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### Ipswich Borough Council:

### Retail and Commercial Leisure Study 2010

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## 1.0 INTRODUCTION

- 1.1 Strategic Perspectives LLP was instructed by Ipswich Borough Council (hereafter referred to as 'IBC') in January 2010 to prepare a Borough-wide retail and commercial leisure needs assessment. This study updates and supersedes the 2005 *Ipswich Retail Study* ('IRS') and also looks at commercial leisure need.
- 1.2 This study has been prepared in the context of the most current national and development plan policy guidance. It specifically takes into account the advice set out in Planning Policy Statement 4 (PPS4): '*Planning for Sustainable Economic Growth*' and provides the robust baseline evidence required to inform the preparation of the Council's Development Plan Documents (DPDs) as part of the Local Development Framework (LDF) process. The study and evidence base will also help the Local Planning Authority (LPA) determine planning applications for town centre uses that are not in a centre and not in accordance with an up-to-date development plan.

### STUDY AIMS & OBJECTIVES

- 1.3 This strategic study assesses the attraction and performance of Ipswich Town Centre as a major shopping and commercial leisure destination serving the Borough's residents and a wider catchment area. It also examines the relative attraction, role and function of the smaller District and Local Centres in the Borough's shopping hierarchy, as well as the out-of-centre shopping and leisure facilities.
- 1.4 The main aims and objectives, as agreed with the Council, are to:
- Assess the quantitative and qualitative need for new retail and commercial leisure uses and floorspace between 2010 and 2026 (with additional forecasts up to 2031).
  - Carry out a household telephone interview survey across the Borough and a wider study area to help determine current shopping patterns for convenience and comparison goods purchases, as well as for the main commercial leisure uses.
  - Carry out a health check assessment of Ipswich Town Centre in accordance with the key performance indicators (KPIs) set out in Annex D of PPS4. (Please note that the town centre here refers to an area broadly equivalent to the Central Shopping Area identified in the adopted Local Plan 1997).
  - Advise on the Borough's network (the pattern of provision of centres) and hierarchy (the role and relationship of centres in the network) of centres, and whether there are any deficiencies in provision.
  - Undertake a broad review of the role and function of district and local centres and the retail / leisure uses in the Waterfront area.
- 1.5 Overall the findings of the study will provide the Council with the robust evidence base needed to inform the future direction of retail policy in the Borough. The study will also help to underpin future work elements including town centre strategies, town centre master plan and the allocation of potential development sites.

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## METHODOLOGY

- 1.6 The quantitative and qualitative research methodology adopted for this study is widely used and accepted for retail planning assessments. It takes account of national planning policy advice set out in PPS4 and the *Town Centre Practice Guidance on Need, Impact and the Sequential Approach* (hereafter referred to as the 'Practice Guidance').
- 1.7 In accordance with good practice the study is underpinned by a household telephone survey. The survey was carried out in February 2010 by NEMS Market Research ('NEMS'). Some 1,000 interviews were conducted across a wide study (catchment) area extending beyond the Borough boundary. The survey provides a broad picture of shopping patterns for both convenience and comparison goods purchases and leisure uses across the Borough and wider study area (see **Section 4** for a more detailed commentary). The methodology, questionnaire and detailed tabulations are set out in **Appendix 1** to this study.
- 1.8 The survey results provide a robust evidence base to help establish current shopping patterns, catchment areas and market shares for different types of retail purchases. The market share analysis for convenience goods is set out in **Appendix 2** and for comparison goods in **Appendix 3**. It is assumed that the household survey results broadly reflect average year-round shopping patterns across the Borough and wider study area. This is because the respondents were asked where they do most of their shopping for different types of retail goods, rather than where they last shopped.
- 1.9 This evidence base is then used to inform the economic assessment of the capacity for new comparison goods retail floorspace over the forecast period (i.e. 2011, 2016, 2021, 2026 and 2031).
- 1.10 It is important to state at the outset that in our experience forecasts beyond five years should be interpreted with caution. However, we advise the Council that even forecasts over the short term could be subject to further review, as the impact of the economic recession has necessitated numerous updates to previously accepted retail expenditure growth forecasts over the last 12 months. We therefore recommend that the economic capacity assessments be continuously monitored and updated to take account of changes in retail expenditure and population growth forecasts, as well as the impact of other key trends.

## REPORT STRUCTURE

- 1.11 This report draws together the results of our research, incorporating the findings of the detailed survey-based technical analysis, qualitative (health check) assessments and the quantitative need (capacity) assessment for comparison and convenience goods retailing and commercial leisure uses. The report is structured as follows:

- **Section 2** summarises the national, regional and local retail planning policy framework. It also provides a brief overview of other relevant planning and regeneration policy, including policy material to commercial leisure. This section provides the important policy context for the rest of the study.
- **Section 3** highlights some of the key trends that are driving the dynamic changes in the retail property market, as well as shaping the urban and retail landscape. It also describes the impact of the economic recession on the retail sector, as well as on Britain's town centres and high streets.
- **Section 4** defines the study (catchment) area that provides the framework for the household survey and economic assessment. It also provides a summary of the market share analysis for comparison and convenience goods shopping patterns based on the results of the household survey conducted during February 2010.
- **Section 5** sets out the health check assessment of Ipswich town centre's overall vitality and viability. The evidence base draws on our audit of the centre in February 2010 and a number of other key data sources, including the Experian Goad 'Centre Report' published in September 2009 and a pedestrian flowcount survey conducted during March 2010. The health check addresses the main key performance indicators (KPIs) set out in PPS4 (Annex D) and also draws on the findings of the household survey. This section provides a robust overview of the town's overall attraction, health and performance as a shopping location, as well as for wider town centre uses at the time the health check was conducted.
- **Section 6** provides a broad overview of the role and function of the Borough's District and Local Centres in the shopping hierarchy based on our audits of the centres and information provided by the local planning authority.
- **Section 7** describes the economic (capacity) assessment of the potential for new (comparison and convenience goods) retail floorspace in the Borough over the forecast period (i.e. up to 2031). The retail capacity forecasts take account of known commitments as agreed with the Council at the time the assessment was undertaken.
- **Section 8** examines the key trends driving market demand in the commercial leisure sector and forecasts the potential capacity for leisure provision within the Borough;
- **Section 9** details the findings of a survey of local businesses in Ipswich town centre conducted in August 2010 to gauge their perception and performance and to identify key issues and challenges they are facing both now and in the future; and
- Finally, **Section 10** draws together the key findings of the retail and commercial leisure needs assessments and sets out our overall conclusions and recommendations.

- 1.12 The evidence base underpinning our assessment is set out in the appendices to this study.

## 2.0 RETAIL PLANNING POLICY CONTEXT

- 2.1 This section summarises some of the Government's main objectives, policy and advice as set out in the inter-related Planning Policy Statements (PPSs) on sustainable development; retail and leisure planning and town centres; transport; plan-making; and economic development. It specifically focuses on Planning Policy Statement 4 (PPS4) *Planning for Sustainable Economic Growth*, as this is material to the preparation of local development documents and to the determination of planning applications for main town centre uses not in a centre and not in accordance with an up-to-date development plan.

### PPS1: DELIVERING SUSTAINABLE DEVELOPMENT

- 2.2 PPS1 comprises the Government's overarching planning policies on the delivery of sustainable development through the planning system. It is the core principle underpinning planning. At the heart of sustainable development is the aim to ensure a better quality of life for everyone, for now and for future generations. The Government is committed to promoting a strong, stable and productive economy that aims to bring jobs and prosperity for all. Local Planning Authorities (LPAs) should therefore ensure that suitable locations are available for industrial, commercial, retail, public sector, tourism and leisure developments, so that the economy can prosper.
- 2.3 In preparing development plans, LPAs should seek to bring forward sufficient land of a suitable quality in appropriate locations to meet the expected needs for retail and commercial development, taking into account issues such as accessibility and sustainable transport needs; the provision of essential infrastructure, including for sustainable waste management; and the need to avoid flood risk and other natural hazards. New developments should also be located such that they are accessible to a large number of people. It specifically refers to new retail developments in existing town centres to promote their vitality and viability, social inclusion and more sustainable patterns of development.

### PPS12: LOCAL SPATIAL PLANNING

- 2.4 PPS12 sets out the Government's policy on the preparation of development plan documents (DPDs) as part of the LDF process, of which the Core Strategy is the principal DPD. The LDF, together with the Regional Spatial Strategy (RSS), provides the essential framework for planning in the local authority's area. In brief, PPS12 explains local spatial planning and how it benefits communities. It also sets out what the key ingredients of local spatial plans are and the key Government policies on how they should be prepared.
- 2.5 The new spatial planning system exists to deliver positive social, economic and environmental outcomes. It requires local planning authorities to collaborate with a

wide range of stakeholders and agencies to help to shape local areas and deliver local services. The spatial planning objectives for local areas, as set out in the LDF, should therefore be aligned not only with national and regional plans, but also with the shared local priorities set out in Sustainable Communities Strategies where these are consistent with national and regional policy.

- 2.6 PPS12 explains that one of the key aims of the new system is that local development documents must be soundly based in terms of their content and the process in which they are produced. They must also be based upon a robust, comprehensive and credible evidence base. Paragraph 4.8 specifically states that the policies prepared by the LPA should be founded on: "...a thorough understanding of the needs in their area and the opportunities and constraints which operate within the area". It adds that LPAs should prepare and maintain: "...an up-to-date information base on key aspects of the social, economic and environmental characteristics of their area, to enable the preparation of a sound spatial plan meeting the objectives of sustainable development."

#### **PPS4: PLANNING FOR SUSTAINABLE ECONOMIC GROWTH**

- 2.7 PPS4 sets out planning policies for economic development (see box below) and replaces the existing PPS4: *Planning for Sustainable Economic Development*; PPG5 *Simplified Planning Zones*; PPS6 *Planning for Town Centres*; the economic development elements of PPS7 *Sustainable Development in Rural Areas*; and paragraphs 53-54 and Annex D of PPG13: *Transport* relating to maximum parking standards (unless LPAs prepare local maximum parking standards in line with Policy EC8 of PPS4).

#### **WHAT IS ECONOMIC DEVELOPMENT?**

For the purposes of PPS4, economic development includes development within the B Use Classes; public and community uses; and the following main town centre uses.

- retail development (including warehouse clubs and factory outlet centres)
- 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)
- offices, and
- arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities)

The policies do not apply to housing development, as this is covered by PPS3: Housing. References to town centre(s) or to centre(s) apply to all types of centre defined in Annex B to PPS4 which should be identified in development plans.

- 2.8 The Government's overarching objective is for sustainable economic growth. The intended effect of the policy changes are that the planning system contributes to building prosperous economies by, amongst other objectives, improving the economic performance of places; delivering sustainable patterns of development; and promoting the vitality and viability of town centres.



- 2.9 PPS4 sets out policies that are intended to clarify the Government's approach and support for town centres. It is significantly different to PPS6 in that it is based on 19 policies organised around the following key planning processes:
- using evidence to plan positively (Policy EC1);
  - plan making (Policies EC2 – EC8);
  - monitoring (Policy EC9); and
  - development management (Policies EC10 – EC19).
- 2.10 PPS4 was published alongside the much anticipated *Town Centre Practice Guidance on Need, Impact and the Sequential Approach*. The *Practice Guidance* is intended to help practitioners implement policy. It does not, however, constitute a statement of Government policy, nor does it seek to prescribe a standard methodology or approach.
- 2.11 One of the key changes introduced by PPS4 is the removal of need as a standalone test in the assessment and determination of planning applications. Notwithstanding this, need is still fundamental to the plan-making process.
- 2.12 The following provides an overview of the more relevant policies in PPS4.

### **Preparing a Robust Evidence Base & Monitoring Requirements**

- 2.13 To help underpin plan-making and the assessment of planning applications, PPS4 places significant weight on the need for regions and local authorities to work together to prepare and maintain a robust evidence base (Policy EC1), as well as continually monitor the impact of policies and planning applications on centres (Policy EC9). At the local level, Policy EC1.3 advises that the evidence base should:
- a. be informed by regional assessments;
  - b. assess the detailed need for land or floorspace for economic development, including for all main town centre uses over the plan period.
  - c. identify any deficiencies in the provision of local convenience shopping and other facilities which serve people's day-to-day needs.
  - d. Assess the existing and future supply of land available for economic development, ensuring that existing site allocations for economic development are reassessed against the policies in PPS4, particularly if they are for single or restricted uses; and
  - e. assess the capacity of existing centres to accommodate new town centre development, taking account of the role of centres in the hierarchy and identifying centres in decline where change needs to be managed.
- 2.14 Policy EC9 advises RPBs and LPAs to use their annual monitoring reports to assess the network and hierarchy of centres; the need for further development; and the vitality and viability of centres. Health check assessments are identified as an important tool

for both plan making and the consideration of planning applications. For example, regular health checks can help to inform decisions about the extent of primary shopping areas and primary/secondary frontages. Alongside up to date development plan, health checks can also help to inform judgements about the extent and significance of any potential impacts of planning applications (EC17.3). Annex D to PPS4 sets out the 13 health check vitality and viability key performance indicators (KPIs).

## Planning for Centres

- 2.15 The Government's planning policy guidance and statements since the mid-1990s have consistently set out their commitment to focusing new development and investment in town centres first. This requires balancing the priority for focussing new economic growth and development of main town centre uses in existing centres, with the other key aims of promoting competition, enhancing consumer choice and conserving the heritage of centres.
- 2.16 To help achieve the Government's town centre first policy, the emphasis is very much on regional planning bodies (RPBs) and local planning authorities (LPAs) working together to adopt a positive and proactive approach to planning for sustainable economic growth (Policy EC2) and for centres (Policy EC3).
- 2.17 Integral to this is the requirement for RPBs and LPAs to set out a clear economic vision and strategy for their area that positively and proactively encourages sustainable economic growth, identifying priority areas with high levels of deprivation that should be prioritised for regeneration investment (EC2.1.a). This is underlined by Policy EC3, which states that both RPBs and LPAs should, as part of this economic vision for areas, prepare robust strategies for the management and growth of centres over the plan period. RPBs are required to focus on higher level centres to provide a strategic framework for planning for centres at the local level.
- 2.18 Policy EC3.1 provides a useful checklist for plan-making, as it sets out the scope of strategies, although the *Practice Guidance* advises that these should be "...tailored to the specific circumstances and issues facing the area" (paragraph 2.6). Policy EC3.1(a-h) specifically states that RPBs and LPAs should prepare strategies that take account of a range of factors including, *inter alia*, the need to:
- Set flexible policies for centres which are able to respond to changing economic circumstances and encourage, where appropriate, high-density development accessible by public transport, walking and cycling.
  - Define a network (the pattern of provision of centres) and hierarchy (the role and relationship of centres in the network) of centres that is resilient to anticipated future economic changes, to meet the needs of their catchments. This will involve:
    - making choices about which centres will accommodate any identified need for growth in town centre uses;

- considering the expansion of centres where necessary, ensuring any extensions are carefully integrated with the existing centre in terms of design (including the need to allow easy pedestrian access);
  - considering the scope for consolidating and strengthening centres in decline, by seeking to focus a wider range of services there, promoting the diversification of uses and improving the environment; and
  - reclassifying centres at a lower level within the retail hierarchy where reversing decline is not possible. (This may include, for example, allowing retail units to change to other uses, whilst aiming, wherever possible, to retain opportunities for vital local services).
- Define the extent of the centre and the primary shopping area at the local level in the Adopted Proposals Map, having considered distinguishing between realistically defined primary and secondary frontages in designated centres and setting policies that make clear which uses will be permitted in such locations.
  - Consider setting floorspace thresholds for the scale of edge-of-centre and out-of-centre development at the local level that would be subject to an impact assessment under (EC16.1) and specify the geographic areas these thresholds will apply to.
  - Define any locally important impacts on centres which should be tested (see policy EC16.1.f).
  - Encourage residential or office development above ground floor retail, leisure or other facilities within centres at the local level, ensuring that housing in out-of-centre mixed-use developments is not, in itself, used as a reason to justify additional floorspace for main town centre uses in such locations;
  - Identify sites or buildings within existing centres at the local level suitable for development, conversion or change of use.
  - Use planning tools such as local development orders, area action plans, compulsory purchase orders and town centre strategies at the local level to address any transport, land assembly, crime prevention, planning and design issues associated with the growth and management of centres

### **Promoting Choice & Competition**

- 2.19 Reflecting the importance attached to developing positive strategies, and promoting choice and competition, Policy EC4 reinforces the Government's key policy objectives, and sets out some of the issues which could be taken into account in preparing and evaluating alternative town centre strategies and translating these into the LDF.
- 2.20 Policy EC4.1(a-f) states that LPAs should proactively plan to promote competitive town centre environments and provide consumer choice by, *inter alia*:
- supporting a diverse range of uses which appeal to a wide range of age and social groups, ensuring that these are distributed throughout the centre;

- planning for a strong retail mix so that the range and quality of the comparison and convenience retail offer meets the requirements of the local catchment area, recognising that smaller shops can significantly enhance the character and vibrancy of a centre;
- supporting shops, services and other important small scale economic uses (including post offices, petrol stations, village halls and public houses) in local centres and villages;
- identifying sites in the centre, or failing that on the edge of the centre, capable of accommodating larger format developments where a need for such development has been identified;
- retaining and enhancing existing markets and, where appropriate, re-introducing or creating new ones, ensuring that markets remain attractive and competitive by investing in their improvement; and
- taking measures to conserve and, where appropriate, enhance the established character and diversity of their town centres.

### **Managing the Evening & Night-time Economy**

- 2.21 Policy EC4.2 states that LPAs should manage the evening and night-time economy in centres, taking account of and complementing the local authority's *Statement of Licensing Policy* and the promotion of the licensing objectives under the *Licensing Act 2003*. Policies should: (a) encourage a diverse range of complementary evening and night-time uses which appeal to a wide range of age and social groups, making provision, where appropriate, for leisure, cultural and tourism activities such as cinemas, theatres, restaurants, public houses, bars, nightclubs and cafes; and (b) set out the number and scale of leisure developments they wish to encourage taking account of their potential impact, including the cumulative impact, on the character and function of the centre, anti-social behaviour and crime, including considering security issues raised by crowded places, and the amenities of nearby residents.

### **The Need Test**

- 2.22 The assessment of quantitative and qualitative need has been removed as a standalone test for the assessment and determination of planning applications for retail, leisure and main town centre uses. Notwithstanding this, need assessments remain a fundamental component of the evidence base for plan-making at the regional and local level (Policy EC1.4). The consideration of need is also fundamental to the development of robust town centre strategies (Policy EC3). Specifically, a need assessment is vitally important to help to inform the identification and allocation of an appropriate range of sites to accommodate the forecast capacity for new retail floorspace and town centre uses (Policy EC5.1.a).

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## Sequential Assessment & Site Allocation

- 2.23 The sequential assessment remains at the heart of the Government's objective to focus new development and investment in town centres first. It is a fundamental part of both plan making (Policy EC5) and the determination of planning applications (Policy EC15). The importance of the sequential approach is reflected by the fact that it has emerged relatively unchanged from PPS6.
- 2.24 Under the sequential approach (Policy EC5.2), LPAs should identify sites that are suitable, available and viable in the following order:
- locations in appropriate **existing centres**, where sites or buildings for conversion are, or are likely to become, available within the plan period;
  - **edge-of-centre locations**, with preference given to sites that are, or will be well connected to the centre; and
  - **out-of-centre sites**, with preference given to sites which are, or will be well served by a choice of means of transport and that are closest to the centre and have a higher likelihood of forming links with the centre
- 2.25 PPS4 (EC5.1) places significant weight on LPAs to identify and allocate an appropriate range of sites to accommodate the identified need, ensuring that sites are capable of accommodating a range of business models in terms of scale, format, car parking provision and scope for disaggregation. Policy EC5.1 states that: "*...an apparent lack of sites of the right size and in the right location should not be a reason for local planning authorities to avoid planning to meet the identified need for development*". Where necessary, PPS4 (Policy EC5.6) also encourages LPAs to make full use of their planning tools to help facilitate development.
- 2.26 When carrying out site selection and land assembly for main town centre uses, Policy EC5.1(a-e) states that LPAs should:
- base their approach on the identified need for development;
  - identify the appropriate scale of development. This should ensure that the scale of the sites identified and the level of travel they generate are in keeping with the role and function of the centre within the hierarchy of centres, and the catchment served;
  - apply the sequential approach to site selection (see Policy EC5.2);
  - assess the impact of sites on existing centres (see Policy EC5.4); and
  - consider the degree to which other considerations such as any physical regeneration benefits of developing on previously-developed sites, employment opportunities, increased investment in an area or social inclusion, may be material to the choice of appropriate locations for development.
- 2.27 Sites that best serve the needs of deprived areas should be given preference when considered against alternative sites with similar location characteristics (Policy EC5.3). Having identified sites for development, Policy EC5.5 states that LPAs should allocate sufficient sites in development plan documents to meet **at least the first five years'**

- identified need.** Where appropriate, LDFs should set out policies for the phasing and release of allocated sites to ensure that those sites in preferred locations within centres are developed ahead of less central locations.
- 2.28 The sequential assessment is also critical to the determination of planning applications that are not in an existing centre and not in accordance with an up to date development plan, including extensions of over 200 square metres gross to existing retail and leisure uses (Policy EC15).
- 2.29 The *Practice Guidance* provides more detail as to the application of the sequential approach for plan making and development management policies. It identifies that a critical first step is for LPAs to identify what they regard as the primary shopping area (PSA) and town centre boundary when preparing development plans, as well as the potential need to extend these to accommodate future growth and expansion of centres. This, in turn, provides clarity to applicants about the policy status of different sites.
- 2.30 Both LPAs and applicants are still required to carry out a pragmatic and realistic approach when assessing the suitability, viability and availability of potential sites. This requires, for example, demonstrating flexibility in terms of the scale and format of the proposal; car parking provision; and the scope for disaggregation. PPS4 confirms that it does not expect a single retailer or leisure operator to split development into separate sites where flexibility in the business model and the scope for disaggregation have been demonstrated.
- 2.31 As far as we are aware, for the first time the *Practice Guidance* indicates that the size and bulk of goods sold will influence the size and type of store required. This applies particularly to retailers selling bulky durable goods such as DIY, furniture, carpets and domestic appliances. The Practice Guidance adds that in many cases these forms of development are regarded as complementary to the role of town centre retailing, as they do not generate sufficient sales productivity to trade in prime town centre locations. This would seem to suggest that these types of bulky goods may be more appropriate to edge and/or out-of-centre locations, although it will still be necessary for both LPAs and applicants to clearly demonstrate why more central sites are not sequentially preferable.

### **The Assessment of Impact**

- 2.32 A more comprehensive impact test has been introduced by PPS4 to help inform plan making (for example, see Policies EC3.1.e, EC5.1.d and EC5.4) and development management policies (see Policies EC14, EC16 and EC17). It is intended to strengthen the Government's town centre first policy by providing a clearer, more robust and holistic policy framework for assessing the impact of development proposals. The Practice Guidance provides, for the first time, clarification as to how to assess and determine impacts on the vitality and viability of centres.

- 2.33 Planning applications for main town centre uses that are not in a centre and not in accordance with an up to date development plan should be assessed against the key impacts on centres set out in Policy EC16.1(a-f), focusing in particular **on the first five years after the implementation of a proposal** (i.e. after the scheme has opened). The key impacts are as follows:
- The impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal.
  - The impact of the proposal on town centre vitality and viability, including local consumer choice and the range and quality of the comparison and convenience retail offer.
  - The impact of the proposal on allocated sites outside town centres being developed in accordance with the development plan.
  - In the context of a retail or leisure proposal, the impact of the proposal on in-centre trade/turnover and on trade in the wider area.
  - If located in or on the edge of a town centre, whether the proposal is of an appropriate scale (in terms of gross floorspace) in relation to the size of the centre and its role in the hierarchy of centres.
  - Any other locally important impacts on centres defined by LPAs under (see Policy EC3.1.e).
- 2.34 In addition, Policy EC10.2 identifies the following five impact considerations that all applications for economic development should be assessed against:
- the effect on carbon dioxide emissions and climate change over the lifetime of the development;
  - the accessibility of the proposal by a choice of means of transport;
  - whether the proposal secures a high quality and inclusive design;
  - the impact on economic and physical regeneration in the area, including the impact on deprived areas and social inclusion objectives; and
  - the impact on local employment.
- 2.35 National policy requires impact to be applied to retail and leisure development (and proposals for other main town centre uses) over 2,500 square metres. The only exception to this is when a LPA sets specific thresholds in their development plans (see Policy EC3.1.d). Ahead of any local threshold being set, it could also be applied to smaller developments that are likely to have a significant impact on smaller town centres, depending on the relative size and nature of the development in relation to the centre.
- 2.36 In assessing the impact of proposed locations for development as part of the plan making and site selection process (under Policy EC5.1.d), Policy EC5.4(a-c) states that LPAs should:
- take into account the impact considerations set out in Policy EC16, particularly for developments over 2,500 sq m (or any locally set threshold under EC3.1.e), ensuring that

any proposed edge-of-centre or out-of-centre sites would not have an unacceptable impact on centres within the catchment of the potential development;

- ensure that proposed sites in a centre, which would substantially increase the attraction of that centre and could have an impact on other centres, are assessed for their impact on those other centres; and
- ensure that the level of detail of any assessment of impacts is proportionate to the scale, nature and detail of the proposed development

### **Determining Planning Applications**

- 2.37 PPS4 provides a far more structured policy-based approach to determining planning applications than PPS6. Significant weight is now placed on the sequential and impact tests, apparently ahead of economic, social, environmental and other material considerations.
- 2.38 Although Policy EC10.1 states that LPAs should adopt a positive and constructive approach towards planning applications for economic development, Policies EC14-EC17 specifically deal with planning applications for main town centre uses that are not in a centre and not in accordance with an up to date development plan.
- 2.39 Policy EC17.1.a is clear that applications should be refused planning permission where the applicant has not demonstrated compliance with the sequential approach (Policy EC15). Similarly, Policy EC17.1.b states that planning permission should also be refused where there is clear evidence that the proposal is likely to lead to significant adverse impacts in terms of any **one** of the key impacts set out in Policy EC10.2 and EC16.1. This will need to take into account the likely cumulative effect of recent permissions, developments under construction and completed developments.
- 2.40 However, it is still for the decision maker to judge the extent to which the applicant has demonstrated compliance with the sequential approach, and what constitutes a significant adverse impact, based on the circumstances of each case. Where the evidence shows there is no significant adverse impact it will be necessary to balance the positive and negative effects of proposals against the criteria set out in Policies EC10.2 and EC16.1, together with any other local considerations and other wider material considerations in reaching an overall planning judgement.
- 2.41 Policy EC17.3 states that judgements about the extent and significance of any impacts should be informed by the development plan (where this is up to date); along with recent centre health check assessments, based on the vitality and viability indicators set out in Annex D to PPS4; and any other published local information (such as a town centre or retail strategy).

### **THE COMPETITION TEST**

- 2.42 PPS4 does not specifically address the recommendation of the Competition Commission for a competition test for large grocery stores. The Government was



going to respond to the Commission's recommendation sometime in 2010 but at the time of finalising the report this has yet to occur.

- 2.43 The test will specifically apply to proposals submitted by a grocery retailer or a third party for the development of grocery stores (including new stores and extensions) where the store has (or after the scheme has been implemented, will have), a grocery sales area over 1,000 sq m. The CC has slightly modified the test to allow all retailers to make small extensions to stores of up to 300 sq m, provided that the store in question has not been extended in the previous five years. The Test therefore represents a significant and important material consideration for all those involved in the planning, development and operation of large grocery stores.
- 2.44 The CC has recommended that the CLG take the necessary steps to implement the Test. If adopted, it is likely to become an integral part of the planning system, informing both plan-making and development control policies and decisions relating to new larger grocery store applications. The CC has recommended that the Office of Fair Trading (OFT) becomes the statutory consultee to the LPA to advise whether a planning application has passed or failed the Test. The DCLG will consult further on the Test and its likely implementation.
- 2.45 LPAs, operators and developers will therefore have to review their development plan and business investment strategies to determine whether there are areas of high concentration of grocery fascias and identify the appropriate action required. The Test is explained in more detail on the Strategic Perspectives LLP website ([www.strategicper.com](http://www.strategicper.com)).

### **PPG13: TRANSPORT**

- 2.46 PPG13 was published in March 2001 and sets out the Government's policies on transport. It states that the quality of life depends on transport and easy access to jobs, shopping, leisure facilities and services. In relation to retail development, the guidance reinforces the town centres first agenda that preference should be given to central sites, followed by edge-of-centre and then only out-of-centre sites in locations which are (or will be) well served by public transport. Where there is clearly an established need for such development and it cannot be accommodated in or on the edge of existing centres, it may be appropriate to combine the proposal with existing out-of-centre developments, provided that improvements to public transport can be negotiated. It is important to note that PPS4 has replaced paragraphs 53-54 and Annex D of PPG13: *Transport* relating to maximum parking standards (unless LPAs prepare local maximum parking standards in line with Policy EC8 of PPS4).

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## DEVELOPMENT PLAN CONTEXT & POLICIES

- 2.47 The following briefly reviews the local DPDs relevant to the preparation of this retail and commercial leisure study, along with other regeneration and strategy reports recently prepared by the Council.
- 2.48 It is important to note at the outset that on 6<sup>th</sup> July 2010, the Secretary of State for Communities and Local Government announced the revocation of Spatial Regional Strategies<sup>1</sup>. The implications of this decision are yet to be fully understood at the time of finalising this study, however initial guidance has been issued to respond to any immediate matters that may arise. The Coalition Government's programme, based around the principle of '*localism*', returns decision-making powers on housing and planning to local councils. In determining planning applications, Local Planning Authorities (LPAs) must continue to have regard to the Development Plan, which will now only consist of adopted Development Plan Documents (DPD); saved policies; and any old style plans that have not lapsed.
- 2.49 LPAs should continue to have regard to other material considerations including National Policy Guidance such as PPS4. LPAs will still be required to progress their LDFs and will be encouraged to reflect local people's aspirations on planning issues. In circumstances where an authority has adopted or is preparing a development plan document (DPD) they will be permitted to review their plans where appropriate. The Coalition Government has stated that is not seeking to change the plan-making approach, but by removing the regional tier of policy there will be inevitable delays to the LDF process. Authorities have therefore been encouraged to make their position clear on the review of their LDF as a priority.
- 2.50 The Ipswich Local Plan (November, 1997) is still the current adopted local plan for the Borough, and has 'saved' Local Plan policies in accordance with the Planning and Compulsory Purchase Act 2004. The Act also introduced major changes to the planning system, including the introduction of LDF's to replace the old system of Structure and Local Plans. The LDF comprises a series of documents, which set out policies and proposals for future development within each local planning authority's area.
- 2.51 By way of reference, the adopted Local Plan town centre and Central Shopping Area boundaries are shown in **Appendix 15**. The map also shows draft revised boundaries from the Preferred Options IP-One Area Action Plan. The latter are still subject to change.

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<sup>1</sup> However, on the 10th November 2010 following a successful high court challenge by CALA Homes, the Court found that the secretary of state's revocation of Regional Strategies was unlawful.

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## Ipswich Borough Council Local Plan 1997

- 2.52 The Local Plan was adopted in November 1997 and sets out the Council's vision for the future development of the Borough. Chapter 10 on *Shopping* specifically deals with the provision and protection of existing retail facilities across the Borough. The key aims are to maintain and enhance the vitality and viability of the town centre to maintain and enhance its role as the main shopping area of the town and as a regional shopping centre; to provide flexibility of use; to ensure that shops selling convenience and bulky comparison goods suited to out-of-town locations are appropriately sited and to ensure local shopping centres continue to meet the needs of local neighbourhoods.
- 2.53 The following shopping and commercial leisure policies have been saved:
- S2 - Shopping in the town centre
  - S3 - Change of use in primary shopping area
  - S4 - Change of use in secondary shopping area
  - S5 - Change of use in speciality shopping area
  - S6 - Business use in central shopping area
  - S7 - Amusement centres within central shopping area
  - S8 - Non-retail use in rest of town centre
  - S10 - Sale of goods in retail parks
  - S12 - Change of use from retail warehouse to employment or leisure
  - S16 - Protecting local shopping centres
  - S17 - Retail development in local shopping centres
  - S18 - Change of use in local shopping centres
  - S19 - Community facilities in local shopping centres
  - S20 - Hot food takeaways in local shopping centres
  - S21 - Change of use of isolated shops
  - S22 - Criteria for development of hot food takeaways
  - RL17 - Proposals for the development of new indoor sport and leisure facilities, the extension of existing facilities and the conversion and change of use of buildings to sport and leisure uses
  - RL18 - Planning permission will not be granted for proposals leading to the overall loss of sport and leisure facilities
  - RL21 in respect of arts, cultural and entertainment development in the town centre/wet dock
  - RL22 is in respect of car parking for and access to arts and entertainment facilities
  - RL23 protecting museums, arts and entertainment facilities
  - RL24 arts/entertainment uses in major developments

## Local Development Framework (LDF)

2.54 The Council's Proposed Submission Core Strategy and Policies development plan document is the principal document within the LDF. It sets out the Council's strategic and spatial vision for Ipswich over the next 15 years. The consultation on this document ended in November 2009 and the Council submitted the Core Strategy and policies to the Government for independent examination in March 2010 along with a schedule of proposed amendments<sup>2</sup>. The key retail policies are:

- **POLICY CS2: THE LOCATION AND NATURE OF DEVELOPMENT** - Focusing major new retail development into the Central Shopping Area and new leisure development in the town centre;
- **POLICY CS3: IP-ONE AREA ACTION PLAN:** The Council will prepare and implement an IP-One Area Action Plan to plan for significant change in central Ipswich. The Area Action Plan will: Define the extent of the town centre, Waterfront and Ipswich Village; Allocate sites for development in IP-One, including land to provide approximately 2,000 dwellings; Set down development principles to apply in identified opportunity areas where change will be concentrated; and Define the Central Shopping Area and primary, secondary and speciality shopping frontages;
- **POLICY CS14: RETAIL DEVELOPMENT:** The Council will promote high quality investment and development in Ipswich Central Shopping Area, to maintain and enhance its attraction and market share, and strengthen its regional role. Through the IP-One Area Action Plan, the Council will extend the Central Shopping Area to include the Westgate quarter and the land south of Crown Street and Old Foundry Road and allocate sites for retail development within it. This will enable the delivery of at least 35,000 sq m net of additional floorspace to diversify and improve the retail offer. The Council will also limit the size of shops permissible at the Waterfront. Major retail development in edge of centre or out of centre locations will be considered in light of national policy and the Council's aim to enhance the role, vitality and viability of Ipswich Central Shopping Area. The Council will direct other town centre uses including offices, leisure and hotel developments into an extended town centre area, in recognition of the area's good accessibility by public transport, cycle and foot. The Council will also promote environmental enhancements to the town centre and improved public transport accessibility. In the district centres and local centres, the Council will permit retail development of a scale appropriate to their size, function and catchment.
- **POLICY DC20: THE CENTRAL SHOPPING AREA:** The Council will support the town's vitality and viability by promoting and enhancing appropriate development in the Central Shopping Area. The Central Shopping Area comprises the Primary, Secondary and Specialist Shopping Areas, which will be defined in the IP-One Area Action Plan. Sites identified as suitable for major retail investment will be allocated in the IP-One Area Action Plan.

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<sup>2</sup> The Core Strategy and Policies examination was subsequently suspended following the Government's announcement in July 2010 of its intention to revoke the Regional Spatial Strategy (RSS).

- **POLICY DC21: DISTRICT AND LOCAL CENTRES:** The Council will support the retention and provision of local shops and community facilities within defined District and Local Centres.
- **POLICY DC22: TOWN CENTRE USES OUTSIDE THE CENTRAL SHOPPING AREA:** Within the Town Centre but outside the Central Shopping Area, the development of non-retail town centre uses, including leisure, recreation, culture and tourism uses, will be permitted. This area must be considered before edge or out of centre locations for these town centre uses.
- **POLICY DC23: MAJOR RETAIL PROPOSALS OUTSIDE DEFINED CENTRES:** Major retail proposals for more than 200 sq m gross floorspace in locations outside defined centres will only be permitted if the proposal can be demonstrated to be acceptable under the terms of PPS4.

## SUMMARY

2.55 This section has reviewed the national, regional and local retail and commercial leisure planning policy context relevant to the preparation of this updated study. Government guidance is clear that new development and investment should be promoted in existing centres first, followed by edge-of-centre locations, in accordance with the sequential approach. New out-of-centre development is therefore only appropriate where there are no suitable, viable and available sites in more central locations and it can be demonstrated that they will not have an adverse impact on the vitality and viability of existing centres in accordance with PPS4.

### **3.0 THE CHANGING URBAN & RETAIL LANDSCAPE**

3.1 Britain's urban and retail landscape has changed dramatically since the 1960s. The changes in the location of new retail development and the nation's shopping habits have been shaped by complex policy, economic, social, consumer and investment trends. Based on a review of current research and thinking, this section provides a brief overview of some of the key drivers of change in the retail sector over the last three decades and forecasts for the future of our town centres and high streets.

#### **THE UK ECONOMY & THE RETAIL SECTOR**

3.2 The UK has benefitted from an unprecedented period of strong and sustained economic growth since the mid 1990s, characterised by easy access to credit, the housing boom and low interest rates. This, in turn, fuelled significant growth in the retail sector and a golden age for major new retail-led development in many of Britain's cities and towns. The retail sector makes a significant contribution to the UK economy; accounting for approximately 8% of Gross Domestic Product (GDP) and over 4.5 million full-time and part-time equivalent jobs.

3.3 However, the UK and global markets are currently experiencing a dramatic recessionary period. This has resulted in one of the most testing economic and trading environments in living memory. The recession has had a significant impact on consumer, business, investor and developer confidence. Confidence has been further eroded by the Government having to bail out the banking system.

3.4 Britain's households have also been affected by a period of rising energy costs, increasing debt and the weakening value of the pound. The housing market downturn has also deterred mortgage equity withdrawal, which in the past has helped to underpin the growth of consumer spending. In short, discretionary spending on shopping and leisure activities has fallen over the last 12-18 months and the savings ratio has increased.

3.5 These tougher trading conditions have impacted on retailers' sales and profit margins. There were a number of early casualties as the economic recession deepened during late 2008 and early 2009. The highest profile of these was Woolworths. After almost 100 years of trading from prime shopping streets across the UK, it was forced into administration in late 2008 and had closed all circa 830 of its stores by the end of January 2009. Other retailers and operators that have disappeared from our high streets and out-of-centre shopping locations over the last 12-18 months include the following:



- 3.6 All sectors of the retail market have been hit. It is anticipated that other businesses are likely to fail over the next 6-12 months if the economic recession persists.

### TOWN CENTRE DEVELOPMENT TRENDS

- 3.7 The Government's key objective to promote and enhance existing centres, by focussing new development in centres and encouraging a wide range of services in a good environment, accessible to all, has resulted in a slowing of new out-of-centre development over the last decade.
- 3.8 As reported in Annex A to draft PPS4, the headline indicator of success has been an increase in the proportion of new retail floorspace being developed within and on the edge of town centres from a low of less than 25% in 1994 to 42% by 2006. It is evident from this that both PPG6 and PPS6 have halted and partially reversed a long term trend toward retail development outside town centres. Recent analysis by the British Council for Shopping Centres (BCSC) in its publication *'The Retail Property Industry: Its Contribution to the UK Economy 2008'* shows that of the shopping centre developments in the pipeline up to 2012, well over half are town centre developments as opposed to out of town. Reflecting the BCSC analysis, it is expected that town centre and edge of centre sites will account for an increasing proportion of retail development in the future.
- 3.9 The town centres first policy has therefore resulted in a number of high profile retail-led mixed use schemes being developed in Britain's major cities and towns since the late 1990s. Retail-led schemes in centres such as Exeter, Liverpool, Belfast, High Wycombe, Birmingham and Norwich have significantly strengthened their overall attraction, vitality and viability as shopping locations. These schemes have been at the heart of urban regeneration and investment programmes and, in some cases, have helped to revitalise tired and failing town centres and high streets.

3.10 However, the impact of the recession on developer and investor confidence, combined with the withdrawal of lending by the banks, has resulted in a number of high profile schemes being shelved or frozen over the last two years. The eleven major schemes identified by the table below have a substantial 627,400 sq metres of floorspace with an estimated development value of over £4billion. However we estimate that this represents only approximately 15% of the total estimated 4.2 billion sq metres of lost retail floorspace. Some of the schemes, such as the Northern Quarter in Portsmouth had planning permission and had been through lengthy CPO Inquiries, with retailers already signed up. However, the economic recession has rendered them economically and commercially unviable. As a result many of Britain's cities and towns that were set to benefit from much needed new investment and development may have to wait several years before confidence returns.

**Table 3.1 Retail Schemes Shelved or Frozen in 2008/09**

Location	Scheme	Developer	Retail Space (m <sup>2</sup> )	Estimated Development Value (£m)
Leeds	Eastgate Quarter	Hammerson	110,000	800
Portsmouth	Northern Quarter	Centros	96,500	500
Leeds	Trinity Quarter	TQ Developments	93,000	650
Sheffield	Seven Stone	Hammerson	80,000	600
Oxford	Westgate	Liberty International	69,000	330
Stockport	Bridgefield	Lend Lease	60,400	500
Southampton	West Quay	Hammerson	42,000	100
Lancaster	Canal Corridor	Centros	30,000	140
Liverpool	Hope Street	Maghull Developments	20,000	100
Bristol	Temple Quay	Castlemore Securities	20,000	200
Hull	Fruit Market	Igloo	6,500	100
<b>TOTAL:</b>			<b>627,400</b>	<b>4,020</b>

Source: Strategic Perspectives LLP (November 2009).

3.11 Notwithstanding this, a number of high profile shopping centre schemes opened in 2009, including The Arc in Bury St. Edmunds (60,400m<sup>2</sup>); St David's 2 in Cardiff (88,260m<sup>2</sup>) and Union Square in Aberdeen (65,030m<sup>2</sup>). The circa 185,800m<sup>2</sup> of new shopping centre space that opened in 2009 compares with the 745,000m<sup>2</sup> that opened in 2008. Others are currently under construction and due to open in 2011, such as the Parkway scheme in Newbury town centre and the Westfield development in Stratford. However, the retail development pipeline beyond 2011 is more limited compared with the shopping centre boom over the last 5-10 years.

3.12 BCSC research indicates that as the UK retail sector emerges from the recession and confidence returns to the marketplace, so retailers will respond to rising sales by



increasing their demand for space. The demand for space will remain one of the primary methods by which retailers will grow their business and profit, and is therefore a vital ingredient in the future prosperity of the retail sector as a whole. The major difficulty for retailers over the medium term will be the lag between their demand for space and the time it will take for the stalled developments to be revived and delivered.

### **OUT-OF-CENTRE DEVELOPMENT TRENDS**

- 3.13 The retail sector has experienced a number of economic cycles and policy changes that have shaped the scale, nature and location of new retail investment and development.
- 3.14 At the beginning of the 1980s town centres were the primary focus for most retail and leisure activity. The monopoly of the high street on the nation's shopping habits had largely been unchallenged during the post-war period. Over the last 30 years, however, there has been a profound shift in the geography of new retail and leisure development such that town centres are now no longer the first choice for a range of shopping, leisure, entertainment and employment uses and activities.
- 3.15 This shift in investment and spend away from town centres to out-of-centre locations was driven by a combination of policy, economic, social, demographic and property market trends. During the early 1980s the Government largely promoted a laissez-faire approach to planning and development in order to promote much needed economic and employment growth following the recession of the late 1970s.
- 3.16 At the same time there was a flight of people and jobs from Britain's cities and towns to the suburbs. This effectively created a large new pool of household expenditure outside of Britain's town centres. Many high streets were also suffering from a lack of investment and management during the 1970s and 1980s. As a result, they were not attractive or easily accessible shopping locations for the increasingly mobile and discerning consumer.
- 3.17 Investors, developers and operators responded to (and fuelled) these changes through a number of phases (or waves) of retail development in out-of-centre locations.

**Table 3.2 The Waves of Out-of-Centre Retail Development**

Wave	Description
<b>First Wave</b>	The decentralisation of free standing superstores and hypermarkets first began during the late 1960s and gathered pace during the 1970s.
<b>Second Wave</b>	Development of free standing retail warehouses began in the late 1970s and was followed by retail parks during the 1980s. This wave was initially characterised by bulky goods operators (defined as DIY, furniture, carpets, electrical goods and motor accessories) trading from large format stores. This then evolved into clusters of retail warehouses in retail parks and finally into a number of Open A1 retail parks which attracted more traditional high street retailers.
<b>Third Wave</b>	The more relaxed planning policy approach to new retail development during the 1980s resulted in a significant surge in applications for free standing out-of-centre regional shopping centres (RSCs). The Metro Centre in Newcastle represented a new generation of shopping centres after Brent Cross (which opened 1976) and was followed by Merry Hill, Lakeside, Meadowhall and Blue Water. These shopping centres are anchored by major department store operators and a wide range of national multiples trading from larger format modern stores and served by extensive car parking, generally located next to major motorway junctions. Westfield in West London is the last of the major RSCs to be developed in the UK.
<b>Fourth Wave</b>	During the recession of the early 1990s there was a rise of factory outlet centres (FOCs) offering quality end-of-line / out-of-season goods at discounted prices in attractive shopping environments.

Note: Also see Glossary of Terms.

- 3.18 This decentralisation of retail floorspace and other traditional town centre uses (such as offices, cinemas, restaurants and other commercial leisure activities) precipitated the tightening of Government policy from the mid-1990s onwards. Beginning with revised Planning Policy Guidance Note 6 (PPG6): *Town Centres and Retail Development* published in 1996 and reinforced by PPS6: *Planning for Town Centres* in March 2005, the Government strengthened the role of the planning system and placed increased emphasis on sustainable mixed-use development in town centres first, underpinned by high quality urban design (see **Section 2**).
- 3.19 Nevertheless, notwithstanding the increasing proportion of new retail development in town centre and edge of centre locations, it is clear that there is still a significant quantum of out-of-centre retail floorspace being proposed and developed.

### TRENDS IN THE GROCERY SECTOR

- 3.20 The UK's grocery sector is one of the strongest performing and most dynamic sectors of retailing and the economy as a whole. According to the Institute of Grocery Distribution (IGD), the grocery market was worth circa £133bn in 2007. Overall groceries account for 12.8% of all household spending, making it the third largest area of expenditure, after housing and transport.
- 3.21 The UK grocery sector has experienced dramatic changes in its location, format and offer since the 1980s. The growth of the grocery sector up until the late 1990s was largely fuelled by the expansion of large out-of-centre superstores. Over the last

decade, as the government's political and policy commitment to the urban renaissance has strengthened, the grocery sector has been at the forefront of a number of key trends and innovations.

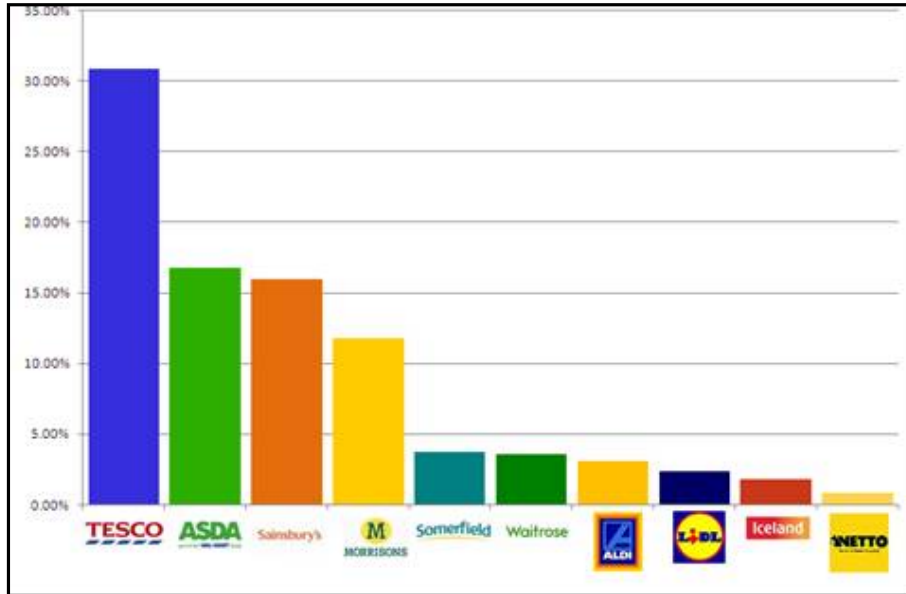
**Table 3.3 Major trends in the Grocery Sector**

Wave	Description
<b>Expansion through Acquisition &amp; Alliances:</b>	<p>There have been a number of high profile takeovers over the last few years.</p> <ul style="list-style-type: none"> <li>o Kwik Save was bought out by Somerfield in 1998, but later resold. The failing chain eventually closed in July 2007.</li> <li>o Morrisons acquired the Safeway chain in 2004, creating the UK's fourth largest supermarket group.</li> <li>o In October 2008, the Co-op Group acquired the 126 store Somerfield chain, placing it amongst the top 5 grocery retailers.</li> </ul> <p>Examples of where retailers have formed business alliances to increase market share include Boots and Waitrose. In this case Waitrose is to sell its branded food products in larger Boots stores and in return, the in-store Waitrose pharmacies are to be rebranded as Boots.</p>
<b>Diversification into non-food sales:</b>	<p>Non-food sales now account for an increasing share of the turnover of the top grocery retailers. Tesco and Asda already have a large non-food component, averaging 30%-50% of sales area in their larger superstores. Sainsbury's is also increasing its non-food sales area. As grocers expand their non-food ranges further, particularly into more space intensive categories such as furniture, average store size is set to increase further. This will fuel applications for extensions to the non-food sales of existing stores in town centre and out-of-centre locations. There may also be an increased move towards quasi-department store food anchors in and/or on the edge of town centres, as well as traditional grocery retailers opening comparison goods only stores.</p>
<b>Growth of Convenience Stores:</b>	<p>The larger grocery operators have increased their market share of the convenience sector through acquisitions and new stores openings. The key players include Tesco ('Express' and 'One Stop'), Sainsbury ('Local') and Marks &amp; Spencer ('Simply Food'). For example, Tesco opened its 1,000<sup>th</sup> Tesco Express store in 2009 and has a programme to open a further 1,000 stores over the next 4-5 years. Waitrose also announced plans in September 2009 to open a network of 300 small convenience stores, following successful trials of stores in Nottingham and Bristol. The higher end convenience stores will represent a direct challenge to M&amp;S Simply Food. Approximately two-thirds of the planned stores will be between 185 and 370 sq m and it is estimated that it will take between 5-10 years to open all 300 planned stores. At the same time, traditional convenience store operators, such as Budgens and Londis, are also planning to increase their store portfolios.</p>
<b>Growth of Deep Discounters</b>	<p>The European discount food operators - Aldi, Lidl and Netto - have experienced significant growth in the UK over the last 5 years. They have changed their business models to suit the British consumer by introducing more ranges; improving their own-label products; enhancing store environments and design; and locating in more affluent areas. They currently account for over 6% of total UK grocery sales. They are now viewed as a threat by the major grocers, who have responded by increasing their own-range value products.</p>
<b>Mixed Use Developments</b>	<p>There has been a growth in the number of mixed use developments in town centre and edge-of-centre locations that comprise a traditional foodstore, along with a mix of uses either above the store (primarily residential and office uses), or as part of the overall development.</p>
<b>Online Shopping</b>	<p>This has provided another significant channel for the main grocery retailers to increase their market share. Asda, Tesco, Sainsbury's and Ocado (Waitrose) have extended their on-line grocery sales over recent years. Tesco and Asda have also led the way in non-food online retailing. In 2006 Tesco re-launched <i>Tesco Direct</i>, which brought all its non-food categories together and considerably expanded the range. Asda launched new departments to its website in 2007 with a view to integrating all its non-food categories.</p>

Note: Also see Glossary of Terms.

3.22 It is estimated that the leading multiple grocery retailers now account for 90% of the market (see **Figure 3.1**). At the same time, research shows that smaller independent retailers and other food specialists (such as butchers, bakers and delicatessens) have lost market share over the last decade. Those independent specialists that have thrived in this increasingly competitive marketplace are generally located in convenient and successful high street locations, with a strong catchment population, and provide a high quality service and products to their loyal customer base.

**Figure 3.1 UK Grocery Market: Market shares of major retailers**



Source: SP and TNS Global (December 2008)

3.23 If these trends continue (and planning policy remains unchanged), then it is our view the grocery sector will be characterised by increased applications for extensions and mezzanine space to increase non-food sales; the continued expansion of convenience stores and deep discount food retailers; and applications for large format anchor foodstores either in and/or on the edge of smaller and medium-sized centres that do not have the critical mass or catchments to sustain more traditional department store operators, such as Debenhams.

**TRENDS IN NON-FOOD RETAILING**

3.24 The comparison goods sector is highly diverse. The line between town centre and out-of-centre non-food retailing has also become increasingly blurred over the last 10-15 years. In the early days of out-of-centre development, retail warehouses and retail parks were traditionally occupied by the large format (bulky goods) retailers in the DIY, hardware, furniture, carpets and electrical goods sectors. However, as loopholes in planning conditions were exploited and/or Open A1 permissions were granted in

certain cases, so it is commonplace to find more traditional high street retailers trading from larger format units in out-of-centre locations.

- 3.25 Based on the research, we have identified the following key areas of comparison goods retailing that have driven, and will continue to drive demand for space at the national and regional level:

**Table 3.4 Major trends in the Comparison Goods Sector**

Retail Category / Sector	Description
<b>Department Stores:</b>	The mixed goods profile of department store operators should help to insulate this sector against any major downturn in retail spending, particularly at the luxury end. Selfridges, Harvey Nichols, Harrods, The John Lewis Partnership (JLP) and House of Fraser are well positioned to ride the economic storm and have performed relatively well over the last 12 months.
<b>Variety Stores:</b>	This sector is highly diverse and remains critical to the success and attraction of many of Britain's high streets and town centres. Following the loss of Woolworths in early 2009, the main player in this sector are Marks & Spencer (M&S) and B&S. The discount variety retailers (such as TJ Hughes and Wilkinsons) are also performing relatively strongly in the current recession.
<b>Fashion Retailing:</b>	Traditional high street retailers such as Next, TK Maxx and New Look are increasingly footloose and are looking to open larger store formats in out-of-centre locations to showcase their entire product ranges. There has also been increasing consolidation in the sector, with a number of different fascias and brands owned by one company. For example, the Arcadia Group is the third largest clothing and footwear retailer operating on the UK's high streets and comprises Dorothy Perkins, Top Shop, Miss Selfridge, Evans and Wallis amongst its brands. However, this can also represent a threat to the viability of high streets, as the failure of the holding company could result in the closure of a number of retailers. For example, the failed Icelandic Baugur Group had ownership and interest in a number of major UK retailers, including Karen Millen, Oasis, Warehouse Coast, Whistles and Hamleys.
<b>Value Retailing:</b>	A significant trend on the high street over recent years has been the increased polarisation in the retail market between the more expensive brands at one end of the spectrum and the value/discount clothing retailers at the other. This has driven the rise of the value sector players like Primark and Peacocks. Both of these retailers are looking for low-cost city centre sites, market towns and secondary shopping centres in large urban areas, where rents and overheads are relatively low. They have aggressive plans for expansion and are building market share on the back of a more price conscious-consumer.
<b>DIY &amp; Hardware:</b>	This sector is characterised by large format retailers primarily located on the edge of, or outside of town centres. B&Q, Focus, Wickes and Homebase generally dominate this sector of the market. However, growth of this sector has slowed significantly during 2009 due to the impact of the economic recession. Over the last 12-18 months operators have looked to reduce store sizes and are handing back space to landlords for conversion into smaller units. For example, Focus is downsizing 40 of its 176 stores. There has also been a trend towards smaller format stores located in or on the edge of town centres (e.g. Robert Dyas).
<b>Furniture &amp; Floor Coverings:</b>	Since the 1980s retailers in this category have increasingly moved away from town centres to cheaper out-of-centre locations. However, furniture specialists have borne the brunt of the current slowdown and the casualties in the last 12-18 months include MFI and Sofa Workshop. This sector is one of the most cyclical and could experience more difficult trading conditions if the recession is prolonged.
<b>Electrical Goods:</b>	The large format operators have focused their expansion strategies on new out-of-centre locations (e.g. Currys Digital, Comet and PC World). All the traditional electrical goods retailers have faced increasing competition from non-traditional retailers such as supermarkets and the Internet over recent years. This has either resulted in the rebranding of traditional high street store portfolios, or in some cases the closure of stores in loss-making locations

Note: Also see Glossary of Terms.

- 3.26 As consumer spending tightens, it is forecast that consumers will be more selective about where they spend and this is likely to benefit both discounters and the luxury end of the retail markets. This polarisation in the retail sector is resulting in a number of retailers in the middle ground having to compete for falling retail sales. Those retailers which do not have a strong identity and brand awareness amongst consumers are likely to struggle over the short to medium term.

### **THE GROWTH & IMPACT OF INTERNET SHOPPING**

- 3.27 Research shows that at least one in three adults regularly purchases products over the Internet. The growth of Internet shopping has been fuelled over the last five years by the increased availability and uptake of faster and cheaper broadband services, as well as different options for accessing broadband services (ranging from computers to mobile phones). Retailers are also marketing their online services more proactively and now view online retail as another (and in some cases, the only) key channel for future growth. This is particularly the case now that the early teething problems such as ordering, delivery (the last mile issue) and site security have improved.
- 3.28 Verdict Research shows that in 2007:
- the online market was worth £14.7bn (a growth of +35.0% from 2006);
  - the online shopper population stood at 22.6m (+24.7% on 2006);
  - average spend was £653 per online shopper per annum (+7.8%);
  - average frequency of purchase was circa 17 times per annum (+19.0%); and
  - 55.5% of online shoppers had broadband access at home, which represented an increase from 30% in 2006.
- 3.29 Notwithstanding the growth to date, many shoppers are using websites to compare prices and products before purchasing an item in-store. This highlights some of the drawbacks of online shopping, whereby people still want to see and feel the items prior to purchase, particularly clothing, fashion and footwear items. This preference for viewing physical items is an important factor influencing market share predictions for the growth of online retailing and may help to cushion traditional high streets from the potentially adverse impacts of Internet shopping.
- 3.30 Experian Business Strategies (EBS) forecast that e-tailing could account for up to a 14% market share of comparison goods sales by 2013, but predict relatively flat growth thereafter as the market reaches maturity. The EBS forecast follows the 'S' profile of a slow start, rapid takeoff and eventual plateau. It is difficult to ascertain where we are in relation to this profile, but judging by the recent exponential growth, we are perhaps in the take-off phase or even further along the 'S' curve than originally envisaged.
- 3.31 Retailers such as Argos and Tesco have already been very successful in incorporating some of the advantages of online retailing into stores through automated kiosks. These

can offer a broad range of out-of-store products in smaller city centre stores. These in-store devices also provide detailed information on products and effectively link together the in-store and online shopping experiences. This business model may be appropriate for stores in small and medium sized centres seeking to increase their market shares, but not necessarily looking to increase floor areas. Retailers that have launched transactional websites or have greatly increased their online offer since 2006 include the Arcadia brands, Coast, Dunelm, IKEA, House of Fraser, Asda, Tesco, M&S, Superdrug, Waterstone's and Wickes.

- 3.32 The emergence of e-commerce over recent years represents a major challenge to the future vitality and viability of the high street. It is clear that shopping for certain products and activities over the Internet is impacting on a number of key retail and service sectors. For example, retailers selling books, electrical goods and music, as well as travel agents, have reduced their representation in town centres. In response, town centres will increasingly need to adapt and diversify their roles and activities to differentiate themselves from the virtual competition.

### **THE IMPACT OF SOCIAL & DEMOGRAPHIC TRENDS ON RETAILING**

- 3.33 Changes in the nation's shopping and leisure preferences have also consistently shaped trends in the retail sector and the location of new retail and commercial leisure developments. Increased ownership of cars, fridges and freezers during the 1960s and 1970s fuelled the growth of out-of-centre superstore development as households could carry out weekly car-borne bulk food shopping purchases.
- 3.34 One of the key demographic trends facing the retail sector over the next 20 years will be the ageing of the population. Research shows, for example, that the number of people aged 45 and over will grow by +15% in the next decade, while the number of people under 45 will fall by -2.2%. The older shopper will be a more discerning consumer and place greater emphasis on the quality of service and offer. In particular research suggests that the older consumer will have the following needs and if shopping locations and high streets to do not meet these needs, then they will look elsewhere.

**Table 3.5 Meeting the needs of the older shopper**

Needs	
<b>environment</b>	A demand for attractive, clean, well signed and secure/safe shopping environment.
<b>service</b>	A need for a good mix of independent and multiple retailers.
<b>experience</b>	Demand for shopping as a sociable leisure activity (with the need for more seating, suitable eateries and easy pedestrian flow).
<b>convenience</b>	Little preference between town centres, retail parks or out-of-town malls but accessibility and parking are key.
<b>brands</b>	The older shopper will be more savvy and will prefer traditional retail brands targeted at their needs (such as, for example, John Lewis and Marks & Spencer). They also prefer independent and specialist retailers, as they are seen as offering excellent service and items not available in clone town high streets.

- 
- 3.35 An ageing population profile will have a far reaching impact on both the retail and leisure sectors. This older generation will have many alternatives to spend their money such as on holidays, experiences and leisure. This will make it harder for retailers to attract this expenditure. In broad terms, however, locations with an affluent elderly captive catchment are likely to fare better in the long term.

### **FUTURE TRENDS**

- 3.36 Forecasters are uncertain as to when the UK will emerge fully from the economic recession. Some predict it will be towards the end of 2010, others forecast that the recession will last into 2011. However, it is clear that the economy and retail sector post-recession will be very different to the boom years of the last decade. There is general agreement that access to credit will be more difficult for households, which will effectively dampen any potential housing market boom. The economy therefore faces a period of lower forecast growth in consumer spending and reduced bank lending. This presents significant challenges for all those involved in the retail sector, from operators through to investors and developers.
- 3.37 The economic downturn is also impacting on the vitality and viability of many of Britain's centres and high streets. The following provides some examples of how the retail landscape is changing and could change over the next 5-10 years.

### **Retail Development**

- 3.38 In our opinion, a far more uncertain future awaits the next wave of shopping centre proposals. The evidence suggests that high quality schemes in the strongest shopping locations will continue to prosper, whereas those schemes in weaker locations with more limited catchments will struggle over the short to medium term.
- 3.39 Bristol's Cabot Circus has secured a number of high quality tenants before and after its opening, including Apple, The White Company, Fred Perry, Harvey Nichols, and Bench. Similarly, the first year trading and footfall figures for Westfield London indicate the



relative success and attraction of this centre. Its shopping offer comprises mainstream brands alongside niche boutique retailers, some with their first UK stores. The combination of a shopper friendly environment with a mix of facilities for a wide range of consumers and a strong catchment population has helped to cushion this scheme from the worse effects of the economic downturn.

- 3.40 It is evident however, that whilst town centre development has increased over the last twenty years, the successive waves of out-of-centre investment have squeezed the market share of the traditional high street. There is also growing evidence of polarisation between centres in regions, with the larger more dominant centres benefiting from increased investment ahead of smaller centres. As a result, the larger cities and towns have continued to outperform the smaller and medium-sized centres in terms of average rental growth and market demand.
- 3.41 Prior to the economic recession there were positive signs that a number of these less fashionable smaller and medium-sized centres were set to benefit from new retail-led development. This was fuelled by a general recognition amongst developers and investors that these centres offered significant potential for capital returns on investment compared with more mature and well established centres. However, the economic recession has effectively pulled the plug on the regeneration of these centres over the short to medium term, which will effectively increase the polarisation between the larger and smaller centres in regions.
- 3.42 A 2009 BCSC research report entitled '*The Retail Development Pipeline*' indicated that it could be at least a 4-5 years before any significant supply of new retail floorspace is completed. However, in our view, this could be an optimistic estimate. We consider that even with relatively rapid progress through the planning system and assuming no need for a CPO inquiry, then it will normally take 7-10 years for new development to open from inception. Thus, even if new or revised planning applications are submitted within the next two years, then we may not see a new wave of development in our city and town centres until towards the end of the decade.

### **Retailers**

- 3.43 The erosion of consumer confidence and retail spending over the last 12-18 months has resulted in a difficult trading period for many national and independent retailers and commercial leisure operators. The economic recession initially shone a spotlight on those operators saddled with bad debts and weak profit margins. If the economic recession lasts through 2010, then it is likely that there will be more high profile business failures, with resultant implications for the vitality and viability of many of Britain's more fragile high streets.
- 3.44 Notwithstanding this, the economic downturn has also created opportunities for existing and new retailers to increase their market share in the highly competitive market. For example, some retailers have taken the opportunity to negotiate

preferential deals with developers and/or relocate to more economic locations to help reduce operating costs and increase profitability. Discounters such as Primark, Wilkinsons, Aldi and Lidl have seized the opportunity to increase their representation in a favourable marketplace for their value-led products and are looking to increase their market share in their specific sectors. Additionally there is evidence of new entrants to the UK market such as, for example Clas Ohlson (DIY) from Sweden and Anthropologie (womenswear) from the US.

- 3.45 BCSC research has also indicated that over the short to medium term any demand for space from retailers will have to be met by the current retail stock (i.e. existing shopping centres, the high street and out-of-centre facilities). It will be particularly difficult for large space users to acquire large units as there is relatively little that can be created from existing centres. Traditionally retailers have relied upon new developments as their primary source of new, efficient and large spaces. With increased demand and the lack of supply over the short to medium term, the BCSC predict that this will effectively push up rental levels until a significant amount of new development reaches completion. As a result, over the medium term retailers will have to compete for the limited available space.

### **The High Street**

- 3.46 The impact of the recession has slowed investment in traditional high streets over the last 12-18 months and there has been an increase in vacancy levels. Research suggests that vacancy levels in failing centres could increase to 20%-30% during 2010. At the same time, a number of centres that were set to benefit from much needed new investment in their retail offer and shopping environments have suffered from the cancellation of planned schemes.
- 3.47 Consumer loyalty is a vital ingredient in the success of town centres. The successful centres and shopping locations will be those that understand and meet the needs of their catchment populations. This means providing a wide range of retail, service and leisure facilities, which are able to attract and retain the interest of wide demographic groups during the daytime and evenings. In return, the successful centres will benefit not only from much wider catchment areas, but also increased footfall, spend and substantially longer shopping trips.
- 3.48 The High Street will therefore need to continuously evolve through proactive management, marketing and investment to successfully compete with other shopping and leisure destinations.

### **Out-of-Centre Reinvention**

- 3.49 Out-of-town shopping is no longer monopolised by the large (bulky goods) retail warehouse formats or by hypermarkets and superstores. Many out-of-centre shopping locations now have a tenant mix that looks and feels like the high street. The table

below, for example, shows the significant increase in the number of out-of-centre stores operated by fashion and general merchandise retailers since 1997.

**Table 3.6 Share of Out-of-Centre Store Numbers by Sector**

(%)	1997	2007	% Change
Food & Grocery	18.0	17.0	- 1.1
DIY	17.5	12.9	- 4.6
Electricals	12.7	11.6	- 1.1
Furniture & Carpets	29.4	23.5	- 5.9
Clothing & Footwear	8.3	15.9	+ 7.6
General Merchandise	14.0	19.1	+ 5.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	~

Source: Verdict UK Out-of-Town Retail (2008)

- 3.50 Although planning policy promoting town centres first will be reinforced by PPS4, it is likely that applications to extend and refresh existing out-of-centre shopping locations will continue as an integral part of the business and asset management strategies of operators and funds.
- 3.51 Potentially the next phase of out-of-centre investment and development could be a further reinvention and masterplanning of existing locations as mixed use developments, comprising residential, office and commercial leisure uses in addition to the existing and extended retail offer. The potential opportunities to reinvent out-of-centre shopping locations will be greatest initially where they are located close to towns that do not have the physical capacity (i.e. sequential sites) to increase their retail offer.

### **Actions to Promote Recovery**

- 3.52 There are various actions and tools available to the key players involved in the planning, development and funding of new retail development and investment that could help to promote recovery in the retail sector and our town centres over the short term. The following describes some of the more proactive responses that could be instigated.
- 3.53 First, the Government could help to pump prime a number of developments by use of a form of Tax Increment Financing (TIF), or Accelerated Development Zones (ADZs) as they are often referred to in the UK, along with other tax efficient mechanisms which can help to improve developers' returns. Grants for infrastructure and services can also play a significant role in improving the bottom line for developers.
- 3.54 Second, local planning authorities must proactively identify and work with development partners in constructive and progressive ways. This requires leadership

and political support from the local authority to champion the cause of new development and regeneration initiatives that will have positive benefits for their town centres. It will also require a more proactive, efficient and realistic planning system. Local authorities should look at regeneration as a mechanism to improve the local economy and urban environment, and provide greater choice for the local community. It should not necessarily be regarded as an opportunity to add a host of additional planning gains to proposals, as this has overburdened many of the recent development projects that have been shelved.

- 3.55 Third, banks and lending institutions will also need to play a proactive part in the development and regeneration process. As the fall in property values levels out and consumer confidence eventually returns, there will be genuine and real opportunities to invest and take advantage of an improving market. However, the over-exposure of banks to commercial property lending and the amount of debt on their books will inevitably make them more cautious in their approach.
- 3.56 As the country struggles to emerge from the worst ravages of the economic recession, it is clear that there are many cities and towns in Britain that need the injection of new investment, development and regeneration in order for them to compete and move forward. Without this commitment, then the worst case scenario is that the weaker medium and smaller-sized centre will simply wither on the vine.

## 4.0 HOUSEHOLD SURVEY & MARKET SHARE ANALYSIS

4.1 This section briefly sets out the *market share analysis* for convenience and comparison goods shopping trips and purchases across the study area based on the results of the February 2010 household survey. The detailed market share tabulations are set out in **Appendix 2** for convenience goods and **Appendix 3** for comparison goods shopping. Where possible, the updated market shares have been benchmarked against the findings of the 2005 Retail Study to help any identify any significant changes in shopper preferences and specifically the overall attraction and performance of Ipswich town centre. This section provides the evidence base that underpins the economic capacity analysis set out in **Section 7**.

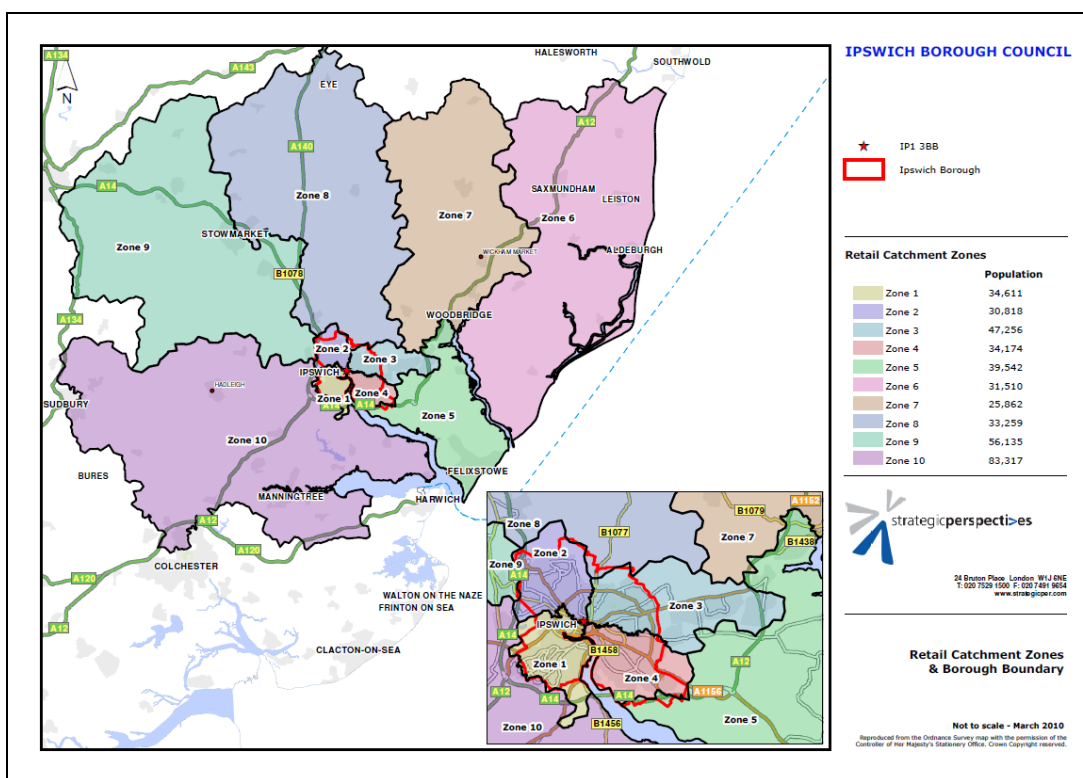
### THE STUDY (CATCHMENT) AREA

- 4.2 The first important step for retail assessments is to define a realistic and appropriate study (catchment) area. For strategic assessments the study area needs to be reasonably wide enough to capture the potential trading performance and attraction of different shopping locations in the retail hierarchy, ranging from smaller local/district centres with a more localised catchment, up to larger town and city centres with much wider catchment areas.
- 4.3 To help with our definition of the study area, we have first referred to the study area adopted for the Council's 2005 IRS and the shopping patterns identified by the 2005 household survey. Using this as a reference point, we have revised the study area using the latest postcode sector information.
- 4.4 As **Figure 4.1** shows, the study area extends well beyond Ipswich Borough. This takes account of the wide influence and attraction of Ipswich town centre and other shopping locations both within and on the edge of the Borough<sup>3</sup>.
- 4.5 The study area is broadly, though not directly, comparable to that used for the 2005 IRS. The differences are mainly explained by changes in postcode sector boundaries and adjustments to reflect our assessment of the influence of large urban areas and competing centres.
- 4.6 The defined study area has then been further sub-divided into ten sub-zones (**Figure 4.1 - also see Appendix 1**). These provide the spatial framework for the household telephone interview surveys.

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<sup>3</sup> Although the wider study area represents a robust framework for the strategic economic assessment, the Council should be aware that it does not necessarily represent a realistic catchment for the Borough's smaller centres, freestanding foodstores and out-of-centre retail warehouses. We therefore advise the Council that when considering planning applications for new retail developments it will be necessary to first establish whether the defined catchment area for the proposed retail scheme is realistic and well related to the size and function of the proposal. It should also take account of the influence of competing centres and stores on the catchment area.

Figure 4.1 Ipswich Retail Study Update – Study Area and Zones



Note: Larger scale map shown in **Appendix 1**

4.7 For the purpose of the economic assessment (see **Section 7**), the ten zones have been grouped together into the following four broad geographic areas.

**Table 4.1 Ipswich Retail Study – Study Area Zones for Economic Analysis**

Catchment Area	Zones	Key Centres
Inner Catchment Area (ICA)	1, 2, 3 & 4	Ipswich
Eastern Catchment Area (ECA)	5, 6 & 7	Felixstowe, Woodbridge & Saxmundham
Northern Catchment Area (NCA)	8 & 9	Stowmarket & Bury St Edmunds
Southern Catchment Area (SCA)	10	Colchester, Sudbury & Manningtree

4.8 The Inner Catchment Area (ICA) covers the Ipswich urban area and the Borough. It comprises all the major shopping locations within the Borough area, including the town centre. It also includes some of the major shopping facilities outside the Borough area that primarily function as shopping destinations for people living in the Borough. Ipswich town centre and some of the larger retail facilities in the ICA will also draw shoppers and expenditure from the three defined outer catchment areas to varying degrees, although residents in these areas also have a choice of other major competing shopping locations, including Colchester and Bury St Edmunds.

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## HOUSEHOLD SURVEY

- 4.9 To help inform our quantitative and qualitative assessment, NEMS Market Research (NEMS) was commissioned to carry out a telephone interview survey of some 1,000 households across the defined study area. The questionnaire was designed by Strategic Perspectives LLP, working in partnership with the Council (see **Appendix 1**). The interviews were carried out by NEMS during February 2010.
- 4.10 The detailed survey tabulations for the ten zones are set out in **Appendix 1**<sup>4</sup>. The survey results provide a broad picture of shopping patterns for both convenience and comparison goods purchases across the Borough and wider study area. This, in turn, is used to inform our market share analysis for the main study centres, foodstores and retail warehouses at the base year.
- 4.11 For **convenience goods**, the survey comprised standard questions on main (trolley-based) and top-up (basket-based) food shopping. The results of the two types of food expenditure were then merged through the application of a widely accepted weighting, which reflects the estimated proportion of expenditure accounted for by each type of food shopping. In this case we have used a weighting of 75%:25% for main and top-up food shopping respectively. Notwithstanding this, we advise the local planning authority that the proportion of expenditure on top-up food shopping could increase from its current 25% over time; particularly as the major grocery retailers are increasing their share of the convenience goods (top-up) sector. The weighting adopted produces a composite pattern of convenience goods spending, expressed as a market share for each centre and shop in each survey zone.
- 4.12 For **comparison goods** the survey comprised ten questions on the following comparison goods categories:

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<sup>4</sup> Please note that the survey results were re-weighted by NEMS to filter out negative responses (such as by people who did not remember where they shopped for a particular type of good). Special Forms of Trading (i.e. purchases over the Internet, mail order shopping and market stalls) were also filtered out. This is because it is common practice in retail assessments to deduct SFT from the average expenditure per capita figures at the outset (see Section 7).

**Table 4.2 Household Survey - Comparison goods expenditure categories**

<ul style="list-style-type: none"> <li>• clothing and footwear;</li> </ul>	<ul style="list-style-type: none"> <li>• audio-visual equipment (such as radio, TV, Hi-Fi, telephones, photographic and computer goods);</li> </ul>
<ul style="list-style-type: none"> <li>• furniture, carpets and floor coverings;</li> </ul>	<ul style="list-style-type: none"> <li>• chemist and medical goods, cosmetics and beauty products;</li> </ul>
<ul style="list-style-type: none"> <li>• household textiles and soft furnishings, including bedding;</li> </ul>	<ul style="list-style-type: none"> <li>• pets and related products;</li> </ul>
<ul style="list-style-type: none"> <li>• DIY, hardware, decorating supplies and gardening products;</li> </ul>	<ul style="list-style-type: none"> <li>• games, toys and hobbies; sport and camping; musical instruments; and</li> </ul>
<ul style="list-style-type: none"> <li>• large and small domestic household electrical items (ranging from fridges and washing machines, to kettles and hairdryers);</li> </ul>	<ul style="list-style-type: none"> <li>• <u>a</u>ll other comparison goods expenditure categories (including books, jewellery, watches, china, glassware, kitchen utensils, recreational and luxury goods).</li> </ul>

Source: Experian Business Strategies (EBS).

- 4.13 These categories are based on the expenditure definitions used by Experian Business Strategies (EBS) for comparison goods retailing. The retail capacity assessment uses the derived (weighted) market shares for each of the ten comparison goods categories and applies these to the relevant average per capita expenditure by goods type<sup>5</sup>. This provides a more accurate assessment of the distribution of spending by respondents from each zone. The more detailed expenditure category approach means that the resultant market shares for centres and stores are not skewed by any particular comparison goods expenditure category. As a result, the market share analysis provides a more robust picture of shopping patterns for comparison goods.

## FOOD SHOPPING PATTERNS

- 4.14 Table 1 (**Appendix 2**) details the market share analysis for all food shopping trips (i.e. comprising both main and top-up food purchases) across the study area and within the inner, eastern, northern and southern catchment areas.
- 4.15 The table shows that the overall **retention level** within the ICA (i.e. Zones 1 - 4) is 97.5%. This is broadly equivalent to the 2005 retention level. In our experience this represents a strong retention of trips and reflects the good provision of modern food superstores in the ICA.
- 4.16 The main food shopping destinations identified by the survey are, *inter alia*:
- Sainsburys, Warren Heath (16.6% market share within the ICA);
  - Morrisons, Sproughton Road (13.6%);

<sup>5</sup> It is important to note that the comparison goods categories identified represent broad aggregations of retail expenditure. It is not possible for the survey to cover all the specific types of retail spend, due to time and budgetary constraints. Notwithstanding this, the approach adopted is widely accepted and is in accordance with good practice, which states that forecasts should be based on the broad categories of comparison and convenience goods.



- Sainsbury's, Hadleigh Road (10.1%);
  - Tesco Extra, Copdock Interchange (9.6%); and
  - Asda, Goddard Road (8.7%).
- 4.17 Ipswich Town Centre's more limited convenience goods offer is reflected by the fact that its shops and stores are achieving a market share of just 4.8% within the ICA. Tables 2 and 3 (**Appendix 2**) show that the town centre has a more limited share of main bulk food shopping trips (3.2%) than it does for top-up (basket) purchases (9.7%). This reflects the fact that the town centre's stores mainly serve the day-to-day lunchtime and food shopping needs of shoppers, workers and visitors in the centre.
- 4.18 The Borough's District Centres (11.4%) and Local Centres (9.9%) have a higher combined market share than the town centre for all food shopping trips and purchases within the ICA. The survey results show that these smaller centres achieve a much higher market share of top-up shopping trips within the ICA (55.3%) than they do for main bulk food purchases (10%). This reflects the importance of food and convenience goods shopping to the overall day-to-day attraction, role and function of these smaller centres within the Borough's shopping hierarchy.
- 4.19 The survey results confirm the key findings of the 2005 Retail Study and health check, namely that there is an apparent qualitative gap in the town centre's food offer and it is facing increased competition from other foodstores in out-of-centre locations. Notwithstanding this deficiency in the town centre's foodstore offer, the ability to plan for an anchor store in Ipswich will depend on the availability of suitable and viable sequential sites that, amongst other considerations:
- can accommodate the appropriate critical mass of retail floorspace and car parking needed to claw back shoppers and expenditure from competing out-of-centre locations;
  - are well connected to the primary shopping area; and
  - are capable of generating linked trips in accordance with PPS4.
- 4.20 The local planning authority will also have to consider the need for an anchor foodstore alongside the identified need for new comparison goods and fashion retailing to help Ipswich maintain its role in the regional shopping hierarchy.

## **NON-FOOD SHOPPING PATTERNS**

- 4.21 The following sets out the survey-based market share analysis for all the comparison goods floorspace in the Borough area (including the town centre, district centres, local centres and retail warehouses) and within the rest of the ICA (principally the retail warehouse floorspace at the Interchange and Martlesham Heath Retail Parks; Copdock Retail Park and the Homebase at Warren Heath). The tabulations detailing the market

share analysis for the four main study areas are set out in **Appendix 3**. These market shares are a key input to the economic capacity assessment (see **Section 7**).

4.22 It is important to note at the outset that both the market share analysis and economic capacity assessment do not differentiate between 'bulky' and 'non-bulky' goods. Experian Business Strategies (EBS) in their latest *Retail Planner Briefing Note 8.1* (August 2010) define 'bulky goods' as comprising:

- DIY goods;
- furniture and floor coverings;
- major household appliances (whether electric or not);
- audio-visual equipment;
- the remaining 10% of non-durable DIY-type goods<sup>6</sup>; and
- bicycles.

4.23 The *Town Centre Practice Guidance* also acknowledges that the size and bulk of goods will influence the size and type of store required by retailers. It states that in many cases retailers selling 'bulky' durable goods such as DIY, furniture, carpets and domestic appliances can be regarded as "...complementary to the role of town centre retailing, and do not generate sufficient sales productivity to trade in prime town centre locations" (paragraph 6.31). Notwithstanding this, PPS4 (Policies EC5 and EC15) is clear that sites for retail and main town centre uses should be identified through a sequential approach to site selection, with preference given to in-centre sites, followed by edge-of-centre sites (with preference given to sites that are or will be well connected to the centre) and finally out-of-centre sites. The decision by an individual retailer to promote a 'business model' that cannot be accommodated in an existing centre will not therefore justify discounting more central sites where they are available, suitable and viable. Furthermore, an operator claiming that it is unable to be flexible about its chosen 'business model' would be expected to demonstrate why a smaller store or stores could not meet a similar need. At the same time, the local planning authority should also be realistic when considering whether sites are suitable, viable and available. Thus, although the overall aim should be to increase the town centre's wider offer, it is accepted that some retailers are not necessarily well suited to central locations. In all cases it will therefore be necessary to strike an appropriate balance between the requirements of the commercial sector and the requirements of national policy based upon local circumstances.

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<sup>6</sup> Non-durable goods comprise cleaning materials, kitchen disposables, household hardware and appliances, kitchen gloves, cloths, etc., as well as pins, needles, tape measures and nuts and bolts. Based on the Expenditure and Food Survey (EFS) data, EBS has assumed that 10% of non-durable household goods are DIY-type goods and, therefore, are properly classified as comparison goods, while the remaining 90% have the characteristics of convenience goods and are typical sold by convenience stores, supermarkets and superstores.

## All Comparison Goods Shopping

- 4.24 Table 1 (**Appendix 3**) shows that the Borough's centres and stores are achieving a **retention** level of shopping trips for all comparison goods purchases of 80% in the ICA. The market share increases to 91.9% when all the other shopping locations outside the Borough area, but within the rest of the ICA are included. This is slightly higher than the 90.8% market share identified by the Council's 2005 Retail Study within the core catchment area.
- 4.25 The town centre is estimated to be achieving a market share of 57.2% in 2010 within the ICA. This is higher than the 48.5% recorded in 2005. This is largely explained by a recorded fall in the market share of all retail warehouse floorspace in the Borough area and rest of the ICA from 39.1% in 2005 to 32.1% currently. This appears to be a positive indication that the town centre is maintaining and strengthening its market share of comparison goods shopping trips and purchases within the ICA, despite the strong competition from other centres and stores both within and outside the ICA.
- 4.26 The town centre is also achieving a relatively consistent market share of between 26% and 28% in the eastern, northern and southern catchment areas for all comparison goods shopping trips. As **Appendix 3** shows, the main competing shopping locations in these outer zones are:
- **ECA** – Felixstowe (17.5%) and Woodbridge (10.2%).
  - **NCA** – Stowmarket (24.8%) and Bury St Edmunds (18.9%).
  - **SCA** – Colchester (29.2%) and Sudbury (12.1%).

## Clothing & Footwear

- 4.27 Table 2 (**Appendix 3**) shows that there is a relatively strong retention of shopping trips for clothing and footwear purchases within the Borough of 89% and within the ICA as a whole of 89.5%. This is similar to the retention levels achieved in 2005 of 88.4% and 89.1% respectively.
- 4.28 Ipswich Town Centre is the main shopping location for clothing and footwear purchases for respondents living in the ICA and outer catchment areas. Its market share in the ICA of 87.7% in 2010 is higher than the 81% recorded in 2005. This is a positive sign that the town centre is maintaining its role and function in the region's shopping hierarchy.
- 4.29 Within the outer catchment areas the town centre is also the first choice for clothing and footwear purchases. For example, Table 2 (**Appendix 3**) shows that its market share ranges from 45.2% in the SCA, where it faces strong and growing competition from Colchester (30%), up to 55.7% in the ECA, where its main competition is from Felixstowe (16.2%) and Norwich (6.3%).

- 4.30 The retail warehouses in the ICA are achieving a negligible market share of fashion shopping trips (circa 1%). This reflects the limited clothing and footwear offer in out-of-centre locations across the Borough and the rest of the ICA. To help maintain the town centre's relatively strong market share of clothing and footwear trips and purchases, we advise that existing conditions on the type of Class A1 retailing permissible in out-of-centre locations should be retained.
- 4.31 The survey results also show that the Borough's District and Local Centres are not attracting shopping trips for clothing and footwear purchases. This is to be expected given their role and function in the shopping hierarchy for day-to-day more frequent purchases.
- 4.32 Of the 10.5% of shopping trips leaking out of the ICA to other centres and shops, the main destinations are Norwich (2.7%), Felixstowe (1.4%), Woodbridge (1.4%) and Cambridge (0.9%). The survey results show that Colchester (0.3%) has a limited draw from the ICA.

### **Furniture, Carpets and other Floor Coverings**

- 4.33 Table 3 (**Appendix 3**) shows that the retention of shopping trips and expenditure on furniture, carpets and other floor coverings is 85.5% in the Borough area increasing to 87.7% within the ICA. This compares with a retention level of 86% within the core catchment area identified by the 2005 Retail Study.
- 4.34 The town centre is estimated to be achieving a total market share of 44.8% in 2010 from within the ICA and the retail warehouses have a combined market share of 43.3%. Of the 12.3% leakage to other centres and stores outside the ICA, the main destinations are Norwich (1.5%), Felixstowe (1.5%), Woodbridge (0.7%) and Cambridge (0.7%).
- 4.35 As stated above, the *Practice Guidance* acknowledges that in many cases retailers selling 'bulky' durable goods (such as furniture, carpets, DIY and domestic appliances) are regarded as complementary to the role of town centre retailing due to the size and type of stores required to sell 'bulky' goods, and the fact that they do not generally generate sufficient sales productivity to trade in prime town centre locations. Notwithstanding this, there are a number of operators selling 'bulky' goods that do trade successfully from prime and secondary shopping areas in town centres (such as, for example, department store operators, Habitat, Robert Dyas, etc.). As a result, under PPS4 (Policy EC5) the local planning authority should identify an appropriate range of sites to accommodate any forecast need, including sites in central and edge-of-centre locations (which are or will be well connected to the centre) that have the potential to accommodate different 'bulky' goods retail formats and floorspace.

### **DIY, Hardware, Decorating Supplies & Garden Products**

- 4.36 Table 4 (**Appendix 3**) shows that the shops and stores in the ICA selling these bulky goods are achieving a strong **retention** level of 95% in 2010. This is slightly lower than the 98% recorded by the 2005 Retail Study for the core catchment.
- 4.37 The town centre is achieving a more limited 7.4% market share of this bulky goods category from within the ICA, whereas the retail warehouses have a combined market share of 84.6%. Of these retail warehouses the most popular shopping destinations for DIY purchases are the Anglia Retail Park (33.5%) and the Euro Retail Park (36.8%). This is to be expected as these retail parks include the two major B&Q warehouses in the ICA.
- 4.38 Although large DIY formats are not necessarily suited to central locations, there could be potential to accommodate larger retail warehouse formats in edge-of-centre locations (where sites are suitable, viable and available) that are well connected to the town centre and can provide significant positive benefits in terms of the 'claw back' of expenditure from out-of-centre locations and the potential for 'linked trips' with the town centre's other shops and facilities.

### **Audio-Visual Electrical Equipment**

- 4.39 Table 5 (**Appendix 3**) shows that the shops and stores in the ICA are retaining some 95.6% of shopping trips for audio-visual electrical equipment. There is no comparable data from the 2005 Retail Study. The town centre is achieving a market share of 32.4%, which is significantly lower than the 62.5% share achieved by retail warehouses. The main out-of-centre shopping destinations are the Interchange (20.9%), Anglia (17.1%) and Euro (14.7%) retail parks.
- 4.40 For the reasons set out above, the aim should be to increase the town centre's market share of this specific expenditure category by developing new retail floorspace in town centre and edge-of-centre locations first, ahead of increasing the existing out-of-centre provision.

### **Small Domestic Electrical Items**

- 4.41 Table 6 (**Appendix 3**) shows that all the centres and stores in the ICA selling small electrical items achieved a combined market share of some 95%. The survey results indicate that the town centre is achieving a market share of 42.6% for this specific category of comparison goods expenditure, which is lower than the 47% market share for all retail warehouses in the ICA. The main out-of-centre shopping destinations are the Anglia (13.2%), Interchange (12.0%) and Martlesham (8.5%) retail parks.

### **Large Domestic Electrical Items**

- 4.42 Table 6 (**Appendix 3**) shows that there is a 66.7% retention of shopping trips within the Borough area for this specific comparison goods category, increasing to 95.7% within the ICA. This compares with the 57% and 95% respectively identified by the 2005 Retail Study.
- 4.43 The survey results indicate that the town centre is achieving a market share of 25.6% within the ICA, which is lower than the 68.5% market share for all retail warehouses. The main out-of-centre shopping destinations are the Anglia (25.1%), Martlesham (14.6%), Interchange (14.2%) and Euro (13.2%) retail parks.

### **Chemist, Medical Goods, Cosmetics & Other Beauty Products**

- 4.44 Table 7 (**Appendix 3**) shows that there is a strong retention of trips for these types of purchases within the Borough area (77.5%) and the ICA (93.2%). The town centre is achieving a market share of 66.5% within the ICA, which compares with the 15.2% recorded for the out-of-centre superstores and retail warehouse operators. There is a limited leakage to centres and shopping locations outside the ICA.

### **Games, Toys, Hobby Items, Sport & Recreational Goods**

- 4.45 Table 8 (**Appendix 3**) shows that there is also a relatively good retention of trips for these types of purchases within the Borough (70.9%) and the ICA (89.7%). The town centre is achieving a market share of 61.2% within the ICA, which is higher than for the out-of-centre retail warehouses (31.8%). The main out-of-centre shopping locations for these types of comparison goods purchases are the Copdock Interchange (16.4%) and the Euro Retail Park (7.8%). The main leakage of shopping trips and expenditure from the ICA is to Norwich (1.4%) and Felixstowe (0.8%).

### **Pets & Pet Related Products**

- 4.46 Table 9 (**Appendix 3**) shows that there is a good retention level of this type of expenditure within the Borough (65.5%) and ICA (90.9%). The town centre is achieving a 34.6% market share within the ICA, which is lower than for the retail warehouses of 42.5%. Overall a third of the ICA's market share is retained in the town centre with the remainder going elsewhere. The main out-of-centre shopping locations are Orwell Retail Park (21.8%) and Martlesham Heath Retail Park (13.5%).

### **All Other Comparison Goods**

- 4.47 Table 10 (**Appendix 3**) sets out the market share analysis for the all other remaining comparison goods. This includes, *inter alia*, books, jewellery, watches, china, glassware, recreational and luxury goods.

- 4.48 The table shows that there is a relatively strong retention of shopping trips on these types of goods in the Borough (89.6%) and the ICA (90.8%). Of this total market share, the town centre is drawing 87.2% of shopping trips and expenditure for other comparison goods purchases, whereas the retail warehouses in the ICA have a market share of just 3.6%.
- 4.49 Of the 9.2% leakage of shopping trips and expenditure on all other comparison goods the main shopping destinations are Norwich (1.3%) and Cambridge (1.3%).

## SUMMARY

- 4.50 For food and convenience goods shopping the survey findings indicate that, *inter alia*, Ipswich Town Centre has a limited food offer, which is reflected by its low market share of main bulk food shopping trips, and its stores primarily serve the more frequent day-to-day and lunchtime top-up needs of shoppers, workers and visitors in the centre.
- 4.51 In contrast, the market share analysis has identified a good provision of out-of-centre foodstores.
- 4.52 There is, however, a clear qualitative need for a foodstore anchor either in, or on the edge of the town centre. In our judgement a foodstore with the necessary critical mass of retail floorspace, range of goods and parking provision would help to clawback a proportion of shopping trips and expenditure currently flowing to the larger out-of-centre superstores. A new foodstore would need to be well connected to the Town Centre's primary shopping area to help maximise the potential for linked trips and spin-off benefits to other shops and businesses, resulting in an uplift in footfall, expenditure and sales for the centre as a whole.
- 4.53 The market share analysis for comparison goods shopping has identified that overall the town centre has maintained and strengthened its market share for all comparison goods purchases within the ICA. For example, its share of clothing and footwear purchases is estimated to have increased from 81% to 87.7% between 2005 and 2010.
- 4.54 Notwithstanding this, the out-of-centre retail warehouses in the ICA are achieving higher market shares than the town centre for the following specific categories of comparison goods retailing:
- DIY, hardware, decorating supplies and garden products;
  - Large and small domestic electrical items;
  - Audio-visual electrical items; and
  - Pets and pet related products.

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- 4.55 Although it is acknowledged that certain retailers selling 'bulky' durable goods in the above categories are not necessarily suited to trading in prime town centre locations, there would appear to be the potential to identify suitable and viable edge-of-centre locations that are or will be well connected to the town centre and offer significant positive benefits in terms of the 'claw back' of expenditure from existing out-of-centre locations and the potential for 'linked trips' with the town centre's other shops and facilities.
- 4.56 Ipswich Town Centre is the main shopping location in the Borough. The centre draws shoppers, tourists and visitors from a wide catchment area for shopping, leisure, work and other activities. In the context of national, regional and local planning policy, it is important that the vitality and viability of Ipswich Town Centre is maintained and strengthened in the face of increasing competition from other town centre and out-of-centre shopping locations. We therefore advise the Council that, depending on the availability of development sites in and on the edge of the town centre, they will need to carefully consider the need to provide an anchor foodstore, together with the overriding priority to allocate comprehensive development sites to meet the identified need for new comparison goods shopping.
- 4.57 **Section 7** sets out our updated economic assessment. It broadly identifies the scale of comparison and convenience goods floorspace that the Council should be looking to accommodate in the Borough's main centres over the development plan period.



## 5.0 IPSWICH TOWN CENTRE – HEALTH CHECK ASSESSMENT

5.1 This section sets out our assessment of the vitality and viability of Ipswich Town Centre based on the key performance indicators (KPIs) set out in PPS4 (Annex D). Our assessment has been informed by a number of key data sources, including:

- the Experian Goad 'Centre Report' (September 2009) for Ipswich (**Appendix 4**);
- the Co-Star Focus 'Town Centre' Report as at February 2010 (**Appendix 5**);
- the Co-Star Focus 'Retailer Requirements' Report as at February 2010 (**Appendix 6**); and
- the pedestrian flowcount surveys conducted by Property Market Research Services (PMRS) Limited in March 2010 (**Appendix 7**).

5.2 In addition to the above baseline evidence, we have also carried out our own detailed audit of the town's shops and businesses in February 2010. A survey of town centre traders and businesses is also reported in **Section 9**.

### BACKGROUND

5.3 Ipswich is the county town of Suffolk and is in the heart of East Anglia, situated on the estuary of the River Orwell. It is the main shopping destination in the Borough and was formerly identified as a regional shopping centre, a key centre for development and priority area for regeneration in the RSS East of England Plan (May 2008), although as explained in **Section 2** the RSS was revoked on 6 July 2010<sup>7</sup>.

5.4 The town centre is highly accessible by a range of different transport modes. For example, it has good access to the motorway network (M25) via the A12; it is close to Norwich and Stansted International Airports; and it is conveniently located on the Great Eastern Main Line railway system. The journey time by rail to London's Liverpool Street is approximately one hour and ten minutes.

5.5 The town centre is characterised by its blend of historic attractive buildings and more modern developments. It accommodates a wide range of multiples, specialist shops, service businesses, cafes and restaurants.

5.6 The existing shopping offer is concentrated in the pedestrianised core retail area comprising Corn Hill, Tavern Street, Butter Market, Westgate Street and Carr Street. This pedestrianised retail area is characterised by the presence of a significant number of large retail units, the majority of which are occupied by national multiples. The centre's retail offer is also anchored by two shopping centres - Tower Ramparts and

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<sup>7</sup> Please note that on 10th November 2010, following a successful high court challenge by CALA Homes, the Court found that the Secretary of State's unilateral revocation of Regional Spatial Strategies (RSSs) was unlawful. This resulted in the reinstatement of all RSSs. However, at the present time local planning authorities should exercise care in assessing the weight to be attached to RSSs as it is still the Government's intention to abolish RSSs through the Localism Bill.

the Butter Market Shopping Centre. The key multiple retailers by shopping location are summarised in the table below.

**Table 5.1 Ipswich Town Centre: Key Retailers by Location**

Street / Shopping Centre	Key Retailers
Butter market	BHS, Lakeland, Waterstones, Fat Face, Early Learning Centre
Butter Market Shopping Centre	TJ Hughes, Blue Inc, Pilot, New Look, Laura Ashley
Carr Street	Argos, Superdrug, Poundland, Maplin, Peacocks, JJB Sports, Millets, Somerfield
Corn Hill	Debenhams, Burtons
Tavern Street	H&M, River Island, Blacks Leisure, Dorothy Perkins, Body Shop, HMV, Oasis, Sole Trader
Tower Ramparts Centre	Boots, Topshop/Topman, Wallis, Miss Selfridge, Officers Club
Westgate St / Providence St	Marks & Spencer, Primark, Gap, Evans, Madhouse, Clarks, Monsoon, Next

5.7 Beyond the pedestrianised shopping area retail units are located in the outer circle of secondary retail streets broadly comprising:

**Table 5.2 Ipswich Town Centre: Secondary Shopping Streets\***

<ul style="list-style-type: none"> <li>• Upper Orwell Street</li> <li>• Orwell Place</li> <li>• Tacket Street</li> <li>• Eagle Street</li> <li>• Dogs Head Street</li> <li>• Falcon Street</li> <li>• Queen Street</li> <li>• St. Nicholas Street</li> <li>• St. Peters Street</li> <li>• Friars Street</li> <li>• Princes Street (non-pedestrianised)</li> <li>• Lloyd Avenue</li> </ul>	<ul style="list-style-type: none"> <li>• St. Matthews Street (east of roundabout)</li> <li>• Arcade Street</li> <li>• Museum Street / High Street</li> <li>• King Street</li> <li>• Crown Street</li> <li>• Northgate Street</li> <li>• Great Coleman Street</li> <li>• Old Foundry Road</li> <li>• Upper Brook Street</li> <li>• Fore Street</li> <li>• St Helens Street</li> </ul>
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\* Note: Some streets in part only.

5.8 In terms of the overall character and retail offer in these secondary streets, our observations are as follows:

- **Upper Brook Street/ Dogs Head Street / Tacket Street** – presence of a range of national multiples including Wilkinson, Sainsburys, 99p Store;
- Falcon Street / St. Nicholas Street / St. Peter’s Street / Queen Street – largely dominated by Class A3 uses (cafes and restaurants);
- Princes Street (non-pedestrianised area) /King Street/ Arcade Street / Museum Street / High Street (south of Crown Street) – largely dominated by retail services, including estate agents, legal, employment and financial services.

- **St. Matthew's Street** (east of roundabout) – the main operator is Iceland, along with a QD Discount store and charity shops (British Heart Foundation and Mind);
- **Upper Orwell Street / Fore Street** – comprise a wide variety of small independent shops. The range of uses varies from tattoo parlours and hair/beauty salons, to small cafes and restaurants and takeaways.

## NATIONAL RANKING

5.9 The table below shows the changes in Ipswich's national ranking as a shopping location between 2005 and 2009. This is based on the *VENUESCORE* index<sup>8</sup>.

**Table 5.3 Change in National Town Centre Rankings, 2005 - 2009**

	2005	2009	Change in Rank 2005 - 2009
Norwich	7	8	-1
Cambridge	71	41	+30
Ipswich	39	67	-28
Colchester	58	76	-18
Bury St Edmunds	204	216	-12
Felixstowe	374	443	-69
Stowmarket	605	744	-139

Source: Javelin VENUESCORE Ranking (2005, 2007 & 2009).

- 5.10 The table shows that in 2009 Ipswich was ranked 67<sup>th</sup> in the UK, behind Cambridge and Norwich in the sub-region, but ahead of Bury St Edmunds, Colchester, Felixstowe and Stowmarket.
- 5.11 Ipswich has fallen 28 places in the national ranking since 2005, which reflects the lack of new investment in its retail floorspace and offer during this period compared with other centres in the East of England and across the UK. For example the opening of the Grand Arcades scheme in Cambridge in 2007 has improved its national ranking from 71<sup>st</sup> to 41<sup>st</sup>, placing it above Ipswich.
- 5.12 The opening of the £100m Arc Shopping Centre in Bury St Edmunds in 2009 will also have improved its national ranking. This scheme comprises some 60,400m<sup>2</sup> of new retail and commercial leisure floorspace and is anchored by Debenhams and Next,

<sup>8</sup> VENUESCORE ranks the UK's top 2,000+ retail locations based on a weighted score assigned to retailers and operators according to their potential impact on the centre's attraction to shoppers. For example, anchor department and variety stores such as John Lewis, Marks & Spencer and Debenhams receive a higher score than other retailers, as this reflects their significant influence on shopping patterns. The resulting aggregate score for each shopping location is called its VENUESCORE. It is widely used by developers, investors and retailers to assess the changing performance and attraction of a centre relative to other centres in the UK.

along with a range of other operators including Monsoon, Jane Norman, New Look, Wallis, River Island and Peacocks.

- 5.13 Without further investment and improvement to Ipswich's town centre retail offer there is a danger that it could slide down the rankings as other centres strengthen their offer and market position.

## RETAIL DIVERSITY

- 5.14 Ipswich town centre has a diverse range of shops and services serving a catchment that extends beyond the Borough area, including those that work in and visit the town centre for a range of activities and services on a regular basis. The tables below summarise the scale and diversity of main town centre uses in Ipswich and the key changes in the centre's floorspace and outlets since 2004/05 based on Experian GOAD audits<sup>9</sup>.

**Table 5.4 Ipswich Town Centre: Change in GOAD floorspace**

	2005			2009		
	sq m	%	UK Base	sq m	%	UK Base
Convenience	6,290	4.1%	13.9%	7,702	5.1%	14.4%
Comparison	83,046	53.9%	40.5%	75,409	49.8%	36.9%
Retail Services	6,782	4.4%	7.0%	7,664	5.1%	7.0%
Leisure Services	33,882	22.0%	21.7%	28,893	19.1%	22.8%
Financial & Business Services	15,050	9.8%	10.0%	12,886	8.5%	8.5%
Vacant	9,077	5.9%	7.0%	18,934	12.5%	9.7%
<b>Total:</b>	<b>154,126</b>	<b>100%</b>	<b>100%</b>	<b>151,488</b>	<b>100%</b>	<b>100%</b>

Source: Experian Goad Centre Category Reports – Feb 2005 & September 2009 (Appendix 4)

<sup>9</sup> The floorspace figures are derived from the GOAD Plan and show the footprint floorspace and the site area without building lines. They should not therefore be read as a definitive report of floorspace, but do provide a useful means of comparison between centres, as all outlets are measured in a consistent manner. Additionally the GOAD area does not equate to the same town centre boundary as within the adopted local plan.

**Table 5.5 Ipswich Town Centre: Change in retail profile (% of total outlets)**

	2004			2009		
	Outlets	%	UK Base	Outlets	%	UK Base
Convenience	38	6.1%	7.2%	47	7.5%	8.7%
Comparison	262	42.1%	41.9%	231	37.0%	33.5%
Retail Services	69	11.1%	12.2%	75	12.0%	13.2%
Leisure Services	119	19.1%	17.7%	115	18.4%	21.7%
Financial & Business Services	83	13.3%	12.5%	72	11.5%	11.0%
Vacant	51	8.2%	8.5%	85	13.6%	11.5%
<b>Total:</b>	<b>622</b>	<b>100%</b>	<b>100%</b>	<b>625</b>	<b>100%</b>	<b>100%</b>

Source: Experian Goad Centre Category Reports - March 2004 & September 2009 (**Appendix 4**)

- 5.15 The table shows that the total number of outlets in the centre has increased from 622 to 625 units between 2004 and 2009, and the total GOAD floorspace has also increased slightly from 154,126m<sup>2</sup> to 151,488m<sup>2</sup>.
- 5.16 The following provides a more detailed commentary on the key changes in the town centre's retail and service provision.

### Convenience Goods

- 5.17 Ipswich has an under-representation of convenience goods outlets and floorspace benchmarked against national averages, although provision has increased since 2004/05. **Appendix 4** provides a more detailed breakdown of the different convenience goods retailers represented in the town and it shows that most of the main convenience goods categories are represented, apart from a specialist fishmonger.
- 5.18 Notwithstanding this, the Experian Goad figures show that convenience goods floorspace represents just over 5% of total floorspace in the town centre, which is significantly below the national average figure of 14.4%. A more detailed analysis of the floorspace breakdown shows that the town centre is under-represented across all the main convenience goods categories, apart from convenience stores.
- 5.19 The town also has a limited supermarket offer. The main operators currently represented in the town centre are Sainsburys (Upper Brook Street); Iceland (St.

Matthews Street)<sup>10</sup>; Somerfield (Carr Street); M&S food hall (Westgate Street); and Londis (Friars Street).

- 5.20 These stores have a total estimated convenience goods sales area of 3,674m<sup>2</sup> net<sup>11</sup>, which is significantly lower than the substantial out-of-centre floorspace in the Borough (11,145m<sup>2</sup> net) and the large superstores outside the Borough, but within the urban area (12,249m<sup>2</sup> net).

### Comparison Goods

- 5.21 Although the number of comparison goods retailers has declined from 262 to 231 between 2004 and 2009, Ipswich has a relatively good provision of comparison goods retailing (37%) compared with the national average of 34%. **Appendix 4** shows that the centre has particularly good representation in the following categories - booksellers; jewellery; musical instruments; and toys and games.
- 5.22 The centre's anchor department and variety stores include, *inter alia*, Marks & Spencer, Debenhams, T J Hughes and BHS. All of these retailers command a substantial level of floorspace in the centre. Notwithstanding this, benchmarked against centres with a similar role and function in their shopping hierarchy, we consider that there is significant potential to attract a quality department store operator to Ipswich town centre as part of a new retail-led mixed use development. The gap in Ipswich town centre's department store offer was also highlighted by some of the responses to the household survey. For example, in response to question 37 (see **Appendix 1**), which asked what improvements to the town centre would make people visit more often than they currently do, some 7.6% of respondents across the study area identified the need for a department store.
- 5.23 The Experian Report identified a number of specific categories of comparison goods retailing with limited or no representation in the town centre including, *inter alia*:
- antique shops;
  - carpets & flooring;
  - children's & infants wear;
  - cycles & accessories;
  - florists;
  - furniture;

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<sup>10</sup> Please note that Tesco Express on St Matthews St is covered by the Experian Goad Plan, but is located outside the Council's definition of the town centre.

<sup>11</sup> Source: Derived from Institute of Grocery Distribution and after taking account of non-food floorspace in foodstores.

- music & video recordings; and
  - office supplies.
- 5.24 There may therefore be the potential to increase the provision of retailers in these specific retail categories, as well as to improve the overall quality of the retail offer in the town centre.
- 5.25 The town centre has a relatively good mix of clothing, footwear and fashion stores (including H&M, River Island, Blacks Leisure, Dorothy Perkins, Blue Inc, Pilot, New Look, Laura Ashley, Fat Face, Topshop/ Topman, Wallis, Miss Selfridge, Officers Club, Primark, Gap, Evans, Madhouse, Clarks, Monsoon, Next, JJB Sports and Sole Traders). Notwithstanding this, there are a number of higher end quality fashion retailers not currently represented in the town centre, including French Connection, Austin Reed and Aquascutum, although recent additions to the centre's offer include White Stuff and Country Casuals.
- 5.26 The household survey also highlighted potential areas for improvement in the town centre's retail offer, including more independent and specialist shops (8.6%); a better quality shopping offer (8.4%); more/better choice of multiples (5.8%); and more fashion shops (3.8%).

### Leisure Services

- 5.27 According to the Experian Goad report (**Appendix 4**) there are 115 leisure services in the GOAD defined town centre boundary, which covers an area similar to the Council's Central Shopping Area defined in the adopted Local Plan. This is equivalent to 18.4% of total outlets in the town, which is slightly below the national average of 21.7%.
- 5.28 The centre's evening economy is focused around its 20 restaurants, 13 public houses and 16 wine bars. The results of the household survey confirm the importance of this leisure activity, with some 36% of respondents frequenting restaurants at least once a week. Additionally some 15% of respondents frequented pubs and/or bars each week.
- 5.29 Within the Goad town centre boundary there are 24 cafes, six casino and betting offices, two sports and leisure facilities, three clubs, one hotel and four bingo and amusement centres. The household survey shows:
- the Mecca Bingo and Gala Bingo facilities within the Borough command 59% of market share from the study area overall and 70% from the ICA;
  - the majority (48%) of nightclub visits from respondents in study area is to venues within the Borough. The level of retention indicates a stronger and varied offer in the Borough and the ICA as a whole. This currently comprises, amongst others, Liquid Envy (Cardinal Park), Mojo (Nortgate Street) and Pals (Old Cattle Market Street.)

- the most frequented health and fitness facilities (within the Borough) are Crown Pools (town centre) (8.8% of respondents) and David Lloyd (elsewhere within the Borough) (5.5%).

5.30 The arts and cultural facilities include the following:

- **The New Wolsey** - a 400-seat theatre in the heart of the town focussing on drama, music, comedy, poetry, dance and children's shows.
- **Regent Theatre** - a 1,800-seat theatre that provides entertainment to 130,000 patrons on average each year. Offers a mixed but primarily commercial programme focused around pop concerts, comedy and musicals.
- **Corn Exchange** - The Corn Exchange and Town Hall complex hosts live music and theatre shows. The Film Theatre is currently open on a voluntary basis.
- **Dance East** - Based in the £8.9 million Jerwood DanceHouse on the Ipswich Waterfront, it houses three dance studios, a 200-seat studio theatre, fitness and pilates suites, a café and a boutique. The Jerwood DanceHouse is one of a growing number of centres for dance globally that have been created to reach out to communities and act as magnets for national and international dance artists. The DanceEast Academy is one of nine National Dance CATs (Centres for Advanced Training) aimed at young people aged 10 - 18 with exceptional potential in dance, funded by the Department for Education.

5.31 In terms of cinemas, the household survey results indicate that Cineworld achieves an overall market share of 66% from the study area and 92% from within the ICA.

### Financial & Business Services

5.32 There are an estimated 72 financial and business service outlets in the town centre. This represents some 11.5% of total outlets, which is above the national average of 11%. As **Appendix 4** shows, the centre has a particularly strong representation of building societies, employment & careers, printing & copying and property services. The 2009 audit shows that there are 25 property services and 18 retail banks in Ipswich.

### Retail Services

5.33 The number of retail services has increased since 2004, from 69 to 75. Currently this sector represents 12% of total outlets in the centres, although this is below the national average of 13.2%. The latest Experian Goad report (**Appendix 4**) shows that the centre has relatively good representation of health and beauty salons (45 businesses); opticians (10 outlets); travel agents (8 outlets); and video rental stores (2 outlets). Together these services and activities make an important contribution to the town's overall attraction, vitality and viability, as they generate frequent trips to the centre.



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## VACANCY LEVELS

- 5.34 **Table 5.5** shows that vacancy levels as a proportion of total outlets in the town centre increased from 8.2% to 13.6% between 2004 and 2009. Our on-site audit in February 2010 identified three additional vacant outlets since the audit by GOAD in September 2009, which increased the vacancy level slightly to 14.1%, above the national average of 11.5%.
- 5.35 In terms of total vacant floorspace, **Table 5.4** shows that this effectively doubled from an estimated 9,077m<sup>2</sup> in 2005 to 18,934m<sup>2</sup> in September 2009. Vacant floorspace in 2009 represented some 12.5% of total floorspace in Ipswich town centre, which was above the national average of 9.7%.
- 5.36 The increase in vacant units across the town centre is largely explained by the impact of the economic downturn resulting in several high profile business failures. For example Woolworths closed all circa 820 of its stores in January 2009, including its Ipswich store.
- 5.37 The increase in vacant units across centres is normally one sign of inherent problems with their overall vitality and viability. This is particularly the case where vacancies are clustered together. It is evident from our more recent audit of the town centre that there are a number of smaller vacant units in the secondary shopping areas. This is a trend that is commonplace across most city and town centres, as the smaller shop units in these off-pitch shopping locations are more difficult to let as they do not generally meet the requirements of modern retailers in terms of size, location, format and configuration.
- 5.38 Notwithstanding this, our February 2010 audit also identified a number of larger vacant units in the core retail area, for example Tower Ramparts Shopping Centre. However, since February 2010 and prior to finalising this study, a number of the larger and more central vacant units were occupied: the former Littlewoods unit in the Tower Ramparts Shopping Centre was occupied by Mad House; the former Woolworths unit on Carr Street was let to Poundland; and the Buttermarket Centre is now fully occupied. The town has gained a range a new operators during 2010, including White Stuff, Modelzone and I-Store, Viyella and Country Casuals. The more recent occupancy of formerly vacant units is not reflected in the February 2010 vacancy figures described previously. This change reflects the dynamic nature of the retail sector. Nevertheless vacancy rates are an important indicator, which the Council should keep under review.

## CHANGES IN RETAIL AND SERVICE PROVISION

- 5.39 **Table 5.6** shows some of the main changes in retail and service business provision between September 2009, when the Experian Goad audit was undertaken, and February 2010, when SP carried out its updated audit.

**Table 5.6 Change in Occupancy: September 2009 – February 2010**

Address	September 2009		February 2010	
	Occupant	Use	Occupant	Use
14 St Matthews St	Vacant	Vacant	Norman's Fruiterers	Convenience
22 St Matthews St	Polsky Sklep Deli	Convenience	Vacant	Vacant
4 St. Georges St	George Henry Hair	Service	Not known	Service
11 – 13 High St	Office	Service	Hair @ Roberterry	Service
41 – 43 Westgate	Robert Dyas	Comparison	Vacant	Vacant
24 Westgate	Currys.Digital	Comparison	Vacant	Vacant
12 Tower Ramparts	Bay Trading	Comparison	Samantha L/wr	Comparison
5 Tower Ramparts	Pinkzip Ladieswear	Comparison	Vacant	Vacant
Tower Ramparts	102 Tower FM Cafe	Service	Vacant	Vacant
42 Lloyds Avenue	Tower Deli	Convenience	Vacant	Vacant
10 Upper Brook St	Johns Butcher	Convenience	Vacant	Vacant
19 Upper Brook St	Vacant	Vacant	Mattressman	Comparison
21 Upper Brook St	Vacant	Vacant	ARC Charity Shop	Comparison
29-33 Upper Brook St	Thing Me Bobs	Comparison	Vacant	Vacant
2 Buttermarket	Vacant	Vacant	Rotary Intl	Service
14 Buttermarket	Vacant	Vacant	My Juice	Service
28 Princes St	Vacant	Vacant	Hullock Miller	Service
29 Princes St	Vacant	Vacant	Safeguard Recruit	Service
23 Dogs Head St	Vacant	Vacant	99p Stores	Comparison
32A Carr St	Vacant	Vacant	1 Stop Furnishing	Comparison
16 Tacket St	Millets	Comparison	Vacant	Vacant
37 Upper Orwell St	Office	Service	Auctioneer	Service
49 Upper Orwell St	Polish Grocer	Convenience	Vacant	Vacant
9 Fore St	Office	Service	Vacant	Vacant

5.40 The table identifies that the town centre experienced a number retail and service business closures and new openings over the six month period between September 2009 and February 2010. Of the 24 outlets identified, nine which were vacant in September 2009 were occupied by February 2010, whereas eleven were vacant at February 2010. In other words, the number of vacant units increased by two between September 2009 and February 2010. As highlighted above, a large number of these closures are explained by the impact of the recession on the viability of a number of businesses. However, since February 2010, a further three of the units in **Table 5.6** have been occupied, at Upper Brook Street (two) and Fore Street.

5.41 Whilst there were a number of smaller vacant units in the secondary areas, there were also a number of larger vacant units in the core retail area in February 2010, although this type of vacancy has improved during 2010, for example through the opening of Madhouse at Tower Ramparts. Indeed, figures supplied by Ipswich Central for the BID area, which is larger than the Central Shopping Area, show that vacancy at October 2010 stood at 11.5% of units, a minor improvement on their equivalent figures for 2009.

## RETAILER REQUIREMENTS

5.42 The national Co-Star Focus database is widely used to assess the property requirements of retail and leisure operators for space in shopping locations across the United Kingdom. The table below sets out the changes in the number of operators with recorded requirements for representation in Ipswich town centre since 2001 (also see **Appendix 5**).

**Table 5.7 Ipswich Town Centre: Change in retailer requirements & rank**

	Ipswich		Norwich		Colchester		Bury St. Edmunds	
	No.	Rank	No.	Rank	No.	Rank	No.	Rank
2001	65	74	88	43	71	58	37	159
2003	74	68	103	38	75	67	55	113
2005	106	49	119	35	93	57	59	125
2007	75	77	100	41	89	55	61	105
2009	35	80	45	52	49	45	30	103
2010	24	N/A	38	N/A	35	N/A	31	N/A

Source: Co-Star Focus 'Retailer Requirements Report' & Focus 'Town Centre Reports' (2010)

Notes: Rankings are based on the recorded requirements in October of each year, except for 2010 which represents the requirements in February.

5.43 The table shows that requirements have fallen across all centres since October 2007. This is a clear indicator of the impact of the economic recession on the business strategies and expansion plans of most retailers and businesses. In Ipswich, for example, requirements have fallen to 24 operators in February 2010; the lowest level recorded.

5.44 The more detailed '*Retailer Requirements*' report in **Appendix 6** shows those businesses with current requirements for Ipswich town centre. The main comparison goods retailers include Zara; Quiz Clothing; Mountain Warehouse; Kathmandu UK Ltd; and Linens Direct. There is also market demand from national restaurant, fast-food and cafe chains, including Marstons Plc and Gourmet Burger Kitchen.

5.45 **Table 5.8** below shows that the total recorded demand for new floorspace currently ranges from between 9,000m<sup>2</sup> and 14,900m<sup>2</sup> (gross).

**Table 5.8 Ipswich Town Centre: Total floorspace requirements by category**

	Min Floorspace (m <sup>2</sup> )	Max Floorspace (m <sup>2</sup> )
Convenience	423	790
Comparison	5,479	10,108
Service	3,101	4,116
<b>Total:</b>	<b>9,003</b>	<b>14,923</b>

Source: **Appendix 6** (figures may not sum due to rounding)

- 5.46 The requirement for space from convenience businesses is relatively low compared with the more substantial requirements for both comparison goods and other retail services. The majority of the required floorspace is from comparison goods retailers and specifically JTF Wholesale (a cash and carry operator) which has a requirement in a secondary location of up to 4,645m<sup>2</sup>.
- 5.47 When considering the changes in the number and scale of retailer requirements identified by Co-Star Focus it is important to understand that a number of major retailers and operators are not registered with Co-Star Focus (such as John Lewis and the main grocery retailers), as they take the view that being named on this list may weaken their negotiating position if they are looking to take space in a centre. Furthermore, the list only provides a broad indication of market interest at a particular point in time. It does not take account of the significant uplift that can occur in market demand following the permission for and subsequent development of modern new retail floorspace.

### **PRIME ZONE A RENTAL LEVELS**

- 5.48 The table below sets out the latest available Prime Zone A Rental Levels for Ipswich town centre and the other large centres in the sub-region.

**Table 5.9 Changes in Prime Zone A Rental Values (£ per sq metre)**

	Ipswich	Norwich	Colchester	Bury St. Edmunds
2001	1,292	2,153	1,292	969
2003	1,399	2,153	1,615	1,130
2005	1,561	2,260	1,668	1,130
2007	1,615	2,260	1,830	1,238
2008/09	1,615	2,260	1,830	1,238

Source: Colliers CRE (published in 'Town Centre Focus Reports' for each centre)<sup>12</sup>.

- 5.49 Prime Zone A's are estimated to be around £1,615 per sq metre in Ipswich's primary shopping area. This represents an increase of +25% since 2001. This growth in rental values reflects a relatively strong market demand for representation in the town centre over the period. However rents in Colchester rose by +42% over the same period. Rental values are higher in Norwich, although growth (+4.9%) was lower over the same period. This is to be expected given its higher status and retail offer within the region's retail hierarchy. A potential increase in Ipswich's rents may ensue if new retail investment and development can be secured for the town centre.

## COMMERCIAL YIELDS

- 5.50 Yield is an important measure of commercial property value<sup>13</sup>. **Table 5.10** sets out the recorded changes in the retail property yield for Ipswich town centre benchmarked against other centres in the sub-region between 2001 and 2008/09.

12 Colliers CRE has been monitoring prime retail rents in 418 locations in Great Britain since 1987 on an annual basis. These figures are based on their opinion of the Zone A rents and reflect the 'net effective rent'. This is the rent that would be agreed between the parties for a letting of the premises on the relevant terms and conditions, but without incentives forming part of the transaction.

13 It has regard to the strength of a tenant's covenant and the long-term potential for rental and capital growth. Yield is derived by division of the open market rent of a property by its capital valuation. At a given rental level, the lower the yield, the higher the capital value. Generally a centre with a lower yield is regarded by investors and developers as having greater potential for rental and capital growth. A consideration of yields on shop investments can therefore be of assistance in assessing the general economic prospects of a trading location.

**Table 5.10 Changes in Retail Yields**

	Ipswich	Norwich	Colchester
2001	4.5	5.0	6.0
2003	4.0	5.5	6.0
2005	4.75	5.5	5.25
2007	4.75	5.5	4.75
2008/09	5.0	5.25	4.5

Source: Valuation Office Agency (July, 2008).

- 5.51 Ipswich's retail yields are marginally stronger than for Norwich, but slightly weaker than for Colchester. Broadly, the yield analysis shows that Ipswich's position has weakened slightly since 2007. The current yield level points to an average position regarding investor and market confidence in Ipswich as a shopping location.

### PEDESTRIAN FLOWCOUNTS

- 5.52 A pedestrian footfall count was conducted by Property Market Research Services Limited (PMRS) in Ipswich on 5 and 6 March 2010. **Appendix 7** sets out the detailed tabulated results, a plan showing the count<sup>14</sup> points and an explanatory note of the approach.
- 5.53 The survey results indicate that Ipswich achieves an estimated average weekly (Monday – Saturday) footfall across the centre of 40,900. This estimate is calculated using a standard methodology used by many local authorities. It should be noted however that this estimate is likely to be lower than total actual weekly footfall, as it only records flows during a 6 hour period, it is based on an estimate from a sample and does not count flows on Sundays. The data uses the same methodology as used in the 2005 retail study. The footfall for 2010 is lower than that recorded for 2005 at 44,900. This indicates that the centre has not maintained its attraction to shoppers and other visitors to the town centre.
- 5.54 This notwithstanding, the table below shows the top and bottom 5 locations in terms of measured footfall.

<sup>14</sup> The pedestrian count is an estimate of weekly footfall (Monday – Saturday) in Ipswich Town Centre based on a sample surveyed on 5th and 6th March 2010.

**Table 5.11 Highest and Lowest Recorded Footfall in Ipswich Town Centre**

Occupier	Address	Weekly Count ('000s)	Index
<b>TOP 5 LOCATIONS:</b>			
HMV Records	20 Tavern Street	129.39	316
Debenhams	2 – 10 Westgate Street	122.33	299
McDonalds	31 Tavern Street	99.81	244
Milletts	14 – 16 Carr Street	90.57	222
Next	29 – 31 Westgate Street	85.77	210
<b>BOTTOM 5 LOCATIONS:</b>			
Co-op Bank	11 – 13 Princes Street	7.41	18
Go -East	Fore Street	6.00	15
Chinese Herbs	64 Upper Orwell Street	4.09	10
The Dress Circle	Fore Street	3.60	9
Spice Fusion	39 Upper Orwell Street	2.61	6

Source: PMRS Pedestrian Flowcount (March 2010). **See Appendix 7**

Note: The 100 index is the benchmark and refers to the average flow for the centre. Count points with indices greater than 100 have pedestrian flows above the centre's average.

- 5.55 The table shows that the strongest pedestrian flowcounts were recorded outside HMV on Tavern Street. This is a similar pattern to that recorded in 2005 when the location achieved a weekly count of 128.40. In absolute terms, the recorded weekly footfall outside HMV represents the highest ever recorded in the centre especially when compared to that in 2005 survey. Other areas showing strong weekly flowcounts are Westgate Street and the western end of Carr Street.
- 5.56 The above average pedestrian flowcounts are highest along the pedestrianised prime retail core with the only exception being Wilkinsons on the non-pedestrianised Upper Brook Street. In terms of the two shopping centres in the centre, the survey points across the Buttermarket Shopping Centre record above average weekly footfall. However, in relation to the Tower Ramparts Centre the higher level of weekly footfall is recorded towards Tavern Street but falls towards the north due to the presence of a number of vacant units.
- 5.57 Princes Street on the western periphery recorded lower than average weekly counts despite the presence of businesses and its linkages with the prime shopping area in the centre.
- 5.58 The secondary shopping areas to the south (St. Nicholas Street) and south east (Upper Orwell Street and Fore Street) recorded the lowest amount of footfall. In relation to Upper Orwell Street and Fore Street this is commensurate with the large number of vacant outlets and represents a similar pattern to that recorded in 2005.

- 5.59 In broad terms, the prime shopping areas of Tavern Street, Westgate Street and the western end of Carr Street continue to show robust pedestrian flows. Figures provided by Ipswich Central courtesy of Springboard show that pedestrian flows outside Debenhams on Westgate Street were 7.4% higher in 2010 than in 2009.

### **IPSWICH WATERFRONT**

- 5.60 The retail, service and leisure provision in Ipswich town centre is supplemented by the provision on the Waterfront. This area is undergoing a major transformation with new marinas, restaurants, bars and homes emerging from a Victorian Wet Dock which opened in the 19<sup>th</sup> Century.

- 5.61 The Waterfront provides a unique focal point for Ipswich overall. It is a relatively short walk from the town centre and there are a variety of schemes taking shape, including housing, retail, restaurants, offices and community areas that are turning this once derelict industrial area into a new cultural, residential, business and leisure area, with complementing marina facilities. An audit of existing provision has identified the following businesses and operators:

- Jerwood Dance House (including Dance Eats cafe)
- Cake and catwalk – ladies fashion
- Bar Bistro
- Pizza Express restaurant
- Quayside bar and restaurant
- Bistro on the Quay
- Riverdale property agents
- John Russell Art Gallery
- Waterfront Arts Studio
- Viking River Cruises – booking office
- Isaacs Bar and Restaurant
- Salthouse Harbour Hotel
- Colours Continental Café
- The Bushel Box – speciality food
- Nicholas Estates
- Coffee Link

- 5.62 Additionally, the following operators and businesses are represented on Duke Street and Fore Street:

- Tesco
- Bargain Booze



- Loch Fyne bar and grill
- Country Life (outdoor furniture shop)
- Lituanica (food store)
- Newsagents and off licence
- That Chocolate Place – café
- Lemon Tree studios – photographic studio
- Lord Nelson public house

## OUT-OF-CENTRE RETAILING

5.63 There is a strong provision of out-of-centre foodstores, retail warehouses and leisure parks in the Ipswich urban area, located both within and on the edge of the Borough.

5.64 The major retail parks within and just outside the Borough comprise a diverse mix of comparison goods retailers (see **Table 5.12**).

**Table 5.12 Major Retail Parks & Warehouses in Ipswich Borough and the ICA**

Location	Space (gross m <sup>2</sup> )	Key Retailers
<b>RETAIL PARKS &amp; WAREHOUSES IN IPSWICH BOROUGH</b>		
Anglia Retail Park	19,520	Carpetright, Mamas & Papas, Comet, B&Q, The Carphone Warehouse.
Euro Retail Park	19,136	B&Q, Carpetright, ScS, Allied Carpets, Dreams Beds, Halfords, JJB Sports, Hughes, Harveys, Next Home.
Suffolk Retail Park	9,041	Brantano Footwear, Dunelm Mill, The Range, Argos Extra, Halfords, Wickes
Orwell Retail Park	7,874	Glasswells, Pets at Home, Focus
Cardinal Park / Commercial Road Retail Park	6,703	Carpetright, Topps Tiles, Staples, Tile Giant Jewsons
Crompton Road	1,679	Wickes
<b>TOTAL SALES AREA:</b>	63,953	
<b>RETAIL WAREHOUSE PARKS OUTSIDE BOROUGH BUT WITHIN THE ICA:</b>		
Interchange RP (Babergh District)	5,347	Currys, PC World, Multiyork
Copdock RP (Babergh District)	5,538	Mothercare World, Toys 'R'Us
Warren Heath (Suffolk Coastal District)	2,304	Homebase
Martlesham Heath RP (Suffolk Coastal District)	9,916	Jewson, Topps Tiles, Sea Pets, Focus, Conway Pine Furniture, Glaswells, Bennetts, Youngs Garden Centre
<b>TOTAL SALES AREA:</b>	23,105	

Source: Trevor Wood Retail Database (2009); Council research; and other evidence.

Notes: Not all retailers in retail parks are listed.

- 5.65 The majority of retail warehouse floorspace is located within or immediately adjoining the built-up area. The exception to this is Martlesham Heath Retail Park to the north east of Ipswich town centre. There is a particular concentration of retail warehousing to the west of the town centre. Some of the key characteristics of the existing retail warehouses are as follows:
- **Anglia Retail Park** opened in 2000 to the north of the town centre. It benefits from good accessibility and the planning permission restricts the extent of non-bulky goods floorspace.
  - The **Euro Retail Park** is the largest retail park in Ipswich. It is located two miles to the south east of Ipswich town centre and opened in 1996. It comprises an L-shaped terrace of eight units predominantly occupied by furniture retailers, along with a large B&Q Warehouse.
  - The **Suffolk Retail Park** opened in the 1990s and is approximately half a mile to the west of the town centre.
  - **Orwell Retail Park** is one of the first generation of retail warehouses and its retail floorspace has recently been redeveloped and reconfigured. It benefits from good access and has modest car parking provision.
  - The units at **Commercial Road** are within the wider town centre.
  - The **Interchange Retail Park** opened in 1997 and is situated at Copdock Interchange. It is very accessible from the A12 and the A14. There is a Tesco superstore and two stand-alone retail warehouse units on an adjacent site.
  - The **Martlesham Retail Park** is situated within a mixed commercial area. It is accessible from the A12 and some of its units are visible from the road. It also benefits from close proximity to a modern Tesco superstore.
- 5.66 There is also a good provision of large out-of-centre foodstores in the Borough. The major superstores include Asda (Goddard Road, Anglia Retail Park), J Sainsbury (Hadleigh Road) and Morrisons (Sproughton Road).
- 5.67 There are also a number of larger superstores outside the Borough, but within the ICA that serve the Borough's residents. These include Tesco Extra at Copdock Retail Park; J Sainsbury at Warren Heath and Tesco at Martlesham Heath.
- 5.68 In terms of commercial leisure, **Cardinal Park** is a key venue for residents in Ipswich and the wider catchment area. The existing tenants include Cineworld, KFC, McDonalds, ChimiChanga, Old Orleans, Ask, Nandos, Frankie & Bennys, Gym and Trim, Lumina Liquid Nightclub and Spirit Pub.
- 5.69 In summary, Ipswich Borough's residents have good access to a significant number of out-of-centre retail and commercial leisure facilities.

## ACCESSIBILITY

- 5.70 Ipswich's good links to the transport network largely accounts for its growth as an important and successful administrative centre for Suffolk. The Borough lies on the strategic A14 and A12 routes and the town centre has good accessibility by all modes of travel.
- 5.71 For example, it has good access by public transport and is served by a railway station with frequent links to both London and Norwich. Ipswich also benefits from a strong bus network linking the town to neighbouring towns and villages (refer to **Appendix 16** for detailed route map of Ipswich town services and routes).
- 5.72 The town is also served by ten central area car parks. This is supplemented by on-street parking, further car parking provision outside the town centre but within the Borough and park and ride facilities. According to the Council's figures the town centre, as defined in the adopted 1997 local plan currently has just over 2,430 parking spaces of which the majority are in managed car parks (circa 2,375). **Table 5.13** shows the breakdown of car parking spaces in the town centre.

**Table 5.13 Car Parks and On-Street Parking Provision in Ipswich Town Centre**

Car Parks			
Location	Spaces	Location	Spaces
Bond Street Car Park CP	20	Spiral Car Park (Wolsey Theatre)	350
Buttermarket Shopping Centre CP	420	Tacket Street CP	260
Cox Lane CP	182	Tower Ramparts CP	103
Cromwell Square CP	64	Upper Barclay Street CP	30
Crown Car Park	236	William Street CP	77
Foundation Street CP	513	Wolsey Car Park	120
On-Street Parking			
Location	Spaces	Location	Spaces
Black Horse Lane	4	Princes Street	6
Elm Street on-street parking	11	Queen Street	6
Old Foundry Road	28		

Source: Ipswich Borough Council

- 5.73 **Table 5.14** shows the provision of managed car parks outside the town centre but within the Borough, which totals 2,523 parking spaces. The park and ride facilities provide the following parking spaces: London Road provides 550 spaces, Martlesham provides 550 spaces and Bury Road provides 600 spaces. The Bury Road facility will close on Saturday 29th January 2011.

**Table 5.14 Car Parks Outside the Town Centre but Within the Borough**

Car Parks			
Location	Spaces	Location	Spaces
Cobden Place Cp	25	Commercial Road CP	approx. 295
Fore Street CP	30	Handford Road CP	85
Great Gipping Street CP	132	Key Street CP	67
Ipswich Village CP	329	Princes Street CP	90
New Portman Road CP	563	Railway Station Multi-storey CP	436
Portman Road CP	55	Star Lane CP	25
South Street CP	54	The Mill CP	130
Burrell Road CP	130	Turret Lane CP	51
Cardinal Park CP	612	Rose Lane CP	21
Duke Street CP	300		

Source: Ipswich Borough Council

- 5.74 In response to question 37 of the household survey (see **Appendix 1**), which asked what improvements to the town centre would make people visit more often than they currently do, a significant proportion of respondents across the study area identified the need for 'more/better parking' (13.5%) and 'lower parking charges' (12.9%). These responses were ranked second and fourth in people's wish list after improvements to the range and choice of shops<sup>15</sup>.

## CRIME AND SAFETY

- 5.75 The Ipswich Central BID has set up the '*Safer Ipswich Central*' initiative. The aim of the initiative is to reduce the burden that crime creates for businesses in Ipswich and to maintain a pleasant environment at all times for town centre visitors. It represents a dedicated, formal and pro-active partnership between businesses, the Police, Ipswich Borough Council, CCTV and other crime reduction schemes, agencies and organisations. It also provides town centre rangers that work throughout the town centre.
- 5.76 Furthermore, the Ipswich Community Safety Partnership is another initiative that aims to reduce crime, tackle anti-social behaviour, promote community safety and reduce the fear of crime.

<sup>15</sup> It should be noted that at the time the household survey was conducted, the multi-storey Crown car park (1,086 spaces) was being demolished due to structure faults. It has subsequently been replaced by a surface level car park (236 spaces) resulting in the loss of 850 spaces.

- 5.77 CCTV provision was introduced into Ipswich town centre in 1994. Cameras are monitored from a control room based in Ipswich Borough Council's headquarters at Grafton House. There are 80 cameras that principally cover car parks, subways and the main shopping areas. The system is aimed at providing a safer environment for the community; assisting in the reduction of crime in the town centre; facilitating the identification and prosecution of offenders in relation to crime and public order; and also to give warning of interruptions of the traffic flow.
- 5.78 In terms of the evening and night time economy there are pubs, bars and nightclubs which participate in the voluntary 'Best Bar None' scheme. This scheme for licensed premises seeks to address alcohol-related crime levels and improve the night time environment. It provides an incentive for the operators of licensed premises to improve their standards of operation.

### **ENVIRONMENTAL QUALITY**

- 5.79 Ipswich is characterised by a good mix of attractive historic and modern buildings. The Corn Hill area has a charming shopping environment with numerous buildings that make a positive contribution to the streetscape. Based on our audit of the town centre and compared with other centres there also appears to be a good provision of street furniture, bicycle racks, litter bins, public toilets and signage especially in the pedestrianised core retail area.
- 5.80 The town centre appears to be well-maintained, with some attractive landscaping and open spaces. Recent public investment has seen significant environmental improvement schemes carried out at Northgate Street/Tower Ramparts and at Giles Circus, at the junction of Princes Street and Queen Street. Notwithstanding this, our audit identified emerging clusters of long-term vacancies resulting from the economic downturn, particularly in secondary retail areas such as Upper Orwell Street. The increasing number of vacant units on some secondary shopping streets is having a negative effect due to 'dead frontages' and needs to be monitored and managed.
- 5.81 The town's retail circuit and key attractions including those to the Waterfront are adequately signposted. The pedestrianised streets provide shoppers with good, safe and easy movement across the town centre and within the Waterfront area although linkages between the two are affected by the gyratory.
- 5.82 In response to question 37 of the household survey (see **Appendix 1**), which asked what improvements to the town centre would make people visit more often than they currently do, a proportion of respondents across the study area identified the need for 'cleaner streets' (3.9%).
- 5.83 Overall, we consider that the town centre has an attractive environment, but it faces significant challenges due to the lack of recent investment in its retail offer and the increase in vacant units particularly in secondary shopping streets. In our opinion, new

investment is needed to help improve both the shopping environment and the perception of the centre as a place to shop and visit for a range of uses and activities.

## **SUMMARY**

- 5.84 The household survey and health check findings indicate that Ipswich is a strong sub-regional centre serving a catchment area that extends well beyond the Borough area. Notwithstanding this, it has fallen some 28 places in the national rankings from 39<sup>th</sup> to 67<sup>th</sup> since 2005; its vacant floorspace increased between 2005 and 2009; and it has not benefitted from significant new investment in its retail floorspace and offer for a number of years. Compared to centres of a similar size, role and function within their catchment areas in the east of England, Ipswich also lacks a high quality department store offer and we consider that there is also a quality gap in its overall retail and fashion offer.
- 5.85 The competing centres in the wider sub-region and east of England area are continuing to grow and evolve into higher status centres and have benefitted from significant new investment and development over the last five years, including Bury St Edmunds and Cambridge.
- 5.86 In our judgement Ipswich needs to attract further investment to maintain and strengthen its important role and function within the Borough and regional shopping hierarchy. This calls for a robust vision and policy direction in the light of increasing competition from other sub-regional centres.

## 6.0 DISTRICT & LOCAL CENTRES HEALTH CHECK

- 6.1 This section sets out our broad assessment of the retail provision in the Borough's main District and Local Centres. At the outset it is important to note that there is limited commercial data (such as, for example, Prime Zone A Rents, commercial yields, etc.) available at the local level to inform the assessment of the overall vitality and viability of these smaller centres in accordance with the PPS4 key performance indicators (KPIs). This assessment therefore provides a broad overview of the retail offer and performance of the District and Local Centres based on the monitoring reports undertaken by the Council and our own on-site assessments.
- 6.2 **Appendix 8** provides a detailed summary of floorspace (measured by gross footprint area) across the District and Local Centres.

### DISTRICT CENTRES – BENCHMARK ASSESSMENT

- 6.3 The table below lists the Borough's current District Centres:

**Table 6.1 District Shopping Centres**

Centre	Centre Number
Meredith Road	3
Norwich Road / Bramford Road	7
Hawthorn Drive	9
The Centre, Stoke Park Drive	11
Wherstead Road	13
Woodbridge Road East / Heath Road	17
Woodbridge Road / Cauldwell Hall Road	18
Felixstowe Road	23
Nacton Road	28
Ravenswood	47

Source: Ipswich Borough Council (September 2010).

Notes: The centre numbers refer to the definitions in the adopted development plan and emerging Core Strategy.

- 6.4 In addition, Duke Street is currently being developed as a new District Centre and a new centre is also being provided at Sproughton Road. This will increase the number of District Centres in the Borough to twelve. Additionally, if the Northern Fringe development takes place (policy CS10 of the Core Strategy) it will also contain a District Centre.

## Key Anchor Retailers

- 6.5 The audit of the District Centres has identified the following key anchor stores, supermarkets and convenience stores:

**Table 6.2 Key Anchor Retailers**

Centre	Multiple Retailer
Meredith Road	Aldi and Co-op foodstores
Norwich Road/Bramford Road	Coe's clothing store and Co-op foodstore
Hawthorn Drive	Co-op foodstore
The Centre, Stoke Park Drive	Asda superstore
Wherstead Road	Co-op foodstore
Woodbridge Road/Heath Road	Co-op foodstore
Woodbridge Road/Cauldwell Hall Road	Spar supermarket
Felixstowe Road	Aldi and Co-op foodstore
Nacton Road	Tesco express
Ravenswood	Lidl and Co-op foodstore
Duke Street	Tesco Express

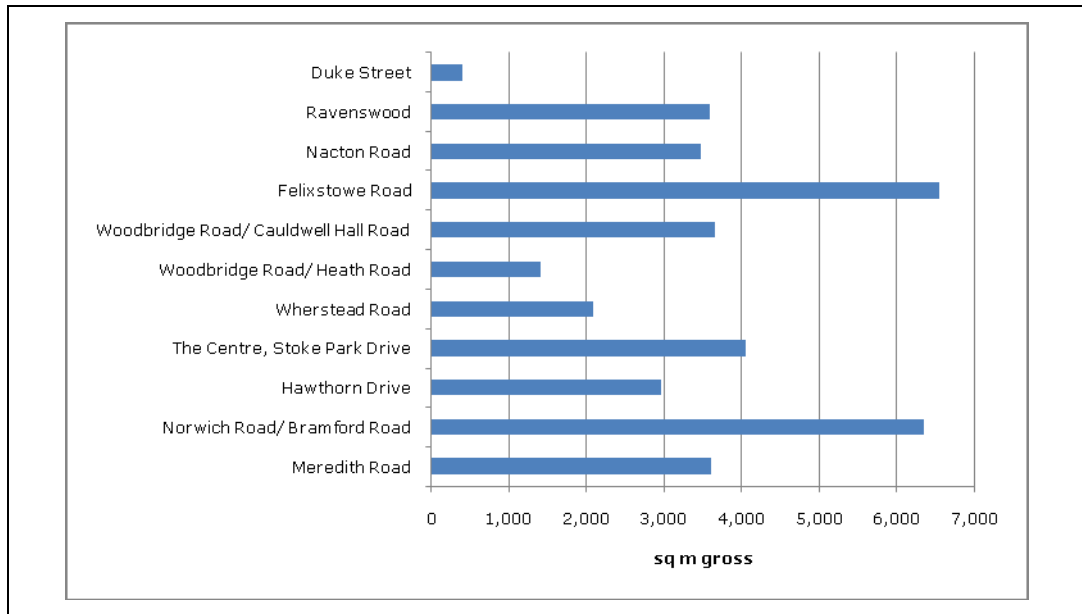
- 6.6 The smaller supermarkets and convenience stores predominantly serve the day-to-day more frequent top-up (basket) shopping needs of the local resident populations in and around the District Centres. This benefits other shops, businesses, services and facilities in these centres through linked trips, spin-off expenditure and increased footfall. In some of the centres (such as The Centre at Stoke Park Drive) the larger superstore operators are also attracting significant car-borne main bulk food shopping trips and purchases.
- 6.7 PPS4 defines District Centres as comprising groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library. The audit of the District centres has revealed the dominance of convenience goods retailers generally. This is gaining further momentum in the newer centres of Duke Street (Tesco Express) and Asda at The Centre (Stoke Park Drive).

## Total Floorspace

- 6.8 **Figure 6.1** (see also **Appendix 8**) ranks the District Centres by gross floorspace. It shows that the largest centre is Felixstowe Road (6,533m<sup>2</sup> gross), followed by Norwich Road/ Bramford Road (6,338m<sup>2</sup> gross). The smallest centre is Duke Street (currently under development), which comprises a small Tesco Express convenience store serving the emerging Waterfront area.



**Figure 6.1 Total Gross Floorspace (m<sup>2</sup>)**

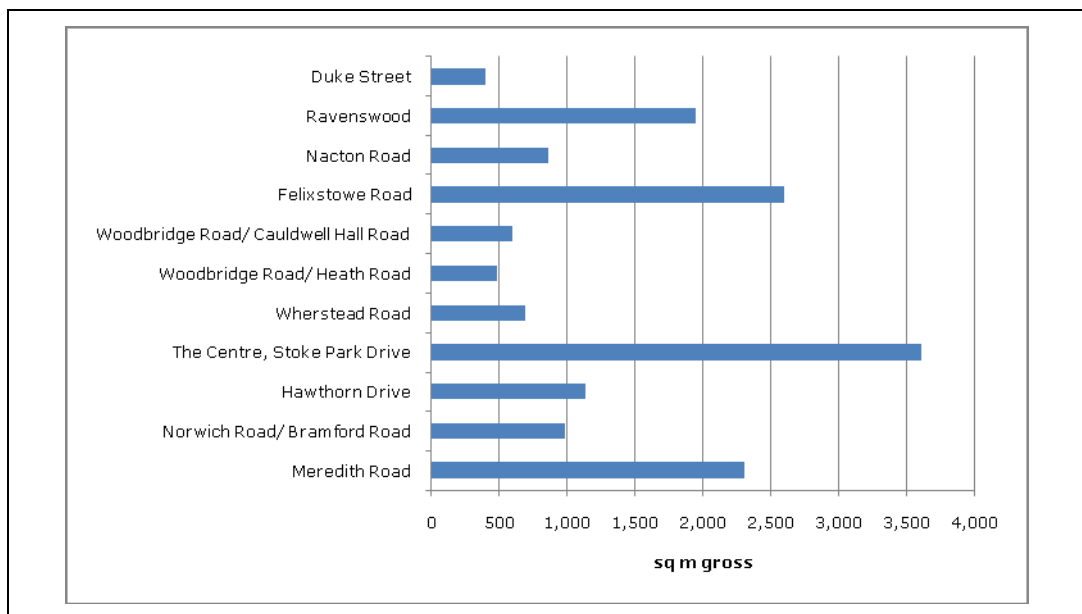


Source: Appendix 8

**Convenience Goods Floorspace**

6.9 **Figure 6.2** ranks the centres by gross convenience goods floorspace. It shows that The Centre at Stoke Park Drive is the largest District Centre, as it is dominated by the Asda. This is followed by Felixstowe Road, which has both an Aldi and Co-op amongst other smaller convenience goods retailers.

**Figure 6.2 Convenience Goods Floorspace (gross m<sup>2</sup>)**

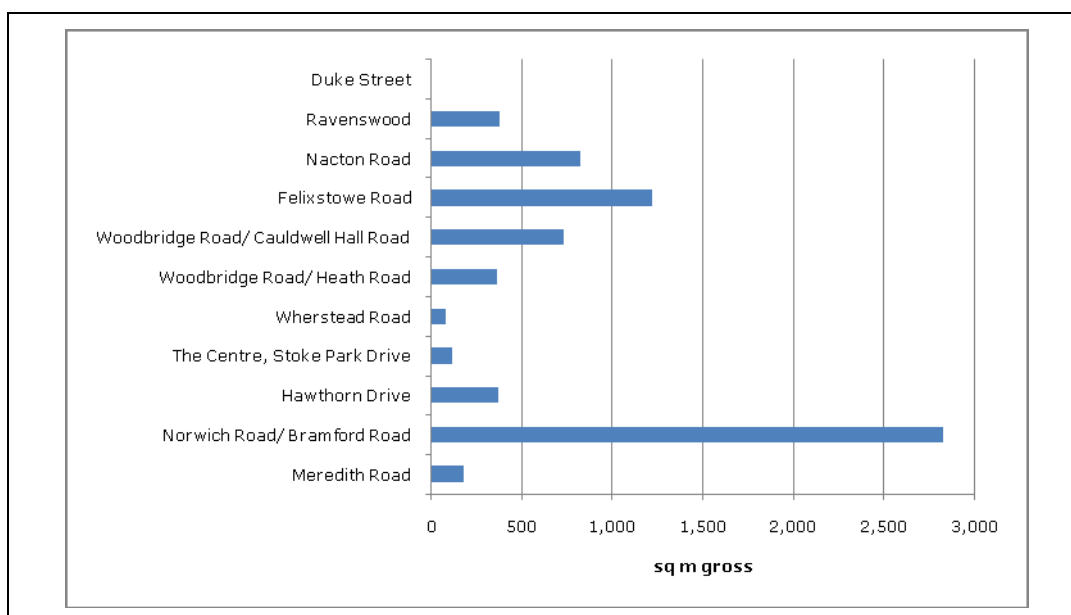


Source: Appendix 8

## Comparison Goods Floorspace

- 6.10 Norwich Road / Bramford Road is the largest District centre in the Borough in terms of its comparison goods floorspace. The centre's non-food offer comprises a range of independent retailers and is anchored by Coe's clothing store (1,166 sq m gross). Felixstowe Road is the second largest centre in terms of comparison goods floorspace. The provision at Wherstead Road and Meredith Road primarily comprises independent retailers, charity shops and pharmacy outlets in small unit shops.

**Figure 6.3 Comparison Goods Floorspace (gross m<sup>2</sup>)**

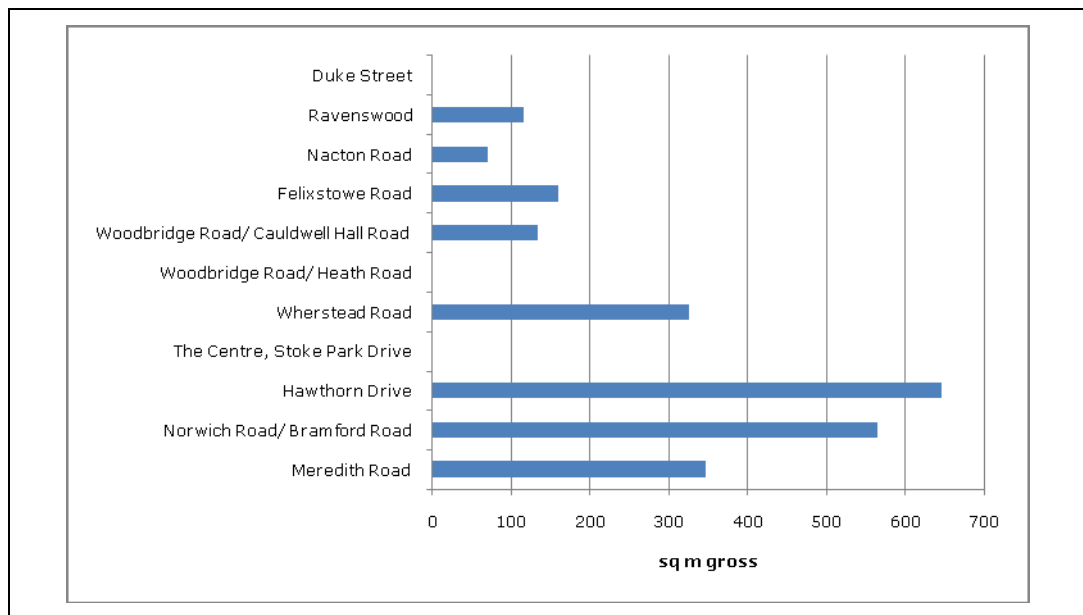


Source: Appendix 8

## Vacancy Levels

- 6.11 In terms of vacancies the local authority floorspace audit indicates that there are no vacant units in the District Centres at Stoke Park Drive and Woodbridge Road/ Heath Road.
- 6.12 As **Figure 6.4** shows, Hawthorn Drive has the largest quantum of vacant floorspace. With a vacancy level of almost 22% of total floorspace, this is significantly higher than national average figure of 9.7%. However we note from our audit that this vacant floorspace mainly comprises the former Kingfisher Public House on the periphery of the shopping parade and there are only two other smaller vacant units in the centre as a whole. The District Centre on Norwich Road / Bramford Road has the second largest vacant floorspace after Hawthorn Drive (of circa 12.5%).
- 6.13 Wherstead Road has the highest vacancy level of 23% (expressed as a proportion of total outlets). This compares with the national average derived from Experian Goad of 11.5% (based on a proportion of total outlets). The average vacancy rate across all the other District Centres is 7%.

**Figure 6.4 Vacant Floorspace (gross m<sup>2</sup>)**

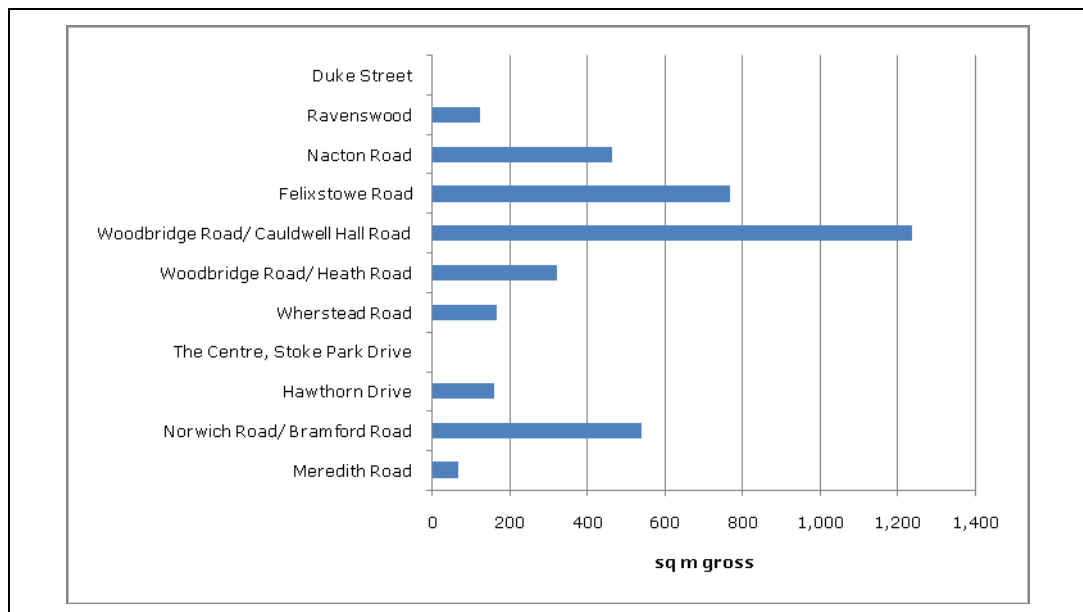


Source: Appendix 8

**Retail Service Business Floorspace**

6.14 **Figure 6.5** shows Woodbridge Road / Cauldwell Hall Road District Centre has the highest provision of retail service floorspace. Its offer is dominated by hairdressers, drycleaners and motor repairs. Felixstowe Road follows next with a similarly high provision of hairdressers, beauticians and drycleaners.

**Figure 6.5 Retail Services Floorspace (gross m<sup>2</sup>)**

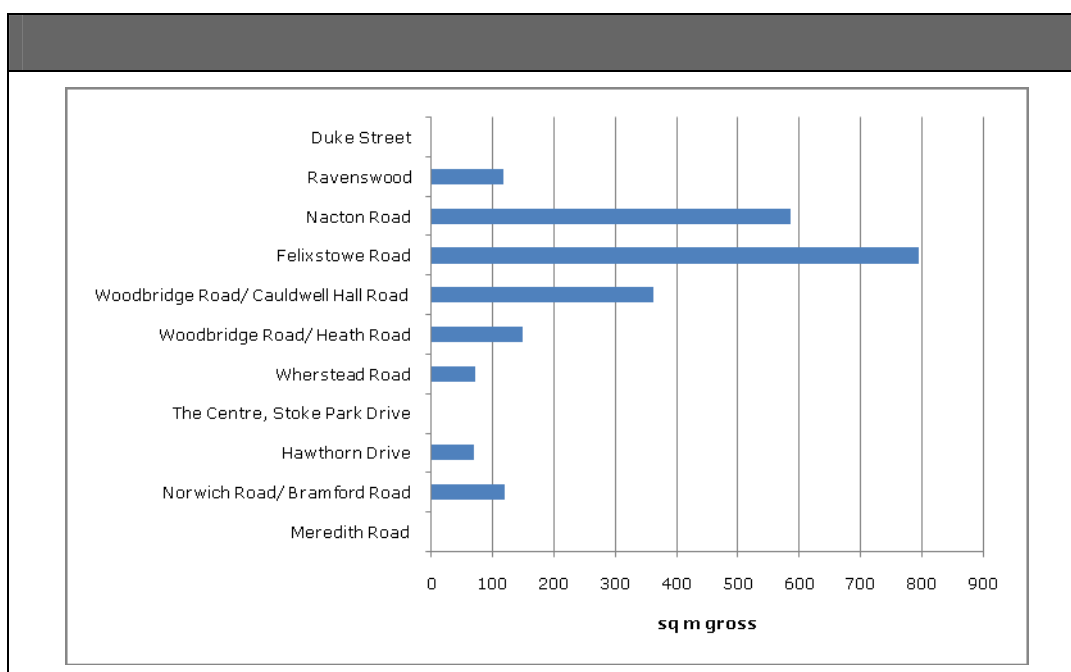


Source: Appendix 8

## Financial Services Floorspace

- 6.15 As **Figure 6.6** shows, Felixstowe Road has the highest provision of financial and business services floorspace. This is dominated by banks/building societies, estate agents and insurance brokers. The Centre (Stoke Park Drive) and Meredith Road have no financial service provision.

**Figure 6.6 Financial Services Floorspace (gross m<sup>2</sup>)**

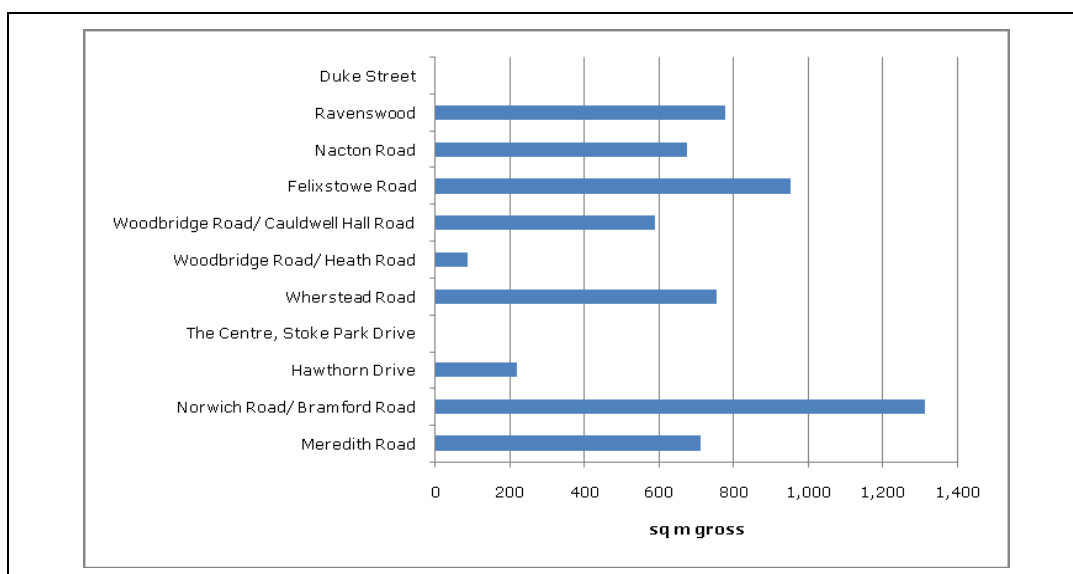


Source: Appendix 8

## Leisure Services Floorspace

- 6.16 **Figure 6.7** shows the gross leisure service floorspace in the Borough's main District Centres.
- 6.17 Norwich Road / Bramford Road has the largest provision of leisure services floorspace. This provision is dominated by a large number of restaurants, takeaways, cafes, public houses and betting shops in the centre. The second highest quantum is at Felixstowe Road with a similar provision. There is no/ limited provision in The Centre (Stoke Park Drive) and Woodbridge Road / Heath Road.

**Figure 6.7 Leisure Services Floorspace (gross m<sup>2</sup>)**



Source: Appendix 8

## DISTRICT CENTRES – HEALTH CHECK ASSESSMENT

6.18 Overall our assessment identified that most of the District Centres are attractive places to shop, with a good mix of retail and service businesses. They predominantly meet the needs of their local residential catchment populations for more frequent day-to-day (top-up) food purchases. Notwithstanding this, those centres with large superstores as anchors (i.e. The Centre, Stoke Park Drive) serve a much wider catchment for main bulk food shopping purchases. Our key observations of each District Centre are summarised below:

### ***Meredith Road***

6.19 A strong centre anchored by Aldi. It has good provision of car parking space, public realm and street furniture. The centre's other retailers include a Co-op foodstore, greengrocer, post office, pharmacy, newsagent and an NHS clinic (Whitton Clinic). At the time of our visit we observed one vacant unit, which suggests that the centre is viable. The centre has relatively good accessibility and is served by a bus stop which is adjacent to the centre. Residential units above the shops also contribute the Meredith Road's overall vitality and viability.

### ***Norwich Road***

6.20 A long linear centre characterised by Coe's clothing store. Key national multiples include Bathstore, Pizza Hut, Coral Bookmakers and a Co-op foodstore. The centre has a range of independent retailers which include takeaways, restaurants, ethnic grocers, hairdressers, pubs and employment agencies.

- 6.21 In terms of overall environment, there were pockets of litter at the time of our site visit. Vacancies were limited to smaller unit shops across this linear centre. Notable new investment includes the new frontage on the Coe's clothing store and new units at Norwich Road / Bramford Road junction (together with associated residential units above). The road junction with Clarkson Street shows areas of public realm improvement in terms of street paving and parking. This area represents the quality end of the shopping centre, with a range of bridewear shops, the Co-op foodstore and the Coe's clothing store.

#### ***Hawthorn Drive***

- 6.22 A precinct-type centre off Hawthorn drive served by 20 parking bays (including four disabled parking bays). The centre has a Co-op foodstore together with a post office and independents including a butcher, newsagent and hairdresser. Lloyd's pharmacy and Barclays Bank are in close proximity and within walking distance of the centre. The centre has a good environment overall with associated tree planting to its entrance/exit points. The attraction and vitality of the centre is contributed by residential units above the shops and its location opposite St Francis Church. The centre had three vacant units at the time of our audit, the largest of which is a large public house at the periphery of the centre.

#### ***The Centre, Stoke Park Drive***

- 6.23 A modern centre anchored by a standalone Asda (opened in 2009) and adjacent unit shops comprising, McColls, a chemist and dental surgery. The centre lies on a busy road (Stoke Park Drive) and has ample parking provision both outside the unit shops and serving the new Asda.

#### ***Wherstead Road***

- 6.24 Located on a major thoroughfare, the centre benefits from both Premier and Co-op foodstores, along with a range of independent retailers including a butcher, takeaways, public houses and hairdresser. The overall environmental quality of the centre is good and the centre benefits from local walk-in trade from neighbouring residents.
- 6.25 The Co-op and Ladbroke's are located at Vernon Street / Austin Street, which is identified as being part of this centre, albeit that it is in fact some distance away from Wherstead Road. We therefore consider that the retail uses on Vernon Street / Austin Street could be better defined as a Local Centre in its own right.

#### ***Woodbridge Road East***

- 6.26 Located off a major thoroughfare with adjacent lay-by parking, the centre is served by a Co-op foodstore (with post office), HSBC bank and a Britannia Building Society. Independents include a florist, takeaway, home fabrics, and bakery. At the time of our

visit there were no vacant units. The centre is served by both a walk-in catchment and car borne shoppers by virtue of its location off a main road.

### **Woodbridge Road**

- 6.27 A long linear centre punctuated by retail units in a primarily residential thoroughfare. The centre has no core retail area. The pockets of retail concentration accommodate a range of independents, including a pharmacy, bakery, motor repairs, takeaways, hairdresser and a public house. National multiples include a Spar foodstore and Barclays Bank. The overall environment of the centre is good, although it varies from each individual pocket of retail concentration.

### **Felixstowe Road**

- 6.28 A long linear centre interspersed by concentrations of retail units located on a major road. This centre has no retail core and the main offer comprises banks, insurance broker, takeaways, charity shops, hairdressers, a chemist and clothes shops. The multiples include East of England Co-op Foodstore, Aldi, Britannia Building Society, Lloyds TSB, Lloyd Chemist, Dominos Pizza (new unit), Perfect Pizza, and Betfred. Only one vacant unit was noted at the time of our site visit, which suggests that the centre is viable. The overall environment of the centre is good with no visible signs of dereliction or litter.

### **Nacton Road**

- 6.29 As with a number of the linear district centres in the Borough, the centre has retail units in sporadic clusters. These clusters are served by a good provision of off-street parking and the environmental quality is generally good. At the time of our site visit we observed one vacant unit, which suggests that the centre is vital and viable. The centre has a range of independent retailers comprising takeaways, greengrocer, butcher and baker. In terms of national multiples these include a Co-op Pharmacy, Ladbroke's, Lloyds TSB Bank, Pizza Go Go and Coral Bookmaker,

### **Ravenswood**

- 6.30 A new purpose-built centre with modern units abutting a new residential development. The centre has a range of national multiples including Lidl, Co-op, Subway, Barnados, Ladbroke's and McDonalds. The centre is served by ample parking and benefits from a good overall environment. Independent retailers at the centre include a pet shop, hairdresser and takeaways.

### **Duke Street**

- 6.31 A new purpose-built centre with modern units currently under development as part of a large residential development adjacent to the Waterfront. At present there is a Tesco

Express store serving the needs of the emerging residential community on the Waterfront.

## LOCAL CENTRES – HEALTH CHECK ASSESSMENT

6.32 The table below shows that there are 34 Local centres within the Borough as identified in the Core Strategy:

**Table 6.3 Local Shopping Centres**

Centre	Centre Number	Centre	Centre Number
Fircroft Road	1	Reynolds Road	26
Garrick Way	2	Queen's Way	29
Dale Hall Lane / Dales Road	4	Felixstowe Road (nos.474-486)	30
Ulster Avenue	5	Penshurst Road	31
Norwich Road	6	Cliff Lane	32
Dickens Road	8	St Helens Street	33
Cambridge Drive	10	Bramford Lane	34
Maidenhall Green	12	Bramford Road	35
Ellenbrook Green	14	Spring Road	36
Colchester Road (nos 61-65)	15	Albion Hill, Woodbridge Road	37
Brunswick Road	16	Lavender Hill	38
Cauldwell Hall Rd/Spring Rd	19	Prince of Wales Drive	39
Cauldwell Hall Rd/St Johns Rd	20	Bramford Road	40
Foxhall Road (nos 25-97 & 34-124)	21	Bramford Lane	42
Bixley Road / Foxhall Road	22	St Matthews Street	44
Selkirk Road	24	Grimwade Street	45
Clapgate Lane / Landseer Rd	25	Woodbridge Road (Orchard Street)	46

Source: Ipswich Borough Council (September 2010).

Notes: The centre numbers refer to the definitions in the adopted development plan and emerging Core Strategy.

6.33 According to PPS4, Local Centres are classified as including: "...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".

6.34 **Appendix 9** sets out the key convenience goods multiple retailers trading from a number of these Local Centres. This shows the predominance of the Co-op in these



smaller centres. The following provides an overview of each centre's shopping provision and characteristics.

### ***Fircroft Road***

- 6.35 Part of a pedestrianised precinct, the centre is located off a residential road. The centre is adjacent to a bus stop and provision has been made for litter bins and planting. Key retailers include a Co-op foodstore and pharmacy as well as a post office. Other retailers are primarily independent operators including a baker, hairdresser and takeaway. At the time of our site visit there was no litter or dereliction, and the overall environment was found to be good.

### ***Garrick Way***

- 6.36 Located alongside a primarily residential area, this centre is served by 23 parking spaces. It has two foodstores (Co-op Foodstore and Premier Convenience Store) together with independent retailers including hardware, butcher, takeaway, public house and greengrocer. The centre has a good environment and at the time of our site visit there was good footfall and no vacancies. The residential units above the retail units also contribute to the centre's overall vitality.

### ***Dale Hall Lane / Dales Road***

- 6.37 The centre comprises a cluster of retail units at the junction of Dale Hall Lane and Dales Road, which serve an immediate residential neighbourhood catchment. The units comprise primarily independent retailers and one national fascia namely Britannia Building Society. The retail provision consists of a newsagent/off licence, bakery, florist, public house and post office. The centre is served by 18 parking spaces and overall it has a good environment. At the time of our site visit there were no vacant units, which indicates it is both a vital and viable centre.

### ***Ulster Avenue***

- 6.38 The retail units are located within a parade (with residential use above) and serve a primarily residential catchment population. The retail and service mix consists of a Co-op foodstore, Ladbroke's and a range of independent retailers including takeaways, clothing, newsagent and hairdresser. The centre has 21 bay parking spaces. At the time of our site visit there were no vacant units and there were no signs of dereliction, graffiti or litter.

### ***Norwich Road (nos. 197-307a)***

- 6.39 The centre comprises a series of retail units within a busy thoroughfare. The key businesses include a Co-op foodstore, takeaways, pharmacy, hairdressers, newsagent and car sales. At the time of our site visit there was one vacant unit. The centre is

served by lay-by parking for up to ten vehicles. The centre has good overall environment with no signs of dereliction, graffiti or litter.

#### ***Dickens Road***

- 6.40 A parade of six retail units (with residential above) serving a walk-in catchment within a predominantly residential area. The centre has six lay-by parking spaces adjacent to the shop fronts. At the time of our site visit one unit was vacant. The retail offer consists of independents including takeaways, newsagent and a card/gifts shop. In our judgement the overall environment is average, with some graffiti and litter outside.

#### ***Cambridge Drive***

- 6.41 Characterised by four retail units that primarily serve a walk-in catchment set within a predominant residential area. The centre has no dedicated parking area, but there are parking spaces in the adjacent residential areas. The centre is dominated by the large One-Stop foodstore. Other retailers include two takeaways, a newsagent and a hairdresser. The overall environment of the centre is good.

#### ***Maidenhall Green (Maidenhall Approach)***

- 6.42 The centre consists of five units, three of which are retail (i.e. Martins newsagent, takeaway and butcher). There is also a public house and a community centre. Although it has no dedicated parking area, it is located in a residential neighbourhood with ample off-street parking. Two bus stops are located opposite the retail units contributing to footfall. The overall environment of the centre is good.

#### ***Ellenbrook Green***

- 6.43 The centre comprises a range of retail units spread across Ellenbrook Road and Sheldrake Avenue. The primary concentration of retail units is at the junction of Bridgwater Road and Ellenbrook Road where the centre is akin to a precinct. The centre is located within a predominantly residential area with the primary concentration of shops served by residential units above them. The retail composition of the centre comprises a dated standalone Co-op foodstore, chemist, drycleaners, takeaways, newsagents, petrol station and public house. The centre is served by adequate car parking provision together with additional off-street parking available on adjacent streets. The overall environment of the centre is good.

#### ***Colchester Road (nos. 61-65)***

- 6.44 Located off Colchester Road on Sidegate Lane West. It comprises three retail units set within a residential area; namely a Co-op foodstore, carpet and electrical supplies retailer. The centre is located in a pleasant setting overlooking a small green and within a predominantly residential area. The environment of the centre is good.

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***Brunswick Road***

- 6.45 Consists of six retail units within a residential thoroughfare. Retailers comprise of a post office, hairdresser, newsagent, electrical supplies and windows/ conservatories supplies. The centre is served by lay-by parking for up to ten vehicles. The centre has good overall environment with no signs of dereliction, graffiti or litter.

***Cauldwell Hall Road / Spring Road***

- 6.46 The centre is characterised by retail units interspersed amongst residential units and along a residential thoroughfare. The primary concentration is at Cauldwell Hall Road and Spring Road. Retailers comprise a Co-op foodstore together with a range of independents including a newsagent, chemist, butcher, takeaways and electrical retailer.

***Cauldwell Hall Road / St John's Road***

- 6.47 Located within a residential area, the shops are concentrated at the junction of Cauldwell Hall Road / St John's Road. The centre is dominated by independent retailers including a grocers, hairdresser, hardware goods, newsagent and takeaways. There was one vacant unit within the centre at the time of our site visit. The centre overall has a good environment.

***Foxhall Road (nos. 25-97, 34-124)***

- 6.48 The retail units are interspersed amongst residential units and along a predominantly residential thoroughfare. Retailers comprise a Co-op foodstore together with a range of independents including a chemist, hairdressers, takeaways (including a Pizza Hut delivery outlet) and newsagent. There were two vacant units within the centre at the time of our site visit. The centre has good overall environment.

***Bixley Road / Foxhall Road***

- 6.49 Characterised by a cluster of retail units at the junction of Bixley Road and Foxhall Road, which serve an immediate residential neighbourhood catchment. The units comprise independent retailers with the Cockrams newsagent and post office being the largest unit. Other retailers include electrical goods, estate agent, hairdresser and pets goods. There are also two sport/leisure units retailing bicycles and golfing goods. Parking at the centre is provided in the form of lay-by parking across the entire stretch of the centre. The centre has a good overall environment with no signs of dereliction, graffiti or litter.

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**Selkirk Road**

- 6.50 The centre has a number of retail units and services (with residential above) in a parade serving a primarily residential catchment. Overall it has a good environment and is served by 25 bay parking spaces. The retail composition consists of a Co-op foodstore and a range of retailers including a post office, takeaway, charity shop, greengrocer and public house. At the time of our site visit there were no vacant units and there were no signs of dereliction, graffiti or litter.

**Clapgate Lane (nos. 207-221) / Landseer Road (nos. 325-327a)**

- 6.51 The shops are located at the junction of Clapgate Lane and Landseer Road. The main anchor retailer is a Co-op foodstore and other operators include hairdressers, takeaway and a specialist fishing tackle shop. We identified two vacant units and shutters on the Chinese takeaway during the day, which together created dead frontages and a lack of vibrancy. At the time of our audit there was some graffiti evident, and rubbish bins were standing on the pavement. Overall we consider that the environment is average and would benefit from better management.

**Reynolds Road**

- 6.52 The centre is characterised by retail units (with residential above) in a parade on both sides of Reynolds Road, served by up to 37 bay parking spaces. The retail composition consists of a Spar foodstore, One Stop/Post Office, pharmacy, takeaways, bakery, greengrocer, hardware and beautician. At the time of our site visit there was one vacant unit and the centre had a good environment.

**Queen's Way**

- 6.53 The unit shops (with residential above) are located on a parade that extends to both sides of Queen's Way. The retail offer comprises a Co-op foodstore, pharmacy, takeaways, greengrocer, newsagent, butcher and hairdresser. The centre is served by up to 48 bay parking spaces. It was observed that a unit on the periphery had been converted back to residential. At the time of our site visit there were four vacant units which in an otherwise relatively busy centre. The centre has had recent public realm works with new planting, street lighting and paving. There are no signs of dereliction, graffiti or litter and the centre has a good environment.

**Felixstowe Road (nos. 474-486)**

- 6.54 The shops are concentrated on the roundabout junction of Felixstowe Road and Bixley Road. The retail units are served by good parking provision through forecourt parking and dedicated parking bays. Retailers comprise national takeaways (Subway and Kentucky Fried Chicken), newsagent, keyboards (music) retailer and a drycleaners

(Johnsons – located in a former petrol station unit). There were no vacant units at the time of our site visit. There were also no signs of dereliction, graffiti or litter.

### ***Penshurst Road***

- 6.55 This centre has eight retail units within a parade (with residential above) serving the surrounding residential catchment. The retail composition consists of a Co-op foodstore and a range of independent retailers including takeaways, beautician, TV repairs, newsagent and hairdresser. At the time of our site visit there were no vacant units and no signs of dereliction, graffiti or litter.

### ***Cliff Lane***

- 6.56 There are twelve retail units within a parade (with residential above) serving the surrounding residential catchment. The retail offer consists of independent retailers including a post office, butcher, takeaway, second hand goods, beautician, newsagent and hairdresser. The centre is served by a bus stop and there is also lay-by parking provision. At the time of our site visit there were no vacant units and the centre has a good environment.

### ***St Helen's Street***

- 6.57 The centre comprises sporadic retail units (interspersed amongst residential units) along a predominantly residential thoroughfare. There is no concentration of retail units. The centre comprises a range of independent retailers including takeaways, newsagents, bicycle shops and public houses. The overall environment along the centre is average.

### ***Bramford Lane***

- 6.58 The centre is characterised by sporadic retail units along a predominantly residential thoroughfare. There is no concentration of retail units and its retail offer primarily consists of a Co-op foodstore, charity shop, and hairdresser. It was observed that some retail units had been converted back into residential uses. The overall environment along the centre is good.

### ***Bramford Road***

- 6.59 The retail and service offer is interspersed amongst residential units and along a predominantly residential thoroughfare. The main concentration is around the junctions of Bramford Road and Prospect Road / Wellington Street where new mixed use development comprising retail and residential has taken place. This area also has a new Farmfoods unit, a large independent furniture store (Relax Furniture) and Dominos takeaway. At the time of our site visit there were a number of new retail units that were vacant. Other retailers within the broad thoroughfare comprise

hairdressers, newsagent, takeaways and grocers. There are no signs of dereliction, graffiti or litter and the centre has a good environment.

### ***Spring Road***

- 6.60 The centre comprises eight retail units interspersed within a predominantly residential thoroughfare. The centre's retail offer consists of a petrol station with foodstore, newsagent, hairdresser, property maintenance and takeaway. The overall environment is good.

### ***Albion Hill, Woodbridge Road***

- 6.61 The centre has nine units interspersed on a main thoroughfare. The centre's retail offer consists of a Co-op foodstore, newsagent, hairdresser, takeaway and electrical goods. The overall environment along the centre is good.

### ***Lavender Hill***

- 6.62 The centre consists of three retail units (with residential above) located within a residential area. The units comprise a takeaway, newsagent and a community centre. The centre has no dedicated parking area. However it is located in a residential area where there is provision for off street parking. The overall environment of the centre is good.

### ***Prince of Wales Drive***

- 6.63 There are three retail units opposite a primary school and within a residential area. The offer consists of a Co-op foodstore, hairdresser and kitchens outlet. The centre has its own dedicated parking area. The overall environment of the centre is good.

### ***Bramford Road (nos. 651-677)***

- 6.64 The centre has five retail units and is anchored by a Tesco Express foodstore, along with a hairdresser, takeaway, financial services and one vacant unit. The overall environment of the centre is good.

### ***Bramford Lane (nos. 483 – 487)***

- 6.65 The three retail units comprise a newsagents, hairdresser and takeaway. The overall environment of the centre is good.

### ***St Matthew's Street***

- 6.66 This centre is located on a main thoroughfare into the town centre and adjacent to the Norwich Road District Centre. It has a Tesco Express and is mainly characterised by predominantly independent retail units including takeaways, hairdressers, chemists,

restaurants and newsagents. There is no parking provision. At the time of our site visit we observed that there were three vacant units. There are residential units above the retail units, which add to the overall vitality of the centre. The environment is generally good.

### ***Grimwade Street***

- 6.67 The centre consists of seven retail units three of which were vacant at the time of our site visit. The occupied units comprise independent retailers the dominant of which is a newsagent. The centre has no parking provision. The overall environment of the centre is poor with the vacant units showing long term signs of dereliction. However, we understand from the Council that the centre is subject of a planning application (decision pending, subject to s106) for student accommodation with ground floor shops. The investment in the Suffolk New College campus to the east of Grimwade Street will also lift this area.

### ***Woodbridge Road (Orchard Street)***

- 6.68 The twelve units in the centre are interspersed within a residential area. In most cases there is residential use above the retail units. The centre has no dedicated parking area, but off-street provision exists within the adjacent residential areas. The centre comprises independent retailers including hairdressers and takeaways. At the time of our site visit we observed four vacant units. The overall environment of the centre is average.

## **SUMMARY**

- 6.69 The District and Local Centres in the Borough perform a specific role in the retail hierarchy serving, to varying degrees, the day-to-day convenience, food and service needs of their local resident catchment populations.
- 6.70 New investment is occurring in the larger District Centres, particularly Norwich Road/ Bramford Road and in the redevelopment communities at Stoke Park, Duke Street and Grimwade Street.
- 6.71 The majority of the District and Local Centres are healthy, vital and viable. However, our audit did identify that some Local centres are in decline (such as, for example, St. Helen's Street and Woodbridge Road<sup>16</sup>).
- 6.72 The Borough has a large number of smaller Local Centres. From our audit we consider that those centres with four or less units or lacking a major food/convenience store anchor, or serving only a small neighbourhood warrant re-designation in retail terms.

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16 Refers to Woodbridge Road centre no. 46

However, it is acknowledged that that is part of range of criteria including other uses such as community uses that the Council may want to consider in redefining these centres.



## 7.0 ECONOMIC RETAIL CAPACITY ASSESSMENT

- 7.1 This section sets out our economic assessment of the quantitative need (retail capacity) for new comparison and convenience goods retail floorspace in Ipswich over the forecast period, up to 2031. This assessment updates the Council's 2005 Retail Study.
- 7.2 The economic tabulations accompanying the baseline comparison and convenience goods capacity forecasts are set out in **Appendix 10** and **Appendix 11** respectively.

### APPROACH & EVIDENCE BASE

- 7.3 The CREAT<sup>e</sup> economic model has been designed and developed by Strategic Perspectives LLP over a number of years to specifically assess the capacity for and impact of new retail floorspace. The Excel-spreadsheet model draws on the advice set out in PPS4 and the *Good Practice Guidance*. It adopts a transparent step-by-step approach in which all the key assumptions and forecasts can be easily tested and interrogated. In simple terms the economic capacity approach is based on the following key steps:
- definition of a reasonable and realistic study (catchment) area and zones;
  - an assessment of expenditure per capita levels and available expenditure in the study area and zones at the base year based on the 'Area Profile Reports' ('APRs') specifically produced by Experian Business Strategies ('EBS'). Please note that all monetary values are expressed in 2008 prices;
  - the forecast growth in convenience and comparison goods expenditure per capita levels over the forecast period up to 2031 has been informed by the most recent forecasts prepared by EBS in 'Retail Planner Briefing Note 8.1' (August 2010);
  - an allowance for Special Forms of Trading ('SFT') has been applied to the average per capita expenditure levels at the base year and over the forecast period. This has also been informed by the latest research published by EBS;
  - estimates of the current population at the base year (i.e. 2010) and population projections over the forecast period up to 2031 have been derived from the EBS 'Area Profile Reports' ('APRs');
  - the assessment of the benchmark turnover of existing centres, superstores, retail warehouses and other retail floorspace at the base year, informed by a number of sources<sup>17</sup>;

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17 These include, inter alia, company average sales densities (i.e. £ per square metre) published by Mintel (UK Retail Rankings) and Verdict Research (where available); centre health checks; and other published retail studies;

- the assessment of the potential turnover of all existing comparison and convenience goods retail floorspace in the Borough area and wider Inner Catchment Area (ICA) based on the market share analysis derived from the household survey results;
- an allowance for the growth in the productivity (or efficiency) of existing floorspace, in accordance with advice set out in PPS4 and the *Practice Guidance*;
- the forecast growth in the potential turnover of existing centres and stores over the forecast period is based on a *constant market share* approach.
- the projected growth in the benchmark turnover of existing centres and stores is then subtracted from the forecast growth in 'potential' turnover to provide a broad forecast of the residual expenditure that could be available to support new retail floorspace.
- the forecast turnover of existing commitments is then deducted from the residual expenditure to arrive at an overall residual expenditure capacity. An average sales density (£ per m<sup>2</sup>) is applied to the residual expenditure to determine the potential capacity for new convenience and comparison goods retail floorspace over the forecast period (i.e. at 2016, 2021, 2026 and 2031).

7.4 The following provides a summary of the key assumptions and findings of the retail capacity assessment based on the detailed economic tabulations set out in **Appendices 10 - 11**.

### **BASELINE POPULATION AND PROJECTIONS**

7.5 Table 1 sets out the base year population for each zone and the projections to 2031. The table shows that the total study area population of 423,974 in 2010 is projected to increase to 513,432 by 2031 (+21.1%). For the ICA only, the total population of 150,582 in 2010 represents 35.5% of the total study area population and according to EBS projections will increase to 196,678 by 2031 (+30.6%).

### **AVERAGE EXPENDITURE LEVELS**

7.6 The EBS '*Area Profile Report*' ('APR') indicates that average **convenience goods** expenditure per capita<sup>18</sup> levels in 2010 range from £1,739 in Zone 1 to £1,931 in Zone 3 in 2008 prices. This compares with the national average expenditure figure of £1,833 per capita in 2010 (at 2008 prices). Expenditure per capita levels in the study area are only below the national average figure in Zones 1, 2, 4 and 9.

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<sup>18</sup> Inclusive of Special Forms of Trading (SFT).

- 7.7 For **comparison goods**, average expenditure levels<sup>19</sup> across the study area range from £2,669 in Zone 1 to £3,255 in Zone 3. These levels compare with the national average of £2,957 per capita in 2010 (at 2008 prices). Overall, expenditure per capita levels in the study area are only below the national average figure in Zones 1, 2 and 4.

### **SPECIAL FORMS OF TRADING**

- 7.8 It is common practice for retail assessments to make an allowance for expenditure associated with non-store retail sales (otherwise referred to as special forms of trading) from the base year expenditure per capita levels and over the forecast period. Special forms of trading (otherwise referred to as SFT) is made up of purchases that generally occur outside of shops (such as, for example, via mail order, vending machines, market stalls and the Internet). Notwithstanding this, it is important to note that Internet-based retail sales include sales by both bricks-and-mortar retailers and wholly Internet-based businesses. Therefore part of e-tailing's increasing share of SFT sales is sourced directly from stores rather than from warehouses, principally in the grocery sector (i.e. entire orders over the Internet are generally processed through local stores). As a result, retail floorspace is still needed to support the growth in Internet sales.
- 7.9 Based on recent research evidence published by both EBS and Verdict, we have made the following informed assumptions as to the potential changes in the market share of SFT for both food and non-food expenditure:
- **Comparison goods** - we assume SFT will increase its market share of non-food expenditure from 7.5% in 2010 to 10.4% by 2016 in line with the latest EBS forecasts. Thereafter, SFT's market share is forecast to stabilise before falling back slightly to 9.9% by 2031. We have discounted these forecasts by 75% to allow for the downturn in the economy and the resultant decrease in spending.
  - **Convenience goods** - the latest EBS forecasts indicate that SFT will increase its share of food sales from 7.4% in 2010 to c.11% by 2031. We have discounted the SFT share for convenience goods retailing by 50% to take account of the fact that a proportion of sales made online are normally sourced from existing stores.
- 7.10 Given the different forecasts relating to the take-up of Internet shopping over the medium to long term, we advise the Council that the growth in the market share of on-line sales and SFT could be higher than we forecast. We therefore strongly recommend that the Council regularly monitors the research relating to the growth in e-tailing and updates the forecast growth rates when necessary.

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<sup>19</sup> Inclusive of Special Forms of Trading (SFT).

## EXPENDITURE GROWTH FORECASTS

7.11 The latest EBS convenience and comparison goods expenditure growth forecasts take into account the impact of the credit-crunch and economic downturn on retail spending over the short, medium and longer term. As a result the latest forecasts are more pessimistic than previous forecasts and (historic) trend-based projections.

**Table 7.1 Expenditure Growth Forecasts (% per annum)**

Year	Convenience Goods	Comparison Goods
2008	-1.6%	+3.7%
2009	-2.9%	-0.6%
2010	+0.3%	+0.4%
2011	0.0%	+1.2%
2012	+0.4%	+2.4%
2013 - 2017	+0.8%	+2.7%
2018 - 2031	+0.9%	+2.9%

Source: Experian Business Strategies 'Retail Planner Briefing Note 8.1' (August 2010).

7.12 Growth over the last 15 years has largely been fuelled by easy access to credit (the so-called credit boom) and the unprecedented growth in the housing market. However, most forecasters now broadly agree that economic growth in the post-recessionary period will not be as strong. Consumer spending growth over the longer term will therefore be lower than previous historic levels.

## TOTAL AVAILABLE EXPENDITURE

7.13 The total growth in available expenditure for comparison goods (see Table 3: **Appendix 10**) and convenience goods (Table 3: **Appendix 11**) is derived from the EBS population and expenditure growth forecasts. The tables show that:

- **comparison goods** expenditure is forecast to increase by over 110.7% (+£1,300.2m) within the study area from £1,174.7m in 2010 to £2,474.9m by 2031. Within the ICA the forecast expenditure growth is +£509.7m (+127.2%), which represents some 39% of total growth within the wider study area; and
- **convenience goods** expenditure will increase by +£307.2m (+40.5%) between 2010 and 2031. Within the ICA only the forecast growth is +£136.2m (+51.5%), from £264.2m in 2010 to £400.4m by 2031.

7.14 The tables show that the forecast growth in comparison goods expenditure significantly outstrips convenience goods expenditure growth. As we demonstrate below, this has direct implications for the level of residual expenditure available to support new retail floorspace in these different retail categories.

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## EXISTING FLOORSPACE

- 7.15 The floorspace estimates for existing comparison and convenience goods retailing in the Borough and wider ICA have been derived from a variety of sources<sup>20</sup>. The aggregated sales areas for the main study centres and out-of-centre shopping locations are set out in Table 4 (**Appendix 10**) for comparison goods and Table 4 (**Appendix 11**) for convenience goods retailing.
- 7.16 For Ipswich Town Centre the tables show that it has an estimated comparison goods sales area of circa 65,530m<sup>2</sup> net, along with circa 5,010 m<sup>2</sup> net of convenience goods sales. Based on the Council's most recent floorspace audits, we estimate that the Borough's District Centres have a total estimated comparison goods sales area of 5,828 m<sup>2</sup> and a combined convenience sales area of 9,405m<sup>2</sup>. The Local Centres have a total estimated convenience goods sales area of 4,786m<sup>2</sup>. Please note that the audits did not identify any significant comparison goods floorspace in the smaller Local Centres. This is to be expected given their relative role and status with the Borough's shopping hierarchy serving the day-to-day retail and service needs of their local resident catchment populations.
- 7.17 There is a substantial quantum of out-of-centre retail floorspace both within the Borough area and on the edge Borough, but within the ICA.
- 7.18 In terms of the Borough's retail warehouse provision, the retail parks and standalone retail warehouses in the Borough have a total estimated sales area<sup>21</sup> of 56,119m<sup>2</sup> net (see Table 4: **Appendix 10**). The most significant out-of-centre shopping locations measured by their floorspace and turnover are the Euro and Anglia Retail Parks. Outside the Borough area, but still within the ICA, there is an additional 18,484m<sup>2</sup> net of retail warehouse floorspace. This comprises the Martlesham, Copdock and Interchange Retail Parks, along with the solus Homebase at Warren Heath, which is adjacent to the Euro Retail Park (but located just outside the Borough area). In total we estimate that there is some 79,933m<sup>2</sup> net of retail warehouse floorspace in the Ipswich urban area<sup>22</sup>, which is greater than the town centre's non-food sales area.
- 7.19 With regard to the out-of-centre convenience goods floorspace, we estimate that the Borough's total sales area is some 11,145m<sup>2</sup> net (see Table 4: **Appendix 11**). The most significant out-of-centre superstores in terms of floorspace and turnover are operated by Sainsbury's, Asda and Morrisons. Outside the Borough area, but within the ICA, there is estimated to be an additional 12,249m<sup>2</sup> net of convenience goods

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20 Sources include the latest IGD Stores Database; the Trevor Wood Retail Warehouse Database (2010); the Ipswich Town Centre Experian Goad 'Retail Category Report'; recent planning applications and retail assessments; the latest Council audits and floorspace estimates; and our own research

21 Includes non-food floorspace in out-of-centre foodstores.

22 Figures may not sum precisely due to rounding

floorspace. This comprises the Tesco superstores at Martlesham, Copdock Interchange and Ropers Drive Kesgrave along with the Sainsbury's at Warren Heath.

## **BENCHMARK TURNOVER LEVELS**

- 7.20 The next stage in our analysis involves an assessment of the benchmark turnovers of the existing convenience and comparison goods floorspace at the base year.

### **Convenience Goods Benchmark Turnovers**

- 7.21 The average turnover to floorspace sales densities of grocery operators and other convenience goods floorspace have been informed by the company averages published by Mintel (*'UK Retail Rankings'*) and Verdict Research. We estimate that Ipswich town centre's convenience goods retailing is achieving a total benchmark turnover of £40m in 2010 (Table 4: **Appendix 11**). The table clearly shows that the town centre's turnover is dwarfed by the estimated turnover of out-of-centre foodstores in the Borough of £125m, as well as by the £150m estimated turnover of stores outside the Borough but within the ICA.

### **Comparison Goods Benchmark Turnovers**

- 7.22 The average turnover performance of named operators trading from (solus) retail warehouses and/or on retail parks have also been informed by the published company averages prepared by Mintel and Verdict Research. For Ipswich town centre and the Borough's smaller District and Local Centres, the average sales performances at the base year have been informed by a number of key considerations, including:

- the scale and attraction of their retail offer;
- the size and strength of their catchment populations;
- their likely performance benchmarked against other similar centres in the UK; and
- the findings of the Council's 2005 Retail Study.

- 7.23 We estimate that Ipswich Town Centre has a benchmark non-food turnover of circa £426 million in 2010 (at 2008 prices), based on an average sales density of £6,500 per sq m (see Table 4: **Appendix 10**).

- 7.24 For the District Centres we estimate that they have a total combined non-food benchmark turnover of £23.3m in 2010, based on an overall average sales density of £4,000 per sq m.

- 7.25 The retail warehouse floorspace<sup>23</sup> is estimated to have a total benchmark turnover of circa £162m in 2010, based on the estimated company averages for individual operators. Of this total turnover, 65% (£106m) is accounted for by the retail warehouses within the Borough area only. The turnover of the out-of-centre retail warehouses is approximately 38% of the town centre's total turnover of £426m. If the non-food benchmark turnover of out-of-centre superstores is included with the retail warehouse sales, then total out-of-centre turnover is equivalent to £230m, which represents 54% of the town centre's total benchmark turnover.

### PRODUCTIVITY GROWTH RATES

- 7.26 The benchmark turnover levels are projected forward to 2031 assuming an allowance for some claim on spending growth by existing retailers and floorspace due to increased productivity (efficiency) in their trading performance. This is in accordance with advice set out in PPS4 and the 'Practice Guidance'.
- 7.27 The productivity growth rates adopted for the purpose of this economic assessment have been informed by research published by EBS. These have then been adjusted to reflect our own assumptions in relation to the prevailing economic climate at the national and local level, as well as our assessment of the likely performance of existing floorspace, shops and stores in the Borough and wider ICA. The following productivity rates have been applied:

**Table 7.2 Applied Productivity Rates (% per annum)**

Year	Convenience Goods	Comparison Goods
2010	0.0%	0.0%
2011	0.6%	0.0%
2012	+1.2%	0.0%
2013 - 2017	+1.4%	+0.4%
2018 - 2031	+1.5%	+0.4%

- 7.28 Although we consider that these growth forecasts are realistic and robust, it is important to note that individual centres, stores and shopping facilities will achieve higher and/or lower growth depending on a range of trading factors, including location and the size and quality of the retail floorspace.

### MARKET SHARE LEVELS

- 7.29 The market shares derived from the household survey are a key input to the economic capacity assessment. The market share analysis was described in some detail in

<sup>23</sup> Please note that this excludes the non-food turnover of superstores in the ICA.

**Section 4** and the detailed tabulations are set out in **Appendix 2** for convenience goods shopping and **Appendix 3** for comparison goods.

- 7.30 These market shares have been inputted into the CREAT<sup>e</sup> model and are briefly described below.
- 7.31 For **convenience goods** shopping Table 6 (**Appendix 11**) summarises the market shares for all food shopping trips across the ICA and Tables 7-9 set out the market shares for the northern, eastern and southern catchment areas respectively. The tables show the overall attraction and strong market share of the Borough's out-of-centre foodstores. For example, that out-of-centre stores are achieving a total market share of over 33% from the ICA, compared to just 5% for Ipswich town centre.
- 7.32 The market shares by study area for **comparison goods shopping** are set out in Tables 6-9 of **Appendix 10**. These shares have been derived from the analysis of shopping patterns for the ten different categories of comparison goods expenditure, weighted by the expenditure per capita levels for each category. Table 6 shows, for example, that Ipswich town centre is estimated to have a market share of 57.2% within the ICA. This is higher than the 48.5% market share identified by the 2005 household survey, which is a positive indicator of the town centre's overall trading performance. The Borough's out-of-centre non-food floorspace is achieving an estimated market share of 21.4% within the Borough. The other out-of-centre floorspace outside the Borough area, but within the ICA is also achieving a market share of 11.9%. This means that the out-of-centre comparison goods floorspace in the ICA is currently attracting one-third of retail expenditure from within the ICA and the remaining 8.1% is currently going to competing centres and shopping locations outside the ICA.

#### **TRADE DRAW ESTIMATES**

- 7.33 In order to provide a more realistic assessment of the turnover performance of the Borough's main centres and stores it is necessary to consider whether they currently draw shoppers and expenditure from beyond the defined study area. As the *Practice Guidance* identifies, it is widely accepted that the trade draw of centres, stores and shopping facilities is a function of their location, size, range, quality and attraction, compared with the competitive influence of other centres and stores.
- 7.34 For the purpose of our assessment we have assumed that Ipswich Town Centre will draw approximately 10% of its comparison goods total turnover from outside the defined study area and 5% of its convenience goods sales. This is based on the fact that Ipswich functions as a major commercial centre in the regional shopping hierarchy and will therefore benefit from the additional retail expenditure generated by visitors and commuters who live outside the study area.



- 7.35 For the purpose of our assessment we have assumed that the Borough's smaller centres and larger superstores and retail warehouses do not draw any additional turnover from beyond the defined study area.

### POTENTIAL TURNOVER LEVELS

- 7.36 Table 16 sets out the total potential turnover for comparison goods (**Appendix 10**) and convenience goods (**Appendix 11**) floorspace respectively, based on the market share and trade draw assumptions.
- 7.37 For **comparison goods**, the table shows that the town centre is estimated to be achieving a potential turnover of almost £487m in 2010. This is higher than its estimated benchmark turnover of £426m. All the retail warehouse floorspace in the Borough and rest of the ICA is estimated to be achieving a potential turnover of over £272m, which is also substantially above the benchmark turnover levels of £162.3m.
- 7.38 In relation to **convenience goods**, (**Appendix 11**, Table 16) the out-of-centre floorspace within the ICA has a combined potential turnover of £337m compared with a benchmark turnover of £275m. This represents a difference of almost £60m. The evidence shows that the out-of-centre superstores are trading significantly above their benchmark turnovers based on national company averages. In comparison the town centre has a potential turnover of £16m compared with benchmark turnover of £40m. The town centre is therefore trading below its benchmark level.

### RETAIL COMMITMENTS

- 7.39 The Council has identified a number of commitments in the Borough<sup>24</sup> for both new convenience goods (see Table 5, **Appendix 11**) and comparison goods floorspace (see Table 5, **Appendix 10**). The main commitments identified are as follows:
- **St Peter Port, Waterfront Area: Burton Son & Sanders, north of College Street (07/00555/FUL)** – extant planning permission for a mixed use development including three hotels; a 411m<sup>2</sup> gross Tesco Express; 1,278m<sup>2</sup> of retail/restaurant uses; 8,342m<sup>2</sup> of offices; and basement/sub-basement parking for 420 cars. We understand from the Council that development has not started on this scheme.
  - **BOCM Pauls, Waterfront Area: 47 Key Street (07/00643/FUL)** – a mixed use scheme comprising 211 residential units, 1,457m<sup>2</sup> gross of Open A1 retail floorspace, an additional 839m<sup>2</sup> of office/retail floorspace, workshops and a multi-storey car park.

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<sup>24</sup> Floorspace over 500m<sup>2</sup> either with planning permission or under construction or with resolution to grant planning permission subject to the signing of a Section 106 (as at February 2010).

- **Edge-of-Centre: Westgate Centre (08/00806/FUL)** – otherwise known as the Civic Drive site, the proposal is for the demolition of existing buildings to provide a mixed use scheme comprising circa 14,928m<sup>2</sup> of additional Class A1 retailing and 258m<sup>2</sup> of Class A3 cafe/restaurant space. The proposed development will extend the existing theatre and provide 11 new dwellings, along with additional parking spaces. For the purpose of our economic assessment we have assumed that the comparison goods floorspace is some 12,428m<sup>2</sup> gross (8,078m<sup>2</sup>) and that the permitted scheme could accommodate a smaller supermarket format with sales area of circa 2,500m<sup>2</sup> gross (1,625m<sup>2</sup> net). SP assume gross/net ratio for Open A1 retail floorspace of 65%
- **Out-of Centre: 2-16 Central Avenue (06/00042/FUL)** – permission for a 5,341m<sup>2</sup> gross non-food retail warehouse with 347 parking spaces as part of a wider development that includes a 16,685m<sup>2</sup> manufacturing and distribution building (B1 Use Class). Will trade in close proximity to the existing Euro Retail Park.
- **Out-of-Centre: Tesco, Grafton Way (08/00953/FUL)** – in 2010 the council resolved to approve a major mixed use development anchored by a Tesco Extra superstore (Class A1) and also including four retail/restaurant uses (Class A1/A3), two hotels (Class C1) and 125 residential units (Class C3). The ancillary retail/restaurant uses have a gross internal floorspace of 2,642m<sup>2</sup> and there is permission for a fitness/beauty leisure unit of 949m<sup>2</sup>. The Tesco Extra comprises an estimated net sales area of 7,282m<sup>2</sup> of which no more than 35% will be non-food retailing. On this basis we estimate the sales area to be 4,733m<sup>2</sup> for convenience goods retailing and 2,549m<sup>2</sup> for comparison goods. The total turnover of the store is estimated to be £88.1m. This comprises a total convenience goods turnover of £63.9m (based on an assumed average sales density of £13,500 per m<sup>2</sup>) and a comparison goods turnover of £24.2m (based on an average sales density of £9,500 per m<sup>2</sup>). This scheme was approved at Committee on 3<sup>rd</sup> March 2010 subject to s106 agreement. The Government Office for the East of England did not call in the application.

## CONVENIENCE GOODS CAPACITY

- 7.40 Table 17 (**Appendix 11**) sets out the key steps in our assessment of the residual expenditure available to support new convenience goods floorspace in the ICA (i.e. covering the Borough and a wider area).
- 7.41 The forecast capacity arises from the growth in expenditure up to 2031, after making an allowance for the growth in productivity of existing floorspace and the take-up of expenditure by new floorspace commitments. Capacity also arises from the difference between the potential and benchmark turnovers of existing floorspace. This is a material consideration where it can be demonstrated that stores are trading significantly above their company averages.

- 7.42 The baseline assessment follows a standard **constant market share approach**. It is important to note that this approach does not model the potential uplift in market shares and increase in retention levels that can occur within catchment areas following the development of new retail floorspace.
- 7.43 The following briefly explains each step in the economic capacity assessment for Ipswich (see Table 17: **Appendix 11**).
- **Step 1:** the total existing convenience goods sales area in the ICA is 42,593m<sup>2</sup> net. This is derived from Table 4 (**Appendix 11**), which sets out the sales area for the Borough area (c.30,343 m<sup>2</sup> net) and the rest of the ICA (c.12,249m<sup>2</sup> net).
  - **Step 2:** identifies the total potential turnover of all existing convenience goods floorspace at 2010 (Table 16). The growth in the potential turnover of existing floorspace up to 2031 is a function of applying the baseline market share to the growth in total available expenditure.
  - **Step 3:** sets out the total benchmark turnover of existing convenience goods floorspace at 2010 (Table 4). It is assumed that the turnover of existing floorspace will achieve a productivity growth of over the forecast period specified in **Table 7.2**.
  - **Step 4:** sets out the forecast residual expenditure potentially available to support new convenience goods floorspace over the forecast period (i.e. the difference between the growth in the benchmark and potential turnovers).
  - **Step 5:** identifies the forecast convenience goods turnover of all committed floorspace, as derived from Table 5.
  - **Step 6:** shows the net residual expenditure available to support new convenience goods floorspace after taking account of all new commitments.
  - **Step 7:** forecasts the capacity for a major new superstore operator (such as, for example, Sainsbury's, Tesco, Asda, Morrisons and Waitrose) and/or deep discounter floorspace in the ICA. We have assumed that a major grocery operator will achieve an average sales density of £12,000 per m<sup>2</sup> in 2010, increasing to £12,946 per m<sup>2</sup> by 2031. For a smaller supermarket and/or deep discounter this is based on the operator achieving an average sales density of circa £6,000 per m<sup>2</sup> in 2010 rising to £6,473 per m<sup>2</sup> by 2031.
- 7.44 The table below summarises the residual expenditure and convenience goods capacity forecasts based on the different foodstore formats

**Table 7.3 Ipswich Borough and Rest of ICA: Convenience goods capacity**

	2016	2021	2026	2031
<b>Residual Expenditure (£m):</b>	<b>-£23.0</b>	<b>£9.5</b>	<b>£45.4</b>	<b>£100.3</b>
<b>Floorspace Capacity (sq m net):</b>				
Major food superstore:	-	764	3,580	7,751
Supermarket / Deep Discounter:	-	1,528	7,161	15,502

 Source: Table 17, **Appendix 11** – Step 7

- 7.45 The table shows that there is no capacity for major new convenience goods floorspace over the short to medium term. Any residual expenditure up to 2021 will be taken up by the Tesco Extra scheme at Grafton Way (08/00953/FUL) and our assumption that the Westgate Centre could accommodate a foodstore with a sales area of circa 1,625m<sup>2</sup> net. If the Westgate Centre's tenant mix does not include a foodstore then we estimate that the capacity for new superstore floorspace will be c.1,850m<sup>2</sup> net in 2021, increasing to 8,830m<sup>2</sup> net by 2031. Additionally and considering deep discounter floorspace this will be c.3,700m<sup>2</sup> net in 2021, increasing to 17,670m<sup>2</sup> net by 2031.
- 7.46 The survey results and market share analysis have confirmed that Ipswich town centre's market share of convenience goods expenditure is limited. The majority of residents in the Borough and wider ICA are shopping at the large out-of-centre superstores. Although we consider that the permission for the Tesco Extra at Grafton Way will help to claw back shopping trips from these out-of-centre foodstores and should therefore promote a greater propensity for linked trips with the town centre, we still advise that there is a qualitative gap and need for a foodstore anchor in the town centre. A foodstore located in or immediately adjacent to the town centre with good pedestrian connections to the Primary Shopping Area would result in significant positive benefits to the centre's overall vitality and viability through linked trips and spin off expenditure.

### COMPARISON GOODS CAPACITY

- 7.47 Tables 13 and 14 (**Appendix 10**) set out the key steps in our assessment of the residual expenditure available to support new comparison goods floorspace in the Borough. The step-by-step approach is the same as assumed for convenience goods capacity.
- 7.48 The forecast residual expenditure has been converted to a net retail sales area based on the policy assumption that this new floorspace should be directed to town centres first. In this context we have assumed an average sales density for new high quality comparison goods retail floorspace of circa £6,500 per sq m in 2010 (at 2008 prices). This is informed by our understanding of the average turnover levels achieved by large

modern floorspace formats in centres of a similar size, attraction and role in their catchment areas.

- 7.49 Nevertheless, it is clear from the company average sales densities for a selection of non-food retailers that average turnover levels could be significantly above or below this assumed average. For example, retailers in the DIY, carpet/floor coverings and furniture sectors generally achieve lower average sales levels of between £1,500 per m<sup>2</sup> and £4,000 per m<sup>2</sup>, whereas electrical goods retailers such as PC World and Comet are achieving average sales of up to £7,000 per m<sup>2</sup> and above. These differences in sales levels will have implications for the assessment of the need for and impact of individual retailers. It will also be a key consideration for the local planning authority in assessing and determining applications for large format retailing (such as retail warehouses).
- 7.50 The table below sets out the headline capacity forecasts for the Borough and rest of the ICA.

**Table 7.4 Ipswich Borough & Rest of ICA: Comparison goods capacity**

	2016	2021	2026	2031
o Residual expenditure (£m):	£93.2	£221.3	£385.3	£624.4
o Floorspace capacity (sq m net):	13,320	29,386	47,498	71,458

Source: Table 17, **Appendix 10** – Step 7.

- 7.51 The table shows that there is forecast capacity for 13,320m<sup>2</sup> net of new comparison goods floorspace by 2016, increasing to 47,498m<sup>2</sup> net by 2026. By 2031 there is a forecast comparison goods residual expenditure in the Borough of £624.4m, which is equivalent to a floorspace capacity of 71,458m<sup>2</sup> net. These capacity forecasts take account of the non-food sales area of the permitted mixed use scheme at Grafton Way and the Westgate Centre.

## SUMMARY

- 7.52 This section has identified capacity for new convenience and comparison goods retail floorspace across the Borough up to 2031.
- 7.53 The baseline capacity assessment has identified that at the strategic Borough-wide level, the potential capacity for new **comparison goods** floorspace after taking into account the Grafton Way and Westgate Centre commitments in 2016 is 13,320m<sup>2</sup> net. The capacity increases to 47,498m<sup>2</sup> net by 2026 and 71,458m<sup>2</sup> net by 2031. The economic capacity analysis confirms the findings of the qualitative assessment, namely that there is a need for Ipswich to provide new quality comparison goods floorspace over the development plan period to help maintain and enhance its position in the retail hierarchy.

7.54 In terms of **convenience goods**, there is no forecast capacity over the medium term (up to 2021) for major new floorspace after taking into account all recent planning permissions and outstanding commitments. Capacity increases to between 3,580m<sup>2</sup> net – 7,161m<sup>2</sup> net by 2026 and between 7,751m<sup>2</sup> net – 15,502m<sup>2</sup> by 2031. This notwithstanding, we still consider that there is a qualitative need to provide a foodstore anchor for the town centre to help claw back shoppers and expenditure currently flowing to the larger out-of-centre superstores that ring the centre. A store located in or immediately adjacent to the town centre with good pedestrian connections to the Central Shopping Area would, in our judgement, help to maximise the benefits to Ipswich’s overall vitality and viability through linked trips and spin off expenditure.

## 8.0 COMMERCIAL LEISURE – NEED ASSESSMENT

- 8.1 Leisure uses contribute to the vitality and viability of centres by providing different but complementary uses to retail and other town centre uses, contributing to both the daytime and evening economies. The main uses to which the town centre policies in PPS4 apply are leisure, entertainment facilities, and the more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, night-clubs, casinos, health and fitness centres, indoor bowling centres, and bingo halls). PPS4 also applies to arts, culture and tourism uses (including theatres, museums, galleries and concert halls, hotels, and conference facilities).
- 8.2 The leisure sector is highly complex and dynamic. Forecasting the growth of this sector and the potential need for new facilities and uses is more complicated than for retailing as the commercial leisure sector is particularly sensitive to changes in lifestyle and fashion trends, demographic changes and economic variables. Unlike retailing, the approaches designed to forecast the need for new commercial leisure floorspace and uses are also less sophisticated.
- 8.3 PPS4 recommends that in assessing need for new floorspace in town centre, this should take account of both quantitative and qualitative considerations for leisure uses (Policy EC1.4). Against this background and the advice set out in the *Practice Guidance*, our analysis focuses on the following key elements:
- a review of the key trends driving market demand in the leisure sector over the last 15 – 20 years;
  - an audit of the current provision in the Borough (both town and out-of-centre);
  - a broad assessment of the market demand from leisure operators for representation in the Borough and its main centres;
  - benchmarking current participation levels in existing leisure activities in the Borough based on published research against national averages to help determine whether there is potential for increased provision in certain sectors;
  - a review of the results of the household survey to understand current commercial leisure usage and preferences across the Borough and wider study area; and
  - a broad economic assessment of the need for new additional leisure facilities in the Borough and its main centres.
- 8.4 For the purpose of our assessment we have disaggregated commercial leisure into commercial uses (e.g. bars, restaurants, cinemas, healthclubs, etc.) and public facilities (e.g. museums, galleries, public swimming baths, etc.).

### DRIVERS OF GROWTH

- 8.5 The leisure industry has been one of the fastest growing sectors of the UK property market over the last decade. The sector's dynamic growth has been driven by changes

in consumer lifestyles (such as eating out, going to the cinema and keeping fit), rising affluence and increased spending on leisure. This, in turn, has generated increased demand for new leisure and entertainment facilities.

- 8.6 Developers and investors have responded to the growth in consumer lifestyles, demand and expenditure by opening new and more sophisticated leisure formats. A good example of this is the growth of managed leisure centres and parks (such as Cardinal Park in the Borough). These parks generally comprise a mix of leisure uses (such as bowling alleys, health & fitness clubs, nightclubs, restaurants and bars) and are usually anchored by large multiplex cinemas. Despite the tighter planning policy controls on out-of-centre development, leisure parks are now generally viewed by the property industry as a less risky long-term investment, as they can generate significant visitor numbers from wide catchment areas.
- 8.7 A major driver of future demand, trends and new formats in leisure (and retail) will be the ageing of the population. This will have a significant impact on the demand for different leisure products and services over the long term. In broad terms analysts predict that these grey consumers will be more active than previous generations and will expect a wide range of quality leisure products and services.
- 8.8 After several years of strong growth however in the short term it is expected to be a much tougher period for the tourism, hospitality and leisure industry in the UK. As with retailing, the combination of the credit crunch, falling house prices, rising unemployment and economic recession has significantly reduced discretionary spending available for consumers. Any further growth in the sector as a whole will therefore depend on a return to a more stable economic climate.

## GROWTH IN EXPENDITURE

- 8.9 According to EBS, UK household spending on leisure services is dominated by the restaurant and cafe category (including pubs), which accounts for 60% of total leisure spend (see **Table 8.1**) – a pattern which is broadly repeated across all the zones.

**Table 8.1 Estimates of Spending on Leisure Services in 2010 (£ per head)**

Leisure Service	ICA	ECA	NCA	SCA	UK
Accommodation services	123	136	141	145	114
Cultural services	276	271	273	279	249
Games of Chance	161	142	138	137	167
Hairdressing salons & personal grooming	85	95	90	97	83
Recreation & Sporting Services	139	159	167	169	119
Restaurants Cafes etc	1,068	1,045	1,058	1,109	1,106
<b>TOTAL</b>	<b>1,852</b>	<b>1,849</b>	<b>1,868</b>	<b>1,937</b>	<b>1,839</b>

Source: Experian Business Strategies Retail Planner Catchment Profile for Study Area.



- 8.10 **Table 8.2** below sets out the recent projections by EBS. These indicate negative growth up to 2010 with an increase to +0.7% in 2011 and +1.5% to 2017 and +1.9% thereafter to 2031<sup>25</sup>.

**Table 8.2 EBS Forecast & Projections of UK Spending per Head (% per annum)**

2009	2010	2011	2012	2013-17	2022-26	2027-31
-4.5	-1.5	+0.7	+1.3	+1.5	+1.9	+1.9

Source: Experian Business Strategies, Retail Planner Briefing Note 8.1 (August 2010).

- 8.11 In our opinion, this forecast is more realistic than growth rates previously based on historic trends, as the economy is in an unprecedented downturn. This will impact on the discretionary spending by consumers over the short to medium term. This is the most up-to-date forecast available and we acknowledge that growth may be lower or higher than this over the short to medium term.
- 8.12 To estimate the level of leisure expenditure in the study area over the period to 2031, we draw on the EBS Retail Planner data. The derived expenditure per person on leisure and recreation goods and services (in 2008 prices) is projected forward over the forecast period to 2031 by applying the forecast annual growth rates. The resultant output is applied to the projected population profile for the study area, which produces the total available spend on leisure and recreation goods and services.
- 8.13 As Table 8.3 shows, between 2010 and 2016 total available leisure expenditure in the ICA is forecast to increase by +15.7% (+£41m to £304m (in 2008 prices)). By 2031 total expenditure is forecast to increase to £490m, which represents a growth of +86.8% (+£228m) between 2010 and 2031.

**Table 8.3 Total Leisure Expenditure: 2010 – 2026 (£m)**

Location	2010	2011	2016	2021	2026	2031
o ICA	262	267	304	351	407	490
o Study Area	746	758	850	970	1,112	1,292

- 8.14 Much of this forecast growth should be directed towards enhancing provision of the Borough's centres to help maintain their overall vitality and viability, and mix of uses and attractions.

<sup>25</sup> Based on forecasts over the period 2018-2027. Source: Experian Business Strategies, Retail Planner Briefing Note 8.1 (August 2010).

- 8.15 Based on the broad expenditure profile on leisure (**Table 8.1**), the majority of this is likely to be weighted towards restaurant and cafe spend for which floorspace provision would need to be considered.
- 8.16 In the context of the forecast growth in leisure expenditure, the following commentary briefly describes the need for new leisure uses and facilities within the main sub-sectors of the commercial leisure market. It also provides an update of the current reported demand for commercial leisure facilities in Ipswich town centre.

## EATING AND DRINKING OUT

- 8.17 UK household spending on leisure services is dominated by the restaurant and cafe category (see **Table 8.1**). The results of the household survey confirm the importance of this leisure activity, with some 36% of respondents frequenting restaurants at least once a week. Additionally some 15% of respondents frequented pubs and/or bars each week.
- 8.18 There are currently an estimated 22,750 restaurants and 58,000 pubs in the UK. In 2007, the average food and beverage sales in restaurants was around £400,000 per annum made up of roughly 75% food sales and 25% beverage sales. Food sales in pubs now account for approximately 25% of returns, but this percentage is increasing year-on-year<sup>26</sup>.
- 8.19 Some of the trends influencing the pub and restaurant trade over recent years include:
- More flexible opening hours (resulting from licensing reforms implemented in November 2005), combined with pressures arising from lower alcoholic drink sales, has resulted in a number of pub operators widening their food and non-alcoholic beverage offering (to provide, for example, breakfasts and morning coffee). It has also fuelled the growth of so-called gastro-pubs as eating-out destinations (such as the All Bar One and Pitcher and Piano formats). This has led to a blurring of the dividing line between pubs and restaurants and increased competition for customers.
  - Increased consolidation in the pub industry over the last five years, which has impacted on the smaller independent operators. A total of 1,409 pubs closed during 2007 compared with 216 in 2006 and only 102 in 2005. An estimated 44,000 jobs have been lost across the sector in the last five years and a further 43,000 are projected to go in the next five years<sup>27</sup>.
  - The Home Office has put in place a much more aggressive policy towards the pub industry. Powers for local authorities to establish Alcohol Disorder Zones (ADZ) are included in the Violent Crime Reduction Act (2006), which also has a charge on pubs and bars in a designated area to pay for additional policing, environmental and other services in the neighbourhood.

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<sup>26</sup> Source: Savills Commercial Leisure Bulletin (May 2008)

<sup>27</sup> Business in Sport & Leisure Handbook (2009)

- 8.20 Changes in the Use Classes Order (UCO) allow local authorities greater control over the growth and location of new cafés, restaurants, takeaways and public houses in their town centres. The main change to the UCO was the replacement of the former class A3 (food and drink) by the amended:
- **Class A3** - limited to restaurant and café uses (i.e. use for the sale of food for consumption on the premises).
  - **Class A4** – limited to drinking establishments, such as pubs and wine bars.
  - **Class A5** – limited to hot food takeaways.
- 8.21 Whilst bars and takeaways are able to revert to restaurants without requiring planning permission, moves in the other direction require LPA approval. It is the Government's aim that these changes will assist in preventing the unfettered growth of branded bars and poor quality takeaways in town centres (particularly in shopping areas), whilst also limiting the anti-social impact on residential amenity and visitors' enjoyment of town centres, particularly as part of the promotion of evening economies. Other changes include the classification of Internet cafés as A1 and nightclubs as sui generis (meaning uses on their own). Changes to, or from, these sui generis uses will therefore always require planning permission.
- 8.22 The Use Class changes increase local authority control on the high street by limiting the ability of operators to change use without planning permission. This provides greater powers to the Council to monitor and control the potential growth of A4 and A5 uses in its town centres, but limits the flexibility with which the industry can change formats to meet new demands. Current licensing reforms also transfer responsibility from magistrates to LPAs. The Government believes that operators in the same area will choose to set different hours of operation and that this will therefore reduce the concentrations of people leaving licensed premises at the same time, which can often result in flashpoints of crime and violence in centres. Together, the planning and licensing reforms allow local authorities considerable control over the leisure and entertainment industry.
- 8.23 The Co-star Focus dataset indicates that there is demand from only two A3/A4/A5 operator for representation in Ipswich town centre, namely The Gourmet Burger (149m<sup>2</sup> – 260m<sup>2</sup>) and Marstons Plc (2,023m<sup>2</sup> – 2,183m<sup>2</sup>). This is potentially a reflection of the current economic climate where limited discretionary spending by households is resulting in cautious rates of expansion by operators.
- 8.24 In order to assess the potential capacity for new eating and drinking establishments we have tested the assumption that an additional 20% - 30% of the forecast capacity for comparison goods floorspace (as set out in **Section 7**) can support a mix of new cafés, restaurants, pubs and wine bars. This assumption is backed up by research that identified the importance of a mix of uses at ground floor level (not just retail) as an important component of new sustainable development and as a significant contributor to the overall vitality and viability of centres. The research specifically identified that

the hospitality industry, in its widest sense, "...forms an important and sizeable proportion of premises averaging 24% of ground floor stock"<sup>28</sup>. Furthermore Experian GOAD's centre reports show that on average cafe's, restaurants, bars, pubs and takeaways account for up to 14% of floorspace and 18% of outlets in the 2,500 shopping areas that they cover.

- 8.25 **Table 8.4** shows the potential capacity for A3/A4/A5 floorspace in 2016 ranges from 2,660m<sup>2</sup> to 4,000m<sup>2</sup> net in the ICA, rising to between 14,290m<sup>2</sup> net and 21,440m<sup>2</sup> net by 2031.

**Table 8.4 Commercial Leisure Floorspace Capacity (A3 / A4 / A5 uses only)**

sq m net	2016	2021	2026	2031
ICA Only:	2,660 – 4,000	5,880 – 8,820	9,500 – 14,250	14,290 – 21,440

Notes: under baseline capacity assessment

- 8.26 This forecast capacity provides only a broad indication of the theoretical potential for new A3/A4/A5 floorspace to complement new retail space that may be developed in the main study centres and preferably, as part of mixed-use schemes.

## NIGHTCLUBS

- 8.27 As with the pub sector, the nightclub industry has continued to see consolidation amongst operators. The leading brands (such as, for example, Oceana and Liquid) are maintaining their position, but the smaller chains and particularly independent operations are feeling the severe economic pressures of competition from longer opening hours in pubs and bars.
- 8.28 Our analysis of the household survey indicates that the majority (48%) of nightclub visits from respondents in the study area is to venues within the Borough. The only competing centre with substantial market share is Colchester (9%). The level of retention indicates a stronger and varied offer in the Borough and the ICA as a whole. This currently comprises, amongst others, Liquid Envy (Cardinal Park), Mojo (Northgate Street) and Pals (Old Cattle Market Street.) There is no identified requirement for any other nightclub operator seeking space in Ipswich town centre.

## HEALTH & FITNESS

- 8.29 The health and fitness market has been through a series of peaks and troughs since the sector first gained popularity in the mid-1990s. There are currently an estimated

<sup>28</sup> The Streetscape of major UK cities', Savills, Winter 2004, pg.3

5,755 private health clubs and public fitness centres facilities in the UK, with a total membership number up to 7.2 million representing a total market value of £3.7billion. The proportion of the population with a gym membership is currently estimated to be 12%<sup>29</sup>.

- 8.30 This sector has witnessed consolidation over recent years. This is explained, in part, by the aggressive expansion and opening strategies of certain operators, which left many of them over-exposed at a time when the fitness market fell out of favour with investors in the City. The main players in the market are currently:
- **Esporta, Greens & David Lloyd Leisure** – at the premium end of the market focus on health, racquet and tennis clubs;
  - **Virgin Active & Nuffield Health** (previously Cannons) – dominate the family-oriented health and fitness market; and
  - **LA Fitness & Fitness First** – operate smaller in-town clubs at the more value end of the market.
- 8.31 Other independently owned multi-chain health club operators include Bannatyne's Health Clubs with other 60 centres across the UK, including one in Colchester on the Whitehall Industrial Estate, as well as in Norwich and Lowestoft.
- 8.32 The rapid growth of health and fitness clubs in certain areas has created increased competition for members and market share, which has resulted in the weaker (poor quality) clubs losing out. With increased competition, there has been a rise in attrition rates. Nevertheless, there still remains strong demand for an affordable health and fitness product, such as provided by LA Fitness and Fitness First.
- 8.33 After a period of significant growth in out-of-centre leisure, health and fitness clubs, there has been a marked shift in the location and format over recent years, due mainly to the changes in planning policy guidance. Health and fitness operators are now increasingly targeting town centre sites and mixed-use development schemes. This is helping to create a wider range of attractions and activity in town centres, particularly in the evenings and at weekends. More flexible planning policies will therefore need to be introduced which help to encourage an element of such uses within or on the edge-of-town centres.
- 8.34 Despite the recent cooling of the health and fitness market, there still appears to be the potential for future growth, particularly as the Department of Health (DoH) is committed to tackling health issues such as '*Foresight Project on Obesity*' and advice from National Institute for Clinical Excellence (NICE).
- 8.35 Our market demand assessment has indicated there are currently no published additional requirements for health and fitness operators in the study area. However,

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<sup>29</sup> The Leisure Database Company – 2008 FIA State of the UK Fitness Industry Report

as **Table 8.5** illustrates, there is currently a strong representation of commercial leisure operators across the Borough. This includes representation from David Lloyd and Fitness First, although there are notable gaps in representation. For example, Esporta, Virgin Active, Livingwell, Greens Health, Bannatyne and Energie are not represented in Ipswich.

- 8.36 Analysis of the household survey shows that the most frequented facilities (within the Borough) are Crown Pools (8.8% of respondents) and David Lloyd (5.5%). The Mid Suffolk Leisure Centre in Stowmarket is achieving the highest market share across the study area of 9.8%.

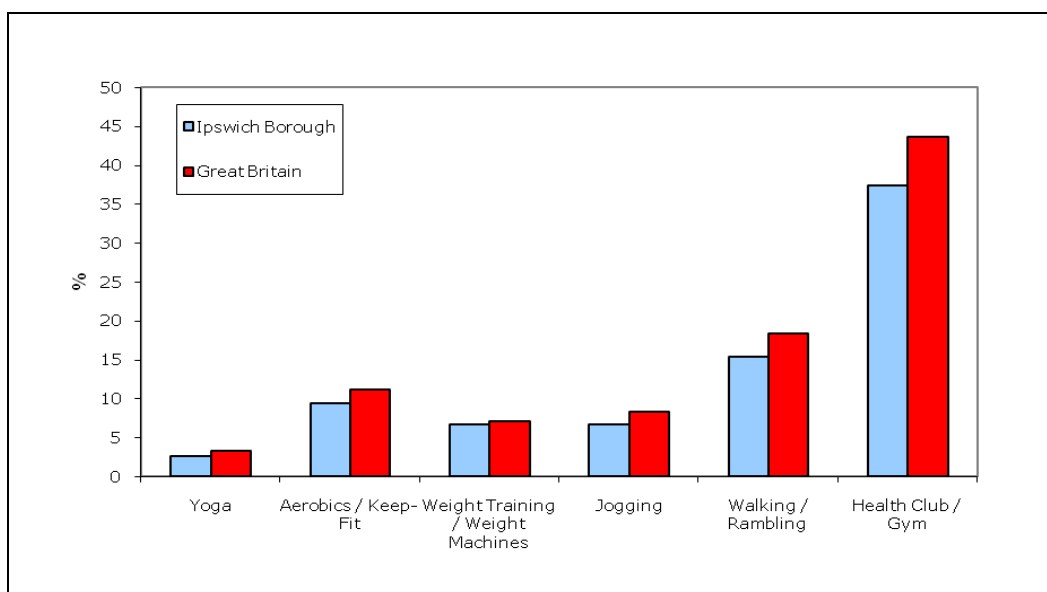
**Table 8.5 Leisure Centres and Fitness Clubs in ICA**

Facility	Location	Private Sector	Public Sector	Voluntary Sector
Gym & Trim	Cardinal Park	✓		
Fitness First	Russell Road	✓		
Crown Pools	Crown Street		✓	
YMCA (Ipswich)	Westgate Street			✓
YMCA Training	London Road			
Ipswich Sports Club	Henley Road	✓		
Swallow Leisure (Ipswich)	Belstead Road, Belstead	✓		
Gainsborough Sports Centre	Brazier's Wood Road		✓	
Whitton Sports & Community Centre	Whitton Church Lane		✓	
Next Generation Health Club	11 The Havens, Ransomes Europark	✓		
Oaks Fitness	47 Upper Orwell Street	✓		
Spirit Health & Fitness	London Road	✓		
Hotel Elizabeth Leisure Club	London Road, Copdock	✓		
Hintlesham Hall Hotel Club	George Street	✓		
Clarice House	Bramford Road			
Martlesham Leisure	Gloster Road	✓		
David Lloyd	Ransomes Europark	✓		
St Josephs College	Belstead Road	✓		
Martlesham Leisure Club	Martlesham Heath	✓		

- 8.37 To obtain a further understanding of participation rates in health and fitness within the Borough we have drawn on the CACI Participation Profile report (**Appendix 12**). The figure below summarises the key findings and shows a below average participation

rate for all health and fitness categories when benchmarked against the GB average. This suggests that there could be a shortfall in the current provision of health and fitness facilities in the Borough. This notwithstanding our market demand assessment has not identified interest from commercial operators for representation in the town centre or wider area.

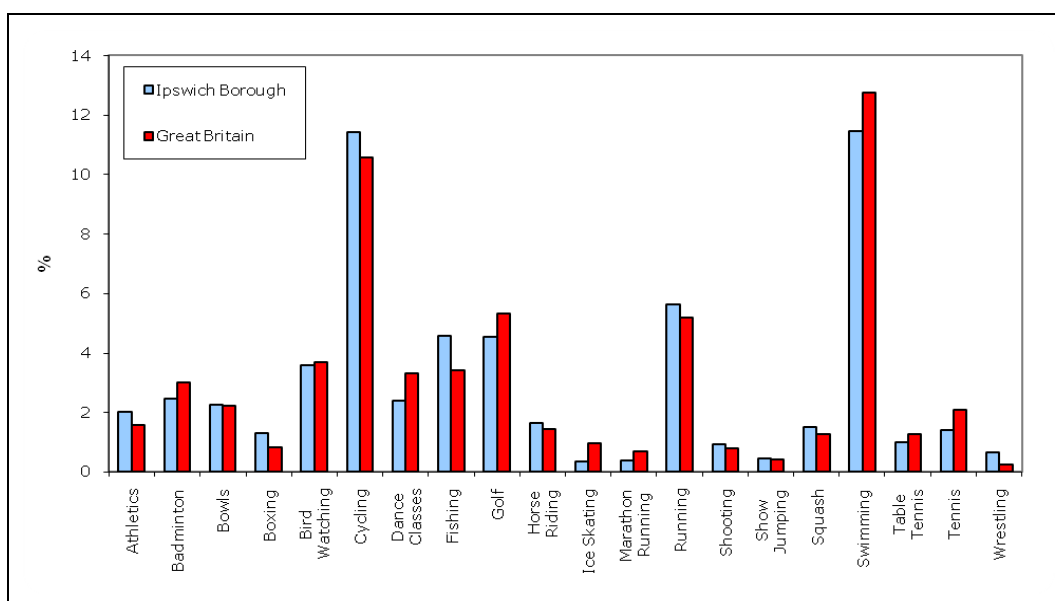
**Figure 8.1 Borough Wide Health & Fitness Participation (%)**



Source: CACI Ipswich Borough Area – Sport and Participation Profile (2010)

8.38 **Figure 8.2** shows the participation in other sports and leisure activities benchmarked against the national average. For individual sports the Borough shows an above average participation in athletics, boxing, cycling, fishing, horse riding, running, shooting and wrestling. This reflects the good provision of these facilities in the Borough and/or access to these activities. Surprisingly, despite Crown Pools registering as a popular facility in the household survey, swimming as a whole is below the national benchmark level.

**Figure 8.2 Borough Wide Individual Sports Participation (%)**



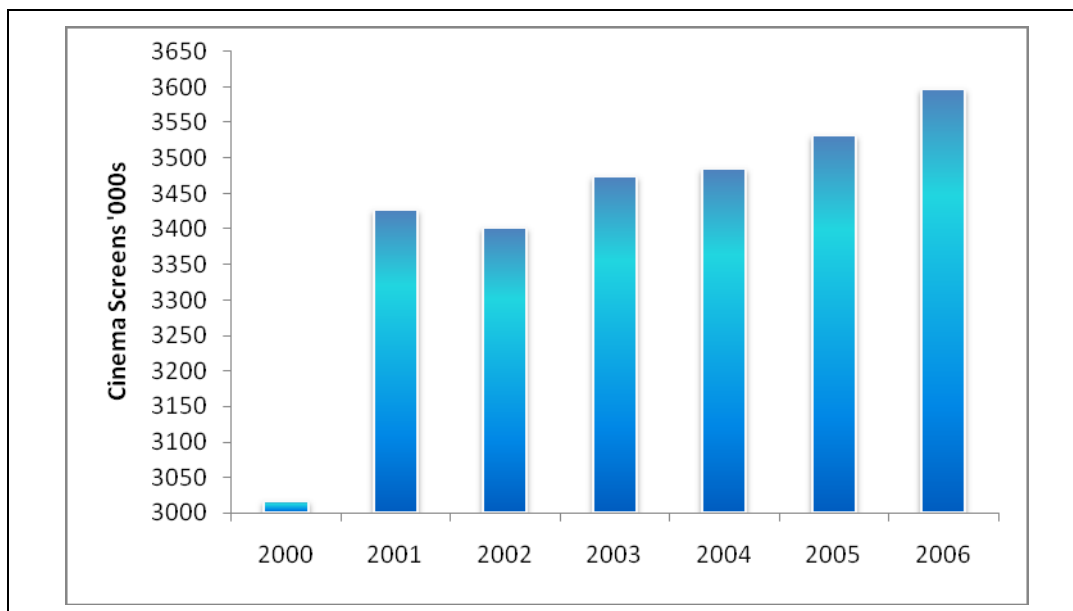
Source: CACI Ipswich Borough Area – Sport and Participation Profile (2010)



## CINEMAS

- 8.39 There are currently over 770 cinemas in the UK with a total of 3,598 screens (**Figure 8.3**).

**Figure 8.3 UK Cinema Screen Numbers (2000 – 2006)**



Source: Business in Sport & Leisure Handbook (2009)

- 8.40 The UK cinema market has gone through consolidation since the beginning of the millennium and is now dominated by a handful of multiple operators, namely Cine UK; Terra Firma Capital Partners (Odeon and UCU Cinemas); Vue Cinemas; and Showcase Cinemas (UK arm of National Amusements of the USA).
- 8.41 Significant growth in new out-of-centre multi-screen cinemas began in the 1990s. Growth over the last 15-20 years has been fuelled by a resurgence in cinema audiences (after a period of steady decline during the 1980s), due primarily to the increase in the number of Hollywood blockbusters and the new developments in cinema technology (such as digital surround sound and, more recently, 3-D screen technology).
- 8.42 Most multiplexes traditionally have located on large edge-of-town sites, often alongside mixed leisure schemes featuring bowling, nightclubs and restaurants (such as Star City in Birmingham). Cinemas have also become an integral part of shopping centre projects (such as The Chimes in Uxbridge and Westfield in West London). The large audience throughput of a multiplex cinema generates footfall in centres during the evenings and helps to support other concessions and front-of-house facilities, such as cafes and restaurants.
- 8.43 Multiplexes have been particularly successful in attracting the public into dead areas of shopping centres, such as upper levels or the ends of malls. Multiplexes have also

been used to anchor and re-brand unsuccessful shopping centres as part of refurbishment schemes. Therefore, the co-location of a cinema within a town centre or shopping centre is mutually beneficial, contributing to an increase in footfall and sales across the centre and also helping to underpin the evening economy.

- 8.44 The CACI Participation Profile shows that a visit to the cinema is the most popular performance related activity. The current provision in the Borough is confined to the Cineworld at Cardinal Park, which has 11 screens and 2,543 seats. It is therefore a key leisure attraction for the Borough and a wider catchment population. We understand from the Council the small Film Theatre (part of the Corn Exchange and consisting of 2 Screens and 260 seats) which shut down in 2009, has recently reopened and is being run by volunteers. The household survey results indicate that Cineworld achieves an overall market share of 66% from the study area and 92% from within the ICA.
- 8.45 To assist the Council in terms of the future potential capacity for new cinema screens and seats up to 2031, we have tested a baseline position in which the Borough retains its existing share of cinema trips of 66% as derived from the household survey (**Appendix 13**).
- 8.46 We have used research outputs from Dodona (a specialist consultancy in the cinema industry) to convert the catchment population into a total number of cinema admissions per annum based on a national visitation rate of 2.9 trips per person. This has subsequently been projected to 2031. The total number of cinema admissions has then been converted into a potential number of cinema seats, based on Dodona figures of 300 visits per annum per seat.
- 8.47 The output of this analysis is summarised in the following table.

**Table 8.6 Potential Capacity for New Cinema Screens and Seats**

Location	2010	2016	2021	2026	2031
Cinema Screens	11	13	15	18	21
Cinema Seats	2,710	3,270	3,820	4,470	5,290
Existing Seats	2,543	2,543	2,543	2,543	2,543

Source: Strategic Perspectives LLP / Dodona Research (**Appendix 13**)

- 8.48 We forecast that the population is capable of supporting up to 11 screens (2,710 seats) in 2010, rising to 13 screens (3,270 seats) by 2016 and up to 18 screens (4,470 seats) by 2026. Considering that the existing provision is 2,543 seats, the theoretical potential increases over the medium to long term (i.e. 2016 and beyond). Over the short term to 2016, there appears to be more limited potential for new cinema screens.

8.49 We are not aware of any current outstanding demand from cinema operators for representation in the Borough. Given the critical mass at Cineworld at present there is no immediate qualitative need for any large scale enhancement in provision. It is likely that any qualitative enhancements are likely to occur by way of diversification in offer, such as through an independent or art house cinemas. These are typically smaller facilities with limited seating capacity, which in terms of the derived capacity could be accommodated over the short term. This is however subject to commercial viability in an increasing challenging sector. There is also an opportunity to provide a multi-screen cinema in a sequentially preferable location in the town centre, possibly as part of a more comprehensive retail-led mixed use scheme.

## GAMES AND GAMBLING

8.50 Gambling represents a significant element of the leisure industry with an estimated turnover of over £84.2 billion in 2006/07. The main components of the gambling industry are briefly described below:

- **Casinos:** There were 144 casinos in the UK in 2008. The sector is dominated by three companies, the Gala Group with 28 casinos throughout Great Britain, Grosvenor Casinos with 32; and Stanley Casinos/Stanley Leisure/Genting International (which amalgamated in 2007) with a total of 46. There were over 15 million visits to casinos in Great Britain in 2006/07 and the drop (money exchanged for gaming chips) amounted to £4,314 million in the same year<sup>30</sup>. There is currently no casino provision in the Borough.
- **Horse and Greyhound Racing:** Horse racing is second only to football as the most televised sport in the UK and accounts for some 70% of the turnover of betting shops. There are currently 61 racecourses in Britain, compared to 29 licensed greyhound courses<sup>31</sup>. Betting on horseracing in 2004/05 was over £10bn which was as bet off-course mostly in the 8,500 licensed betting offices in Britain, with a further £120m bet with the Tote on-course<sup>32</sup>. There is currently no racecourse provision in the Borough though the racecourses at Newmarket provide a regional and national draw.
- **Bingo Clubs:** There are over 675<sup>33</sup> licensed bingo clubs in operation and over 1,000 other clubs and smaller institutions where bingo is played. In 2005 there were over 78 million bingo club admissions, and it is estimated that there are currently about 3 million active bingo club members. Bingo operators are also marketing their clubs at a younger, predominantly female audience, in order to increase admissions and market share. Bingo operators appear to face challenging conditions, with the consumer slowdown likely to exacerbate the continued impact of the smoking ban, the loss of lucrative gaming machines and growing competitive pressure from other forms of gambling. There are currently two commercial bingo clubs in the Borough, namely Mecca Bingo and Gala Bingo.

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30 The Gambling Commission (March 2009)

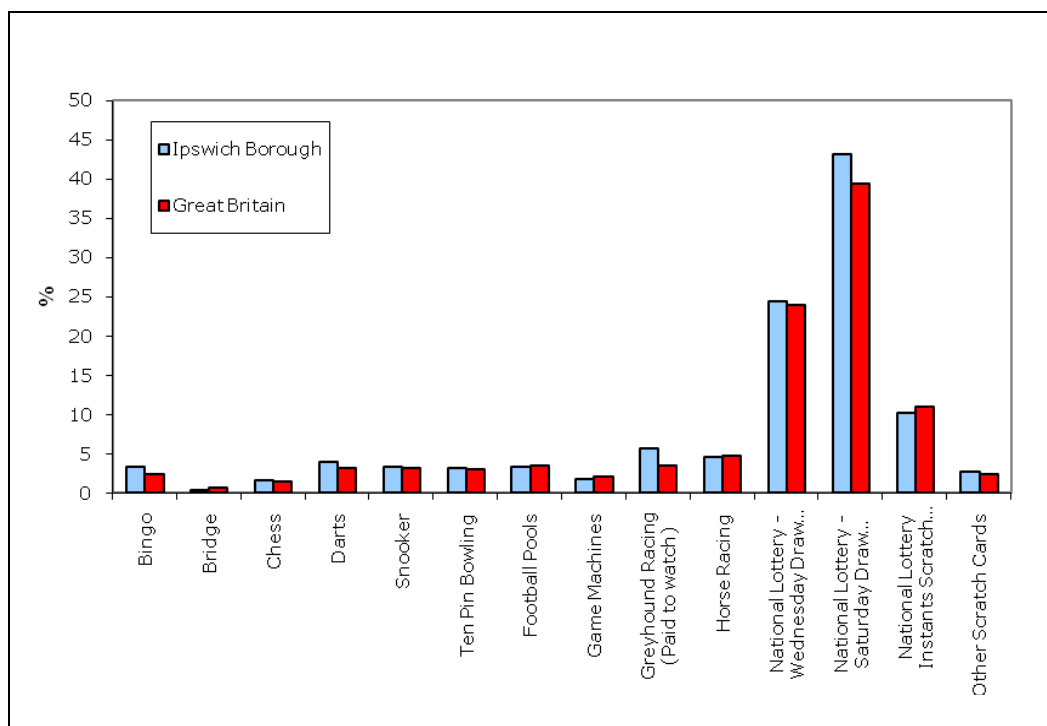
31 The British Horseracing Authority & Business in Sport & Leisure Handbook (2009)

32 The British Horseracing Authority (2009)

33 The Gambling Commission (March 2009)

8.51 The CACI Participation Profile on games and gambling shows that the Borough outperforms in the activities of bingo, darts, ten pin bowling, greyhound racing, national lottery (both Wednesday and Saturday draws) and other scratch cards (see **Figure 8.4**). However, it is performing below the national average in the activities of bridge, football pools, game machines, horse racing and national lottery instant scratch cards.

**Figure 8.4 Borough Wide Participation in Games and Gambling (%)**



Source: CACI Ipswich Borough Area – Sport and Participation Profile (2010)

8.52 The above average participation on Bingo is potentially due to the good provision of a Mecca Bingo and Gala Bingo facilities in the Borough. This is also reflected in the household survey which shows these facilities command 59% of market share from the study area overall and 70% from the ICA.

### TEN-PIN BOWLING

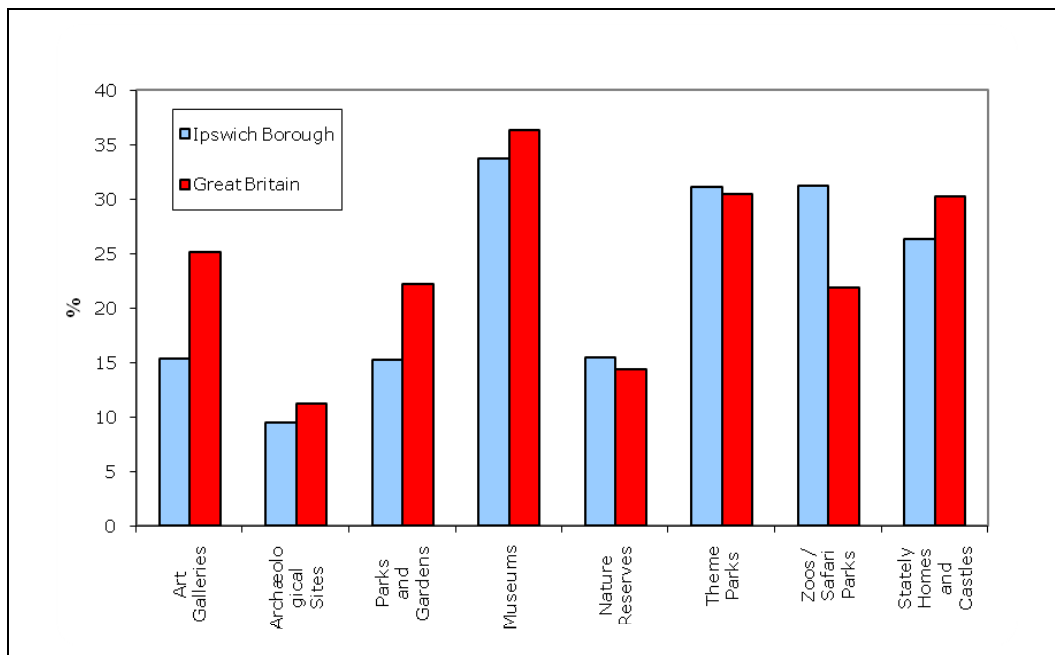
8.53 There are over 269<sup>34</sup> bowling centres (5,005 lanes) currently in operation nationally. During the late 1980s and early 1990s the number of bowling centres in the UK grew to over two hundred. This was higher than the previous peak in the 1960s due to the introduction of computer scoring systems and the investment by chains such as AMF Bowling.

<sup>34</sup> Business in Sport & Leisure Handbook (2009)

- 8.54 The market has developed and the current trend is to build large entertainment complexes to attract people to many different activities. Bowling centres therefore tend to form part of leisure developments that include multi-screen cinemas, restaurants and night clubs offering a choice in leisure entertainment. The critical mass of leisure uses under one roof helps to underpin the viability of ten-pin bowling centres, which can struggle as standalone attractions. These centres generally require large floorplates (from circa 2,500 - 4,500m<sup>2</sup>).
- 8.55 The household survey indicates that of those who visit bowling facilities from within the study area, up to 42% visit the Solar Bowl (Sproughton Road) facility in the Borough. The combination of the Solar Bowl and Kingpin (Gloster Road – Martlesham Heath) increases the retention level within the ICA to 78%.
- 8.56 In the light of the limited provision in the Borough itself, we consider that there is a qualitative need for a facility in Ipswich town centre in the future to complement other commercial leisure activities and to help underpin more diverse and viable evening economies.

### **CULTURAL ACTIVITIES**

- 8.57 Cultural related activities are often a barometer of an area's prosperity and its population's available leisure time. An indication of this is provided through outings recently undertaken (in the last 12 months). **Figure 8.5** shows below average performance across most categories except for nature reserves, theme parks and zoos.

**Figure 8.5 Borough Wide Outings Over the Last 12 Months (%)**


Source: CACI Ipswich Borough Area – Sport and Participation Profile

- 8.58 A review of the household survey shows that of those who went to a museum or place of historical interest from the study area, over 33% visited Christchurch Mansion & Wolsey Art Gallery and the Ipswich Museum. The primary competing location beyond the study area was London.
- 8.59 Theatres are also an important cultural component. The household survey shows that collectively the main theatres in the Borough (i.e. Ipswich Regent, The New Wolsey Theatre, Sir John Mills Theatre, Dance East and The Wolsey Studio) command a market share of 49% from the study area. The only other location with a notable market share was London at 26%. The strong performance of this activity together with ballet performances is shown in **Appendix 12**, where the Borough significantly outperforms the national average.

## SUMMARY

- 8.60 As for the retail sector, the leisure market faces considerable challenges and pressures. In the current uncertain economic climate, it is clear that consumers are becoming increasingly selective in terms of where and how they spend their discretionary leisure spending. More households are choosing to eat at home than eat out and there will be a continued increase in at-home activities due to the advances in computer, television and audio technology (such as 3-D for example). The immediate challenge for operators during this period of recession is therefore to attract consumers away from their homes. The relatively strong trading performance of operators such as Dominos shows that consumers are choosing to entertain at home. Thus, value for money offers will clearly outperform during the current downturn.

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- 8.61 Our broad review of the commercial leisure sector in the Borough indicates a reasonable range and choice of commercial entertainment and cultural facilities, including pubs and restaurants, cinema, ten-pin bowling, health and fitness clubs, museums and theatres. This broad range of offer needs to be maintained and enhanced to prevent further dilution to competing centres.
- 8.62 Our analysis shows that by 2016, there is theoretical capacity for between 2,660m<sup>2</sup> to 4,000m<sup>2</sup> net of A3/A4/A5 floorspace in the ICA. This assumes that new eating and drinking establishments will comprise between 20% and 30% of new retail-led mixed use schemes.
- 8.63 Cinema visits are also a popular leisure activity in the Borough and the wider study area. Currently Cineworld at Cardinal Park is the main cinema destination in the Borough and is achieving a strong market share of all cinema visits in the ICA and wider study area. We have forecast the theoretical capacity for new cinema screens over the medium to long term. Any new cinema provision should be directed to the town centre first in accordance with the sequential approach.
- 8.64 We have also identified the qualitative need for a ten-pin bowling facility to aid vitality and contribute to a diverse evening economy of the town centre.
- 8.65 Finally, cultural activities provide a crucial link with tourism and should therefore be maintained and enhanced to ensure that this offer remains attractive. The marketing of these attractions to a wider audience should be reinforced.

## 9.0 BUSINESS SURVEY

- 9.1 An online survey of local businesses in Ipswich town centre was undertaken as part of the consultation and evidence gathering exercise in August 2010. Some 33 businesses responded. They varied from retail and service operators, to independent and multiple retailers. The survey sample represented a wide spectrum of retailers and service operators in the town centre.
- 9.2 The main aim of the survey was to provide businesses with a voice to identify key issues and challenges they are facing both now and in the future. Issues ranged from their trading performance and future intentions, to opinions on the strengths / weaknesses and likes / dislikes of the town centre. The detailed results of the survey are found in **Appendix 14** and the headline results are set out below.

### PROFILE OF BUSINESSES

- 9.3 Of the total number of responses, food and non-food retailers comprised 39%, whilst retail and leisure service operators comprised 27% of the total (Q2). The remainder comprised, amongst others, an arts facility; healthcare provider; shopping centre owner and transport providers.
- 9.4 The majority of the businesses had been long established having a trading profile of over ten or twenty years (66%) (Q3). Of these, the majority of the respondents were mainly independents (76%) whilst 15% represented national multiple operators (Q4). In total, these businesses employed 1,877 full time staff and 610 part time staff (Q5).
- 9.5 The majority (85%) of the businesses had always operated from Ipswich town centre (Q6). Of those that did not, they were relocations from Brantham, Colchester or had more than one business.

### PERFORMANCE OF BUSINESSES

- 9.6 A significant proportion (61%) of the businesses responded that over the last five years of trading their turnover had increased; 15% reported that turnover had not changed; and 24% identified a decline (Q7).
- 9.7 In terms of their turnover performance over the last 12 months, some 55% indicated that it had increased and 30% responded that it had declined (Q8).
- 9.8 The businesses also stated that the majority of their turnover (51%) was local (local residents or other residents from within the Borough). Of the remainder, 9% were office employees / people working locally and 9% stated residents from rural areas around Ipswich. Some 30% stated other sources of turnover which included amongst others, internet, corporate and students (Q9).



- 9.9 The 'very important' or 'important' identified barriers to their trading performance (Q10) were:
- current economic climate (97%);
  - high rents/overheads (82%);
  - poor quality of the shopping environment (70%);
  - poor quality shops (70%);
  - too many discount and charity shops (58%);
  - inadequate car parking (54%);
  - lack of passing trade outside business (54%); and
  - competition from other centres (52%).
- 9.10 The businesses also stated (amongst others) that the following recent changes had impacted on their business performance (either negatively or positively) (Q11):
- negative - business moving out of town due to high rates and lack of parking for their clients;
  - negative - the recession;
  - negative - closure of Crown Car Park;
  - negative - loss of two major shops - Woolworths & Co-op/Vergo;
  - negative - more shops closing; no new shops to interest the public;
  - negative - a new superstore opening on the edge of Town Car park;
  - positive - the Waterfront development - it helps to reposition Ipswich positively; and
  - positive - the development of the University will have a positive impact to the night economy.
- 9.11 In terms of general comments on trading performance the respondents expressed the following views (amongst others) (Q12):
- economic downturn affecting performance;
  - more promotion of the town to both residents and visitors;
  - independent retailers need to be encouraged and supported;
  - better marketing of Ipswich and to encourage local shopping; and
  - not enough is being done to attract new businesses and visitors.

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## REVIEW OF BUSINESS PREMISES & FUTURE PLANS

- 9.12 The majority of the respondents were leaseholders (67%) with the remainder owner occupiers (33%) (Q13). The overwhelming majority were satisfied (79%) with their premises (Q14a).
- 9.13 Over the short term (i.e. the next 12 months), some 52% of respondents did not have any plans to change their business (Q15a). Of those that identified plans for change, some 12% were going to invest further; 9% intended to refurbish existing floorspace and 6% were going to extend further. The main reason influencing this was the need to 'review direction' and improve displays. Only 9% stated that they intended to close down their business and/or relocate.
- 9.14 Over the medium term (i.e. the next 2-5 years), some 44% of respondents did not have any plans to change their business (Q17a). However some 32% stated that they would refurbish existing floorspace, extend floorspace or invest further. No business stated that they would close down.
- 9.15 In terms of specific help over the next 12 months, the common themes were cheaper parking; lower rates; promotion of the town centre and grants for historic buildings for refurbishment (Q16). Over the medium term, the key areas identified for help were advertising, help with a grant for historic building, maintain promotion and selling the town of Ipswich and changing the image of the town.

## BUSINESSES PERCEPTION OF IPSWICH TOWN CENTRE

- 9.16 Businesses were asked to rate a number of aspects of the town centre under the broad headings of 'transport and access'; 'security and environment'; 'shopping' and 'leisure'. The following were identified as being 'good or 'very good' (Q19):
- park & ride provision (70%);
  - daytime safety (70%);
  - pedestrian environment (61%); and
  - access by foot and bicycle (52%).
- 9.17 The following aspects were rated as being 'poor' or 'very poor'
- level of vacant units (76%).
  - range of shops & services (70%);
  - cost of car parking (63%);
  - public toilets (61%)
  - shopping environment (55%); and
  - promotion of the centre (52%).

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## SUGGESTED IMPROVEMENTS TO IPSWICH TOWN CENTRE

9.18 Businesses stated that the following were the 'very important' or 'important' improvements they would like to see in Ipswich town centre (Q20):

- more / better smaller independent & specialist shops (94%);
- greater promotion / marketing of the town centre (88%);
- more / better range of multiple retailers (82%);
- more / better choice of non-food shops (82%);
- more / better clothing & fashion shops (79%);
- more / better car parking (79%);
- provision of public toilets (76%);
- improved street furniture (76%);
- improvements in the built environment (73%);
- more / better entertainment & leisure facilities (73%);
- more / better policing (73%);
- more street cleaning (67%);
- more quality restaurants / pavement cafes (61%);
- more / better signposting and information (58%);
- more / better cultural facilities (58%);
- improved security / CCTV (55%);
- more / better choice of food shops (55%);
- more specialist street markets (55%); and
- more / better seats (48%).

## COMPETING CENTRES

9.19 The three main centres identified by businesses as being the most serious competitors to Ipswich town centre (Q22) were Norwich (25%), Bury St Edmunds (17%) and Cambridge (13%). The respondents stated (amongst other comments) that the competing centres had the following broad advantages over Ipswich town centre (Q23):

- better access;
- easier parking;
- better range and quality of shops;

- better range of small independent traders; and
- investment in the centres.

### **OTHER COMMENTS**

9.20 The businesses expressed the following broad comments on Ipswich overall as a trading location (Q24):

- too many vacant units;
- improve link between town centre and Waterfront;
- business rates and rents were high;
- encourage a wider retail offer; and
- needs a flagship department store such as John Lewis or House of Fraser.

### **SUMMARY**

9.21 The output of the analysis shows that businesses are operating in a challenging market. Businesses are specifically seeking support on overheads (such as business rates) and attracting more customers to the centre (such as through cheaper car parking). The other key findings of the business survey conducted in August 2010 include, *inter alia*:

- the turnover of the businesses is localised mainly derived from residents and workers;
- the majority did not have any plans to change their business over the next twelve months;
- the centres of Norwich; Bury St Edmunds and Cambridge were identified as the key competitors;
- the majority of businesses were long established having been trading for over ten years;
- most businesses have experienced an increase in turnover over the last five years and including over the last twelve months;
- the main constraints to trading performance identified were: current economic climate; high rents/overheads; poor quality of the shopping environment; poor quality shops; too many discount and charity shops; inadequate car parking; lack of passing trade outside business; and 'competition from other centres.
- the main concerns with regard to the improvements centred on more independent & specialist shops; greater promotion / marketing of the town centre; more / better range of multiple retailers; more / better choice of non-food shops; more / better clothing & fashion shops; more / better car parking.

9.22 Please note that these results reflect the views of businesses as at August 2010, prior to the more recent store openings and the opening of the surface level car park at Crown Street, as reported elsewhere in the retail study.

## 10.0 CONCLUSIONS

- 10.1 This study provides a strategic assessment of the quantitative and qualitative need for new retail floorspace in the Borough to help inform the preparation of the Council's DPDs. It provides a sound framework based on robust baseline evidence to guide the shopping needs up to 2016, 2021, 2026 and 2031. The principal findings and recommendations of the analysis are set out in this concluding section.
- 10.2 Our analysis has focused on the opportunities and threats facing Ipswich town centre, which is the principal shopping and leisure destination in the Borough. We also comment on the future performance of other smaller district and local centres in the Borough as they perform important roles in the retail hierarchy.

### THE CONTEXT FOR RETAIL GROWTH

- 10.3 The retail and urban landscape has changed dramatically over the last two decades. Increased car ownership has resulted in greater household mobility and therefore the choices of shopping locations and the distances that can be travelled are much greater. The so-called waves of retail decentralisation have resulted in substantial new comparison and convenience goods retail floorspace being developed in out-of-centre locations. Additionally, over the recent past, the growth of Internet shopping has taken an increasing market share of retail sales.
- 10.4 At a spatial level, there has been a long-term polarisation of new retail development and investment in the country's top 50 to 100 larger centres. In some cases this has further weakened the vitality and viability of those smaller and medium-sized centres that are also competing with out-of-centre shopping locations. The renewed focus on urban regeneration has increased demand for town centre sites for a wider range of land uses. At the same time, national multiple retailers and leisure operators have become increasingly space hungry as they seek larger store formats and buildings to accommodate a wider product offer. In turn, this is placing increased pressure on LPAs to identify and allocate larger sites in town centres for comprehensive retail and mixed use developments. These trends present significant opportunities and challenges to Ipswich and the Borough's centres.
- 10.5 As part of a dynamic industry, retailers have also continued to evolve their formats and offer, particularly in the grocery sector. The tighter policy controls on out-of-centre retailing over the last decade, along with changing demographic and socio-economic trends, has resulted in the main foodstore operators and larger format retailers returning to the high street. In order to maintain and increase their market share of the grocery sector, retailers such as Tesco and Sainsbury's have moved into the convenience goods sector through the rapid expansion of their respective Express and Local store formats. At the same time, the foodstore operators are increasing the comparison goods offer in their existing stores through extensions and as part of the

wider offer of new store proposals. Some of the larger superstores are emerging as typical variety or department stores. This trend could represent a threat to smaller centres, where the larger out-of-centre stores evolve into one-stop shopping destinations.

- 10.6 Underpinning the dynamism of the retail sector has been the state of the economy. The boom enjoyed by the UK over the last decade is over and the prevailing economy is in a fragile state. This presents significant additional challenges for the sector and retail led investments in particular. Depressed levels of consumer and business confidence; rising unemployment; contracting disposable incomes and a bleak international backdrop suggest negative or flat growth over the short term and a slow upturn over the medium term. This too has implications for future expenditure growth and capacity over the forecast period.

### **IPSWICH TOWN CENTRE**

- 10.7 The economic performance of Ipswich town centre is important to the continued growth and prosperity of the Borough as a whole. As the principal centre in the Borough for retail, leisure and service uses, it has a clear role to play in driving the development of the Borough into the future.
- 10.8 Although a large and relatively popular shopping destination, the health check has identified a degree of fragility in the town centre's overall vitality and viability. For example the key performance indicators show that, *inter alia*:
- it has fallen some 28 places in the national rankings from 39<sup>th</sup> to 67<sup>th</sup> since 2005;
  - its vacant floorspace increased between 2005 and September 2009<sup>35</sup>;
  - a number of these vacant units do not meet the requirements of modern retailers;
  - it lacks a high quality department store offer;
  - there is a quality gap in its overall retail and fashion offer; and
  - it has not benefitted from significant new investment in its retail floorspace and offer for a number of years.
- 10.9 Ipswich's role and status as a shopping location has been eroded over the past decade by significant new investment and development in the competing centres, as well as from major out-of-centre schemes both within and outside the Borough. We therefore consider that there is significant potential to attract a quality department store operator to the town centre as part of a major new retail-led mixed use development.

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<sup>35</sup> Please note that vacancy levels recorded by Ipswich Central for the BID area (which covers a wider area than the Central Shopping Area) identified that vacancy levels in October 2010 stood at 11.5%, which represented a slight improvement on the levels recorded by Ipswich Central in 2009.

- 10.10 The town's convenience goods offer is also more limited when compared to the national average. The main bulk shopping needs of the town's catchment population are being met by the large major superstores including Asda (Goddard Road, Anglia Retail Park) and J Sainsbury (Hadleigh Road, Suffolk Retail Park). Notwithstanding this, the proposed Tesco Extra at Grafton Way will help to claw back shoppers and spend from these other competing out-of-centre superstores, with the potential for increased linked trips with the town centre's other shops, businesses and facilities.
- 10.11 The town's commercial leisure provision is focused around its 20 restaurants, 13 public houses and 16 wine bars. The arts and cultural facilities are strongly represented through the provision of the theatres, dance and music venues (including The New Wolsey, Regent Theatre, Dance East and Corn Exchange). These facilities provide significant linked trips and spin-off expenditure for the town's other cafes, bars and restaurants.
- 10.12 Our audit of the centre in February 2010 identified an increase in vacancy levels across the town centre as a whole, which was largely explained by the widespread impact of the economic recession on Britain's High Streets. Notwithstanding this, it is acknowledged that prior to finalising this study, a number of the larger and more central vacant units have recently been occupied, which is a positive sign. Nevertheless, it is important that the Council responds to safeguarding the vitality and viability of the centre by promoting new investment and development in the centre by engaging with owners, developers and retailers.
- 10.13 In summary, Ipswich needs to attract further investment to maintain and strengthen its important role and function within the Borough and the wider sub-regional shopping hierarchy. This calls for a robust and deliverable vision and policy direction in the light of increasing competition from other sub-regional centres and the changing economic backdrop.

## **DISTRICT AND LOCAL CENTRES**

- 10.14 These centres primarily serve a more local catchment within the established residential areas of the Borough.
- 10.15 New investment has occurred in the larger District Centres, particularly Norwich Road/Bramford Road and in the redeveloped or newly emerging communities at Stoke Park and Duke Street. The majority of the District and Local Centres are healthy.
- 10.16 Our assessment has identified that some Local centres are in decline and do not have the sufficient critical mass for long term viability (such as, for example, St. Helen's Street and Woodbridge Road).
- 10.17 Due to the extensive number of Local Centres in the Borough, we consider that those centres with four or less units or lacking a major food/convenience store anchor, or serving only a small neighbourhood warrant re-designation in retail terms. However, it



is acknowledged that that should be part of range of criteria including other uses such as community uses that the Council may want to consider in redefining these centres.

## **QUANTITATIVE NEED ASSESSMENT**

- 10.18 The baseline capacity forecasts provide a strategic economic assessment of the potential for new convenience and comparison goods floorspace in the Borough, based on the forecast growth in the total available expenditure up to 2031 and the take-up of this expenditure by existing floorspace and new commitments.
- 10.19 For convenience goods retailing, there is no forecast capacity over the medium term (up to 2021) for major new floorspace after taking into account all recent planning permissions and outstanding commitments. Capacity increases to between 3,580m<sup>2</sup> net – 7,161m<sup>2</sup> net by 2026 and between 7,751m<sup>2</sup> net – 15,502m<sup>2</sup> by 2031. This notwithstanding, there is an identified qualitative need to provide a foodstore anchor in the town centre to help claw back shoppers and expenditure. A centrally located foodstore with good pedestrian connections to the primary shopping area would help to maximise the benefits to the centre's overall vitality and viability through linked trips and spin off expenditure.
- 10.20 For comparison goods, after taking into account the Grafton Way and Westgate Centre commitments, capacity in 2016 is 13,320m<sup>2</sup> net. The capacity increases to 47,498m<sup>2</sup> net by 2026 and 71,458m<sup>2</sup> net by 2031. The economic capacity analysis confirms that there is a need for Ipswich to provide new quality comparison goods floorspace over the development plan period to help maintain and enhance its position in the retail hierarchy.
- 10.21 In terms of out-of-centre retailing, the qualitative and quantitative evidence indicates that the Borough is well served by foodstores and has a good choice of non-food retail floorspace. There is no demonstrable need for new out-of-centre retailing and, in any case, the significant new investment committed and planned for Ipswich town centre should not be jeopardised or harmed by additional out-of-centre retailing in accordance with PPS4.
- 10.22 The floorspace capacity forecasts identified by this study should be treated as a broad indication of the potential need for new retail floorspace, rather than a maximum or minimum threshold (or target) that should necessarily be met. Forecasts more than five years ahead are inherently less certain and should therefore be treated with caution and regularly updated. Furthermore, the capacity forecasts are based on constant market shares up to 2031. Although this is an accepted approach for retail studies, it inevitably does not take account of changing shopping patterns that can arise from new development. This will be one of a number of important considerations for the Council when assessing and determining future planning applications. For example, if an opportunity is identified for a large scheme in the town centre or a sequentially preferable edge-of-centre site, then this could increase the town centre's

market share of expenditure from within the Borough and the wider catchment area. Any uplift in market shares arising from new development would, therefore, generate additional residual expenditure and forecast capacity for new floorspace over and above the forecasts identified by this study.

- 10.23 Turning to the commercial leisure sector, Ipswich town centre has a good range of commercial entertainment and cultural facilities. The broad offer needs to be maintained and enhanced to prevent leakage to competing centres. Our analysis has highlighted a qualitative need for a ten pin bowling facility to aid the vitality and help underpin a diverse evening economy of the town centre. Cinema visits are a popular leisure activity and due to the number of screens and seats at Cineworld in Cardinal Park our assessment has shown the theoretical capacity increasing over the medium to long term. Our analysis also shows a potential capacity for A3/A4/A5 floorspace in 2016 ranging from 2,660m<sup>2</sup> to 4,000m<sup>2</sup> net in the ICA, rising to between 14,290m<sup>2</sup> net and 21,440m<sup>2</sup> net by 2031.

### **LOCAL BUSINESS VIEWS & PERCEPTIONS**

- 10.24 An online survey of local businesses was undertaken as part of the evidence gathering exercise. The output of this consultation exercise confirmed that businesses are currently operating in a challenging market. Businesses specifically seek support on outgoings (such as business rates) and through means to attract more customers to the centre (such as through cheaper car parking).

- 10.25 The other key findings of the business survey included, *inter alia*:

- the turnover of the businesses is localised mainly derived from residents and workers;
- the centres of Norwich; Bury St Edmunds and Cambridge were identified as the key competitors;
- the main constraints to trading performance identified were: current economic climate; high rents/overheads; poor quality of the shopping environment; poor quality shops; too many discount and charity shops; inadequate car parking; lack of passing trade outside business; and competition from other centres; and
- the main concerns with regard to the improvements centred on more independent & specialist shops; greater promotion / marketing of the town centre; more / better range of multiple retailers; more / better choice of non-food shops; more / better clothing & fashion shops; and more / better car parking.

### **OVERALL STRATEGY**

- 10.26 Ipswich is the dominant centre in the study area in terms of the relative scale and quality of its retail offer, as well as its wider town centre uses. However, the evidence shows that it needs to raise its status and offer in the future to help maintain and

strengthen its important role and function in the shopping hierarchy. Otherwise there will be leakage to competing centres, which detrimentally contributes to stagnation and decline.

- 10.27 During this period of economic downturn and uncertainty it is vital that developer, investor and business confidence in the town centre is encouraged and promoted proactively. Fundamental to this, the priority for the Council should be to help deliver sufficient development sites within the town centre with potential for significant new retail-led floorspace over the development plan period. This is supported by the economic forecasts which show that there is significant capacity for additional comparison goods retail floorspace over the development plan period. This capacity should be directed to the town centre first in accordance with PPS4 followed by edge-of-centre sites that are or will be well connected to the centre.
- 10.28 On the other hand, out of centre proposals for new retail and other town centre uses should be resisted where sequentially preferable sites are available, suitable and viable; and/or where proposals would have a harmful impact on either the town centre, or the Borough's main district and local centres.
- 10.29 With regard to convenience goods retailing, there is no quantitative capacity for new floorspace up to 2021 following the resolution to grant planning permission for the Tesco Extra store at Grafton Way. Notwithstanding this, there is still a gap in the town centre's main bulk food offer. A superstore operator could therefore help to anchor a major retail-led development scheme in the town centre, depending on the level of market demand.
- 10.30 The majority of the Borough's District and Local Centres are relatively healthy. They primarily serve the more frequent day-to-day top-up food and service needs of their local resident catchment populations. Notwithstanding this, some of the centres also have a wider catchment and market penetration (such as, for example, the Asda at the Stoke Park District Centre). In general terms the vitality and viability of these smaller centres is, to varying degrees, anchored by their food and convenience store offer and it is important that this offer is maintained and enhanced where possible. We therefore recommend that a robust vision and strategy be developed to help consolidate and strengthen the important role and status of these smaller centres in the Borough's shopping hierarchy.
- 10.31 Overall the Borough's centres remain vital and viable, despite the impact of the downturn in the economy on the retail sector. This notwithstanding, deficiencies have been identified such as the 'quality gap' in the town centre's offer and the competition from other centres and shopping facilities. We therefore strongly recommend that this weakness or fragility in the town centre's offer be met head-on through the promotion and delivery of new investment and development.

## 11.0 GLOSSARY OF TERMS

<b>CITY CENTRES:</b>	The highest level of centre identified in development plans. In terms of hierarchies, they will often be a regional centre and will serve a wide catchment. The centre may be very large, embracing a wide range of activities and may be distinguished by areas which may perform different main functions. Planning for the future of such areas can be achieved successfully through the use of area action plans, with master plans or development briefs for particular sites. In London the international and metropolitan centres identified in the Mayor's Spatial Development Strategy typically perform the role of city centres.
<b>TOWN CENTRES:</b>	Town centres will usually be the second level of centres after city centres and, in many cases, they will be the principal centre or 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. In London the major and many of the district centres identified in the Mayor's Spatial Development Strategy typically perform the role of town centres.
<b>DISTRICT CENTRES:</b>	District centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library.
<b>LOCAL CENTRES:</b>	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.
<b>TOWN CENTRE AREA:</b>	Defined area, including the primary shopping area and areas of predominantly leisure, business and other main town centre uses within or adjacent to the primary shopping area. The extent of the town centre should be defined on a proposals map.
<b>CENTRAL SHOPPING AREA:</b>	The Ipswich Central Shopping Area (CSA) is as identified in the adopted 1997 Local Plan and includes primary, secondary and speciality shopping frontages.
<b>PRIMARY SHOPPING AREA (PSA)</b>	Defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are contiguous and closely related to the primary shopping frontage). The extent of the primary shopping area should be defined on the proposals map. Smaller centres may not have areas of predominantly leisure, business and other main town centre uses adjacent to the primary shopping area, therefore the town centre may not extend beyond the primary shopping area. <i>[In PPS6 the centre for a retail development constitutes the primary shopping area].</i>
<b>PRIMARY FRONTAGE</b>	Primary frontages are likely to include a high proportion of retail uses.
<b>SECONDARY FRONTAGE</b>	Secondary frontages provide greater opportunities for a diversity of uses.
<b>EDGE-OF-CENTRE</b>	For retail purposes, a location that is well connected to and within easy walking distance (i.e. up to 300 metres) of the primary shopping area. For all other main town centre uses, this is likely to be within 300 metres of a town centre boundary. In determining whether a site falls within the definition of edge-of-centre, account should be taken of local circumstances. For example, local topography will affect pedestrians' perceptions of easy walking distance from the centre. Other considerations include barriers, such as crossing major roads and car parks, the attractiveness and perceived safety of the route and the strength of attraction and size of the town centre. A site will not be well connected to a centre where it is physically separated from it by a barrier such as a major road, railway line or river and there is no existing or proposed

	pedestrian route which provides safe and convenient access to the centre.
<b>OUT-OF-CENTRE</b>	A location which is not in or on the edge of a centre but not necessarily outside the urban area.
<b>OUT-OF-TOWN</b>	An out-of-centre development outside the existing urban area.
<b>CONVENIENCE SHOPPING</b>	Convenience retailing is the provision of everyday essential items, including food, drinks, newspapers/magazines and confectionery.
<b>SUPERMARKETS</b>	Self-service stores selling mainly food, with a trading floorspace less than 2,500 square metres, often with car parking.
<b>SUPERSTORES</b>	Self-service stores selling mainly food, or food and non-food goods, usually with more than 2,500 square metres trading floorspace, with supporting car parking.
<b>COMPARISON SHOPPING</b>	Comparison retailing is the provision of items not obtained on a frequent basis. These include clothing, footwear, household and recreational goods.
<b>RETAIL WAREHOUSES</b>	Large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering mainly for car-borne customers.
<b>RETAIL PARKS</b>	An agglomeration of at least 3 retail warehouses.
<b>WAREHOUSE CLUBS</b>	Large businesses specialising in volume sales of reduced priced goods. The operator may limit access to businesses, organisations or classes of individual.
<b>FACTORY OUTLET CENTRES</b>	Groups of shops specialising in selling seconds and end-of-line goods at discounted prices.
<b>REGIONAL &amp; SUB-REGIONAL SHOPPING CENTRES</b>	Out-of-centre shopping centres which are generally over shopping centres 50,000 square metres gross retail area, typically comprising a wide variety of comparison goods stores.
<b>LEISURE PARKS</b>	Leisure parks often feature a mix of leisure facilities, such as a multi-screen cinema, indoor bowling centres, night club, restaurants, bars and fast-food outlets, with car parking.
<b>CONVENIENCE GOODS EXPENDITURE</b>	Expenditure (including VAT as applicable) on goods in COICOP categories: Food and non-alcoholic beverages, Tobacco, Alcoholic beverages (off-trade), Newspapers and periodicals, Non-durable household goods.
<b>COMPARISON GOODS EXPENDITURE</b>	Expenditure (including VAT as applicable) on goods in COICOP Categories: Clothing materials & garments, Shoes & other footwear, Materials for maintenance & repair of dwellings, Furniture & furnishings; carpets & other floor coverings, Household textiles, Major household appliances, whether electric or not, Small electric household appliances, Tools & miscellaneous accessories, Glassware, tableware & household utensils, Medical goods & other pharmaceutical products, Therapeutic appliances & equipment, Bicycles, Recording media, Games, toys & hobbies; sport & camping equipment; musical instruments, Gardens, plants & flowers, Pets & related products, Books & stationery, Audio-visual, photographic and information processing equipment, Appliances for personal care, Jewellery, watches & clocks, Other personal effects.
<b>SPECIAL FORMS OF TRADING</b>	All retail sales not in shops and stores; including sales via the internet, mail order, TV shopping, party plan, vending machines, door-to-door and temporary open market stalls.
<b>GROSS GROUND FLOOR FOOTPRINT FLOORSPACE</b>	The area shown on the Ordnance Survey map or other plans as being occupied by buildings and covered areas measured externally.
<b>GROSS RETAIL FLOORSPACE</b>	The total built floor area measured externally which is occupied exclusively by a retailer or retailers; excluding open areas used for the storage, display or sale of goods.
<b>NET RETAIL SALES AREA</b>	The sales area within a building (i.e. all internal areas accessible to the customer), but excluding checkouts, lobbies, concessions, restaurants,

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	customer toilets and walkways behind the checkouts.
<b>RETAIL SALES DENSITY</b>	Convenience goods, comparison goods or all goods retail sales (stated as including or excluding VAT) for a specified year on the price basis indicated, divided by the net retail sales area generating those sales.
<b>FLOORSPACE EFFICIENCY FACTOR</b>	The percentage by which a retail sales density is assumed to increase annually in real terms over a stated period.

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## **APPENDIX 1: HOUSEHOLD SURVEY – COMPRISING CATCHMENT AREA MAP AND RESULTS**

## **APPENDIX 2: CONVENIENCE GOODS – MARKET SHARE ANALYSIS**



## **APPENDIX 3: COMPARISON GOODS – MARKET SHARE ANALYSIS**

## **APPENDIX 4: IPSWICH TOWN CENTRE – EXPERIAN GOAD CATEGORY REPORT (SEPTEMBER 2009)**

## **APPENDIX 5: IPSWICH TOWN CENTRE CO-STAR FOCUS REPORT (FEBRUARY 2010)**

## **APPENDIX 6: IPSWICH - COSTAR FOCUS RETAILER REQUIREMENTS (FEBRUARY 2010)**

## **APPENDIX 7: IPSWICH TOWN CENTRE – PEDESTRIAN FLOWCOUNT SURVEY (MARCH 2010)**

## **APPENDIX 8: RETAIL FLOORSPACE AUDIT – TOWN & DISTRICT CENTRES**

## **APPENDIX 9: RETAIL FLOORSPEACE AUDIT - LOCAL CENTRES AND OUT OF CENTRE LOCATIONS**

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## **APPENDIX 10: COMPARISON GOODS – ECONOMIC TABLES**



## **APPENDIX 11: CONVENIENCE GOODS – ECONOMIC TABLES**

## **APPENDIX 12: CACI SPORT & LEISURE PARTICIPATION PROFILE**

## **APPENDIX 13: CINEMA CAPACITY ASSESSMENT**

## **APPENDIX 14: ON-LINE SURVEY RESULTS**

## **APPENDIX 15: TOWN CENTRE & CSA BOUNDARY**

## **APPENDIX 16: BUS ROUTE MAP**