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Retail and Town Centres Issues Paper

1 Retail and Town Centres

1.1 Summary

This paper looks at retail and shopping issues and examines retailing trends as well as the national and regional policy context. The Core Strategy will be expected to explore and define the roles of the key towns. The Core Strategy could indicate where significant new retail provision is delivered in order to promote the most sustainable pattern of shopping and settlement growth.

Taking into account key messages from the evidence available, the following spatial planning issues have been identified:

Issue R1 – The Core Strategy should define the roles of settlements with regard to retailing and town centre uses, the extent of town centre boundaries and 'Prime Shopping Areas' and identify a strategy for the management and growth of centres.

Issue R2 – Explore ways in which the Core Strategy can best support village facilities and local service centres.

1.2 Purpose

This is one in a series of papers dealing with a specific theme. Each can be read in isolation or together with other papers to gain a wider understanding of issues facing Cornwall. This paper sets out the evidence base and the policy context in relation to retailing and town centres and describes how the issues that need to be addressed could be taken forward in the Core Strategy. The issues papers will form the first stage of the development of options for Core Strategy Policy. Other issues papers available in this series include:

- *Housing*
- *Economy*
- *Tourism*
- *Education & skills*
- *Social inclusion*
- *Crime & anti-social behaviour*
- *Sport recreation & open space*
- *Health*
- *Transport & accessibility*
- *Energy*
- *Climate change*
- *Soil, air & water quality*
- *Flooding, drought & water consumption*
- *Biodiversity & geodiversity*
- *Landscape & seascape*

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- *Historic environment*
- *Design & efficient use of resources*
- *Agriculture & food*
- *Coast & maritime*
- *Minerals*
- *Waste*

This series of papers is closely linked to the topics of the Sustainability Appraisal (SA) scoping report. The SA scoping report identifies the sustainability objectives, decision making criteria and indicators against which the LDF and other plans in Cornwall should be tested, to examine whether plans are sustainable. The SA scoping report also identifies key messages from national, regional and local plans for the Cornwall LDF, a baseline and sustainability issues for each topic. These Core Strategy issue papers largely build on the SA scoping report and start to examine in greater detail the messages from evidence and research, the opportunities and threats and planning issues that need to be considered in the Core Strategy (the SA scoping report can be found at http://www.cornwall.gov.uk/default.aspx?page=17394).

1.3 What is retailing?

This paper covers the strategic issues of retailing in the county. Retailing is the sale of goods or commodities in small quantities directly to consumers. This refers primarily to shops, but also to the range of facilities and services that people access in our town and other local shopping centres. In this context town centres are recognised as especially important locations for meeting the community's needs for shops, facilities, services and employment. Planning Policy Statement (PPS) 4: Planning for Sustainable Economic Growth sets out the main uses to which town centre policies in the PPS apply, namely:

1. Retail development (including warehouse clubs and factory outlet centres)

2. Leisure entertainment facilities and the 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)

3. Offices, and

4. Arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities)

1.4 A retailing ‘portrait’ of Cornwall

Cornwall is distinctive in having a spread of similarly sized market towns with only Truro in recent years developing into a sub regional (i.e. in the tier of centres below places like Plymouth and Bristol) shopping centre. Truro’s retail floor space ranks it comfortably within the top 200 of the 2,100 retail centres surveyed by VenueScore in the UK.

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According to the Cornwall Retail Study 2010 the other strategic retail centres in Cornwall are Camborne / Redruth, Penzance, St Austell and Falmouth / Penryn. Below these sit a group of other major town centres including Newquay, Bodmin, Liskeard, Wadebridge, Launceston, Helston and Bude. These are all important in meeting wider needs across the county. Coastal towns and Newquay in particular, also have significant tourism roles. Below these sit many small town and village centres that are important for helping to meet the daily needs of the approximate 60% of the population that live outside of the main towns.

Significant shopping centres outside Cornwall, which are part of the strategic picture that help to meet some of the county's needs, include Exeter and Plymouth; as for the far east of North Cornwall, Barnstaple also helps to meet needs.

Many of our town centre shopping centres emerged from historic market centres and as such historic patterns of plot development and public spaces are often important attributes. These characteristics, like historic buildings and intimate spaces, can be important in making people choose to shop in town centres rather than out of town retail parks.

1.5 What is the role of the Core Strategy?

The Core Strategy can provide planning policies that help deliver enhancement and protect environmental standards for the benefit of local communities. In developing these policies the Core Strategy needs to take into account all other relevant plans, strategies, policies and programmes as well as involve key stakeholders and the community. The role of the Core Strategy in respect of retailing is defined in national policy and will be to:

- Define the roles of town centres within the county.
- Identify where significant new strategic provision should be made.
- Set out policy criteria for considering planning applications.
- Provide the context for and importance of place–making at the local level.

1.6 Relevant policy context

When preparing the Core Strategy, the Council does not start with a blank sheet of paper. There is a whole series of policies at national and regional level which have to be followed and the Core Strategy needs to be prepared within the framework set by national & regional guidance. This section focuses on the most relevant published legislation, plans & strategies and draws out their key messages for the Core Strategy. The key acts, plans and strategies identified and used are:

National

- PPS1: Delivering Sustainable Development
- PPS4: Planning for Sustainable Economic Growth (2009)
- PPS5: Planning for the Historic Environment

Regional

- Regional Economic Strategy for the South West (2006)

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Local

- Sustainable Community Strategy for Cornwall, Cornwall Strategic Partnership, (2008)
- Strategy and Action - Achieving Prosperity in Cornwall and the Isles of Scilly, Cornwall and Isles of Scilly Economic Forum, (2007)
- Cornwall & Scilly Urban Survey (2002 - 05)
- Market and Coastal Town Initiatives (St Austell, Lostwithiel, Bude and Stratton, Looe, St Ives, Hayle, Helston, Launceston, Torpoint, Liskeard, Wadebridge, Penzance, Saltash.)
- Townscape Heritage Initiatives (Penzance, Penryn, Bodmin, Launceston, Camborne)
- Heritage Economic Regeneration Schemes (Redruth, Hayle, Falmouth, Camelford and Looe)
- Conservation Area Management Plans

1.7 Relevant evidence and research

Convenience Shopping

Convenience shopping is for goods that we need on a daily basis such as food, newspapers, etc. Supermarkets and general stores available in towns and villages across Cornwall will supply the majority of people with the goods they require.

A Retail Study for the whole of Cornwall has recently been completed by GVA Grimley. This has been based on a Telephone Household Retail Survey undertaken in 2008 which concluded that larger towns such as Bodmin, Bude, Camborne/Redruth, Falmouth/Penryn, Helston, Liskeard, Penzance, St Austell, and Truro are more likely to retain most of the main food shopping within their own catchment areas. Residents of more rural areas are likely to travel to one of these larger centres to meet their needs, and the towns of Bodmin, Camborne/ Redruth, Launceston, Liskeard, Penzance, St Austell, Truro and Wadebridge attract shoppers from outside their local areas. 'Top up' shopping is likely to be done more locally, and smaller local general stores are important in this respect.

Retail studies look at convenience stores in terms of their capacity to accommodate further expenditure. This is useful in helping to determine whether or not additional convenience type stores are required. Because the growth in retailing will be dependant on the overall level of growth in housing which is yet to be determined through the Core Strategy, the study sets out recommendations across a range of projections, however the messages emerging are : -

- There is an existing need for additional convenience floorspace in Wadebridge, Hayle, Liskeard and St Austell (where future growth could be significant with the eco-town proposal).
- For the other towns additional convenience retail need emerges for the longer term projections up to 2026 and beyond.

As a general rule these latest projections show more modest growth, to a significant extent due to the impact of more modest economic projections as well as in some instances reduced population growth expectations. The figures for Truro also reflect a re-assessment of the level of convenience spending coming from other towns in the county.

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Information is patchy in terms of convenience shopping in villages although many smaller settlements do contain small general stores, often combined with a post office. Evidence available in North Cornwall[1] suggests that small general stores have been closing in villages, and this is likely to have been exacerbated by the recent round of post office closures – this situation needs to be monitored

Comparison Shopping

Comparison shopping is shopping for goods that we only buy every now and then, such as electrical goods, shoes, sports equipment etc. As the name suggests, shoppers are inclined to visit larger centres to look at a range of options before making a purchase. A recent survey found that some centres did retain shoppers from their local area for some comparison goods, whereas only the largest of centres attracted shoppers in terms of other types of comparison goods. The findings are summarised below:[2]

- In terms of clothes, footwear and other fashion goods, Truro and Plymouth are the centres of choice for many residents in Cornwall. Falmouth/Penryn and Penzance also attract more than half of the shoppers of their catchment areas.
- In terms of furniture, floor coverings and household textiles, residents are more likely to shop in their local centre (Bodmin, Bude, Camborne/Redruth, Falmouth/Penryn, Launceston, Liskeard, Penzance, St Austell, Truro and Wadebridge) than a larger centre, although Truro and Plymouth do attract shoppers from other areas for these goods.
- Towns such as Bodmin, Camborne/Redruth, Falmouth/Penryn, Launceston, Liskeard, Penzance, St Austell and Truro attract significant numbers of shoppers from their own and other areas in terms of DIY and decorating goods.

- In terms of domestic appliances, residents are more likely to shop in their local centre (Bodmin, Bude, Camborne/Redruth, Falmouth/Penryn, Launceston, Liskeard, Penzance, St Austell, Truro and Wadebridge) than a larger centre – Camborne/Redruth, Penzance, Truro and Plymouth attract shoppers from other areas for these goods.
- Towns such as Bodmin, Bude, Camborne/Redruth, Launceston, Liskeard, Penzance, Truro and Wadebridge attract significant numbers of shoppers from their own and other areas in

1 North Cornwall District Council (2008) Community Facilities Survey
2 GVA Grimley (2008) Telephone Household Retail Survey

terms of TV, Hi-fi, photographic and computer equipment. Truro is also a popular centre of choice for shoppers from many areas

- In terms of personal/luxury goods such as books, jewellery and cosmetics, Bodmin, Falmouth/Penryn, Launceston, Penzance, St Austell, Truro and Wadebridge all retain significant numbers of shoppers from their local areas. Truro in particular attracts shoppers from across Cornwall.
- Towns such as Bodmin, Bude, Falmouth/Penryn, Penzance, St Austell and Truro retain fairly high proportions of the shoppers in their areas for recreational goods. Truro and Plymouth are the centres of choice for many residents purchasing these types of goods in Cornwall.

Key points emerging from the 2010 Retail study are: -

- Over the plan period Truro has the potential for the most significant growth, although it may be desirable to 'claw back' some of this potential to other centres.
- Most of the other main towns have capacity to see growth in the level of comparison goods over the plan period, particularly Penzance, Falmouth and Camborne/Pool/Redruth, although in St Austell growth is more likely to be longer term due to the recent opening of White River Place.

Development in Town Centres

It is recognised that development opportunities within some of the centres are restricted, and a case could be made that in some of the district centres, an edge-of-centre location may be the only realistic option after applying the sequential approach. The Retail Study has undertaken an assessment of potential retail sites to help inform decision making.

Independent and National Multiple Retailers

The presence of national multiple retailers in a centre is seen as an attraction to shoppers, and town centres are keen to attract as many of these as possible. A good range of independent retailers can also attract shoppers, and some settlements develop niche markets, for example Newquay, Falmouth or Padstow.

1.8 Emerging Evidence and Policy

The gathering of evidence is an iterative process and must be continued throughout the preparation of the Core Strategy. Additional evidence should be considered right up to the 'submission' stage in the process. With the publication of the Retail Study for Cornwall the evidence base is now up-to-date however the Council will continue to monitor the situation.

1.9 Gaps in Evidence

There are no specific gaps in the evidence base at present however the Council will monitor the position on an ongoing basis.

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1.10 Key Messages from the Policy and Evidence Review

Table 1.1

Message	Relevant Document(s)
Evidence base: Local authorities must assess the level of need for settlements and maintain an up to date evidence base at regional and local level, to inform plan preparation and development management decisions. Increase consumer choice, support smaller retailers and the character of town centres. Sequential test is important and schemes which do not comply should be refused. The impact test replaces the needs test and assesses accessibility, design quality, climate change and regeneration and jobs. Focus on qualitative need, which requires an understanding of the needs strengths and weaknesses of each centre and of the current market and trends in retailing.	**PPS4** (PPS4 relates to all aspects of employment and town centre uses and replaces PPG4, PPS6 and elements of PPS7 and PPG13)
Planning for Centres: Define a network and hierarchy of centres that is resilient to anticipated future economic changes and set flexible policies for centres which are able to respond to changing economic circumstances and encourage high density development accessible by pubic transport, walking and cycling. Define the extent of the centre and primary shopping area and set policies relating to each. Identify sites for main town centre uses through a sequential approach and ensure sites are suitable, available and viable.	**PPS4** **PPS1**
A rich and well maintained historic public realm can be a catalyst for regeneration and economic prosperity. Protection of heritage assets and managed change should be used to encourage investment and vibrant town centres.	**Cornwall & Scilly Urban Survey (2002 -5)** **PPS5** **Townscape Heritage Initiatives**

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	Heritage Economic Regeneration Schemes **CAMPs**
Protect existing facilities in local centres and villages that provide for people's day to day needs. Support farm shops which meet the demand for local produce in a sustainable way, provided they do not adversely affect easily accessible convenience shopping.	**PPS4**
Cornwall Retail Hierarchy **Strategic Urban Centres:** Truro, Penzance/Newlyn, Falmouth/Penryn, St Austell, CPR **Major Town Centres:** Newquay, Bodmin, Liskeard, Wadebridge, Launceston, Helston, Bude. **Other Town Centres:** Hayle, Saltash, Padstow, Looe, Camelford, Callington, St Columb Major, St Just, Fowey.	**Cornwall Retail Study 2010**

1.11 SWOT Analysis

Table 1.2

Strengths	**Weaknesses**
• Truro successful sub regional centre • Reasonable range of village and local centres • Tourism spend • Mix of local and national retailers • Attractive historic town centres	• Town centres declining as a result market changes and from growth of Truro and Plymouth • Dispersed population • Weaker representation of national retailers outside Truro • Market pressure on local retailers • Accessibility issues for some centres • Cost of parking
Opportunities	**Threats**
• Regeneration opportunities • Development of niche markets • Empty shop revival plan	• Further loss of rural facilities – e.g.Post offices • Recession

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• Dispersed population • Retail skills development (national retail skills academy in Cornwall) • Opportunities for heritage-led regeneration in town centres to improve the quality of the townscape and bring empty buildings back into use. • Enhance the character of existing town centres.	• Growth of online retailing • Erosion of the unique character of existing town centres

1.12 Climate Change Considerations

The health of our town centres is critical for addressing climate change uses. Vibrant town centres that have a good mix of uses are the most accessible locations for developments that generate trips, and locating facilities in such locations encourages multi purpose journeys. They are the most accessible locations for people that live in towns who have opportunities to walk or cycle to them whilst for those in our rural areas towns centres are the most easily accessible locations by public transport for those types of services that cannot be provided in village centres.

Climate change could lead to some town centres being at greater risk of flooding e.g. Truro, Penzance, St Ives, Falmouth, St Blazey, and Lostwithiel.

Climate change is further explored in a separate issues paper in this series, as well as in the Sustainability Appraisal Scoping Report Sustainability Appraisal Scoping Report The scoping report sets out a series of sustainability objectives against which the Core Strategy and other parts of the LDF will be assessed, to gauge how far they will promote sustainable development.

1.13 Main Spatial Planning Issues

Taking into account the key messages from the current evidence available, a number of spatial planning issues are listed below.

Issue R1 –The Core Strategy should define the roles of settlements with regard to retailing and town centre uses, the extent of town centre boundaries and ‘Prime Shopping Areas’ and identify a strategy for the management and growth of centres.

Issue R2 –Explore ways in which the Core Strategy can best support village facilities and local service centres.

These issues will work towards achieving the following long term objectives for Cornwall as set out in the Sustainable Community Strategy - 'Future Cornwall':

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- To enhance and build a robust network of small and medium businesses to secure Cornwall's economic stability
- To improve our communities through quality building, using housing development to meet local need and drive the regeneration and sustainability of communities, promoting smaller settlements to be centres of employment and services and set an example in design for sustainable living

This paper summarises the evidence on retail and town centre issues brought together to inform the Cornwall Core Strategy. However, it will be added to and kept up-to-date as other relevant evidence becomes available. In updating these papers all previous versions will be archived to ensure it is clear what evidence was available at each stage.

1.14 Appendix 1: Town Centre Health Check Indicators (from draft PPS)

A1 Diversity of main town centre uses (by number, type and amount of floorspace): the amount of space in use for different functions – such as offices; shopping; leisure, cultural and entertainment activities; pubs, cafes and restaurants; and, hotels.

A2 The amount of retail, leisure and office floorspace in edge-of-centre and out-ofcentre locations.

A3 The potential capacity for growth or change of centres in the network: opportunities for centres to expand or consolidate, typically measured in the amount of land available for new or more intensive forms of town centre development.

A4 Retailer representation and intentions to change representation: existence and changes in representation of types of retailer, including street markets, and the demand of retailers wanting to come into the centre, or to change their representation in the centre, or to reduce or close their representation.

A5 Shopping rents: pattern of movement in Zone A rents within primary shopping areas (i.e. the rental value for the first 6 metres depth of floorspace in retail units from the shop window).

A6 Proportion of vacant street level property and the length of time properties have been vacant: vacancies can arise even in the strongest town centres, and this indicator must be used with care. Vacancies in secondary frontages and changes to other uses will also be useful indicators.

A7 Commercial yields on non-domestic property (i.e. the capital value in relation to the expected market rental): demonstrates the confidence of investors in the longterm profitability of the centre for retail, office and other commercial developments. This indicator should be used with care.

A8 Land values and the length of time key sites have remained undeveloped: data on changes in land value and how long key town centre and edge of centre sites have remained undeveloped provide important indicators for how flexible policies should be framed and can help inform planning decisions.

A9 Pedestrian flows (footfall): a key indicator of the vitality of shopping streets, measured by the numbers and movement of people on the streets, in different parts of the centre at different times of the day and evening, who are available for businesses to attract into shops, restaurants or other facilities.

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A10 Accessibility: ease and convenience of access by a choice of means of travel, including – the quality, quantity and type of car parking; the frequency and quality of public transport services and the range of customer origins served; and, the quality of provision for pedestrians, cyclists and disabled people and the ease of access from main arrival points to the main attractions.

A11 Customer and residents' views and behaviour: regular surveys will help authorities in monitoring and evaluating the effectiveness of town centre improvements and in setting further priorities. Interviews in the town centre and at home can be used to establish views of both users and non-users of the centre, including the views of residents living in or close to the centre. This information could also establish the degree of linked trips.

A12 Perception of safety and occurrence of crime: should include views and information on safety and security, including from the threat of terrorism, and where appropriate, information for monitoring the evening and night-time economy.

A13 State of the town centre environmental quality: should include information on problems (such as air pollution, noise, clutter, litter and graffiti) and positive factors (such as trees, landscaping and open spaces).

1.15 Appendix A

Consultation to date:

The issues papers were first published for stakeholder consultation in September 2009. The papers were amended to take into account consultee responses and were the circulated to Planning Policy Advisory Panel members in November 2009. They were also given to all members at a series of three area based consultation events in March 2010.

Revisions to Issues Papers:

In writing the draft Issues and Options report in March 2010 it was clear that it was necessary to revise the issues identified in some of the topic based issues papers. Some issues were requirements under other legislation or procedural matters and therefore options could not be set against them (e.g. The Core Strategy should work with other plans and programmes...) Others were in fact options and needed to be set as options under an overarching issue (e.g. The Core Strategy has a role in supporting the growth and sustainability of the micro and small business economy.) There was also some repetition between different topics and these issues could be amalgamated.

Criteria for Changes:

The issues have been rationalised against the following criteria:

- Is this a Spatial Planning issue?
- Is the issue covered by other legislation?
- Can options be generated against each issue?
- Is this an issue and not an option?

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- Is the issue rooted in evidence?
- Is there potential to amalgamate issues?

Issues in Consultation Version:

R1: Define the roles of settlements with regard to retailing and town centre uses.

R2: Consider the identification of the extent of Town Centres and Prime Shopping Areas

R3: Set the context for new major shopping provision in key towns

R4: Explore ways in which the Core Strategy can best support village facilities and local service centres

Revised issues:

Issue R1 –The Core Strategy should define the roles of settlements with regard to retailing and town centre uses, the extent of town centre boundaries and ‘Prime Shopping Areas’ and identify a strategy for the management and growth of centres.

Issue R2 –Explore ways in which the Core Strategy can best support village facilities and local service centres.