experian expects the squeeze on household incomes to continue through 2018 and 2019 for comparison goods spending but in the medium term (2021 onwards), 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 either negative or static per capita expenditure growth between 2020 and 2036 (in the range -0.2% to 0.1%). The forecast position therefore suggests that sales will generally remain relatively static over the longer term.



Table 6.3: Annual Per Capita Expenditure Growth Forecasts

Year	Convenience (%)	Comparison (%)
2017	0.6	3.0
2018	0.7	1.0
2019	0.1	1.5
2020	-0.1	1.8
2021	0.1	2.4
2022	-0.2	2.6
2023	0.0	2.9
2024	0.0	3.0
2025	0.0	2.9
2026	0.0	3.0
2027	0.0	3.0
2028	0.1	2.9
2029	0.0	3.0
2030	0.0	3.1
2031	0.1	3.2
2032	0.0	3.1
2033	0.1	3.2
2034	-0.1	3.1
2035	0.1	3.2
2036	0.1	3.2

Source: Figure 6 of Appendix 4, Retail Planner Briefing Note 16 (December 2018)

6.3.5 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

6.3.6 Experian Retail Planner Briefing Note 16 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.



- 6.3.7 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.
- 6.3.8 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 4 of its Retail Planner Briefing Note 16) which makes an allowance for internet sales which are sourced from stores.
- 6.3.9 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	3.7	17.0
2023	4.8	20.1
2028	5.3	21.3
2033	5.7	21.6
2036	5.8	21.7

Source: Figure 5 of Appendix 4, Experian Retail Planner Briefing Note 16 (December 2018)

- 6.3.10 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 £1,096.1m of convenience goods expenditure³⁰.
- 6.4.2 The Table 6.5 below indicates that available convenience goods expenditure is then forecast to increase to £1115.5m by 2023 and then increase to £1134.9m by 2028 and to £1151.1m

³⁰ Expressed in 2016 prices, as is every subsequent monetary value



by 2033. By 2036, the total available convenience expenditure is estimated to be £1,160.1m. The overall increase of £64.0m between 2018 and 2036 represents an increase of 5.8%.

Table 6.5: Total Available Study Area Convenience Goods Expenditure

2018 (£m)	2023 (£m)	2028 (£m)	2033 (£m)	2036 (£m)
1096.1	1115.5	1134.9	1151.1	1160.1

Source: Table 2a of Appendix 9

Table 6.6: Growth in Available Study Area Convenience Goods Expenditure

Growth 2018-2023	Growth 2018-2028	Growth 2018-2033	Growth 2018-2036
£19.4m	£38.8m	£55.0m	£64.0m
1.8%	3.5%	5.0%	5.8%

Source: Table 2a of Appendix 9

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 on the following page.

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

Zone	Main Food (%)	Top-Up (%)
1	81%	19%
2	82%	18%
3	81%	19%
4	81%	19%
5	84%	16%
6	79%	21%
7	83%	17%
8	82%	18%
9	79%	21%
10	80%	20%
11	83%	17%
12	82%	18%
13	85%	15%
14	80%	20%
15	79%	21%
16	81%	19%

- 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, £891.4m of convenience goods expenditure will be spent during main food shopping trips and £204.7m during top up shopping trips. In terms of Zones 9 to 13 (which principally cover Chorley Borough’s administrative area), the total available expenditure at 2018 equates to £316.5m, rising to £349.2m by 2036.
- 6.4.5 The proportion of the study area residents’ convenience goods expenditure spent during main food shopping trips therefore equates to 81.3% of their overall convenience shopping expenditure. The remaining 18.7% 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 £1,555.4m of comparison goods expenditure at 2018. Available comparison goods expenditure is then forecast to increase to £1,770.5m at 2023, £2,082.3m at 2028, £2,472.5m at 2033 and £2,801.8m at 2036. As identified by Table 6.9, this represents an increase of £1,246.4m, or 80.1%, 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)
1,555.4	1,770.5	2,082.3	2,472.5	2,801.8

Source: Table 2a of Appendix 9

Table 6.9: Growth in Available Study Area Comparison Goods Expenditure

Growth 2018-2023	Growth 2018-2028	Growth 2018-2033	Growth 2018-2036
£215.1m	£527.0m	£917.2m	£1,246.4m
13.8%	33.9%	59.0%	80.1%

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 and recent openings that may have occurred since the householder telephone survey was completed;



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

7.0 Retail Capacity in the Preston Administrative Area

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 Preston over the study period from 2018 to 2036, and at five-year reporting periods in between (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 Preston City Centre Plan and the development of more central sites that may be currently available or that could become available over time.

7.1.3 Appendix 9 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, over-trading at existing stores (i.e. customer comfort factor), planned major housing growth e.g. at North West Preston and the allocation of new centres of Cottam district centre and local centres in the Cottam area.

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, which consequently affect sales densities. 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 the administrative area of Preston 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, taking into account the gross and net floorspace of the store.
- 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).
- 7.3.5 Accordingly, in assessing the quantitative capacity for additional convenience goods floorspace in Preston, we make an adjustment for under or over-trading at existing convenience retail stores in Preston in the 2018 base year³¹.
- 7.3.6 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 operator³² has been applied to the estimated net floorspace of each

³¹ Excluding any under or over-trading at smaller-scale stores for which we were unable to verify the performance of the floorspace.

³² 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 9.



foodstore. This provides an indication of the likely sales area dedicated to the sale of convenience goods at each store.

- 7.3.7 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 most frequently shop, which is more likely to record infrequent purchases that are typically made at smaller centres and stores.
- 7.3.8 A summary of our benchmark assessment showing the current overall trading position of convenience goods floorspace in Preston authority area including inflow compared against the expected 'benchmark' turnover is provided in Table 7.1 below. The full details of the performance of the stores is provided at Appendix 9, including gross and net floorspace figures and benchmark sales densities.

Table 7.1: Overall Trading Performance of Foodstores in Preston at 2018

	Benchmark Turnover	Survey Derived Turnover	Over- or Under-trading
	(A)	(B)	(B-A)
	£m	£m	£m
Total Preston Authority Area	352.4	350.3	-2.1

Source: Table 6 at Appendix 9
 Please refer to Table 6 for full details of gross and net sales area, benchmark sales densities and overall trading performance of the stores in Preston's administrative area

- 7.3.9 Our assessment identifies that taking all convenience goods retail facilities in Preston together, the expected turnover of provision is £352.4m per annum at 2018, which is £2.1m higher than the £350.3m turnover identified to be drawn from the Study Area residents.

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 Preston. 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 Preston

Year	Benchmark Turnover of Existing Stores (A) £m	Available Expenditure Expenditure Drawn from Study Area (B) £m	Surplus Expenditure (B-A) £m
2018	352.4	350.3	-2.1
2023	357.7	356.5	-1.2
2028	359.8	362.7	2.8
2033	359.8	367.9	8.0
2036	359.8	370.8	10.9

Source: Table 8a of Appendix 9

- 7.3.11 Accordingly, Table 7.2 sets out the benchmark turnover of existing convenience retail facilities in Preston at 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 16.
- 7.3.12 The £350.3m of convenience goods expenditure generated by residents of the Study Area and spent in destinations within Preston at 2018 equates to a market share of 32.0% (the proportion of the Study Area residents’ expenditure on convenience goods which is spent in the administrative area of Preston).
- 7.3.13 After increases in population are considered against the forecast changes in floorspace productivity³³ and expenditure per capita, we estimate that the total available convenience goods expenditure in Preston drawn from residents of the study area will be £356.5m at 2023, increasing to £362.7m at 2028, £367.9m at 2033 and £370.8m at 2036.
- 7.3.14 Table 7.2 shows that a convenience goods expenditure deficit is identified at 2018 of -£2.1m however by 2033, a surplus of £8.0m is identified in Preston. We estimate that the expenditure surplus will be £10.9m at 2036. However, the estimated expenditure surplus in Table 7.2 identified in the years 2033 and 2036 should be treated with caution due to the scope for economic circumstances to change before this period. Such longer-term estimates

³³ 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 16 (these being 1.5% at 2018, 0.6% between 2023 and 2028 and then 0.0% between 2028 and 2036). 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.

should therefore be kept under regular review by future quantitative need updates (ideally undertaken every 5 years), as advised by government guidance.

Commitments for New Convenience Goods Floorspace

- 7.3.15 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 Preston as scheduled in Table 7 at Appendix 9.
- 7.3.16 In total, we have calculated that the convenience commitments within Preston will have a combined turnover of £43.91m at 2018. This figure assumes that a proportion of turnover of both the Longridge and Cuerden convenience floorspace commitments will be drawn from Preston residents.

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

Scheme	Application Reference	Address	Convenience Turnover Drawn from Expenditure in Preston at 2018 £m
Erection of foodstore and associated vehicular access, car parking, servicing area, hard and soft landscaping following demolition of existing buildings	062016/1101	Land to north of, Whittingham Road, Preston, PR3 2AB	2.28
Hybrid planning application for the creation of 2no. retail units (Class A1), associated landscaping and service area (full application), and the creation of standalone commercial unit (Classes A1-A5) (outline application)	06/2017/1118	Queens Retail Park, Queen Street, PRESTON, PR1 4HZ	9.99
Reserved matters application (namely appearance, landscaping, layout and scale) pursuant to outline planning permission 06/2017/0672 for Classes A1-A5 uses comprising 4,298sqm of Class A1 retail warehouse floorspace, 4 no. kiosk units of 93 sqm for use in Classes A1-A5 and associated works	06/2018/0185	Land at Roundabout at Eastway and Olivers Place, Fulwood, Preston, PR2 9ZA	28.52
Hybrid planning application comprising of Full and Outline development - Environmental Impact Assessment (EIA) development Part 1 FULL - Retail floorspace (Use Classes A1 & A3) and associated car parking, site access, highway works, drainage and strategic landscaping; Part 2 OUT - Employment floorspace (Classes B1, B2 & B8), hotel (Class C1), health and fitness and leisure (Class D2), creche/nursery (Class D1), retail (Classes A1, A2, A3, A4 & A5), car showrooms (Use Class Sui Generis), residential (Classes	07/2017/0211/ORM	Cuerden Strategic Site East of Stanifield Lane, North of Clayton Farm, West of Wigan Road Lostock Lane, Lostock Hall, Preston, Lancashire	3.11

C2/C3) and provision of associated car parking, access, public open space, landscaping and drainage			
			43.91

Residual Quantitative Need for Additional Convenience Goods

Floorspace

7.3.17 Table 7.4 below sets out the residual convenience expenditure capacity in Preston 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 Preston after Implementation of Commitments

Year	Surplus Convenience Goods Expenditure	Turnover of Commitments	Residual Convenience Goods Expenditure (C=A-B)	Floorspace Requirement		
	(A)			(B)	Min	Max
	£m			£m	(C/£13,609 per sq.m) sq.m	(C/£10,997 per sq.m) sq.m
2018	-2.1	43.9	-46.0	-3,400	-4,200	
2023	-1.2	44.6	-45.8	-3,300	-4,100	
2028	2.8	44.8	-42.0	-3,000	-3,700	
2033	8.0	44.8	-36.8	-2,600	-3,300	
2036	10.9	44.8	-33.9	-2,400	-3,000	

Source: Table 8c at Appendix 9

7.3.18 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 Lidl and Iceland, 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.

7.3.19 The expenditure surplus reduces to a residual deficit of -£46.0m 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 -£33.9m at 2036.

7.3.20 Accordingly, such is the quantity of convenience goods floorspace already implemented and committed in Preston that there is no quantitative requirement for any additional convenience goods floorspace within the authority area 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 Preston, we make no adjustments for under or over-trading at existing comparison retail stores in Preston in the 2018 base year.

7.4.3 Therefore, in assessing the future capacity for new comparison goods floorspace in Preston, we first identify the total comparison goods expenditure generated by the residents of the study area and spent in destinations within Preston assuming that the future performance of the authority'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 Preston 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 take account of any new comparison goods floorspace that has been implemented subsequent to the household survey and 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 £603.1m of comparison goods expenditure generated by residents of the Study Area and spent in destinations located within Preston's administrative area at 2018 equates to a market share of 42.3%. Again, it is assumed that the future performance of Preston'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 Preston'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 Preston will increase from £657.2m at 2018 to £1,183.8m at 2036.
- 7.4.8 Assuming that the existing comparison retail facilities in Preston are trading 'at equilibrium', we estimate that existing stores attract a total of £657.2m 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 authority area at the base year.
- 7.4.9 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 16³⁴.
- 7.4.10 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 expenditure surplus available to support additional comparison goods floorspace within Preston of £6.0m at 2023, increasing to a more substantial £36.1m at 2028 and £171.8m at 2036. The surplus expenditure available to support additional comparison goods floorspace is summarised in Table 7.5.

³⁴ Table 4b of the Experian Retail Planner Briefing Note 16 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 Preston

Year	Expenditure Drawn from Study Area (A) £m	Turnover of Existing Stores (B) £m	Surplus Expenditure (A-B) £m
2018	657.2	657.2	0.0
2023	748.1	742.1	6.0
2028	879.8	843.7	36.1
2033	1044.7	945.3	99.4
2036	1183.8	1012.0	171.8

Source: Table 30a of Appendix 9

Commitments for New Comparison Goods Floorspace

- 7.4.11 The next stage is to make an allowance for planning commitments for new comparison 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 comparison goods expenditure available in Preston as scheduled³⁵ in Table 29 at Appendix 9.
- 7.4.12 The most notable of which is the floorspace proposed associated with the Cuerden Strategic Site (located within South Ribble’s administrative area), the proposed development at Botany Bay (located within Chorley’s administrative area) and the proposed development at Southgate and Frank Street in Preston associated with new floorspace at Bloomfield Mill.
- 7.4.13 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 Preston together provide an estimated turnover of £70.6m if operational in the 2018 base year.

³⁵ Only commitments providing a total gross retail floorspace of greater than 200 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 Preston £m
Erection of 2no. single-storey buildings to contain 6no. retail units (Class A1, total 4,691 sq. m) including closure of part of Broomfield Mill Street, construction of car park with access from Frank Street (using remaining part of Broomfield Mill Street), service yard with access from Southgate and pedestrian access to Garstang Road.	06/2006/0900	Southgate And, Frank Street, Preston, Lancashire, PR1 1PB	13.9
Reserved matters application (namely access, appearance, landscaping, layout and scale) pursuant to outline planning application 06/2017/1093 for the remodelling of The Range and new standalone retail showroom	06/2018/0138	Queens Retail Park, Queen Street, Preston, PR1 4HZ	3.1
Hybrid planning application for the remodelling of The Range Unit, with demolition, extension and relocation of a garden centre including ancillary café' (full application) and the erection of a new standalone retail showroom (outline application, all matters reserved)	06/2017/1093	Queens Retail Park, Queen Street, Preston, PR1 4HZ	4.5
Outline planning application for retail floorspace (Use Classes A1, A3, A4 & A5), employment floorspace (Use Class B1), hotel (Use Class C1), creche/nursery (Use Class D1) and provision of associated car parking, highways, landscaping, and infrastructure and any ancillary development thereto.	17/00715/OUTMAJ	Land Between M61 Motorway and Leeds And Liverpool Millennium Way Chorley	17.4
Hybrid planning application comprising of Full and Outline development - Environmental Impact Assessment (EIA) development Part 1 FULL - Retail floorspace (Use Classes A1 & A3) and associated car parking, site access, highway works, drainage and strategic landscaping; Part 2 OUT - Employment floorspace (Classes B1, B2 & B8), hotel (Class C1), health and fitness and leisure (Class D2), creche/nursery (Class D1), retail (Classes A1, A2, A3, A4 & A5), car showrooms (Use Class Sui Generis), residential (Classes C2/C3) and provision of associated car parking, access, public open space, landscaping and drainage	07/2017/0211/ORM	Cuerden Strategic Site East of Stanifield Lane, North of Clayton Farm, West of Wigan Road Lostock Lane, Lostock Hall, Preston, Lancashire	31.6
			70.6

Source: Table 29 of Appendix 9

7.4.14 We have had to make an assumption based on the information submitted with the applications with regard to the level of trade which will be drawn from residents in Preston's authority area to the schemes located outside of the administrative area (Botany Bay and Cuerden in particular). These assumptions have been based on the trade draw levels adopted by the planning consultants and accepted by the local authorities in approving the developments.



7.4.15 Full details of the assumptions made in estimating the turnover of commitments are provided in the notes which accompany Table 29 of Appendix 9.

Residual Quantitative Need for Additional Comparison Goods Floorspace

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

7.4.17 A residual comparison goods expenditure deficit of –£70.6m 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 Preston in the short-term and medium-term periods up to 2028. 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 Preston over the longer term, of £63.2m by 2036.

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

Year	Surplus Comparison Goods Expenditure	Turnover of Commitments	Residual Comparison Goods Expenditure (C=A-B)	Floorspace Requirement		
	(A)			(B)	Min	Max
	£m			£m	(C/£5,000 per sq.m)	(C/£3,000 per sq.m)
2018	0.0	70.6	-70.6	-14,100	-23,500	
2023	6.0	79.7	-73.7	-13,000	-21,700	
2028	36.1	90.6	-54.4	-8,500	-14,100	
2033	99.4	101.5	-2.1	-300	-500	
2036	171.8	108.6	63.2	8,200	13,700	

Source: Table 30c at Appendix 9

7.4.18 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. 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).

7.4.19 As discussed, we do not estimate that there will be a comparison goods floorspace requirement until 2036, when a requirement of between 8,200 sq.m and 13,700 sq.m is identified, depending on the format of the floorspace.

- 7.4.20 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 Preston.

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.

Gap Analysis

- 7.5.4 The Driving and Walking Catchments plans at Appendix 10 identify the areas within a 400m and 800m walking distance and a 5km driving catchment of Preston's defined centres and foodstores.
- 7.5.5 The catchment plan for the defined centres shows that the main centre of Preston city centre, along with the defined district and local centres, are all located within and serve the urban area of Preston along with a surrounding rural hinterland. The main area of population within the Preston authority area – the Preston urban area – is therefore immediately served by the existing network of centres, with much of this area within walking distance of a defined centre.
- 7.5.6 There are parts of the urban area that are not within walking distance of a defined centre, most notably the western part of Ashton-on-Ribble, the north-western periphery of the

Preston urban area (focused on Ingol and Tanterton) and the residential areas around 2km to the north and north east of Preston city centre (focused on Home Slack, Nooklands and Cadley).

- 7.5.7 However, we note that Ashton-on-Ribble benefits from good public transport access along Blackpool Road (A5085) to Preston city centre via Blackpool Road/Woodplumpton Road (Lane Ends) local centre. The areas around Home Slack, Nooklands and Cadley also benefit from frequent bus services to Preston city centre via the main radial routes into the centre (i.e. Woodplumpton Road/B6241, the A6 and the B6241/A6063) as well as proximity to out-of-centre retail provision, most notably at Deepdale Retail Park. Cottam district centre is a new centre planned as part of the wider development of the former Cottam Brickworks site and is not yet constructed, and local centre provision is also allocated within the North West Preston Strategic Development Site. Access to the new Cottam district centre will be delivered as part of its development and this new district centre is expected to serve surrounding residents in the north-west of the Preston urban area. The new local centre provision at the North West Preston Strategic Site is intended to directly serve the new population created as a result of substantial new housing growth in this part of the administrative area. These new centres and commercial provision would act to meet the identified qualitative deficiency in this part of Preston.
- 7.5.8 There are a number of small rural settlements in the north and east of the authority area without a defined district or local centre, and which are beyond a 5km driving distance of any of Preston's defined centres. However, substantial retail provision in such locations would not necessarily be appropriate.
- 7.5.9 The foodstore catchment plan at Appendix 10 highlights that the majority of the urban area of Preston benefits from access to smaller foodstores with less than 1,500 sq.m net floorspace. Those parts of the urban area beyond walking distance of a foodstore benefit from good public transport access to provision in the city centre.
- 7.5.10 Residents in the Preston urban area are further served by eight larger foodstores with over 1,500 sq.m of net floorspace which provide good coverage to serve residents across the urban area of Preston and some surrounding rural areas. Larger foodstores offer residents a full and choice range of convenience products. It is notable that all of these larger foodstores are located in the east and south of the Preston urban area and that there are no large foodstores located in the north west of the Preston urban area. However, a supermarket is planned as part of the new Cottam district centre, which will improve access to a full and

choice range of convenience products for residents in this area, and new local centre amenities are also proposed in the North West Preston Strategic Site as part of wider housing growth in this part of the administrative area.

- 7.5.11 Whilst access to foodstores is more limited in the rural north of the Preston administrative area, substantial retail provision in such locations would not be appropriate.
- 7.5.12 Overall, the Driving and Walking Catchments plans at Appendix 10 show that there are no qualitative 'gaps' in the existing network of centres and foodstore that point to a need for additional defined centres or foodstores, beyond the new centre provision allocated under Policies MD1 and MD2 of the Local Plan.

Retailer Representation and Consumer Choice

- 7.5.13 We can see from the findings of the household survey (Table 6 of Appendix 9), that overall the existing foodstores are undertrading. However, there are some which are substantially overtrading including the Morrisons at Mariners Way which is overtrading by £14.2m when compared to the benchmark average, the Aldi at Deepdale Shopping Park which is overtrading by £21.6m and to a lesser extent the Aldi at Corporation Street and the Lidl on West Strand which are overtrading by £6.2m and £5.4m respectively.
- 7.5.14 As set out in detail above, we have not identified any quantitative capacity for additional convenience floorspace across the authority area, once committed convenience floorspace has been taken into account.
- 7.5.15 When reviewing the existing convenience provision across the authority area 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 administrative area. Looking at Zones 1 to 5 in particular, we can see that there is the presence of one or more of the 'big four' in Zones 1 to 3.
- 7.5.16 Looking in more detail and at Zone 1 in the first instance which covers Preston city centre, the offer of stores with a gross floorspace of over 1,000 sq.m is limited to the Aldi on Corporation Street, the Aldi at Queens Retail Park, the Iceland on Market Street, the Lidl on West Strand, the M&S foodhall on Fishergate and the Sainsbury's Local, also on Fishergate. Of these retailers, the only one which comprises a gross floorspace of over 1,500 sq.m are the Lidl and M&S, and none of the existing convenience stores have a floorspace over 2,000 sq.m (gross). We typically consider that it is important for residents to have easy access to a

foodstore with over 1,500 sq.m of net floorspace, which will offer residents a full choice and range of convenience products. We are aware that Iceland opened a Food Warehouse in November 2018 at Queens Retail Park, although this measures approximately 1,022 sq.m (gross) and falls below the large format threshold as mentioned previously. As such, the city centre is lacking in a large foodstore with an offer of this scale.

- 7.5.17 The 2013 Preston City Centre Study did not identify any capacity for additional convenience floorspace. The Study did however identify a qualitative requirement to increase the convenience provision within the city centre in particular, given the below average proportion of convenience goods outlets in the centre. The 2013 Study went on to state that there were retailer requirements from Sainsbury's and Little Waitrose, with the Sainsbury's requirement since having been fulfilled by a new opening of a Sainsbury's Local in the former HSBC bank at Fishergate.
- 7.5.18 The 2018 Association of Convenience Stores Local Shop Report³⁶ has revealed that convenience retailers are countering cost increases in their business by investing in services, opening for longer and employing more people on flexible part time contracts. Convenience store retailers have invested £814m in the last year on improving their stores, extending the range of services available to customers and making their businesses more efficient. Association of Convenience Stores chief executive James Lowman said: "The sector faces challenges, not least rising costs for employing people and doing business, but stores are responding positively, opening for longer, continuing to invest in improving their offer, particularly in refrigeration for chilled foods, and providing a more diverse range of products and services than ever before."
- 7.5.19 However, since the publication of the 2013 Study, there has been a substantial decrease in the development of new larger format foodstores, and instead, operators are contracting their portfolio, and sub-letting unrequired floorspace for concession units within the existing portfolio within the larger stores, for other growth opportunities beyond the core grocery market and to fill the excess existing floorspace. The principal operators still seeking to expand their portfolio are those in the discount market (Lidl and Aldi), which are already present within the administrative area and indeed, an additional Aldi store is coming forward at Eastway Retail Park and at land to the north of Whittingham Road in Preston. However, there is increasing evidence that the discounters' sales growth is slowing³⁷. Colliers reports

³⁶ Source: <https://www.acs.org.uk/node/25>

³⁷ UK Supermarket Investment Report 2016, Prepared by MSCI in association with Colliers International, published March 2017

this slowdown in growth, combined with greater challenges in securing new sites means market share gains for the discounters may begin to plateau.

- 7.5.20 The city centre is well served by discount foodstores, with two Aldi stores in walking distance, and a further Lidl store approximately 800 metres to the east of the bus station. Whilst we acknowledge the previous conclusions reached in respect of a qualitative requirement for a large format foodstore within the city centre, given the current commercial market and retail trends, we do not consider that the allocation of a site to deliver convenience floorspace would represent a realistic or commercially robust option for the short to medium term, particularly given the lack of quantitative need.
- 7.5.21 Elsewhere in the administrative area, we consider that Zone 2 residents to be relatively well served by the Morrisons on Mariners Way, but there is limited provision within the northern half of Zone 2. However, the residential areas within this part of the zone (Ingol and the surroundings) are served to an extent by convenience operators to the east in Fulwood, accessed by the B6241, as is evidenced by the results of household survey which demonstrate that a total of 35.4% of available convenience expenditure generated by residents from Zone 2 is spent at destinations in Zone 3, and particularly the Asda in Fulwood and the Sainsbury's on Flintoff Way. Despite this, and the good vehicular links to Zone 3 from Zone 2, there may be opportunities to increase the main food convenience provision within the northern part of Zone 2 to reduce the distances residents are having to travel to meet their convenience needs. However, it is likely that the future additional provision at the new Cottam district centre will go some way to meet this qualitative requirement for residents in this part of the authority area, and we therefore do not recommend that sites to accommodate new floorspace in Zone 2 are included in the CLLP beyond the allocation of Cottam district centre. Therefore, WYG consider there is no quantitative or qualitative need for the allocation of local centres at Cottam up to 2036 beyond those currently allocated in Policies MD1 (Cottam) and MD2 (North West Preston) of the adopted Preston Local Plan (2012-2026) and further detailed in the adopted North West Preston Masterplan SPD.
- 7.5.22 It is understood from a report by Insider Media Ltd on 6 November 2018 that an infrastructure planning application has been submitted to secure an alternative access into the Cottam Brickworks site. Phase one of the scheme involves the provision of 114 homes and the latest proposals are designed to ensure development can commence in 2019. The delivery of phase two will be more complex and would provide retail and leisure facilities. The applicant hopes to be in a position to start moving forward with further investigation

and design work to determine the commercial viability of the phase two land early in the New Year. The site is being marketed for sale.

Comparison Goods Floorspace

- 7.5.23 Turning to the qualitative need for comparison goods, we focus primarily on Preston city centre, which – as the largest centre in the administrative area and indeed the wider Central Lancashire area – is the most likely centre to attract interest from retail operators and developers. It is important to note that residents of the administrative area are also served by the out of centre provision, and particularly the wide choice of comparison, convenience and leisure operators at Deepdale Retail Park and other destinations.
- 7.5.24 The quantitative assessment identifies that in the short to medium term there is limited capacity for additional comparison floorspace within Preston’s administrative area. There is however a capacity identified within the medium to long term over the plan period.
- 7.5.25 Reflecting the uncertainty in forecasting long-term retail trends and that UK retailing continues to evolve, 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. We therefore do not necessarily consider it appropriate for the Council to allocate additional sites for comparison floorspace across the plan period, beyond those which are identified in the Preston City Centre Plan (2016) and the centres allocated at Cottam and North West Preston in the Preston Local Plan (2015).
- 7.5.26 We consider that the overall national multiple comparison offer within Preston city centre is good, with anchor operators such as Debenhams, Marks and Spencer, TJ Hughes, TK Maxx, Argos and Primark all occupying large units within the city centre and with the exception of M&S are located in the Fishergate Shopping Centre. Other anchor stores in St Georges are New Look, H&M, HMV, Superdrug, River Island, WH Smith and Miss Selfridge. Units occupying the key anchor retailers in the city centre range from between 650sq.m and 6,500 sq.m (gross), with the larger floorplates accommodating the department stores and arranged over a number of floors. Overall, the clothing and footwear provision in the city centre was identified at or above the UK average, along with the proportion of floorspace occupied by



department stores. There is no immediate qualitative requirement to improve the comparison offer within the city centre.

- 7.5.27 However, in terms of resident's responses to the qualitative questions relating to Preston city centre in the household survey, the highest proportion of responses stated that an increased choice and range of shops would encourage them to visit the city centre.
- 7.5.28 The City Centre Plan (2016) recognises the need to plan for modern format units to accommodate the changing retailers' business models to ensure that retailers continue to invest in the city centre in the right type of accommodation. As such, whilst the overall offer of comparison operators appears to be good, it is likely that the current stock is not 'fit for purpose' and existing schemes need to be regenerated or refurbished to ensure that they are retaining existing operators and attracting any potential new operators to the city centre.
- 7.5.29 This, along with the potential for new modern format units to come forward as part of the city centre schemes, will sufficiently meet any identified capacity in the medium term. 7



8.0 Assessment of 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 City's population in relation to the bingo, cinema, ten-pin bowling and health and leisure centre sectors.
- 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 Preston's authority area.
- 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.
- 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.
- 8.1.5 Respondents of the household survey were asked which leisure facilities they would like to see more of in their area. Table 8.1 below sets out the top answers (all those with the proportion of answers above 1.0%) across the Study Area as a whole, the most popular answer was for additional cinema uses (7.4%), followed by additional swimming pool facilities (5.5%). 5.1% of responses also stated that they would like to see more children facilities/activities and 3.2% stated they would like better shopping facilities.



Table 8.1a: Leisure Uses Desired in the Area

Leisure Use	Proportion of Responses
Cinema	7.4%
Swimming pool	5.5%
More children facilities / activities	5.1%
Better shopping facilities	3.2%
Restaurants / cafes	3.0%
Bowling alley	2.7%
More sports facilities (football pitches, tennis courts)	2.6%
Health & fitness (gym)	1.9%
Leisure centre	1.7%
Theatre	1.6%
Bars / pubs	1.5%
Outdoor play areas / park facilities	1.3%
<i>None</i>	63.9%

Question 46 of Household Survey, Appendix 8

8.1.6 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 58.7% of respondents visit), followed by visiting pubs/bars (41.2%), then visiting the cinema (41.1%) and then visiting a theatre/concert hall (28.8%). Just 5.4% of respondents stated that they visit bingo facilities and 4.2% 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 8.2a: Participation Rates Across the Study Area

Leisure Activity	Participation Rate
Health & fitness	25.08%
Restaurant	58.73%
Pub / Bars	41.19%
Cinema	41.07%
Theatre / concert hall	28.82%
Museum / art galleries	21.88%
Leisure centre activities	17.03%
Ten pin bowling	10.12%
Bingo	5.42%
Social club	4.90%
Nightclub	4.23%
<i>(None of these)</i>	<i>17.65%</i>

Question 46 of Household Survey, Appendix 8

8.1.7 Looking at participation rates for residents in Zones 1 to 4 in particular, we can see that the highest rate is to restaurants at over 45% in each case, followed by visiting the cinema, with over 30% in each case. Interestingly, only 17.9% of residents in Zone 1 state that they visit pubs or bars, which may be considered unusual given the level of provision within the city centre.

Table 8.2b: Participation Rates

Leisure Activity	Participation Rate			
	Zone 1	Zone 2	Zone 3	Zone 4
Restaurant	46.47%	55.07%	46.72%	60.01%
Cinema	31.01%	46.88%	30.27%	32.37%
Theatre / concert hall	20.35%	20.01%	23.05%	33.43%
Pub / Bars	17.94%	43.53%	34.65%	45.77%
Museum / art galleries	16.06%	22.60%	18.44%	18.85%
Health & fitness	13.17%	23.21%	23.01%	29.29%
Leisure centre activities	11.80%	20.76%	11.97%	13.43%
Ten pin bowling	7.81%	14.14%	10.52%	7.79%
Bingo	6.95%	13.35%	6.55%	5.65%
Social club	4.46%	5.93%	4.82%	5.61%
<i>(None of these)</i>	<i>21.93%</i>	<i>16.59%</i>	<i>27.87%</i>	<i>11.16%</i>

Question 38 of Household Survey, Appendix 8



8.2 Bingo

8.2.1 Preston’s authority area accommodates two current bingo halls, two of the Club 3000 bingo halls both within the city centre and on the A59 to the east of the city centre. The Club 3000 on New Hall Lane (the A59) attracts the highest proportion of bingo trips within the Study Area as a whole, at 45.7%. The results also record the Gala Bingo on Market Street in Preston which is now closed. This is due to the phrasing of the question which asked ‘where did you last go to...’.

Table 8.3: Market Share of Facilities for Bingo Hall Visits (%)

Zone	Address	Total
3	Club 3000, New Hall Lane, Preston	45.70%
10	Gala Bingo, Market Street, Chorley	10.81%
OSA	Gala Bingo, Ainsworth Street, Blackburn	6.33%
9	Croston Sports Club, Old Emmanuel School, Westhead Road, Croston	5.38%
1	Gala Bingo, Market Street, Preston	4.31%

Source: Question 52 of Household Survey, Appendix 8

Note: ‘OSA’ relates to facilities outside of the Study Area

8.2.2 In terms of residents in Zones 1 to 3 in particular (i.e. those that cover Preston’s authority area) the principal destination for bingo visits by some margin is the Club 3000 on New Hall Lane in Zone 3 which attracts 62.4%, 90.8% and 60.8% of all bingo trips respectively.

8.2.3 Preston City Council local authority area has a total estimated population of 148,523 at 2018, increasing to 151,820 at 2036³⁸. Mintel reports³⁹ 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)⁴⁰, 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 Preston could support 1.2 bingo clubs across the reporting period to 2036. Across the Study Area, the quantitative need findings are that the total population could support 2.6 clubs at 2018, increasing to 2.8 clubs by 2036.

8.2.4 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, the national lottery and an increase in online gambling. Recent reports

³⁸ Population derived from Experian MMG3 2018 data

³⁹ ‘Casinos and Bingo’, Mintel, March 2017

⁴⁰ ‘Population Estimates for UK, England and Wales, Scotland and Northern Ireland: Mid-2015’, Office for National Statistics, June 2016



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, Mintel⁴¹ anticipates that there will be very modest year on year UK market growth of around 1.5% in the short term, with UK 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 UK growth has occurred at a slightly faster rate than previously anticipated which further supports the indications that the industry has begun to stabilise.

8.2.5 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 in the Study Area. There is a lack of commercial desire to open new bingo halls and from a qualitative point of view, the offer within Preston 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 Club 3000 in a suitable and sustainable location.

Table 8.4: Bingo Hall Requirement in Study Area and Preston

Year	Study Area Population	Typical Population Required to Support Hall	Potential Number of Clubs Supported by Study Area	Preston Population	Potential Number of Clubs Supported in Preston
2018	492,765	187,535	2.6	148,523	1.3
2023	501,857	187,535	2.7	149,009	1.3
2028	509,996	187,535	2.7	150,347	1.2
2033	516,213	187,535	2.8	151,424	1.2
2036	519,203	187,535	2.8	151,820	1.2

Note: Number of persons required to support a bingo hall derived from Mintel’s Casinos and Bingo Halls report and ONS population data

8.3 Cinema

8.3.1 As set out below at Table 8.5, the results of the household survey indicate that the Vue Cinema at the Capitol Centre attracts the highest proportion of cinema trips at 29.8%, followed by the Odeon Cinema at Riversway in Preston which attracts 26.1% of all trips. The

⁴¹ ‘Casinos and Bingo’, Mintel, March 2017



Vue cinema offers both 2D and 3D facilities across seven screens and the Odeon offers both 2D and 3D facilities across 10 screens.

8.3.2 In terms of residents in Zones 9 to 13, the principal destination for residents in Zone 9 is the Vue Cinema at Southport (46.8%), also offering both 2D and 3D viewing facilities across eight screens and for residents in Zones 10 to 13, the principal destination for cinema trips is the Vue Cinema at Middlebrook Retail and Leisure Park (60.0%, 69.6%, 62.0% and 93.0% respectively), which provides 2D and 3D viewing facilities across a total of 12 screens.

Table 8.5: Study Area Market Share for Cinema Visits (%)

Zone	Address	Total
7	Vue Cinema, The Capitol Centre, Walton-le-Dale	29.83%
2	Odeon Cinema, Port Way, Riversway, Preston	26.05%
OSA	Vue Cinema, Middlebrook Retail & Leisure Park, The Link Way, Horwich	18.41%
5	The Palace Cinema, Market Place, Longridge	4.44%
OSA	Vue Cinema, Ocean Plaza, Marine Drive, Southport	4.35%

Source: Question 43 of Household Survey, Appendix 8
 Note: 'OSA' relates to facilities outside of the Study Area
 Includes total responses over 1.0%

8.3.3 In terms of residents in Zones 1 to 3 in particular, the principal cinema destination by some margin is the Odeon Cinema on Port Way, Riversway in Zone 2 which attracts 65.0%, 62.2% and 42.2% of all trips respectively. This is followed by the Vue Cinema at the Capitol Centre, located in Zone 7 just outside of Preston’s administrative area in South Ribble.

8.3.4 It is important to note that the Flower Bowl opened in August 2018 (subsequent to the completion of the household survey), which provides a new cinema facility approximately 20-minute drive to the north of Preston city centre. The Flower Bowl Entertainment Facility provides three new cinema screens, with sofa seating offering a qualitative different offer to the traditional cinemas across the Study Area. We therefore envisage that the Flower Bowl cinema facility is likely to attract some of the trips away from the existing cinemas, although given its size and qualitative different format, it is difficult to determine precisely the impact of the new facility will have on the existing provision.

8.3.5 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 2011⁴². The market was expected to return to growth and admissions for 2015 were

⁴² 'Cinemas', Mintel, November 2014



estimated to be 173 million, with Mintel⁴³ forecasting an increase in admissions to 175 million in 2020. This forecast is maintained in the most recent Mintel⁴⁴ report which goes on to forecast a further increase of admissions to 178 million in 2022.

- 8.3.6 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.
- 8.3.7 Once again, we estimate that the Study Area has a total estimated population of 492,765 at 2018, increasing to 519,203 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.
- 8.3.8 Based on the above, Table 8.6a below calculates that the population in the study area could support 31.0 screens at 2018, rising to 32.7 screens by 2036. Table 8.6b then provides a calculation as to the level of screens which could be supported by the population in the authority area alone. Based on the calculations above, the level of screens which could be supported by the population in the Borough only is 9.3 at 2018, increasing to 9.5 by 2036.

Table 8.6a: 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	492,765	2.7	1,330,466	42,927	31.0
2023	501,857	2.7	1,355,014	42,927	31.6
2028	509,996	2.7	1,376,989	42,927	32.1
2033	516,213	2.7	1,393,775	42,927	32.5
2036	519,203	2.7	1,401,848	42,927	32.7

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

⁴³ 'Cinemas', Mintel, November 2015

⁴⁴ 'Cinemas', Mintel, November 2017



Table 8.6b: Cinema Screen Requirement in Preston

Year	Preston Population	Number of Cinema Visits Per Person	Attendance	Number of Admissions Required to Support Screen	Screens Supported
2018	148,523	2.7	401,012	42,927	9.3
2023	149,009	2.7	402,324	42,927	9.4
2028	150,347	2.7	405,937	42,927	9.5
2033	151,424	2.7	408,845	42,927	9.5
2036	151,820	2.7	409,914	42,927	9.5

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

- 8.3.9 We note that an independent cinema provision report was produced on behalf of Preston Council in September 2014 by dcinex to explore options to regenerate the city centre with a particular focus on a cinema-led redevelopment scheme, which should be read alongside the WYG Study. The idea of which was to encourage increased dwell-times from visitors to the city centre and discourage visitors from attending a show at, for example the Guildhall, and immediately vacating the centre. The report, which is a more complex assessment of the viability of a cinema scheme within the city centre, concluded that a new multiplex of any size in the city centre would impact positively on admissions within the Preston catchment, and that the future of a scheme would ultimately lie with the ‘will’ of the local authority to stimulate one part of the city or indeed the appetite for any of the significant landowners to progress with a leisure scheme.
- 8.3.10 The existing cinema provision within Preston comprises the Odeon on Port Way at Riversway in Zone 2 which consists of 10 screens in total and the Vue cinema at the Capitol Centre in Zone 7 which accommodates seven screens. A new premium three screen cinema venue with sofa style seating opened in August 2018 just outside the Preston administrative area, within Zone 15 (Wyre) of the Study Area, off the A6, located between Bilsborrow and Catterall. Our calculations set out in detail in the Study demonstrate that based on the authority’s population alone, the provision within Preston (comprising the Odeon at Port Way and the Vue at the Capitol Centre) meets the identified need. Furthermore, a brand-new facility is now open at the Flower Bowl Entertainment Complex near Brock in Wyre’s administrative area, which will also be serving Preston’s residents, along with existing facilities within South Ribble.
- 8.3.11 However, given that the city centre serves a catchment wider than the population within Preston’s administrative area alone, it is important that the leisure provision also serves that

wider catchment. On this basis, given the current deficiency of a cinema scheme within the city centre, and the wider benefits this could bring to the city centre as a whole, we agree with the previous recommendations that there is a qualitative need for additional screens.

8.3.12 A new cinema scheme is being brought forward at the former market site in Preston city centre. The new Light cinema is set to house eleven screens on the former market site, with associated 'family' restaurant units, a new multi-storey car park and public realm improvements. A new cinema within the city centre will attract residents into the centre, whilst seeking to encourage increased dwell time in visiting the surrounding restaurants. Any scheme in an alternative edge or out of centre location for the nature of uses which could impact on the progression or success of the development at the former markets site should be restricted in accordance with national planning policy. The mixed-use scheme would bring substantial benefits to the city centre and should continue to be fully supported by local policy moving forward.

8.3.13 Therefore, WYG find that the provision of a cinema in the city centre would contribute to addressing qualitative need for a city centre cinema, particularly as part of a mixed-use scheme. This would help to balance out existing out-of-centre cinema provision in respect of encouraging sustainable travel patterns to a highly accessible site, generating linked trips within the city centre e.g. to food and beverage units, increasing customer choice, dwell time, the diversity of uses in the city centre and the diversity of the city centre evening economy.

8.4 Ten Pin Bowling

8.4.1 The most popular ten pin bowling facility in the Study Area at the time of the household survey, which was undertaken in July and August 2018, was the MFA Bowl on Greenbank Street in Preston, which attracted 33.1% of all ten pin bowling trips from residents across the 16 zones. Also, within Preston city centre is Level on Lancaster Road, which attracted 18.8% of all ten pin bowling trips in the Study Area. Looking at residents in Zones 1 to 3, the MFA Bowl was the principal destination, followed by Level. The MFA Bowl was also an important ten pin bowling facility for residents in Zones 4, 5, 6 and 7.

8.4.2 However, it is noted that MFA Bowl in Preston closed in February 2019, and the market share of the remaining bowling facilities in and near to the Study Area will therefore have changed significantly since the household survey was completed.



Table 8.7: Study Area Market Share for Ten Pin Bowling Visits (%)

Zone	Address	Total
1	MFA Bowl, Greenbank Street, Preston	33.07%
OSA	Hollywood Bowl, Middlebrook Retail & Leisure Park, The Linkway, Horwich	29.37%
1	Level, Lancaster Road, Preston	18.76%
OSA	Premier Bowl & Laser, Ocean Plaza, Marine Drive, Southport	10.07%

Source: Question 46 of Household Survey, Appendix 8. 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.

- 8.4.3 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 Mintel⁴⁵ forecasting modest UK market growth equivalent to approximately 6% per annum between 2016 and 2020, slowing in 2020 to approximately 3% growth.
- 8.4.4 An alternative business model has recently developed for smaller-scale in-centre 'boutique' bowling facilities, with a greater focus on food and beverage as a fashionable alternative to the traditional family orientated bowling experience. These facilities are typically orientated more towards adults only, with cocktail bars and lounge facilities available. 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+.
- 8.4.5 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 million⁴⁶, this equates to one lane for every 12,630 persons. Based on the estimated population within the Study Area, our assessment indicates that 39.0 lanes could be supported at 2018, increasing to 41.1 lanes at

⁴⁵ 'Tenpin Bowling', Mintel, May 2017

⁴⁶ 'Population Estimates for UK, England and Wales, Scotland and Northern Ireland: Mid-2014', Office for National Statistics, June 2015



2036. Within Preston, the identified need equates to 11.8 lanes at 2018, increasing to 12.0 lanes at 2036.

Table 8.8: Ten Pin Bowling Requirement in Study Area and Preston

Year	Study Area Population	Typical Population Required to Support One Ten Pin Lane	Potential Number of Ten Pin Lanes Supported in Study Area	Preston Population	Potential Number of Ten Pin Lanes Supported in Preston
2018	492,765	12,630	39.0	148,523	11.8
2023	501,857	12,630	39.7	149,009	11.8
2028	509,996	12,630	40.4	150,347	11.9
2033	516,213	12630	40.9	151,424	12.0
2036	519,203	12,630	41.1	151,820	12.0

Note: Typical number of persons required to support a bowling lane derived from Mintel Tenpin Bowling report of May 2017

- 8.4.6 Level in Preston city centre provides eight bowling lanes and, prior to its closure, MFA Bowl provided 24 lanes. At the time of the household survey, Preston was therefore relatively well served by ten pin bowling facilities. Indeed, the subsequent closure of MFA Bowl potentially reflects of an over-provision of bowling facilities in Preston. The remaining facility in Preston, Level, opened in late 2017 and has a range of leisure facilities all within one building, providing an important Class D2 facility for residents and visitors within the city centre. Level aims to cater for all ages and abilities including both children/families and adults/groups of friends.
- 8.4.7 The findings in Table 8.7 above, which estimates that the population of Preston could support 12 bowling lanes up to 2036, suggest that once a deduction is made to account for the existing eight bowling lanes in Preston at Level, the population of Preston could support an additional four bowling lanes up to 2036.
- 8.4.8 We have not therefore identified any substantial quantitative requirement for additional ten pin bowling facilities within the administrative area, and consider Preston’s current facility to appropriately meet the residents’ needs and the needs of visitors from outside of the administrative area. Furthermore, we consider that the provision at The Flower Bowl, whilst located outside of Preston’s administrative area, also provides additional facilities in proximity to Preston.



8.4.9 Nevertheless, the capacity for an additional four bowling lanes up to 2036 suggested by our assessment would be sufficient to support a small-scale 'boutique' bowling facility in Preston city centre, and there may be an opportunity to attract this type of operator to Preston dependent on market appetite. Such a use could benefit the city centre and claw back some of the bowling expenditure which is being lost to destinations outside of Preston. However, given the relatively small scale of such a facility and market dependent requirement, we do not consider it beneficial that the Council allocate a site for such a use.

8.5 Health and Fitness Centres

8.5.1 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. Mintel⁴⁷ records that, at September 2017, 32% of adults in the UK 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.

8.5.2 Mintel⁴⁸ forecasts indicate that the UK 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 in the UK. Mintel also notes that, whilst only 12% of UK 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 in the UK 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.

8.5.3 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 established key players. Mintel indicates that the market has expanded significantly with a shift towards budget operators bringing possibilities for more convenient access and

⁴⁷ 'Leisure Centres and Swimming Pools', Mintel, September 2017

⁴⁸ 'Health and Fitness Clubs', Mintel, July 2017

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.

- 8.5.4 The latest in-depth survey of the UK fitness club market entitled 'Project Fitness UK 2018' published by Allegra Strategies, estimates that the UK fitness club market is expected to continue to grow and indeed, be the fastest growing business sector. The report identifies there to be opportunities in high street locations due to closures of other retail and leisure operations, but that increased competition from the range of choice of private sector operators will continue to put pressure on the public sector offer.
- 8.5.5 The private health and fitness clubs typically seek premises between 10,000 sq.ft (929 sq.m) for the low cost, budget style of facilities such as Pure Gym, The Gym, Energie Fitness, Xercise4less, Lifestyle Fitness and Sports Direct Fitness, to upwards of 80,000 sq.ft (7,432 sq.m) for the higher end, premium facilities such as Nuffield Health, David Lloyd, Bannatyne and Virgin Active.
- 8.5.6 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 principal destination for residents within the Study Area is the Fulwood Leisure Centre located in Zone 3, which attracts 7.4% of all trips, followed by the All Seasons Leisure Centre in Chorley in Zone 10, which attracts 6.6% of all trips.
- 8.5.7 In terms of residents in Zones 1 to 3 in particular, the principal destination for Zone 1 residents is the Total Fitness in Preston city centre (25.3%), for Zone 2 residents it is the Fulwood Leisure Centre in Zone 2 (39.8%) and for Zone 3 residents it is the Fulwood Leisure Centre (23.6%) closely followed by the West View Leisure Centre on Ribbleton Lane in Preston (23.2%) both located in Zone 3.



Table 8.9: Study Area Market Share of Trips to Health and Fitness Centres (%)

Zone	Address	Total
3	Fulwood Leisure Centre, Black Bull Lane, Fulwood, Preston	7.43%
10	All Seasons Leisure Centre (Active Nation), Water Street, Chorley	6.59%
8	Leyland Leisure Centre, Lancastergate, Leyland	4.65%
1	Total Fitness, West Strand Road, Preston	4.47%
7	Bamber Bridge Leisure Centre, Brindle Road, Bamber Bridge	4.43%
3	West View Leisure Centre, Ribbleton Lane, Preston	4.20%
7	Nuffield Health Fitness & Wellbeing Gym, Capitol Centre, Walton-le-Dale	3.66%
12	David Lloyd, Moss Lane, Whittle-le-Woods, Chorley	3.42%
6	Penwortham Leisure Centre, Crow Hills Road, Penwortham	3.17%
8	Gymetc, King Street, Leyland	3.10%
14	Ribby Hall Village Health Club and Gym, Ribby Road, Ribby, Kirkham	2.93%
3	GymWorks, Pittman Way, Fulwood, Preston	2.70%
4	Preston Marriott Leisure Club, Garstang Road, Broughton, Preston	2.33%
2	DW Sports Fitness, Port Way, Riverside, Preston	2.14%

Source: Question 48 of Household Survey, Appendix 8. 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

- 8.5.8 The overall offer within Preston’s administrative area appears to be good, with a range of private and public sector facilities available to the residents of Preston and further afield.
- 8.5.9 The existing facilities provide a range of amenities including public swimming pools, gyms, indoor and outdoor sports facilities and wider classes and ancillary facilities (Cafes etc). Looking at Fulwood Leisure Centre which attracts the highest proportion of trips across the whole Study Area, over £0.7m has recently been invested in the centre, providing refurbished facilities and a wide range of classes for both adults and children. The centre is accessible to all and provides direct and level car parking, which is clearly an attraction for residents. The principal private gym is the Total Fitness at West Strand Road, which offers a qualitatively different provision to Fulwood Leisure Centre but also in an accessible location with adjacent car parking. DW Sports is located approximately 200 metres to the west, offering a similar provision.
- 8.5.10 Within the city centre, the JD Gym on the A59 to the north of the Guild Hall provides a facility for local residents and workers, along with a more affordable facility at PureGym on



Southgate to the north of the city centre on the A6. Whilst there are no public leisure facilities within the city centre, it is considered to be well catered for on the whole, with a range of facilities located either within the city centre or in accessible locations.

- 8.5.11 National multiple fitness operators typically occupy modern, large format units both on high streets and on standalone retail parks. Whilst we do not recommend that the Council allocates specific sites within the defined centres to accommodate such uses, proposals for new health and fitness clubs should be supported by the Council subject to the relevant policy tests and in particular, the potential implications new operations could have on the public sector leisure facilities within the Borough.
- 8.5.12 In terms of private national multiple health and fitness clubs within the city centre, we are aware of the JD Gym located on Market Street and the DW Sports located on Port Way. Furthermore, a Pure Gym is located to the north on Southgate. Given the overall qualitative offer of private sector national multiple brands, there may be a market for additional private national multiple gym operators to enter the market in Preston, to provide additional choice to residents but again this will be dependent on operator demand. This qualitative requirement is likely to be directed towards the city centre, given the wider catchment and accessibility, which will meet the commercial requirements of national multiple gym operators. Indeed, additional health and fitness facilities within the city centre will bring additional opportunities for linked-trips and increase dwell time of those already visiting the city centre for shopping, leisure or work reasons.
- 8.5.13 Reviewing therequirementlist.com, which is an online resource connecting commercial occupiers to the property industry through commercial agents and operators, Snap Fitness has a current requirement for a new facility within Preston, seeking between 4,000 sq.ft and 10,000 sq.ft of Class D2 space, either within or on the edge of the city centre, subject to good visibility and accessible parking.

8.6 Food and Drink

- 8.6.1 Consumer spending on eating out through visits to restaurants and takeaways is recognised as a sector which has performed well during the economic downturn. Mintel⁴⁹ 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%

⁴⁹ 'Eating Out Review', Mintel, Sep 2017

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.

- 8.6.2 A recent report by Savills⁵⁰ 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.
- 8.6.3 Indeed, there has been a recent opening of a Caribbean cuisine restaurant at the Flag Market in Preston and there is a Caribbean cuisine hot food take away or eat in option food stall within the glazed enclosure of Preston Market. This reflects both national trends and Caribbean culture in Preston, which holds an annual Preston Caribbean Carnival in the city centre. Preston carnival is the largest and longest running cultural celebration in Preston outside of the Preston Guild, attracting tens of thousands of visitors each year. Preston carnival has been held annually for over 40 years.
- 8.6.4 Authentic regional flavoured street food by independent operators is another modern trend in the restaurant, markets, food hall, retail and hot food takeaway sectors, with a street food outlet having recently opened at Fishergate in Preston and Preston Markets providing numerous grab and go options. The Grocer reports the street food market is forecast to reach £1.2bn in 2018, up 9.1% from 2017.⁵¹ That is comfortably outstripping the percentage growth seen in fast food, albeit from a smaller base. Restaurants joining this trend include Dishoom, Wahaca and Masala Zone. Schwartz, Rubicon and Street Delights are among the retail brands to have brought out products that aim to replicate the street food experience at home. Iceland has introduced a Mumbai and a Mexican street food range.

⁵⁰ Casual Dining in the UK, Savills, June 2016

⁵¹ <https://www.thegrocer.co.uk/reports/digital-features/street-food-the-new-trends-shaping-foodie-culture/571368.article>



- 8.6.5 Despite significant pub closures in recent years, there is reason for optimism within the licensed premises sector. The Cask Report⁵² 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 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 years⁵³. 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.
- 8.6.6 Looking specifically at Preston’s pub openings, the CAMRA website references⁵⁴ a number of new openings across the administrative area, including the Otter’s Pocket, Plau, Bistrot Pierre, Plug & Taps and Orchard all within 2018.

Table 8.10: Study Area Market Share of Trips to Restaurants (%)

Zone	Address	Total
1	Preston City Centre	23.04%
10	Chorley Town Centre	8.60%
8	Leyland Town Centre	4.56%
OSA	Manchester City Centre	3.56%
5	Longridge Town Centre	3.37%
OSA	Other, OSA	2.93%
OSA	Blackburn Town Centre	2.92%
OSA	Middlebrook Retail & Leisure Park, Horwich, Bolton	2.38%
OSA	Lytham Town Centre	2.28%

Source: Question 44 of Household Survey, Appendix 8. 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

- 8.6.7 In terms of the existing food and drink provision within the defined centres, the most popular destination for restaurant trips is Preston city centre which attracts 23.0% of trips, followed by Chorley town centre which attracts 8.6%. Outside of the Study Area, Manchester city centre attracts 3.6% of the trips from residents in the Study Area.

⁵² 'Pub Visiting' Mintel, May 2017

⁵³ 'The Cask Report 2015-16', Cask Matters, September 2015

⁵⁴ <https://centrallancs.camra.org.uk/viewnode.php?id=26363>



8.6.8 Looking at the proportion of trips to out of centre destinations, 1.7% of the Study Area residents travel to Deepdale Shopping Park to meet their restaurant requirements and 0.8% travel to Capitol Retail Park. These out of centre retail parks include a provision of national multiple casual dining options as part of their wider commercial offer, often increasing dwell time at these destinations.

8.6.9 Looking in particular at residents from Zones 1, 2 and 3, over 50% of residents in each case choose Preston city centre to travel to dine in a restaurant. For residents in Zone 1, 9.2% travel to Blackpool town centre and 4.8% travel to Blackburn town centre. Residents in Zone 2 travel to Deepdale Shopping Park (8.9%) and residents in Zone 3 travel to Deepdale (7.1%) followed by Fulwood town centre (5.0%). As such, there appears to be an opportunity to draw residents of Zones 1, 2 and 3 back into Preston city centre to meet their dining requirements to increase the draw of Preston city centre. In addition, a total of 8.9% of Zone 2 residents and 7.1% of Zone 3 residents choose Deepdale Shopping Park to dine in a restaurant.

Table 8.11: Study Area Market Share of Trips to Bars/Pubs and Nightclubs (%)

Zone	Address	Total
1	Preston City Centre	28.94%
10	Chorley Town Centre	12.98%
8	Leyland Town Centre	5.93%
6	Penwortham District Centre	3.94%
OSA	Manchester City Centre	3.19%
5	Longridge Town Centre	2.87%
15	Garstang Town Centre	2.78%
OSA	Blackburn Town Centre	2.37%
11	Buckshaw Village District Centre, Euxton	2.05%

Source: Question 42 of Household Survey, Appendix 8. 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

8.6.10 The city centre's overall offer of national multiple restaurant operators is relatively low when considered alongside other centres of a similar nature and scale, with existing operators comprising Nando's, Pizza Express and Turtle Bay, alongside a range of national multiple public houses such as Yate's and Wetherspoons. However, the higher end restaurant provision is good and improving, with operators such as We Don't Give a Fork, Fino and Otter's Pocket (due to open shortly) all improving Preston's leisure offer.



- 8.6.11 Based on the above, it is apparent that there is a market to improve the qualitative national multiple family-restaurant offer within the city centre, through the provision of opportunities for operators such as Wagamamas, the Lounges, Strada, Zizzi, Dishoom, the Cosy Club and Wahaca. The types and nature of national multiple restaurant operators would need to be explored further with commercial agents but the increase in provision within the city centre will go some way to ensuring that residents continue to travel to the city centre to meet these needs instead of other competing destinations, and particularly Deepdale Shopping Park which has an existing family-orientate restaurant offer.
- 8.6.12 Looking at the city centre's café offer (Class A3), a total of 32 of the 189 units in leisure service use are occupied by café operators, or 4.5% of the total commercial units within the centre. This is broadly consistent with the UK average at 4.6%, indicating that the centre has a typical provision of café operators. Looking in particular at the range of operators and proportion of national multiples, we can see that eight of the café units are occupied by national multiples, comprising two Café Nero stores, three Costa Coffee stores and three Starbucks. The other café units are occupied by local independent traders, providing a qualitative range of provision across the centre. We consider the Class A3 (café) uses to be appropriate for a centre of Preston's size and nature.
- 8.6.13 Turning to Class A4 Uses within Preston, there are a range of bars and public houses, as identified above, there have been a range of new openings of pubs in particular over the last 12-24 months, and a total of 47 units are occupied by such operators. In terms of national averages, both the proportion of bars & wine bars and public houses falls above the national average, indicating that Preston's overall offer is good. Reviewing the nature of the operators, there appears to be a mix of high and low end, albeit a focus more on the lower end. There may be qualitative opportunities to attract higher end pubs or bars, dependent on market appetite.
- 8.6.14 We note that the new leisure development at the former market site will assist to provide space for national multiples, and we consider this to be extremely important in meeting the qualitative deficiency within the city centre. An increased offer and choice of family orientated restaurants will assist in drawing residents and visitors into the city centre, and again increase the dwell time. Furthermore, the wider allocations within the City Centre Plan also include provision for additional Class A3, A4 and A5 Uses, particularly within the Winkley Square, City Centre North, Stoneygate and Horrocks Quarter sites. Such uses could benefit the city centre and claw back some of the leisure expenditure which is being lost to destinations outside of Preston.



8.7 Other Leisure Uses

- 8.7.1 In recent years, the presence of leisure facilities such as trampolining centres, climbing walls and soft-play centres have increased substantially across the UK.
- 8.7.2 In an increasingly competitive retail environment, centres are seeking more adventurous and exciting leisure operators to provide differentiation and draw consumers in.
- 8.7.3 Trampoline parks for example, offer a broad range of activities, from children's parties, fitness classes, corporate team building activities, to toddler sessions, 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.
- 8.7.4 As is the case in Preston, these sport and indoor entertainment 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, such as the Energi trampoline venue at Queens Retail Park, Rascals children's soft play venue adjacent to the Capitol Centre, ClipNClimb at Redscar in Preston and Boulder UK at Walton Summit in Bamber Bridge in South Ribble. There is also an indoor climbing wall at West View Leisure Centre in Preston.
- 8.7.5 Whilst it is acknowledged that sites in prime locations with high footfall will be likely to continue to prosper, the experience side of leisure, such as crazy golf, table tennis and escape rooms, are all important leisure elements which draw visitors into a centre, thereby encouraging dwell time and spin off trips to food and beverage outlets and / or shops. Whilst typically aimed at the younger generation, they do offer an experience which can ensure a centre stands out and provides something which is qualitatively different. There may be additional opportunities in Preston city centre in particular to improve the experience leisure offer, providing opportunities and a qualitatively different experience to out of centre destinations and other competing destinations outside of the administrative area. Such uses again will assist in increasing the dwell-time and night time economy, generating in-centre linked trips beyond that which is already present in the city centre. Indeed, modern experiential leisure business models often integrate a food and beverage offer within the same unit / complex, for example, Junk Yard Golf, Treetop Adventure Golf and Dog Bowl (boutique ten-pin bowling venue with cocktail bar and restaurant), all in Manchester City



Centre. One key aspiration from the City Centre Plan is to provide other options for families and older residents, so as to diversify the groups of people visiting the centre in the evening.

Table 8.12: Study Area Market Share of Trips Art / Culture Activities (%)

Zone	Address	Total
OSA	Manchester City Centre	31.49%
1	Preston City Centre	25.07%
OSA	London	7.83%
OSA	Liverpool City Centre	7.61%
10	Chorley Town Centre	3.44%

Source: Question 45 of Household Survey, Appendix 8. 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

8.7.6 In terms of major city centre cultural facilities in addition to the previously mentioned Harris, Preston Guild Hall and Charter Theatre accommodates a 2750 capacity concert hall and 716 capacity theatre. Cultural uses in Preston city centre have an import role to play in offering diversity in the range of activities available for leisure visits to the city centre. In 2014 the Council published its Cultural Framework to provide the context for the development of culture in Preston.

8.7.7 The Cultural Framework for Preston 2014 to 2018 recognises the importance that culture plays in people’s everyday lives and the development of Preston as a key cultural centre in Lancashire. The vision of the Cultural Framework for Preston for 2018, is that Preston is recognised as a major centre for culture in the North West, with a thriving creative sector, where everyone has opportunities to be inspired by and participate in arts and heritage and to have joyful experiences which reinforce the spirit of the Guild City. The Cultural Framework notes that the Preston Guild 2012 attracted 4.8 million visits and participants to activities over the year. The goals of the Cultural Framework of Preston City Council are: -

1. Quality: Aspire to achieve quality and excellence in the cultural life of Preston;
2. Participation and Inclusion: More people are involved in cultural activities as audiences, participants and creative producers;
3. Supporting Creativity: Creative people and groups thrive in Preston; and
4. Preston as a Cultural Centre: Preston is recognised as the cultural hub of Central Lancashire



- 8.7.8 Investor and operator interest in leisure and tourism development in Preston is evident in recent development activity by the new opening of the Imperial Banqueting Suite (a large-scale wedding, conference and function venue), the Shankly Hotel due to open at the former Post Office in summer 2019 and in that the cinema and leisure scheme at the market continues to progress.

9.0 Summary of Findings and Recommendations

9.1 Introduction

- 9.1.1 This Retail and Leisure Study has been undertaken to establish current provision and future needs in the retail and commercial leisure sectors within Preston over the plan period. The Council's previous evidence base in respect of retail and leisure needs was published in 2013, specifically focusing on the city centre, and previous to that in 2010 in the Central Lancashire Retail Study. Given the time that has elapsed since the previous study was produced, it was considered appropriate to undertake an entirely new study.
- 9.1.2 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 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.
- 9.1.3 Preston has a series of up-to-date policies and strategic guidance to help realise the overall aspirations to improve centres and particularly Preston city centre. Furthermore, there is a Local Plan target to produce a joint Central Lancashire Local Plan by the end of 2020, with submission at the end of 2019.
- 9.1.4 Preston has seen the delivery of a number of key redevelopment schemes within the city centre, including the prize winning markets site, Level leisure, food and beverage complex at the Guild Hall, the refurbishment of the Listed bus station and multi-storey car park. In developing the city centre, a range of activities are being undertaken to develop and implement city-wide schemes, for example, completing complementary public realm schemes, progressing an office business case (Altus office scheme), developing key leisure schemes (cinema / leisure complex), progressing masterplans (Stoneygate) and promoting marketing collateral (Harris Museum and Art Gallery).
- 9.1.5 However, ensuring that ongoing investment and future schemes are realised, including City Deal projects in Preston city centre, the Preston Guild City projects and the delivery of the emerging Stoneygate Masterplan, are also key to maintaining the vitality and viability of the city centre and attracting residents, employees, students and visitors into the city, must be the key priority moving forward. Such projects include: -



- **Markets Quarter** – The £50 million scheme has so far delivered a new indoor market hall and resurfacing works under the restored 1875 Covered Market canopy and a Box Market under the restored 1920s Fish Market canopy. A cinema led leisure scheme with restaurants will be built next to the new market hall on the site of the existing indoor market, with demolition works due to commence for development in 2019. Work on the scheme and replacement multi-storey car park continues between Muse Developments, Preston City Council and Lancashire County Council. The new market facilities won the RTPI Regional Awards for Planning Excellence in 2018 in the category of creating economically successful places. The new market facilities contain a good quality food offer alongside traditional market stalls within a contemporary glazed enclosure of some 1,200sq.m. in the central portion of the main canopy;
- **Preston railway station** – A £1.5 million upgrade of the station is currently taking place with a new station entrance and concourse. Further investment includes the electrification of the Preston to Manchester via Bolton line and the proposed HS2 Hub Station.
- **UCLAN's Campus Masterplan** – Launched in November 2015, it will guide the evolution of the Campus over the next decade through the investment of £200 million in facilities and the integration of the campus into the rest of the city including new public realm at the Adelphi roundabout. Investments include the £30 million new Engineering Innovation Centre, which is due to be completed and open in 2019 and faces the proposed new public square. The planning application for the new public square, student support centre and remodelling of the highway around the Adelphi roundabout was granted planning permission in January 2018. Work is programmed to start later in 2018.
- **City Centre Public Realm** - Winckley Square Gardens has Green Flag Award status and retains Green Heritage Site Accreditation for the management of the historic gardens. A £1.2m 'sympathetic restoration' of Winckley Square Gardens was completed in winter 2016, backed by the Heritage Lottery Fund. The HLF funded public realm improvements on Cannon Street have recently been completed. Work begins in January 2019 on the Fishergate Phase 3 public realm improvements. This latest stage includes sections of Lancaster Road, Jacson Street, Lord Street and a section of Tithebarn Street. It links to the recent previous public realm improvement work on Fishergate and Church Street, and will be done in a similar style.
- **The Former Post Office Building** - The conversion of the Grade II Listed former Post Office building at Birley Street to a 60-bedroom hotel, restaurant, spa, conference



centre and wedding venue began in Autumn 2017 and has full planning permission. The owners and operators, Signature Living, aim to open the venue soon.

- **Preston Bus Station** - The first major stage of redevelopment work at Preston Bus Station (refurbishment of the bus station and multi-storey car park) was completed in summer 2018. A new public space will be created on the former bus apron, which will include outdoor seating and will improve access to and from the bus station.
- **Harris Art Gallery, Museum and Library Re-Imagining** – A project to re-imagine the Harris art gallery, museum and library, a major landmark fronting the Flag market, is underway. The Harris continues to deliver a range of incremental improvements within the building to improve the customer experience. The team are working closely with colleagues at Preston City Council and Lancashire County Council to take the capital redevelopment of the Harris to the next stage. This will involve a bid for significant funding to the Heritage Lottery Fund as well as working with a range of other funders and stakeholders. The Grade I Listed Harris venue, which receives almost 1000 daily visits⁵⁵, is seeking to create the first blended museum, art gallery and library in the UK⁵⁶.
- **Stoneygate** – A masterplan will define a housing-led mixed-use development area located to the south and east side of Preston city centre.
- **Harris Quarter Public Realm Masterplan** – A co-ordinated programme of public works to link developments to the rest of the city centre and create a sense of place for the Harris Quarter.
- **ALTUS landmark Grade A office development** - proposes approximately 32,000sq.m. of offices with 1,953sq.m. of A1-A5 use at ground floor level, to be situated on the Corporation Street / Ringway junction in the City Centre in the Corporation Street area. There is landowner interest in the provision of this scheme but as yet no related planning application has been submitted. A brochure has been produced to attract operator interest.
- **Preston City Centre Health Hub** – Plans to develop a Health Hub are in the early stages of development. The Council owned land to the rear of Princes Buildings has been identified as a potential site. The scheme would see out-patient services from Royal Preston Hospital delivered in a community setting along with relocated GP practices, offices and new housing. The City Council is looking to put together a funding package with partners to explore options for its development and delivery

⁵⁵ <http://www.harrismuseum.org.uk/about-us>

⁵⁶ The Harris, Extract from Interpretive Strategy and Design Report, August 2018, Leach Studio, available via the outline plans at: <http://www.harrismuseum.org.uk/about-us>

within the framework of the One Public Estate programme with the Local Government Association and the Ministry for Housing, Communities and Local Government.

- 9.1.6 As we set out in more detail below, the latest evidence in this Study can be used to further encourage the allocation of commercial sites within Preston via the Central Lancashire Local Plan and particularly in the city centre to deliver new floorspace, to seek to draw back expenditure, to encourage extended visits to the defined centres and to attract investment into Preston.
- 9.1.7 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 health check 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.
- 9.1.8 The adopted Local Plan seeks to protect the hierarchy of centres within Preston and deliver a range of opportunity areas within the city centre. The findings of this Study will support the delivery of these opportunity areas and provide the Council with sufficient evidence to justify the protection of the centres moving forward, in controlling future out of centre development which competes directly with the health of the city centre and the local centres and which will compete with the proposed district and local centres at Cottam and North West Preston respectively.
- 9.1.9 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.
- 9.1.10 We start this section by assessing the key findings in respect of retail need within Preston, having regard to the current market share claimed by destinations in the administrative area but also specifically within the city centre. We then turn to consider how Preston 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.

- 9.1.11 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.
- 9.1.12 The national policy position has informed the Study and its requirements which, where relevant, are considered in relation to Preston's administrative area below.



9.2 Key Findings: Quantitative Need

- 9.2.1 Section 7.0 of the Study sets out the full assessment of the quantitative capacity for additional floorspace in Preston 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.
- 9.2.2 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.
- 9.2.3 Based on the current retention rates within Preston, we do not identify a quantitative requirement for any additional convenience goods floorspace within Preston’s catchment up to 2036 once existing commitments are considered.
- 9.2.4 In terms of comparison goods floorspace requirements, again based on a constant market share across the authority area, we identify that by 2028, there will not be any surplus for additional comparison goods floorspace within the Borough. However, in the longer term, we have identified a requirement for between 8,200 and 13,700 sq.m by 2036. However, these longer-term quantitative need figures should be treated with caution.
- 9.2.5 The City Centre Plan (2016) sets out a series of objectives, one of which is to expand, improve and enhance the shopping experience in the city centre, strengthening its position as a main shopping destination in Lancashire and improve the city’s position in the retail rankings. The City Centre Plan goes on to acknowledge at paragraph 4.18 that:

‘...the vacancy rate is high and whilst many of these units are small, outdated and are situated on the periphery of the city centre core, it is a sign of the challenging times facing retailers. The retailer environment is increasingly ‘multichannel’, with shoppers no longer simply purchasing goods in-store and there now exists more options for purchasing goods



than there has ever been. Retailers are responding to these challenges by adapting the way they communicate with customers and consolidating or changing the format of their retail floorspace.

Whilst the retailer demand for floorspace may not be as strong, the city centre has not benefited from any significant investment within the past decade. This lack of investment has stifled the retailer environment; retailers are looking to invest in the city centre, but cannot find the right type of accommodation.'

- 9.2.6 Our recommendations are made taking account of the currently adopted local plan policy and updated to reflect the latest findings of this retail and leisure study. Indeed, as identified by the City Centre Plan, the vacancy rate is still above average (albeit to a lesser extent than was previously identified in the 2010 and 2013 health checks) and that the majority of these vacant units are small in size and located outside of the primary shopping area as indicated at Appendix 4. Planning for the future of city and town centres needs to go beyond the traditional 'retail only' approach, by seeking to diversify the offer, bring residents into the city centre through residential developments, encourage city centre employees to frequent the food and beverage offer on lunch breaks and in evenings, and in turn, increasing the safety and overall night time economy. Centres like Preston are having to respond to the ever-changing commercial market and the closure of a number of key retailers across their portfolio, by being flexible as to the types of uses and formats of operators which may be appropriate within the centre. Preston has an added benefit of the student population and the increased draw this has on the retail and leisure facilities, and the Council and wider stakeholders have responded well to these important factors.

9.3 Key Findings: Qualitative Need

- 9.3.1 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 and areas of identified housing growth, all need to be taken account of when assessing the qualitative need.



- 9.3.2 As set out in detail above, we have not identified any quantitative capacity for additional convenience floorspace across the administrative area once committed convenience floorspace has been taken into account.
- 9.3.3 Looking initially at Zone 1 which covers Central Preston, we have identified a qualitative deficiency of a larger format foodstore of over 1,500 sq.m (net sales) which we would typically state would meet residents' comprehensive main food shopping requirements. There is the presence of two Aldis (Corporation Street and Queens Retail Park) and Lidl, alongside the M&S foodhall and Iceland adjacent to the market, with a new build Food Warehouse at Queens Retail Park. However, the centre lacks the presence of one of the UK 'big four' supermarket operators (Asda, Morrisons, Sainsbury's or Tesco). However, given that these operators are not currently seeking to expand their portfolio and the accessibility to larger foodstores in surrounding zones, we do not consider that allocating a site for a new foodstore in Preston city centre is a commercially viable option for the Council.
- 9.3.4 We consider that the majority of the main areas of population within Preston's authority area therefore fall within the areas immediately served by the existing network of centres and foodstores. 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 in the northern part of Zone 2.
- 9.3.5 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 northern part of Zone 2. However, with the allocation of a new district centre as part of the planned housing growth at Cottam and the local centres as part of the North West Preston Strategic Site, these would go some way to meeting a qualitative requirement within this part of the administrative area, dependent on the nature of the development. We therefore recommend that the new centres are brought forward as allocations in the CLLP, and that should other proposed convenience stores come forward within this area, then they should be assessed against the relevant retail policy tests.
- 9.3.6 Turning to the qualitative need for comparison goods, we focus primarily on Preston city centre, which – as the largest centre in the Central Lancashire area – is most likely centre to attract interest from retail operators and developers. We also consider the need for new comparison goods provision in the local centres to be limited given the local role these centres perform.



- 9.3.7 In terms of residents' responses to the qualitative questions relating to Preston city centre in the household survey, the highest proportion of responses stated that an increased choice and range of shops would encourage them to visit the city centre.
- 9.3.8 Looking at the overall provision within the city centre from the national multiples, we consider that the overall national multiple comparison offer is good, with anchor operators such as Debenhams, Marks and Spencer, TJ Hughes, TK Maxx, Argos and Primark all occupying large units within the city centre, along with additional retailers such as Aldi, The Range and The Food Warehouse within the edge of centre Queen Street Retail Park. Overall, the clothing and footwear provision in the city centre was identified at or above the UK average, along with the proportion of floorspace occupied by department stores. As such, the offer of comparison retailers within the city centre is considered to be good, with no qualitative requirement to provide a substantial proportion of new floorspace to meet any immediate capacity. This conclusion is reached given the current commercial market.
- 9.3.9 Furthermore, residents are well served by the out of centre provision within the administrative area, particularly at Deepdale and Riversway Retail Parks, along with the Capitol Centre located in South Ribble's administrative area, which functions as part of the overall comparison provision meeting residents' needs. Whilst these parks also compete directly with the offer in the city centre, they do act to retain the expenditure in the authority area instead of it leaking outside to destinations such as Middlebrook Shopping Park, Manchester city centre and the Trafford Centre, with added benefits to Preston. It is important however that Preston city centre offers something qualitatively different to the out of centre retail parks to ensure that residents still choose to meet their needs in the defined centre. This is particularly the case given the extant permission at Cuerden Investment Site which will deliver a substantial proportion of new comparison floorspace which could compete directly with the city centre. Although the future of the scheme is uncertain following the withdrawal of key operators, the threat of competition still remains whilst the permission stays 'live'. However, the shift away from the traditional retail concentration and inclusion of additional leisure and residential uses within the city centre, will assist in ensuring that Preston continues to attract residents and visitors alike, due to the qualitative different offer and indeed, wider commercial offer to that which is proposed at Cuerden.
- 9.3.10 The City Centre Plan (2016) recognises the need to plan for modern format units to accommodate the changing retailers' business models to ensure that retailers continue to invest in the city centre in the right type of accommodation. As such, whilst the overall offer of comparison operators appears to be good, it is likely that the current stock is not 'fit for

purpose' and existing schemes need to be regenerated or refurbished to ensure that they are retaining existing operators and attracting any potential new operators to the city centre. As such, the key aspiration must be that existing stock is regenerated to meet operator's requirements, instead of new floorspace beyond what is already being proposed in the key regeneration schemes being brought forward and that included the City Centre Plan

- 9.3.11 This, along with the potential for new modern format units to come forward as part of the city centre schemes, will sufficiently meet any identified capacity in the medium term. Furthermore, the current vacant units in Preston city centre, offer the potential to accommodate all of the identified comparison retail needs arising beyond the ten-year period up to 2033.

9.4 Key Findings: Commercial Leisure

- 9.4.1 Section 8.0 of the Study provides an assessment of commercial leisure needs across Preston using the results from the household survey.
- 9.4.2 In terms of 'traditional' commercial leisure uses (bingo halls, cinemas and ten-pin bowling facilities) the assessment does not identify any quantitative need for additional facilities within the authority area. We note that an independent cinema provision report was produced on behalf of Preston City Council in September 2014 by dcinex to explore options to regenerate the city centre with a particular focus on a cinema-led redevelopment scheme. The idea of which was to encourage increased dwell-times from visitors to the city centre via spin-off trips. The report, which is a more complex assessment of the viability of a cinema scheme within the city centre, concluded that a new multiplex of any size in the city centre would impact positively on admissions within the Preston catchment, and that the future of a scheme would ultimately lie with the 'will' of the local authority to stimulate one part of the city or indeed the appetite for any of the significant landowners to progress with a leisure scheme.
- 9.4.3 The existing cinema provision within Preston comprises the Odeon on Port Way at Riversway in Zone 2 which consists of 10 screens and the Vue cinema at the Capitol Centre which provides seven screens. As such, based on the authority's population alone, the provision within Preston meets the identified need. However, given that the city centre serves a catchment wider than the population within Preston's administrative area alone, it is important that the leisure provision also serves that wider catchment.



- 9.4.4 A new cinema scheme is being brought forward at the former market site in Preston city centre. The new Light cinema is set to house eleven screens on the former market site, with associated 'family' restaurant units, a new multi-storey car park and public realm improvements. A new cinema within the city centre will attract residents to visit the centre, whilst seeking to encourage increased dwell time in visiting the surrounding restaurants. Any scheme in an alternative edge or out of centre location for the nature of uses which could impact on the progression or success of the development at the former markets site should be restricted in accordance with national planning policy. The mixed-use scheme would bring substantial benefits to the city centre and should continue to be fully supported by local policy moving forward. We note that existing policies within the Preston City Centre Plan also restrict new cinema floorspace coming forward at Queens Retail Park, which we consider to be an appropriate approach moving forward.
- 9.4.5 In terms of health and fitness centres, we conclude that the existing provision is appropriately distributed across Preston's key settlements and as such, Preston appears to be relatively well provided for. 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.
- 9.4.6 Turning to restaurant uses, 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 Preston city centre to serve both visitors and residents. Indeed, the overall offer of national multiple restaurant uses in the centre is low. There are operators who are seeking to expand their portfolio and discussions with operators directly would be beneficial to establishing future requirements in Preston subject to the right scheme and provision of suitable units, including those proposed as part of the market redevelopment associated with the new cinema.
- 9.4.7 Such uses can increase 'dwell time' within the centre and a diverse restaurant offer can encourage a wider range of users to visit Preston city centre. There are a range of national multiples not present in the city centre including Wagamamas, Zizzi, Prezzo, Café Rouge, Las Iguanas, Barburrito and Frankie and Bennys which could all act as an increased draw for residents and visitors alike.
- 9.4.8 We acknowledge that the independent restaurant offer in Preston city 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.

9.5 The Proposed Retail and City Centre Strategy

- 9.5.1 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.
- 9.5.2 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*'.
- 9.5.3 We conclude as part of the quantitative assessment that the capacity identified for new comparison goods floorspace in the medium term will be appropriate met by the existing vacant stock within the city centre and the delivery of the existing main town centre use aspirations within the city centre.
- 9.5.4 As noted above, there are a number of major regeneration schemes which are either planned or are already underway, some of which incorporate areas where vacant units were noted and concentrated. In particular, the remainder of Markets Quarter development will include an 11-screen cinema, seven restaurant / café units, an A1 retail unit, a new multi storey car park (615 spaces) and new public realm. It is understood that the second phase will commence shortly through the demolition of the indoor market and multi-storey market car park, within which the façade of the existing Lancaster House will be retained. This allocation needs to be retained moving forward, providing sufficient protection over the delivery of the scheme, particularly from competing out of centre development.



- 9.5.5 A key purpose of any future strategy should be to seek to extend 'dwell time' and spend of both residents and visitors to the city centre, which in turn will help to enhance the overall vitality and viability of the centre. It 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. We note that the Council's current City Centre Plan provides sufficient flexibility for future developers for the identified sites, and therefore do not recommend that sites in addition to those identified in the City Centre Plan are identified, particularly given that there is no identified convenience or comparison capacity in the short to medium term.
- 9.5.6 As well as facing competition from higher order centres outside the local authority area, Preston city centre also faces competition from out-of-centre facilities⁵⁷ within and in proximity to the local authority area. We consider that it is important for the Council to monitor and control out-of-centre retail development to ensure that shopping patterns do not shift further in favour of out-of-centre destinations, as this will inevitably have an impact on the vitality and viability of Preston's defined centres. This links with the requirement to provide modern format units to attract and retain retail and leisure operators, particularly within the existing identified schemes within the city centre.
- 9.5.7 It has to be acknowledged that one of the key attractors of out of centre retailing is the free and easily accessible car parking, which the existing centres in Preston have to compete with. Whilst we note that car parking is a key revenue for local authorities, expensive car parking can often put shoppers off visiting centres. This, along with ease of accessibility, locations of retailers and the wider offer of a centre all contribute to why shoppers choose to visit certain destinations to meet their retailing and leisure requirements.
- 9.5.8 The importance of facilities such as Queens Retail Park which is located within the city centre boundary but outside of the defined primary shopping area, need to be acknowledged but the continued control over additional retail and leisure floorspace at the scheme as set in the City Centre Plan must be retained. Furthermore, linkages from the primary shopping area to Queens Retail Park should be improved, encouraging linked-trips with the city centre and the retail park and encouraging more shoppers into the city centre. Such linkages may be improved following the recent opening of the market and the future construction of the new

⁵⁷ Key out of centre and other competing centres include Deepdale Retail Park, Capitol Centre, Riversway Retail Park, Trafford Centre, Cheshire Oaks, Manchester city centre and future committed floorspace at Cuerden and Botany Bay

cinema and leisure development, and through wider public realm improvements to improve the pedestrian route. Improvements along Ringway are also vital in drawing shoppers into the city centre, some of which have already been delivered by the Council, and others which are also already planned for when funding becomes available.

- 9.5.9 In addition, city centre events, food and drink markets and small festivals attracting a variety of ages and demographics can all assist in drawing shoppers back into the city centre and increasing dwell time. Preston's new and improved markets have proved popular with residents and visitors and every effort must be taken to protect this significant award winning heritage assets within the city centre.
- 9.5.10 Methods to resist future out of centre development could include the imposition of tighter planning controls through planning policy documents (both through the adopted development plan but also standalone guidance documents such as supplementary planning documents). We provide further conclusions in relation to our recommended local impact threshold below. However, in summary, we agree that the provision of a local impact threshold is necessary in order to allow the Council to control out-of-centre retail and leisure development in the local authority area. We note however that the revised NPPF only requires impact assessments to be undertaken for retail and leisure development, with the requirement for an impact assessment of office developments having been removed. We consider this change should be taken forward to the joint Central Lancashire Local Plan.
- 9.5.11 The digital shopping revolution has significantly impacted the high street by offering consumers convenient alternatives to simply transact with business than in the traditional physical manner. As we have set out above, we consider it is important for the defined centres in Preston to provide a distinct offer which sets them apart from nearby higher order centres (for example Manchester, Middlebrook, the Trafford Centre), improvements to the digitalisation of the centres' high streets may be one way to do this. For example, the provision of additional click and collect facilities within Preston's local centres in particular could act to encourage additional visitors to these centres who may then stop longer in the centre to purchase other products and services.

9.6 Policy Recommendations: Defined Centre Boundaries

- 9.6.1 A series of recommendations are provided in respect of appropriate centre boundaries for the city centre and the eight local centres. These recommendations are provided at

Appendices 4 and 6 and summarised below in respect of Preston city centre. For the local centres, the proposed changes are shown in detail on the accompanying plans.

9.6.2 In recommending appropriate boundaries, we have taken into account the definitions provided in the revised NPPF as follows:

- **Primary Shopping Area** – Defined area where retail development is concentrated.
- **Town Centre** – Area defined on the local authority’s policies map, including the primary shopping area and areas predominantly occupied by main town centre uses within or adjacent to the primary shopping area. References to town centres or centres apply to city centres, town centres, district centres and local centres but exclude small parades of shops of purely neighbourhood significance. Unless they are identified as centres in the development plan, existing out-of-centre development, comprising or including main town centre uses, do not constitute town centres.
- **Main Town Centre Uses** – Retail development (including warehouse clubs and factory outlet centres); leisure, entertainment and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).

Preston City Centre

9.6.3 The current Preston city centre Boundaries were determined through the Preston Local Plan (Adopted July 2012), with the Primary Shopping Area amended following the publication of the Preston City Centre Action Plan in June 2016.

9.6.4 Our recommended City Centre Boundaries and Primary Shopping Area (PSA) can be found on our Recommendations Map, which can be found at Appendix 4. These boundaries are recommended based on the findings of our site surveys and detailed analysis following that into the Health check indicators as set in National Planning Guidance.

9.6.5 Regarding the City Centre Boundary, we recommend a tightening of the southern boundary to remove areas which are predominantly residential in character and / or are a significant distance away from the main functional core of the city centre and have less activity due to this peripheral location – we consider this to be most relevant to the areas south of Winkley Square and to the south of Cross Street. We considered the remainder of the currently adopted City Centre boundary to be accurate and appropriate.



- 9.6.6 Turning to the Primary Shopping Area, we also recommend a tightening of the eastern boundary, refocusing the primary shopping area back towards the Market Hall and removing the now refurbished Bus Station. These two areas to the east of the centre do not comprise principally retail uses, and therefore do not accord with the definition of a primary shopping area within the NPPF. Whilst we recognise the city is currently in a state of transition, with a number of large-scale redevelopment schemes either under way or planned, these recommendations are based on Preston's current status and overall vitality and viability.
- 9.6.7 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. We note that the Council did not previously determine any primary or secondary retail frontages and we have not recommended any to be included in our proposals.

Local Centres

- 9.6.8 The suggested amendments to the local centre boundaries are provided on the plans at Appendix 6. In particular, we recommend tightening the boundary to the south west of Ribbleton Lane local centre, and to the south of Ribbleton Avenue local centre.

Broughton Neighbourhood Plan Centres

- 9.6.9 The boundary of Broughton Village Centre defined in the Broughton Neighbourhood Plan does not fully reflect the existing provision in the centre, with the village's only convenience store (within an existing PFS) located adjacent to, but outside of the centre boundary identified in the Broughton Neighbourhood Plan. In accordance with our recommendation that the centre be designated as a 'neighbourhood centre' in the Local Plan, which falls below the 'centre' definition provided in Annex 2 of the NPPF, we do not consider it necessary to define a formal boundary for Broughton centre at the Local Plan level. However, as a boundary for the centre is identified in the Broughton Neighbourhood Plan, it is recommended that this boundary is reviewed at the neighbourhood plan level in due course to encompass adjacent retail and service uses.

- 9.6.10 The boundary of Northway is reflective of existing provision but, as with Broughton's village centre, it is commensurate with a 'neighbourhood centre' in terms of scale and offer, as oppose to a 'local centre' which would typically be defined within a Local Plan (having regard to Annex 2 of the NPPF). Within in a neighbourhood plan context, it would be appropriate to review the boundary of this centre in the future, to ensure that it remains consistent with the uses present.

9.7 Recommended Local Impact Threshold

- 9.7.1 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 test⁵⁸).

- 9.7.2 Based on the findings of the Study and the recommendations provided above with regard to protecting Preston city 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 Preston city centre. Given the nature of the local centres, we are also of the view that thresholds should also apply to these centres too in order to protect their role.

- 9.7.3 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).'

- 9.7.4 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

⁵⁸ With the exception (in accordance with paragraph 88 of the NPPF) of small scale rural office proposals and other small scale rural development.

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.'

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

'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.'**

9.7.6 The current adopted local plan does not impose a threshold for impact assessments within Preston's authority area.

9.7.7 We are of the view that the imposition of a blanket threshold is not appropriate 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.



- 9.7.8 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.
- 9.7.9 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 Preston, and, therefore, we believe that a relatively low impact threshold should be applied to ensure that the Council retains appropriate control over such development.
- 9.7.10 Anchor units are considered to represent units of 500 sq.m (gross) and 1,000 sq.m (gross) 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.
- 9.7.11 We note that there are a relatively limited number of units greater than 1,000 sq.m (gross) in Preston city centre (less than 5% of the total stock of commercial units have a greater floorspace than this, which includes a range of community and government buildings such as the Council offices and the Museum and Art Gallery) 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. Indeed, only 12% of the total stock of commercial units in the city centre measure above 500 sq.m (gross).
- 9.7.12 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 Preston city centre is set at 1,000 sq.m (gross), for applications relating to both convenience and comparison retail floorspace, along with the wider authority area, if the proposal does not fall within the specific additional threshold requirements for district centres as set out below.



- 9.7.13 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.
- 9.7.14 For the local centres within Preston, it is recommended that a lower policy threshold of 200 sq.m (gross) applies. 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 centres⁵⁹. We believe that this type of development has the potential to divert expenditure and potential operators from the smaller centres and that the setting of lower thresholds is therefore justified.
- 9.7.15 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.
- 9.7.16 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 (gross) 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.

⁵⁹ 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



- 9.7.17 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 local centres (i.e. the lower threshold of 200 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 1,000 sq.m (gross) to apply local authority-wide (beyond 800 metres of these centres), due to the lesser likelihood of significant adverse impacts arising from retail, leisure and office development.
- 9.7.18 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 1,000 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 (gross).
- 9.7.19 In addition to the above, we note that the threshold applied by Policy OP5 of the City Centre Plan refers specifically to a requirement for an impact assessment should the commercial floorspace (Classes A1-A5) equate to more than 12,500 sq.m (gross) within the Horrocks Quarter. This should be appropriately caveated in the threshold policy within the CLLP, referring back to the specifics of the City Centre Plan.
- 9.7.20 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.
<i>Chemist Goods</i>	<i>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.</i>
<i>Clothing & Footwear</i>	<i>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.</i>
<i>DIY Goods</i>	<i>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.</i>
<i>Electrical Goods</i>	<i>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.</i>
<i>Furniture Goods</i>	<i>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.</i>
<i>Household Goods</i>	<i>Includes household textiles and soft furnishings, china, glassware, jewellery and other miscellaneous goods such as greeting cards, notebooks, pens, pencils, and so on.</i>
<i>Recreational Goods</i>	<i>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.</i>
Convenience Goods	Convenience goods relate to everyday essential items including confectionary, food, drinks, newspapers and magazines.



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.