

Retail Needs Assessment – East of Borough Area Action Plan

on behalf of London Borough of Tower Hamlets

November 2020

FINAL REPORT



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1.0 Introduction

Instruction

- 1.1 Nexus Planning (Nexus) was commissioned by London Borough of Tower Hamlets in June 2020 to produce a Retail Needs Assessment to support the East of the Borough Area Action Plan. The London Borough of Tower Hamlets (LBTH) is preparing an Area Action Plan (AAP) for the east of the borough, which will set out site allocations and planning policies for this area. This Retail Needs Assessment will form part of the evidence base for the AAP.
- 1.2 The Study comprises an assessment of the retail needs resulting from the anticipated growth in the AAP area, considers whether the existing uplift of commercial units currently permitted is sufficient and identifies the optimum spatial strategy to allocate this retail offer. In addition, the study considers new retail trends, including the growth of internet deliveries and suggests ways the Area Action Plan can reduce the negative impacts of these trends and support local businesses with the infrastructure / facilities required to make use of opportunities that are presented.
- 1.3 The objectives for the Study are as follows:
- Meet a full range of local retail needs over the course of the plan period;
 - Provide viable, diverse town centres with limited vacancies which encourage social interaction and community cohesion;
 - Increase the use of active travel modes to access town centre needs;
 - Support local businesses to respond to the challenges of the digital age;
 - Reduce congestion and amenity impacts from residential deliveries.

Scope of Works

- 1.4 Our brief is to prepare this Study over three stages, as follows:

Stage One – Assess Retail Need in the AAP Area

- 1.5 Stage One involved the following aspects:

- Review and summarise the relevant aspects of the existing work undertaken by the three planning authorities on retail needs, provision and trends in the core and wider study area;
- Consider the particular and changing population of the core and wider study areas and outline assumptions on how this may influence retail needs;
- Using the updated development trajectory, provide an updated understanding of the likely retail needs for the area, broken down into convenience, comparison, leisure, food and drink and other town centre uses. Where possible, this should include an understanding of demand for retail space from end users – with a focus on smaller, local businesses;
- Using the updated development trajectory, assess the sufficiency of the permitted level of retail offer i.e. undertake a gap analysis of difference between supply and demand in the area for all retail types. This should be considered in 5 year tranches;
- Consider retail need arising from both new residential and commercial developments and take account of retail outside of designated town centres;
- Take note of the significant amount of permitted and as yet undelivered retail space that is permitted as a flexible permission in the area, including Leven Road (PA/18/02803), Ailsa Wharf (PA/16/02692), and Chrisp Street (PA/16/01612).

Stage Two – Assess Appropriate Locations for New Retail

1.6 Stage Two involved the following aspects:

- Using the assessment of need from Stage One, and assessment of movement from the Movement Strategy, recommend an appropriate spatial town centre strategy for the AAP;
- Consider the following options as part of the spatial strategy:
 - Expanding/reclassifying Aberfeldy neighbourhood centre;
 - Relocating Aberfeldy neighbourhood centre;
 - Focusing on access to existing District Centres (Chrisp Street, Bromley by Bow and Canning Town);
 - Designating additional neighbourhood parades;
- Assess each option against the following criteria to ensure they support the Study objectives:
 - Accessibility from residential and commercial developments using active travel modes;
 - Location of anchor uses, in particular community facilities;

- Deliverability;
- Provide a high-level strategy for the spatial approach the AAP to take.

Stage Three – Responding to New Retail Trends

1.7 Stage Three involved the following:

- Provide an assessment of emerging retail trends, including the increase of online retailing and the effect this is having on the viability of town centres;
- Provide innovative recommendations for interventions the council can make to address the opportunities and threats posed by these trends;
- Options that were considered included:
 - The mix of use classes in town centres;
 - The role of anchor uses and the nature of those uses;
 - Servicing arrangements to enable easier outward, as well as inward deliveries from shop units;
 - Consolidation hubs for deliveries ('click and collect') to reduce congestion resulting from residential doorstep deliveries;
 - Design considerations including of the public realm;
- Assess each option against the following criteria to ensure they support the Study objectives:
 - Maintaining a viable physical high street presence;
 - Improving residential and high street amenity;
 - Creating opportunities for social interactions;
 - Reducing non-active travel use, including for deliveries;
 - Reducing congestion and pollution;
 - Deliverability (considering the role of the planning system and other council functions);
 - Potential trade-offs, including any potential viability impacts;
- Prioritise identified interventions in discussion with the Council.

The Report

1.8 Taking into consideration the requirements as set out in the scope of works, the remainder of this report sets includes the following:

- **Section 2** sets out the an analysis of the current retail and leisure trends that guide the retail market;
- **Section 3** which provides a summary of the relevant literature which sets the scene and guides retail policy;
- **Section 4** sets out the findings of the business surveys as carried out by AspinalVerdi;
- **Section 5** which provides a summary of the retail capacity projections for the AAP area;
- **Section 6** sets out a health check assessment of each of the neighbourhood centres and parades within the AAP area;
- **Section 7** sets out our overarching spatial town centre strategy for the AAP area;
- **Section 8** sets out recommendations for interventions for each of the neighbourhood centres and parades described in Section 6;
- **Section 9** provides a summary and conclusion of the Study.

2.0 Current Retail and Leisure Trends

Introduction

- 2.1 In order to provide a context for this Study and to help identify the sectors that are more likely to be the subject of future development proposals, we provide an overview of current retail and leisure trends below.
- 2.2 In reading the below review, it should be noted that the retail and leisure sectors are dynamic and, whilst online shopping has impacted on the retail sector, new retailers and new formats continue to evolve to meet shoppers' needs. The below commentary should therefore be taken as a 'snapshot' in respect of current market conditions. This is particularly the case given the current commercial circumstances arising from the COVID-19 pandemic, and the impact of the lockdown measures on our high streets and operators (both local and nationally). We reflect on this in more detail below.

The Current State of the UK Economy

- 2.3 The UK economy slowed over the past 12 months, with continued uncertainty as a result of ongoing Brexit negotiations and a weaker global economy. This uncertain background caused business investment to decline. Consumer spending also reduced to an 8-year low of 1.2% in 2019, reflecting low-levels of consumer confidence. Retail sales volumes grew by 3% in 2019, the lowest level of growth since 2014.
- 2.4 However, the outcome of the December 2019 general election removed the immediate political uncertainty and risk of a no-deal Brexit and therefore things were looking up.
- 2.5 Since the pandemic has taken hold of the global economy, the forecast is looking less strong. In October 2020, Experian published their Retail Planner Briefing Note 18 which identified the following key economic points:
- a) The near-term economic outlook remains weak due to ongoing social distancing restrictions and some winding down of government support measures;

- b) The central forecast assumes that an effective treatment for the virus is in place by mid-2021, enabling the recovery to regain momentum as confidence recovers. However, much uncertainty remains over the pandemic and economic forecasts will be subject to greater than usual uncertainty and volatility;
- c) The medium/long term outlook for GDP is less affected as scarring impacts are mild in the central forecast. Alternative scenarios explore the impact of a more long-lasting pandemic;
- d) Retail sales projections are volatile in the near term, but growth is less impacted over the medium/longer term. The outlook for SFT spending has been revised higher;
- e) Prospects for retail floorspace have been revised down in line with the weaker projections for spending and stronger outlook for on-line sales.

2.6 In terms of inflation, Office for National Statistics data¹ indicates that the rate of inflations (as measured by the consumer price index) increased from 0.5% at June 2016 to a high of 3.1% at November 2017, before reducing to 1.7% at February 2020.

2.7 The increasing cost of living is particularly problematic for the retail sector, as inflation has been principally driven by increasing fuel prices (affecting the cost of electricity, gas and petrol), meaning that consumers have a lesser amount to spend on the high street. As such, retail is an industry under significant stress as many retailers find themselves squeezed between rising costs and the increasing volume of sales over the internet.

2.8 In terms of the grocery market, Kantar² reported that grocery inflation stood at 0.3% for the 12-week period ending 26 January 2020. The increase in prices is not necessarily good news for the industry as it is reflective of costs increasing, and shoppers have often 'traded down' to buy cheaper substitutes or have undertaken more shopping at discount stores in order to avoid price increases. Indeed Kantar noted that the 'big four' supermarket operators³ all suffered declines and lost market share compared to January 2019. Conversely both Aldi and Lidl recorded corresponding increases.

¹ ONS 'Consumer price inflation tables' dataset, February 2020

² Article headlined 'A month of moderation for the UK grocery sector', Kantar, 4 February 2020

³ Asda, Morrisons, Sainsbury's and Tesco

- 2.9 Against this backdrop, the impacts of COVID-19 on the wider economy remain to be seen. Economic growth and activity has experienced a sharp decline in Q2 of 2020. The long-term impacts of this period are yet to be determined, and as such it is almost impossible to predict with any meaningful certainty what effects short-term business closures and significantly reduced levels of activity will have.
- 2.10 However, initial analysis of spending figures from lockdown demonstrate that there has been a fall in spending, with some areas being hit significantly harder than others⁴. Key points from this analysis show that:
- Sales at non-grocery retailers have fallen by around 45%, compared to the same week of 2019. Conversely, spending at grocery retailers rose by 16%; and
 - The biggest falls were noted in smaller tourist towns. When grocery spending is discounted, Penrith in Cumbria, for example, recorded an 82% fall in spending.
- 2.11 A 'latest news' article of 17 April 2020 from the Government's newly appointed High Street Task Force refers to Office of National Statistics research undertaken in the lead up to 'lockdown' restrictions, and this indicated that more than half of all businesses (55%) expected negative impacts on their turnover, and that an even greater proportion (60%) were either not confident or unsure about their future.
- 2.12 In addition to the above matters, grocery operators (whose operations are generally more resilient, due to the nature of food shopping in meeting a basic need) have been inundated with applications from new online customers. Customers who have previously not demonstrated an interest in receiving deliveries sourced in this way are now experienced online grocery shoppers. At the end of June, Kantar reported that in the four weeks to 23 June 2020, online grocery sales were up 91%⁵. This is forecast to have short-term impacts in speeding up the move from bricks and mortar spending to online spending.
- 2.13 More generally, it is now confirmed that the economy is in a recession following two consecutive quarters of negative growth in 2020 Q1 and Q2. According to the ONS, UK GDP is estimated to have

⁴ Tortoise Media, <https://members.tortoisemedia.com/2020/04/20/corona-shock/content.html>, April 2020

⁵ KANTAR, <https://www.kantar.com/inspiration/fmcg/uk-online-grocery-growth-clicks-up-as-lockdown-trends-continue/>, June 2020

fallen by a record 20.4% in Q2 2020, marking the second consecutive quarterly decline after it fell by 2.2% in Q1 2020⁶. In addition to the contracting economy, unemployment rates have reportedly increased to 4.5% in the June to August period for 2020⁷.

Available Expenditure and the Impact of the Internet

- 2.14 Experian Retail Planner Briefing Note 18 (ERPBN18, October 2020) identifies the state of the retail sector in the UK and provides forecasts in respect of future growth. Page 3 of ERPBN18 provides the following summary of the state of the UK economy at February 2020:

The outbreak of the coronavirus (Covid-19) and measures to contain it has had a considerable impact on the UK and global economies. During the intensive stage of the lockdown, the economy suffered an unprecedented contraction, employment fell markedly and over 9 million employees were furloughed. Consumer demand suffered given social distancing and low confidence, leading to a big drop in social consumption, especially for recreation, leisure and travel. In addition, investment fell markedly, as waning business confidence and deteriorating financial positions lead to the postponement and cancellation of projects. Exports have also been undermined by a fall in international demand from UK goods and services, as other countries enforce lockdown or social distancing measures to varying degrees. Supply side factors have reinforced this trend, such as the temporary closure of factories and businesses and disruptions to supply chains.

Since then the gradual reopening of businesses has seen the economy return to growth, with momentum gathering in the summer as a wider number of sectors reopened, including hospitality and leisure services, following by the full reopening of schools. However, the pace and sustainability of the rebound remains very uncertain.

A number of factors will weigh on the recovery over the coming months. A more pronounced resurgence in the number of cases of Covid-19 has forced the government to reinstate some restrictions and it looks likely that social distancing measures will remain in place well into 2021. Also lingering fears about the virus has led to cautious behaviour from households and businesses, fuelling voluntary social distancing. In addition, unemployment is expected to rise further as the furlough scheme comes to an end, although newly announced measures should help to contain the increase. A sluggish labour market outlook will

⁶ ONS, <https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/gdpfirstquarterlyestimateuk/apriltojune2020>, August 2020

⁷ ONS, <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarkt/october2020>, October 2020

constrain the recovery in household incomes and spending. The prospect of fluctuating easing and tightening of restrictions will keep confidence subdued and fuel risk averse behaviours from consumers until an effective treatment is in place. For the central scenario, the assumption is this will happen around mid-2021. Given this, while the central scenario assumed a double-dip recession is avoided, the recovery will be subdued over the coming months. We do not expect output to recover to pre-Covid levels until at least 2022. GDP is projected to decline by close to 12% in 2020 before recovering to 10% in 2021. The latter result is flattered by the base effect of the sharp contraction in 2020.'

- 2.15 Given the above, Experian forecasts limited increases in per capita convenience and comparison goods expenditure over the short term, which we consider in further detail in our retail capacity modelling exercise at Section 5.
- 2.16 In summary, the convenience goods sector has been the subject of a reduction in per capita consumer expenditure across much of the past decade (in real terms, after allowing for inflation), with some limited growth only returning from 2016 onwards. A notable short-term boost in convenience spending is projected for 2020, before a return to minimal growth. Forecast increases in comparison goods spending are more optimistic, but it is evident that per capita comparison goods expenditure increases will be below the level apparent at the turn of the millennium.
- 2.17 Whilst the above commentary relates to a level of growth which is significantly below that which has historically been available to retailers, the situation is exacerbated through the increasing amount of expenditure which is committed through special forms of trading⁸ and online in particular, which we consider in the context of spending in Town Hamlets in Section 5.
- 2.18 In this regard, Appendix 3 of the ERPBN18 indicates that a strong increase in online shopping over the past decade has lifted the share of special forms of trading to a level where, prior to the Covid-19 crisis broke accounted for around 20% of total retail sales (with the internet alone accounting for a little over 18% of total retail sales in 2019). At the height of lockdown, the share lifted to just over 30% of total retail sale. Experian forecasts that non-store retailing will continue to grow rapidly, increasing at a faster pace than total retail sales well into the long term. After easing in 2021, Experian believes that special forms of trading will account for almost 30% of retail sales by 2027, increasing to around 35% by 2040.

⁸ Including internet sales, mail order, stalls and markets, door-to-door and telephone sales

- 2.19 The ongoing popularity of internet shopping continues to have clear implications in respect of the viability of some ‘bricks and mortar’ retailers. However, it is important to note that changes in how people shop also bring about opportunities for retailers trading from the high street. In particular, many stores sell online but fulfil orders from regular stores rather than warehouses⁹, with purchases therefore helping to sustain tangible retail floorspace. As a consequence, Experian also provides an ‘adjusted’ estimate of special forms of trading, which relates to expenditure which is not available to actual stores.
- 2.20 One way in which online expenditure can help sustain bricks and mortar retailers is through the use of the internet to ‘click and collect’, with purchases being picked up at a dedicated counter within a store. In addition, it is evident that some retailers (particularly those offering big ticket items) are benefitting from having a bricks and mortar presence which can be used as a ‘showroom’ in order to view and try goods, with some purchases then being made later online. Retailers are also more frequently providing in-store Wi-Fi and ‘technology points’, which can allow shoppers to browse a wider product range than is carried in-store. Accordingly, whilst new technology provides significant challenges to bricks and mortar operators, it also provides opportunities for more progressive operators that are able to invest in new technology.

Convenience Goods

- 2.21 Recent socio-economic conditions have led to significant shifts in convenience goods retailing, which have resulted in the ‘big four’ supermarket operators’ market share being cut. Mintel¹⁰ finds that the decline of the food superstore is well established and that this can be attributed to two issues.
- 2.22 Firstly, people are undertaking food shopping in different ways. More people are living in town and city centres and more people are having difficulties financing the purchase of their own home. Mintel indicates that such people are more likely to undertake food shopping on an ‘as needs’ basis and are more likely to eat out or use takeaways. As such, they are less likely to have need to undertake a ‘main food shop’.

⁹ This is particularly the case with food shopping and speciality comparison goods purchases, where retailers often try to tap into a wider market through an online presence

¹⁰ ‘UK Retail Rankings’, Mintel, April 2018

- 2.23 Secondly, the current uncertainty in the economy has made hard discounters (namely Aldi and Lidl) a more attractive proposition and are particularly thriving given that shoppers are currently having to be 'money savvy'. Discounters have also made efforts to try to compete more directly with the 'big four' supermarket operators, with larger stores, greater ranges, fresh foods and premium products becoming increasingly prevalent. When analysing the performance of Aldi, Retail Economics¹¹ notes that it has 'attacked the heartland of UK grocery' by undercutting the 'big four' with highly competitive prices and investing in more high quality premium produce. In a similar way, Lidl has also adopted an aggressive growth programme relating to its pricing, produce offer and store openings since 2013.
- 2.24 The move towards the middle ground has allowed discounters to secure market share from both superstores and smaller convenience stores. In addition, we note that discount retailers are often happy to trade alongside more upmarket convenience goods retailers (such as Marks & Spencer Foodhall) as, collectively, the two stores can meet many food shopping needs.
- 2.25 The shifts in the sector are illustrated with reference to changes in retailers' market share in recent years. As Table 2.1 sets out, the market share of each of the 'big four' has been consistently eroded in recent years, with Tesco and Morrisons being the subject of the largest percentage point losses. Tesco's market share of the UK grocery market has reduced from 23.7% at 2011 to 21.6% at 2016, and Morrisons' market share reduced from 9.5% to 7.7% over the same timeframe. The greatest beneficiaries have been Aldi and Lidl, with the former's market share more than doubling from 1.9% at 2011 to 5.3% at 2016. Lidl's market share increased from 1.9% to 2.7% over the same period.

¹¹ 'UK Food and Grocery', Retail Economics, September 2015

Table 2.1 | Market Share of Principal UK Grocers

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

Source: UK Food & Grocery Retailer Update, October 2016

- 2.26 As a consequence of the above, the 'big four' grocers have closed some of their loss-making stores and larger stores have accommodated further concessions in order to take floorspace which is no longer required for the operators' main product range. By way of example, Sainsbury's is progressing with plans¹² to open around 250 Argos within Sainsbury's foodstores. Other food superstores have welcomed additional concessions (including day to day services, such as dry cleaning and key cutting).
- 2.27 Discount operators continue to be generally optimistic in respect of their future growth. Aldi announced ambitious expansion plans in 2017, with an aspiration to trade from around 1,300 stores by 2022¹³; a significant increase given it currently trades from 700 stores. Similarly, Lidl has announced that its intention is to open at least one shop a week in forthcoming years¹⁴.
- 2.28 Although one of the more established operators has sought to take on the discounter market with their own operation, namely Tesco with Jack's which opened in its first store in September 2018, this has yet to expand beyond a dozen stores.

Comparison Goods

- 2.29 The comparison goods sector is currently being squeezed by a number of factors, including reduced expenditure growth, the ability of internet shopping to plug gaps in retailer representation, increases in the minimum wage, and business rates changes. This 'perfect storm' has resulted in changes in the

¹² Article headlined 'Sainsbury's pushes ahead with Argos rollout in supermarkets', BBC News online, 13 April 2017

¹³ Article headlined 'Aldi plans to open up to eight stores in some UK towns', The Guardian, 12 May 2017

¹⁴ Article headlined 'Lidl to add 60 new shops a year in ambitious £1.5bn UK expansion plan, The Telegraph, 8 July 2017

structure of retailing on the UK high street and a generally lesser reliance on comparison goods retail. To underscore this, Deloitte reported that 2018 saw the greatest number of retail store closures and job losses since the recession of 2008-2009, with the Centre for Retail Research reporting that 143,100 retail jobs were lost in 2019¹⁵.

2.30 Whilst the sector is continually evolving and there are a number of ongoing success stories (including Primark, Zara, Jack Wills, Joules and Hotel Chocolat), recent headlines have focussed on failing retailers and store closures. High profile retailers that have struggled include:

- a) Mothercare ceased trading in November 2019 with the closure of 79 stores¹⁶
- b) Bonmarche, which went into administration in October 2019, with the closure of 318 stores¹⁷
- c) Karen Millen and Coast announced in August 2019 that all 32 standalone and 177 concessions stores were to close¹⁸
- d) New Look, Debenhams, Marks & Spencer and House of Fraser have been closing a number of stores
- e) Arcadia Group stores, including Topshop, Topman and Dorothy Perkins, announced the closure of 12 stores in January 2020¹⁹
- f) Laura Ashley went into administration in March 2020, resulting in the closure of 150 stores²⁰
- g) Dixons Carphone announced the closure of 531 stores in March 2020²¹
- h) Oasis and Warehouse announced the closure of all their stores with the loss of more than 1,800 jobs in April 2020²²
- i) In April 2020 Debenhams appointed administrators and announced the closure of 7 stores, with the loss of 400 jobs²³.

¹⁵ Article headlined 'High street's survival under threat as lockdown hits stores', The Guardian, 29 March 2020

¹⁶ Article headlined 'Mothercare to cease all UK trading with loss of 2,800 jobs', The Guardian, 5 November 2019

¹⁷ Article headlined 'Fashion chain Bonmarche calls in administrators', The Guardian, 18 October 2019

¹⁸ Article headlined 'Boohoo moves for Karen Millen and Coast but 1,100 jobs at risk', The Guardian, 6 August 2019

¹⁹ Article headlined 'Philip Green's Arcadia closes more stores after tough Christmas', The Guardian, 16 January 2020

²⁰ Article headlined 'Laura Ashley to file for administration as coronavirus takes toll', The Guardian, 17 March 2020

²¹ Article headlined 'Dixons Carphone to close 531 stores, with loss of 2,900 jobs', The Guardian, 17 March 2020

²² Article headlined 'Oasis and Warehouse to close permanently, with loss of 1,800 jobs', The Guardian, April 2020

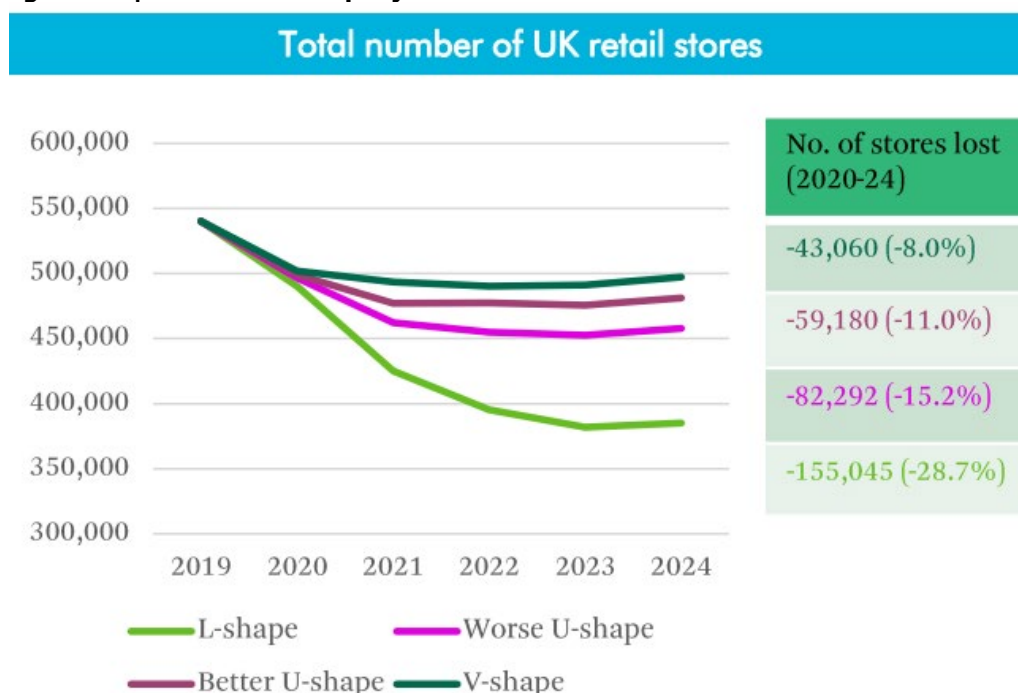
²³ Article headlined 'At least seven Debenhams stores to close with loss of 400 jobs', The Guardian, April 2020

- 2.31 Indeed Intu Properties, one of Britain's biggest shopping centre owners, has similarly announced that it will breach the terms on its debt commitments following a collapse in the rents received from its retail tenants²⁴.
- 2.32 Whilst the loss of some of the above names will have significant repercussions for certain towns (particularly those that lose Marks & Spencer and House of Fraser from their high street in very quick succession), it is evident that a number of struggling retailers have failed to 'move with the times' and update both their offer and accommodation.
- 2.33 This is partly a consequence of retailers struggling to reinvest in their business when margins are tight (or non-existent). In this regard, there has been particular issue in respect of the 'polarisation' of shopping habits, whereby shoppers have increasingly been prepared to travel to access a greater choice of shops and services, effectively visiting centres for the day as a leisure activity. Consequently, larger retail venues (with a sub-regional or regional role) have tended to perform relatively well, but smaller centres (particularly those located in satellite towns around major centres) have struggled. The performance of smaller towns has been particularly affected by the last recession and by internet shopping, which has resulted in some retailers believing that they can cover the UK with a lesser number of stores. It is also evident that certain retailers – including Marks & Spencer, Next and retailers within the Arcadia Group – are prepared to close town centre stores and instead trade out of centre. Such store closures are expected to have less of an impact on neighbourhood centres that tend to be comprised of more independent and small scale retailers.
- 2.34 Whilst such structural changes have had a material impact on the vitality and viability of many UK high streets, there are some beneficiaries. In particular, household discount operators, such as B&M Bargains, Poundland and Wilko, have reoccupied a number of medium to large retail units. However, as evidenced by the recent failure of Poundworld, there is some evidence that this market may be approaching capacity.
- 2.35 More encouragingly, the availability of high street units appears to have helped stoke an entrepreneurial spirit, with a number of centres beginning to benefit from a greater focus on

²⁴ Article headlined 'Intu warns of breach in debt commitments as retail rents collapse', The Guardian, 26 March 2020

independent retailers and also modern markets, which are frequently focussed around food and drink operators.

Figure 2.2 | Local Data Company Scenarios



- 2.36 It remains to be seen what long-term impacts will eventuate from retail closures resulting from COVID-19 containment measures. However, prior the implementation of these measures, trading conditions for retailers were challenging and many retailers were struggling to meet costs, including rents, resulting in a larger number of retailers restructuring or entering administration. This is a daily source of current press headlines.
- 2.37 What is clear is that in all eventualities, it is likely that there will be a continued reduction in the number of shops in the UK. Commentators such as the Local Data Company suggest that this might range between a loss of 11% and 29% of all UK shops over the period 2020 to 2024, as per the various scenarios they explore below. Government must therefore be mindful of how this impacts the traditional high street, and we explore their policy and fiscal approaches to this in more detail in Section 3.

Leisure and Food & Drink

- 2.38 One of the recent high street success stories has been the resurgence of the town centre leisure sector, which has been focussed around new cinemas²⁵ close to the shopping core and, increasingly, a revived markets provision. Leisure operators have become increasingly prevalent in a number of centres as a means of bringing some vacant units back into an active use. Town centre cinema development has successfully underpinned wider mixed-use developments, as food and drink operators are typically keen to locate in close proximity to benefit from spin-off custom.
- 2.39 The importance of independent food and drink operators and modern markets has been exemplified by the success of often referred to examples such as Market House in Altrincham in Greater Manchester, which accommodates six different kitchens, a coffee shop, chocolatier, a wine shop and a bar. The success of Altrincham market has resulted in a resurgence of its town centre as a destination to eat and drink, with many new openings occurring because of the popularity of the market. The confidence in Altrincham as a dining destination has had a beneficial impact on the town's vacancy rate, and also now appears to be helping to attract new retailers to the town. The 'Altrincham model' is beginning to be replicated by other centres, with new or refreshed markets and new food halls being planned in many towns.
- 2.40 The food and drink sector has also been buoyed in recent years by the success of mid-market national multiples, which expanded quickly across the UK. However, there are signs that the 'bubble has burst' and a number of high profile operators have been in financial difficulty.
- 2.41 A number of operators, including Byron, Carluccio's and Jamie's Italian, have entered administration and Chiquitos has announced the closure of 61 out of 80 branches²⁶. Given the problems suffered by such operators, the market has become more cautious and mid-market operators are picking new sites carefully as a result. The number of food and drink operators restricting, closing outlets or entering administration suggest that the market has become increasingly over saturated.

²⁵ Which have been delivered in towns such as Bury, Oldham, Preston and Stockport

²⁶ Article headlined 'Most Chiquito UK restaurants will not reopen after coronavirus lockdown', The Guardian, 26 March 2020

- 2.42 More generally, prior to COVID-19 restrictions, the gym market continues to perform well, with the Leisure Database Company²⁷ identifying that there are now more than 7,000 gyms across the UK, with the fitness market having an estimated value of more than £5bn. The Leisure Database Company suggests that this is a 'golden age of fitness', with around one in every seven Britons having a gym membership.
- 2.43 Budget gyms are currently particularly popular, with operators such as Pure Gym, the Gym Group and easyGym utilising a format that is based on low costs and high volume. Whilst Pure Gym has become the first operator to reach 200 clubs and to pass the one million members mark²⁸, the Gym Group is has reported the fastest rate of growth of any operator.
- 2.44 There are also a number of emerging urban leisure concepts, which are generally supported by larger town centres, including modern 'in centre' bowling alleys (which have tended to have a strong food and drink offer and are pitched at providing an evening out, as much as the family market), indoor climbing centres, and crazy golf.
- 2.45 These concepts help to anchor retail environments and assist centre's in providing differentiation with competing centres. However due to requirements associated with such operators, not least the availability of relatively large spaces, there are physical constraints around the possibility of such operators locating in some centres.

Planning Reforms

- 2.46 As described in previous sections, the Covid-19 pandemic has placed additional pressure on town centres and high streets that are already struggling in the wake of Brexit and changing retailing patterns.
- 2.47 In July 2020, the Government announced a plethora of planning reforms which will have lasting repercussions on how the planning system deals with different uses, including:

²⁷ 'State of the UK Fitness Industry Report', Leisure Database Company, May 2018

²⁸ Article headlined 'State of Industry Report: UK fitness industry worth £5bn, Well to Do: Global Wellness News', 16 May 2018

- Shops, restaurants, gyms, doctors surgeries, nurseries and offices (amongst others) are now combined within a single Use Class (Class E: 'Commercial, Business and Service'); and
- Additional Use Classes F1: 'Learning and non-residential institutions' and F2: 'Local community' have been created, amalgamating a number of previous Use Classes;
- Uses including pubs and bars, takeaways, music venues and cinemas have been removed from the Use Class Order, and are now considered Sui Generis uses.

2.48 In practice, because changes within a single Use Class would not constitute development, this opens up a number of new changes of use that can be made without the need for planning permission, notwithstanding any amendments to frontages and signage. Most notably, within Class E, a large shop can now freely change to a gym, an office, a restaurant, a nursery and any combination thereof.

2.49 The amendments also remove uses such as pubs and bars, takeaways, music venues and cinemas from the Use Class Order, for inclusion as Sui Generis uses. Each will now need planning permission for any changes to their use, providing further protection to valued local facilities (such as pubs) and further controls for town centres against potentially unwanted uses (such as takeaways).

2.50 This new Use Class Order came into force in England on 1st September 2020. All existing Permitted Development rights will be maintained over the next year to 31st July 2021 (defined as the 'material period'). After this point, the government intends to introduce new legislation updating the Permitted Development rights.

2.51 The changes are expected to significantly benefit those who are seeking to quickly repurpose existing town centre uses with certainty, responding quickly to market demands and fluctuations. However, as with all changes of this magnitude, there remains the potential for unintended consequences:

- In addition to introducing flexibility of uses across town centres, the new Use Class Order will also apply in 'out of centre' locations where various changes within Class E will no longer require planning permission;
- There is a lack of clarity on what uses such as hairdressers (formerly Class A1 until September) and nail bars (formerly Sui Generis) fall under, as they could both be described as "services appropriate to provide in a commercial, business or service locality" under Class E.

Differentiating between a restaurant (Class E from September) and a drinking establishment with an expanded food provision (Sui Generis from September) is also open to interpretation;

- It is also unclear precisely how the interpretation of the retail impact test will function within the new combined Class E.

Implications for Tower Hamlets

2.52 Based on our understanding of the Government's response to the COVID-19 pandemic and operators' clear concerns, we believe four potential implications to be of particular relevance to the Study:

- Firstly, the economic climate and the loss of footfall from the high street will mean that some retail and leisure operators will not survive this period. As a consequence, the vacancy rate on many high streets will likely increase. The exception perhaps in this regard is convenience retailers, who are less prone to the impacts of a reduction in discretionary spending.
- Secondly, a recession will likely result in a lesser level of household expenditure, particularly in respect of comparison goods and discretionary expenditure relating to leisure services and eating out. More shoppers are likely to seek value in respect of convenience goods purchases and move from premium retailers (such as Waitrose) to discount operators (such as Aldi and Lidl). Generally speaking, this means that premium operators may lose custom and that the turnover of discount foodstores may further increase.
- Thirdly, an increased number of shoppers are likely to continue to undertake grocery shopping online where the option is available. This will reduce the amount of custom in stores and, as such, reduce footfall in centres anchored by grocery operators. In some cases the impact of internet shopping may be less applicable, particularly where there are a high number of alternative and independent convenience retailers that do not have a major presence online.
- Lastly, the planning reforms that are due to commence on the 1st September 2020 will have an impact on uses in town centres. While for the most part the added flexibility is expected to be positive and assist with Covid-19 recovery, there may be some negative consequences. We discuss these impacts in further detail at Section 7 of this report.

- 2.53 The above trends have consequences for the future provision of retail, leisure and services in Tower Hamlets. It is clear that Tower Hamlets faces many of the same challenges which are prevalent up and down the country. Whilst it has functional retailing, it is clearly not immune from the pressures of internet trade, competition from the retail offer in other local authority areas, and the impacts of national and global economic pressures.

3.0 Literature Review

Introduction

- 3.1 The issues for UK high streets, driven by the trends we discussed in Section 2, has meant that town centres have become a hot topic in recent years and growing pressure requires local authorities to prepare even more comprehensive evidence base documents to support their local plan preparation. The brief requires us to review and summarise the relevant aspects of the existing work undertaken by the three planning authorities on retail needs, provision and trends in the core and wider study area.

LB Tower Hamlets

- 3.2 The documents of relevance to LB Tower Hamlets and as outlined in the brief, include:
- Town Centre Retail Capacity Study (2016);
 - Town Centre Retail Capacity Study – Appendix 13: Shopping Frontage Recommendations;
 - Town Centre Retail Capacity Study – Executive Summary;
 - Town Centre Strategy 2017-2022 (2017);
 - Topic Paper: Town Centres (2018);
 - Retail Impact Threshold Study (2018).
- 3.3 LB Tower Hamlets adopted their new Local Plan in January 2020 and is therefore supported by a relatively up to date evidence base. The key documents of importance to this study are the Town Centre Retail Capacity Study (2016) prepared by Carter Jonas and the Town Centre Strategy 2017-2022 prepared by Tower Hamlets.
- [Town Centre Capacity Study \(2016\)](#)
- 3.4 Carter Jonas was commissioned by LB Tower Hamlets in March 2016 to prepare a Town Centre Capacity Study for the area. The purpose of the Study was to help inform both plan-making and decision-taking across the Borough. An assessment of need (or capacity) for new retail floorspace

was carried out as part of the Study to help inform the likely scale, type, location and phasing of new retail development over the short, medium and long term. As part of the Study, a telephone survey of 899 households conducted by NEMS Market Research (NEMS) in May 2016. Household surveys provide the most up-to-date and robust evidence on shopping patterns, leisure preferences and expenditure flows within the Study Area. In turn, data collected is used inform calculations of quantitative ('capacity') and qualitative need assessments for new retail (convenience and comparison goods) floorspace.

- 3.5 Through the household survey results, market shares are derived and relate to the distribution of retail expenditure across different centres within and outside of the borough. Figure 3.1 sets out the convenience and comparison goods market shares for the main centres in the Borough.

Figure 3.1 | Convenience and Comparison Goods Market Shares – Town Centre Capacity Study 2016 (Carter Jonas)

Convenience and Comparison Goods Market Shares

Centre	Convenience Goods	Comparison Goods
Canary Wharf Major Centre	6.1%	3.1%
Bethnal Green	5.2%	1.2%
Brick Lane	0.3%	0.2%
Bromley by Bow	5.7%	1.0%
Chrisp Street	1.9%	1.2%
Crossharbour	11.1%	3.1%
Roman Road East	2.4%	0.6%
Roman Road West	0.2%	
Watney Market	2.9%	0.4%
Whitechapel	11.0%	4.5%
Neighbourhood Centres	11.0%	2.6%

Note: Combined comparison goods market share only available for Roman Road East and West

- 3.6 In summary, Canary Wharf, Crossharbour, and Whitechapel are the dominant centres in terms of retail market share and corresponding centre turnover. Whitechapel and Crossharbour attract the greatest proportion of convenience expenditure, which is largely supported by the presence of a major foodstore in each centre. Importantly, neighbourhood centres make up a strong proportion of the overall market share for convenience goods. Whilst this is split across a number of neighbourhood centres throughout the Borough, it is evidence to the fact that neighbourhood centres are an important assets in terms of providing accessible convenience options.

- 3.7 Of the centres identified in the market share table, Chrisp Street is the only centres that are located (partially) within the AAP core area, with market shares of 1.9% for convenience goods and 1.2% for comparison goods. While these market shares are low by comparison to other centres in the Borough, they are reflective of the size and offer of Chris Street as a district centre. Bromley by Bow is also located within the wider area of the AAP.
- 3.8 Chrisp Street has been the subject of major regeneration proposals including new housing, high street and street market improvements, and promotion of the leisure economy. Carter Jonas identified that the street market is a key focal point for the centre and has been the focus of much investment over the years. Further investment in the market is planned as part of the town centre wide regeneration proposals promoted by Poplar HARCA.
- 3.9 Of the centres located in the Core Area for the current Retail Needs Assessment, Aberfeldy Street and Devons Road were assessed for vitality and viability in the Audit of Neighbourhood Centres. Carter Jonas concluded:

3.10 **Aberfeldy Street:**

...has approximately 22 units and is a 1960s purpose-built centre with retail on the ground floor and residential uses on the first and second floors. There are three convenience stores including Rainbow Supermarket. There is also a pharmacy, three takeaways, youth club, mosque/cultural centre and a bed shop. The centre has seven vacant units which is equivalent to a vacancy rate of 31.81% which is significantly above the national average. The public house which was located at the southern end of the street is vacant and currently being redeveloped.

3.11 **Devons Road:**

...is located to the east of the borough nearby to Stroudley Walk and Bromley by Bow. The centre has approximately 13 units including three convenience stores, two takeaways, one café and two betting shops (Coral and William Hill). The units are located along the Devons Road approach to the DLR station which is situated within the neighbourhood centre boundary; units along the eastern side of the road are set back from the street and arranged in a 1960s style purpose-built pedestrianised shopping parade with residential uses above whereas the four units on the other side of the road resemble typical shop units are not set back from the road.

Further to the northeast of the centre is the Devons Road DLR station and the surrounding area is currently the focus for regeneration. Merchants Walk is a development of 259 new build homes. Much of this area was currently undergoing development, or comprised of industrial uses.

- 3.12 Health checks were not undertaken for either London City Island or Caspian Wharf as those centres did not exist at that point. A health check for St Leonard's Street was also not carried out due to the centre being a small neighbourhood parade.
- 3.13 In their Study, Carter Jonas reviewed the commercial leisure provision in the Borough, using the household survey to confirm whether there was likely to be capacity for additional leisure activities in the future. The household survey identified that eating out and going to the cinema were the most popular leisure activities, which pointed to there being potential to enhance the overall offer in the Borough's main centres. Other popular activities across the Borough included cultural activities and the arts, visit gyms and health facilities are popular, alongside drinking out at pubs and nightclubs and family entertainment activities.
- 3.14 The Study concluded that there was potential demand for eating and drinking out and this would help to enhance each centre's day and evening time economies, particularly where provision was already under served.

Town Centre Strategy 2017-2022

- 3.15 The Town Centre Strategy was prepared by the Council in 2018. The focus of the Strategy was to attract investment into the borough, to exploit the success of the borough's street markets, support enterprise, manage the night time economy, reduce vacant units, and impact on the make-up of the Town Centre in order to improve competitiveness and create healthy, vibrant and sustainable places.
- 3.16 The Study acknowledges that Tower Hamlets is unique in the composition of its retail offer, in that it contains a large number of independent retailers and relatively few major retailers. The independent retail market has shown to have a greater resistance to major shifts in shopping habits, and smaller convenience units have generally managed to keep afloat amid general retail uncertainty.

- 3.17 The Study identified that street markets in the borough are an important attractor of many visitors, including local, national and international, and enhance the local footfall in many parts of the borough. There is room for improvement in markets, offering a more diverse offer, exploring new market opportunities, investing in new stalls and attracting new traders.
- 3.18 Key issues for local residents and customers who currently use Town Centres (when they were surveyed as part of developing the evidence base for the Strategy) included cleanliness and refuse collection, anti-social behaviour, accessibility and way-finding. These need to be addressed as we prioritise and identify the funding required delivering the priority areas identified in this Strategy.
- 3.19 As part of the Study, each of the major and district centres were analysed in partnership with the Association of Town and City Management and the Retail Group and recommendations around short and medium term milestones were identified.
- 3.20 The Study noted that Chrisp Street centre appeals to a local consumer base that walk to the centre on a frequent basis to buy day-to-day retail goods and services.
- 3.21 The Study also concluded that given the lack of typical town centre uses and components, Bromley by Bow does not currently fulfil the role of a District Centre.

Topic Paper: Town Centres (2018)

- 3.22 The topic paper was prepared in response to a number of representations relating to chapter 6 of the Tower Hamlets Local Plan (Revitalising our town centres), which were raised at the regulation 19 consultation for the Tower Hamlets Local Plan. The paper was produced to accompany the submission of the Local Plan to the Secretary of State before undergoing public examination. The scope of the paper included:
1. The locally defined threshold for assessing the impact of retail developments outside of town centres and the application of the National Planning Policy Framework tests
 2. Approach to betting shops
 3. Approach to hot-food takeaways
 4. Approach to addressing the need for short-stay accommodation.

Retail Impact Threshold Study (2018)

- 3.23 In 2018 Carter Jonas prepared a Retail Impact Threshold Study on behalf of LB Tower Hamlets. The purpose of the Study was to provide advice on the appropriateness of adopting a local floorspace threshold for the purposes of applying the retail impact test in line with the National Planning Policy Framework (NPPF) (as per Paragraph 26 of the NPPF). As part of the Study, eight centres were selected for review. The centres selected were considered to best represent the different offer, characteristics, role and function of all the centres in the Council Area. Of relevance to the current Retail Needs Assessment, Devons Road Neighbourhood Centre was selected for review.
- 3.24 The Study concluded a locally set impact threshold of 200 sq m gross should be adopted and the authors recommended that one single, consistent threshold would be appropriate across the Borough, for reasons of simplicity and transparency, as well as being supported by the evidence.

LB Newham

- 3.25 The documents of relevance to LB Newham and as outlined in the brief, include:
- Town Centres Evidence Base Update (2019);
 - Town Centres Evidence Base (2015);
 - Local Centres Evidence Base (2015);
 - Local Shopping Parades Evidence Base (2015);
 - Newham Town Centre and Retail Study: Update 2016;
 - Newham Town Centre and Retail Study: Update 2016 Appendices.
 -
- 3.26 Centres of relevance (in the Wider Area) to the Retail Needs Assessment and as identified in the brief, include:
- Canning Town District Centre;
 - West Ham Memorial Local Shopping Parade.

Town Centre Evidence Base (2015) and Update (2019)

- 3.27 The purpose of the Town Centre Evidence Base document (2015) was to determine town centre boundary and Primary Shopping Frontage options for the Borough's town centres. In 2015 Canning Town District Centre was assessed and no amendments to the existing town centre boundary were recommended. At the time, the centre was involved in major regeneration, and parts of the assessment were considered to be redundant.
- 3.28 The purpose of the update in 2019 was to provide additional evidence to support the then proposed Local Plan policy. The update involved undertaking surveys of six town centres in the Borough, including Canning Town District Centre.
- 3.29 The survey concluded that Canning Town's Primary Shopping Frontage had been transformed by the Rathbone Market redevelopment that delivered a new market square and redefined shopping frontages. As the transformation of the area was comprehensive and relatively recent, vacancy rates were high. Further supporting retail uses were acknowledged as being important to achieving a robust retail core. The survey also identified that there was a healthy mix of leisure uses within the centre but that the offer was more limited than some other centres in the Borough.

Local Shopping Parades Evidence Base (2015)

- 3.30 The purpose of the Local Shopping Parades Evidence Base document (2015) was to review the Local Shopping Parades and their contribution to the Borough. Of relevance to the current Retail Needs Assessment is the review of the West Ham Memorial Parade which falls within the Wider Area of the AAP. At the time of the survey, the centre was comprised of 7 units. The area was considered 'inadequate', however it was acknowledged that the centre served a purpose for the local community.

Newham Town Centre and Retail Study: Update 2016

- 3.31 GVA prepared the Newham Town Centre and Retail Study Update in 2016. The original Study was prepared in 2010. For the update, new household survey data was used. Detailed on site audits of six centres were also completed.

- 3.32 Conclusions were drawn about the state of Canning Town’s performance as a retail centre, however these were heavily caveated as at the time Canning Town was undergoing major strategic redevelopment. GVA recommended that detailed health checks, new survey work and audits be commissioned following completion of the majority of the regeneration scheme.

London Legacy Development Corporation

- 3.33 The documents of relevance to London Legacy Development Corporation (LLDC) and as outlined in the brief, include:

- Combined Economy Study Part C: Retail and Town Centre Needs Study (2018);
- Economy Background Paper (2018).

- 3.34 Centres of relevance (in the Wider Area) to the Retail Needs Assessment and as identified in the brief, include:

- Bromley by Bow Potential District Centre.

Combined Economy Study Part C Retail and Town Centre Needs Study (2018)

- 3.35 Carter Jonas was commissioned by the LLDC to assess the quantitative and qualitative need for new retail and leisure floorspace and uses in the LLDC area including the wider Stratford Metropolitan Centre. A health check of Bromley by Bow was included in the Study.
- 3.36 The Study also assessed the potential retail floorspace capacity for the LLDC area of the short, medium and long term. Limited convenience capacity was identified in the short term for either convenience retailing. On the convenience front, the Study identified that by 2036, capacity of between 3,570 sq m net and 5,712 sq m net would emerge, and could therefore support two smaller format superstores or up to four to five additional Aldi or Lidl type of stores. For comparison goods, the Study concluded that capacity was forecast to emerge by 2026 of 20,048 sq m net; 50,180 sq m net by 2031 and 79,852 sq m net by 2036.
- 3.37 The Study noted that Bromley-by-Bow is a potential future district centre within the boundary of the LLDC area as at the time of the Study it was not functioning as a centre. The broader LLDC vision is

to regenerate the area and to expand town centre uses as well as the addition of a new primary school, community facilities and public open spaces. As was identified in the Tower Hamlets Town Centre Capacity Study, at the time of the Study, Bromley by Bow did not have a functioning town centre due to the absence of a mix of town centre uses and the nature of its catchment.

3.38 The Study concluded the following for Bromley-by-Bow:

Development at Bromley-by-Bow (future District Centre) should focus on its location, accessibility and potential for developing its residential development and catchment in a high quality public realm. The commercial provision will be primarily convenience led with potential for up to 5%-10% of the identified comparison goods capacity.

Economy Background Paper (2018)

3.39 The Economy Background Paper sets out the rationale for the changes proposed; highlighted and discussed key issues; and explained how the Legacy Corporation responded to the change of emphasis within the Mayor's draft New London Plan.

3.40 In relation to Bromley-by-Bow, the paper concludes:

This principle of a district centre at Bromley-by-Bow was first posed within the Tower Hamlets Retail and Leisure Capacity Study (2009) and has been a major aspiration for the area since. Despite permission being granted in 2010 for the redevelopment including an expanded foodstore the Compulsory Purchase Order of the site was not confirmed and therefore the proposal did not take place. A landowner-led Masterplan for the wider site was developed in 2016 and forms an Annex to the Bromley-by-Bow SPD. This sets out how the requirements of the site allocation could be met and includes a significant amount of town centre retail which would form part of the district centre. Subsequently two permissions have been granted (17/00344/FUL; 17/00364/FUL) which together provide over 3,000 sqm of retail floorspace. The Retail and Town Centre Needs Assessment (2018) recommends that between 5% and 10% of the identified comparison goods capacity should be provided at this location (4,000-8,000sqm) whereas 80% of the convenience floorspace should be provided within the four lower tier centres at approximately 2,856-4,570sqm. As a higher tier centre Bromley-by-Bow could reasonably absorb half of this floorspace which could equal one or two smaller discount

retailers of a smaller format retail store. This would total around 5,428-10,285 sqm of retail floorspace. The CES also identified potential for new community 13 floorspace or a new smaller cinema offer which could be supported at this location. This form of delivery within the centre is in line with the London Plan's definition of a district centre and states that they typically contain 10,000–50,000 sq m of retail, leisure and service floorspace.

4.0 Business Surveys

Local Business Interviews

- 4.1 It was recognised as part of this study that gaining an understanding of market activity and demand from retail and leisure operators would be helpful in informing the study's recommendations. Given the nature of the area, the properties and operators within it, it was considered appropriate to undertake business interviews in person such that the operators could be spoken with directly, where available.
- 4.2 AspinallVerdi visited the area on Tuesday 21st July 2020 and visited all of the centres identified in the study area. The following questions formed the basis of a conversation with available operators:
- 1) Ignoring the current crises how have trading conditions been in general?
 - 2) Do they consider that the accommodation that they have is suitable – would they want more or less space?
 - 3) With respect to demand from other businesses (for accommodation) do they consider the location to be a good place to trade from?
 - 4) Are there businesses that they would like to see which could be complementary to theirs – which could improve trade/footfall?
 - 5) What could be done in the immediate environment which could help to improve trade?
- 4.3 We take each of the above and set out some findings in the following section.
- 4.4 It should be stressed that the sample size is small and that the discussions which have taken place provide anecdotal evidence. We would also stress that in some instance's discussions have taken place with employees rather than business owners. A number of businesses visited did not have the owners present. A total of five discussions took place, roughly one unit per location.
- 4.5 An obvious challenge was the social distancing measures and the space available in shops where customers and staff were present.

Ignoring the current crises, how have trading conditions been in general?

- 4.6 All the businesses were satisfied with trading conditions and suggested that the current crises has, to some extent, boosted their trade. One operator did mention that they were concerned with the confidence and security of incomes that some of the customers have, and this may affect business going forwards.

Do they consider that the accommodation that they have is suitable – would they want more space?

- 4.7 Four of the businesses that were visited were food retailing business with a wide range of offer, some with meat preparation within the store too. In most instances the operators did say that if they could have more space that they would – however units are scarce.
- 4.8 One of the businesses which was a service business had sufficient space and was satisfied. The business visited at Aberfeldy is looking to expand and considered that the lack of space for them was a constraint in terms of what stock they can hold and how well it is presented. They mentioned that discussions were taking place in terms of an additional unit.
- 4.9 Traders liked their locations within parades, even where there are competitors, as they considered that this attracted more shoppers. Larger units could be attractive to operators; however, the affordability of such units would need to be considered too.

With respect to demand from other businesses (for accommodation), do they consider the location to be a good place to trade from?

- 4.10 In keeping with the responses which were received in the discussions above, it is clear that they consider that the premises and locations are good trading locations.
- 4.11 Two of the operators spoken with were clearly interested in further business opportunities and would be interested in more accommodation. One of the interviewees did mention that the cost of accommodation is an issue for certain types of traders – he used the example of barbers who can struggle to have viable businesses due to the costs of occupation vis-à-vis the charges that they can

levy on their customers. Affordability of space is to some extent linked to the incomes within the catchment.

Are there businesses that they would like to see which could be complementary to theirs – which could improve trade/footfall?

- 4.12 Most respondents found this a challenging question to answer.
- 4.13 Two of the respondents did echo the comment made earlier, that making sure that the locations have operators providing a mix of services is a good thing as that attracts shoppers. One of the respondents did stress that more 'service type' operators would be good drivers of footfall. From our site visit it is clear that there is a greater provision of retailing and limited services provision.

What could be done in the immediate environment which could help to improve trade?

- 4.14 As with the response to the proceeding question many found this difficult to answer.
- 4.15 Three respondents did mention car parking as an issue. One considered the availability that was present near their shop (Aberfeldy) as very important. Others (Devons Road) said that they could do with better parking provision – whilst acknowledging how difficult this could be. Passing trade was considered to be a key source of business and easing this would be helpful.

Property Market Context

- 4.16 AspinallVerdi have undertaken some initial property market research²⁹ to explore the availability of accommodation within the study area. We have only been able to identify eleven available units within the area, excluding the units which are currently available at London City Island. The size range of these units is 644 sq ft to the largest at 1,388 sq ft. Clearly this indicates limited supply of accommodation at the present time (this could change as the Covid-19 crises progresses).

²⁹ A search of Co-Star, Radius Data Exchange and Rightmove has been undertaken.

- 4.17 Given the general secondary nature of the locations, often availability is not advertised across platforms such as CoStar and Radius Data Exchange, hence we have examined Rightmove which has a specific commercial element. Often local agents and landlords will secure occupational interest from local networks and hence bypasses these databases.
- 4.18 The range in terms of rental values tends to be in the order of £15.50 to £26.00psf overall. The majority of the units are second-hand, however the Lock Studios development is marketing some new units which are 735 and 899 sq ft respectively.
- 4.19 Location of units will be a key consideration to operators and in terms of their suitability for different types of operations.
- 4.20 Discussions have taken place with local property agents and they have advised:
- “Secondary shops have been very popular at this moment in time.” Units have been letting within 2-3 months of coming onto the market;
 - Interestingly the comment above is focussed on retail and they have commented that there is less demand from leisure operators;
 - The size that appears to be most popular is 500-1,500 sq ft from retail operators. This is not to say that larger units would not be in demand – it can come down to location/aspect;
 - Demand generally comes from independents and new start-ups;
 - In terms of the quality of units one of the agents has commented that “white box” units could be popular due to the ease of getting started. White box units are generally described as those where the interior condition is either new, or recently refurbished with a basic internal fit-out which enables operators to commence trading quickly without significant investment in fit-out.
- 4.21 The comment above in terms of independents and start-ups is an important consideration in terms of new developments. Developers tend to focus on maximising returns and reducing risk and therefore may be resistant to the provision of smaller units as the perceived risk is high.
- 4.22 With respect to the relatively affordability of units (rental levels) this is dependent upon a range of factors which will include size, the level of demand and location. We would anticipate that demand will remain for these locations and therefore whilst rents may be under pressure in city and town centres it is likely that rents will remain relatively resilient in this location if supply remains limited.

5.0 Retail Capacity Observations

Introduction

- 5.1 We begin by identifying below how we assess the current population and available retail expenditure within a defined Study Area, as well as the methodology for forecasting the available expenditure across the Study period.
- 5.2 This data has informed our quantitative model of available retail capacity in the Study Area, along with the NEMS Market Research household telephone surveys. All of our tabulations are set out in full at **Appendix C**.

Household Telephone Survey

- 5.3 Household Surveys are recognised across the retail industry, and within planning policy guidance, as a robust means of understanding where people within a specified area carry out their spending, and why. We utilise the results of a Household Telephone Survey to inform our quantitative analysis of the turnover of specific retailers, centres and other destinations, as well as its qualitative findings on attitudes and perceptions of different centres.
- 5.4 It is important to identify a Study Area that covers the key area of interest (in this case, the 'East of the Borough Area' itself).
- 5.5 This Study Area is shown on the plan at Figure 5.1 below, and at **Appendix A**. The Study Area is defined by postal sector geography in order to allow analysis by sub-areas (or 'Zones'), and to allow the market research partner to obtain accurate samples.
- 5.6 In this instance, we sought to use a similar Study Area as was used in the 2016 Town Centre Retail Capacity Study, to enable direct comparison.
- 5.7 Zone 8 broadly matched the East of the Borough Area, and Zones 1, 6, 7 and 9 extend beyond the East of the Borough Area in order to ensure that we get an understanding of any inflow of trade from surrounding residents.

Figure 5.1 | Survey Area Zones

Tower Hamlets Retail Needs Assessment Study Area

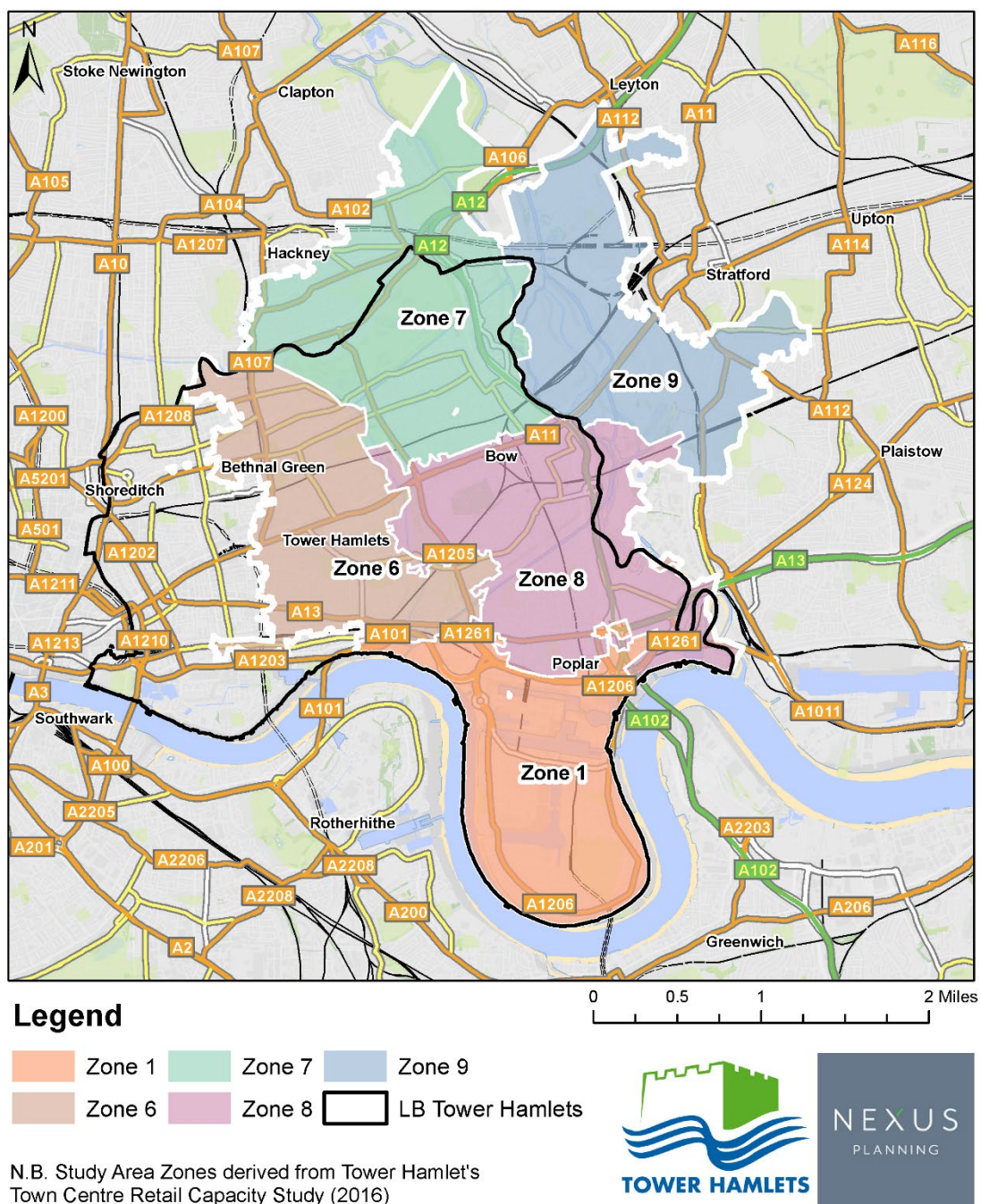


Figure 5.2 | Definitions of Survey Area Zones

Zone	Postal Sectors
1 Isle of Dogs area	E14 3, E14 4, E14 5, E14 8, E14 9
6 Stepney area	E2 9, E2 0, E1 4, E1 3, E1 0, E14 7
7 Roman Road area	E9 5, E9 7, E3 5, E3 2
8 Chrisp Street area	E14 0, E14 2, E14 6, E3 3, E3 4
9 Stratford/ Canning Town area	E15 2, E20 1, E20 2, E15 3

Study Area Zone definitions by Postal Sector

- 5.8 Accordingly, we instructed NEMS Market Research to conduct a Household Telephone Survey of 300 representative households across the Study Area in July 2020 (Appendix B). Additionally, to supplement the telephone interviews, NEMS undertook approximately 10% of interviews (aimed at the younger age groups who are increasingly more difficult to reach via a landline telephone) through Door-to-Door Surveys. At the beginning of NEMS Market Research's report is a full description of the research methodology, sampling size, weightings and sample profiles. Having worked with NEMS on more than 30 similar studies over the past few years, we are content that their methodology is robust in the eyes of a range of Inspectors at EIP and provides an accurate snapshot of market share information at the point of survey.

Study Area Population

- 5.9 Having defined the Study Area, we extrapolate the latest population data for each zone using Experian census software (MicroMarketer G3, 2018 reports). This data is based on the latest mid-year estimates for the postcode sector geography of the Study Area (2018).
- 5.10 We present our population projections on a Zone-by-Zone basis in Figure 5.3 below.

Figure 5.3 | Population Projections across the Study Area

Zones	2021	2026	2031
1 Isle of Dogs area	58,448	62,202	65,107
6 Stepney area	83,124	88,064	92,489
7 Roman Road area	64,157	67,877	70,950
8 Chrisp Street area	77,686	86,873	91,471
9 Stratford/ Canning Town area	43,614	45,133	46,408

Total	331,628	379,526	410,816
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Appendix C, Table 1

- 5.11 Across Zones 1, 6, 7 and 9, we utilise Experian MMG3's population forecasts derived from ONS population projections.
- 5.12 However, in order to suitably account for the planned population growth across the East of the Borough Area (equating to Zone 8), we adopt a more bespoke approach. Applied to the 2018 Experian base population figure for Zone 8, we have projected forwards using the latest planned housing developments (Property & Land Audit, April 2020), accounting for changes in household formation (Experian MMG3) and the proportion of new movers (Census 2011).

Retail Expenditure Forecasts

- 5.13 Retail expenditure data (in the form of convenience and comparison goods expenditure per capita) has been sourced from our in-house Experian MicroMarketer G3 system.
- 5.14 The data takes account of the socio-economic characteristics of the local population to provide local consumer expenditure calculations. Experian is a robust source of population and expenditure data that is widely used for calculating retail capacity across the industry. Expenditure data from Experian is provided in 2018 prices (as is every subsequent monetary value) and has been projected forward using per capita growth forecasts derived from the latest Experian Planner Briefing Note 18 (October 2020).

Figure 5.4 | Experian Retail Expenditure Forecasts

Year	Convenience growth rates	Comparison growth rates
2018	1.0%	3.4%
2019	-0.9%	4.3%
2020	8.4%	-8.5%
2021	-6.2%	6.5%
2022	0.2%	3.8%
2023	0.0%	3.6%
2024	0.1%	2.9%
2025	0.1%	2.8%
2026	0.0%	2.9%
2027	-0.1%	2.9%
2028	0.0%	2.8%
2029	0.0%	2.9%

2030	-0.1%	2.9%
2031	0.0%	2.9%

Table 1a, Experian Retail Planner Briefing Note 18, October 2020

- 5.15 As identified in Figure 5.4, Experian forecasts suggest that convenience goods expenditure will grow by just 1.0% in 2018, falling over the next few years before levelling off to a very conservative average of 0.0% per annum over the period 2022-2031. This is largely as a result of a trend towards more price conscious shopping patterns, a response to social distancing measures and the ongoing growth of high street discounters such as Lidl and Aldi, as discussed in further detail in Section 2.
- 5.16 Comparison expenditure is shown to have risen by 3.4% in 2018, rising to 4.3% in 2019, before falling to a negative rate of -8.5% in 2020 as weakened incomes, consumer confidence and social distancing (both enforced and voluntary) weighs on consumer spending.
- 5.17 A recovery is expected to emerge as restrictions unwind over the course of 2021, with Experian forecasting a levelling off of steady growth at 2.8%-2.9% per annum over the period 2024-2031, as comparison retailers incorporate newer technologies, innovations and formats (including 'click and collect') in order to respond to the increasing competition from internet shopping.
- 5.18 Experian note that long-term forecasts should be treated with caution and subject to regular reviews, given the wide range of factors that can influence the broader national economy, particularly in the current circumstances. These forecasts relate only to the growth in expenditure at 'bricks and mortar' premises. We deal separately with the internet (or 'special forms of trading') below.

Non-Store Retailing or Special Forms of Trading

- 5.19 Special forms of trading (SFT) are defined by Experian as sales via the internet, mail order, stalls and markets, vending machines, door-to-door and telephone sales, including online sales by supermarkets, department stores and catalogue companies and are discussed in detail in 'Growth in E-Tailing (or E-Commerce)' in Section 2.
- 5.20 Experian Retail Planner Briefing Note 18 (October 2020) provides estimated forecasts of internet and other SFT, which allows for us to 'strip out' any expenditure that survey respondents suggest is made by SFT and instead utilise Experian's forecasts. This ensures that the proportion of SFT accounted for in our modelling increases in line with Experian forecasts, as opposed to remaining constant.

- 5.21 Many stores offer online sales, but source goods from regular stores' stock, as is often the case for foodstores where employees will pick online orders from stores' shelves before, during or after opening hours. These orders are then delivered by dedicated vans at each store and as such, the online expenditure is attributed to tangible stores. Experian provides 'adjusted' Figures, cited above at Figure 5.5, which make an allowance for these online sales derived from individual stores to ensure that the expenditure is counted as 'available' spend within the Study Area.

Figure 5.5 | 'Adjusted' Special Forms of Trading Market Share Forecasts

Year	Adjusted Convenience SFT	Adjusted Comparison SFT
2021	5.4%	21.8%
2026	6.3%	25.2%
2031	6.9%	27.2%

Experian Retail Planner Briefing Note 18, October 2020, Appendix 3

Convenience Goods Expenditure

- 5.22 We then project forward available expenditure per capita and population growth for each survey Zone in 2021, 2026, and 2031, in order to estimate the total available convenience goods expenditure under each growth scenario.
- 5.23 In Figure 5.6 we consider the convenience goods expenditure generated by residents of the Study Area.

Figure 5.6 | Total Available Convenience Goods Expenditure

Zone	2021	2026	2031	Growth 2021-2031
1 Isle of Dogs area	£129.1m	£136.6m	£142.0m	£12.9m
6 Stepney area	£121.6m	£128.1m	£133.6m	£12.0m
7 Roman Road area	£114.9m	£120.8m	£125.4m	£10.5m
8 Chrisp Street area	£119.8m	£133.2m	£139.3m	£19.4m
9 Stratford/ Canning Town area	£78.0m	£80.2m	£81.9m	£3.9m
Total	£563.4m	£598.9m	£622.1m	£58.7m

Appendix C, Table 2a

- 5.24 For the purpose of the Study this total available convenience expenditure is split across two sub-categories, with 75% of spending attributed to main food shopping trips and 25% attributed to 'top-up' shopping trips.

Comparison Goods Expenditure

- 5.25 Experian provides comparison goods expenditure divided into eight sub-categories to allow for more detailed investigations of available expenditure. Bulky goods categories include 'DIY', 'Electrical' and 'Furniture', while non-bulky goods are made up of 'Books, CDs and DVDs', 'Chemist Goods', 'Clothing & Footwear', 'Small Household Goods' and 'Toys and Recreational Goods'.

Figure 5.7 | Total Available Comparison Goods Expenditure

Zone	2021	2026	2031	Growth 2021-2031
1 Isle of Dogs area	£162.8m	£194.1m	£228.3m	£65.5m
6 Stepney area	£172.8m	£205.1m	£242.0m	£69.2m
7 Roman Road area	£174.9m	£207.3m	£243.5m	£68.6m
8 Chrisp Street area	£190.9m	£239.2m	£283.1m	£92.1m
9 Stratford/ Canning Town area	£123.1m	£142.8m	£164.9m	£41.8m
Total	£824.5m	£988.5m	£1,161.8m	£337.3m

Appendix C, Table 8

- 5.26 Applying the increases in population and comparison goods expenditure per capita, Figure 5.7 estimates that the Study Area will experience increases in spend of over three hundred pounds across the period 2021-2031.

Convenience Goods Findings

- 5.27 Our base population and expenditure data is then utilised, in conjunction with our analysis of the market shares of retailers across the Study Area, to inform our analysis of retail and leisure expenditure capacity.

Market Shares

- 5.28 Before considering the capacity for new convenience goods floorspace, we firstly examine below the market shares achieved by key individual stores and locations, as well as the Study Area as a whole.
- 5.29 Figure 5.8 sets out where the Study Area's residents carry out their convenience goods spending, which is often termed as the 'retention rate'. 58.9% of all of the Study Area's residents spending is

carried out within Tower Hamlets, which we would suggest is somewhat low.

- 5.30 Nonetheless, 47.0% of all convenience goods spending is directed towards stores within town centres (defined as including designated town, district and neighbourhood centres). This equates to 79.7% of all spending within Tower Hamlets, which demonstrates the strength of the town centre designations and the lack of out of centre competitors within the Study Area.
- 5.31 41.1% of the Study Area's residents' convenience goods spends 'leak' to destinations outside of Tower Hamlets, though it is notable that Zone 9 is located entirely outside of the London Borough of Tower Hamlets' boundaries.

Figure 5.8 | Convenience Goods - Market Share (%) by Store

Destination	Market Share	Turnover
Town Centre Stores	47.0%	£264.7m
<i>Edge of Centre Stores</i>	<i>10.5%</i>	<i>£59.3m</i>
<i>Out of Centre Stores</i>	<i>1.4%</i>	<i>£8.1m</i>
Tower Hamlets Sub-Total	58.9%	£332.1m
Newham	21.5%	£120.9m
Hackney	7.9%	£44.7m
LLDC	6.8%	£38.4m
Others	4.9%	£27.4m
Leakage Sub-Total	41.1%	£231.4m
Total	100.0%	£563.5m

Appendix C, Tables 3 & 4

- 5.32 Turning to individual retail destinations, where national company averages are available for benchmarking purposes, we are able to compare turnover to the turnover of an average store of that size in order to identify where facilities may be trading over or below expectations.
- 5.33 We set out the six largest convenience store destinations (by survey turnover) in Figure 5.9, below.

Figure 5.9 | Convenience Goods – Turnover Benchmarking

Destination	Benchmark Turnover (£m)	Store Turnover from Study Area	
		Survey Turnover (£m)	Over / Under Trading (%)
Asda, East Ferry Road, Isle of Dogs	£54.7m	£93.5m	£38.8m
Waitrose, Canada Square, Canary Wharf	£64.3m	£37.7m	£0.0m*
Lidl, Burdett Road, Limehouse	£9.8m	£24.0m	£14.2m
Tesco Metro, Bethnal Green Road, Bethnal Green	£20.0m	£21.6m	£1.6m
Sainsbury's Superstore, Mile End Road, Whitechapel	£48.9m	£21.4m	-£27.5m
Tesco Metro, Vernon Road, Bow	£19.0m	£21.2m	£2.2m
<i>Others in Tower Hamlets</i>	<i>£168.0m</i>	<i>£112.7m</i>	<i>-£32.5m</i>

Total	£384.7m	£332.1m	-£3.2m
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Appendix C, Table 5

* Under-trading identified for stores in Canary Wharf is considered to be accounted for by 'inflow' of spending by commuters

- 5.34 As highlighted in Figure 5.9, we do not identify an over-trading or under-trading position for the Waitrose in Canada Square, as the stores within Canary Wharf are considered to attract a significant level of additional spending from commuters not accounted for by the household survey.
- 5.35 Whilst a number of stores are shown to be over-trading, the Asda (Isle of Dogs) and Lidl (Limehouse) are shown to be trading significantly above company averages, which shows their relative popularity and lack of significant competition within their local catchments. On the other hand, the Sainsbury's at Whitechapel is found to be trading significantly below expectations, suggesting a greater degree of local competition (such as the Asda store within the Anchor Retail Park in Stepney Green, which is also found to be undertrading).

Convenience Retail Capacity

- 5.36 One of the key aims of this Study is to provide recommendations on the capacity for new retail floorspace over the plan period to 2031. The use of long-term projections should be treated with caution and reviewed regularly in order to test the accuracy of the forecasts against emerging datasets. External national and international factors can influence the wider performance of the economy, which can have trickle down effects on local shopping patterns. As discussed in Section 2, one such example has been the trend toward convenience discounters (such as Lidl and Aldi) in response to the period of economic downturn between 2008 and 2013, as well as the more recent economic implications of the United Kingdom leaving the European Union and the social distancing and lockdown measures necessitated current COVID-19 pandemic.
- 5.37 Importantly, we also note that any quantitative retail capacity that we may identify across the Study Area does not necessarily equate to justification for new retail floorspace in itself (especially in out-of-centre locations), and any such development would be required to be assessed in line with NPPF policy in terms of impacts on the vitality and viability of town centres, the potential to prejudice emerging town centre developments, and the 'town centre first' sequential approach to site selection. Equally, the converse also applies and a lack of identified capacity should not specifically rule out retail developments, where other material factors support such development.

- 5.38 Detailed quantitative retail capacity tables are enclosed at **Appendix C**.
- 5.39 Retail capacity modelling follows a consistent, robust methodology which incorporates a number of datasets and informed assumptions which we describe further below, but broadly speaking:

Available Expenditure (£m) - Turnover of existing & proposed (£m) = Surplus or Deficit (£m)

- 5.40 Experian MMG3 census software is used to provide localised expenditure per capita per annum for various forms of retail spending. These figures are then projected forwards based on population growth, changes in expenditure over time and Special Forms of Trading (SFT) such as internet shopping.
- 5.41 The turnover of existing retailers across the Study Area is calculated based on average sales densities, or turnover, per square metre. Various retail planning sources provide average (or benchmark) sales densities for all national multiple retailers.
- 5.42 The surplus or deficit equates to the difference between the available retail expenditure across the Study Area and the turnover of existing facilities within the Study Area. If the total turnover is greater than the available expenditure, then the model would identify an oversupply of existing retail floorspace, whilst a surplus of expenditure would suggest capacity for additional retail floorspace.
- 5.43 Once the surplus or deficit of expenditure is calculated, it is then presented in floorspace figures (using average sales density assumptions) in order to demonstrate the findings within a 'real world' context. Often surplus figures are presented under a number of different scenarios representing various retailers. For example, discount retailers (such as Aldi and Lidl amongst others) continue to operate at a lower sales density than the 'big 4' (Sainsbury's, Tesco, Asda, and Morrisons). Given the same available 'pot of expenditure', a higher sales density would result in a lower floorspace capacity than a lower sales density, which would result in a higher floorspace capacity.
- 5.44 Turning now to our detailed findings for Tower Hamlets, as detailed in Figure 5.8 above, the Household Survey results show that facilities within the Borough have a 58.9% convenience goods market share of all spending carried out by residents of this Study Area.
- 5.45 In keeping with standard retail study methodology, when assessing the capacity for new convenience retail floorspace we adopt a constant market share in line with findings of the latest Household Survey

(i.e. that stores within the Borough will continue to draw 58.9% of all convenience goods spending from the Study Area). We consider maintaining a constant market share a sensible basis for analysis because whilst there is significant planned population growth across the East of the Borough Area, there is also a significant number of committed developments around the East of the Borough Area, often associated with larger residential developments. We expect the two factors to broadly even each other out.

5.46 In coming to this view, we have analysed the level of commitments identified through the Council's Property & Land Audit, April 2020.

5.47 Based on a constant market share, we then allow for growth in retail expenditure over the period to 2031, as well as utilising data provided within the latest Experian Retail Planner Briefing Note 18, in order to take account of forecast growth in retail efficiencies (for example, through the adoption of new technologies and more efficient use of available floorspace). Floorspace efficiencies are estimated to have a greater impact on comparison retailers than convenience retailers over the plan period as the rise of food discounting continues to subdue the projected efficiencies in turnover of existing convenience retail floorspace.

5.48 We go on to make a number of statistical assumptions through the quantitative capacity exercise in order to account for the following variables. These are contained at Table 5 of **Appendix C** and can be summarised as:

- Utilising a 'goods based' approach, we strip out expenditure for non-food comparison goods such as clothing, household goods, CDs, DVDs and other media that are now commonly sold at major foodstores so that only the convenience goods floorspace is being considered (i.e. on a like-for-like basis with available convenience expenditure). These deductions are made in line with floorspace Figures sourced from publically available databases or, where data is not available, Nexus' professional judgement based on site visits.
- We also make assumptions as to the gross to net convenience goods sales floorspace of each store, again utilising online planning records where available, national rates databases or Nexus' professional judgement.
- Finally, we consider whether foodstores are likely to attract any additional 'inflow' from outside of

the Study Area. In this instance, we assume additional inflow of convenience spending from commuters to facilities local to Canary Wharf.

- 5.49 We then go on to calculate the anticipated turnover of all major convenience goods operators based on the published company sales data, referred to as 'benchmark' turnover. 'Benchmark' turnover is calculated from national average 'sales densities' (turnover per square metre). By comparing the turnover estimates derived from the findings of the Household Survey (total available expenditure distributed on the basis of each destinations market share) to the benchmark turnovers, we are able to establish where stores are trading above (overtrading) or below (under-trading) company averages.
- 5.50 Based on the household survey, we identify in Tables 3-5 of **Appendix C** that Tower Hamlets' convenience retailers within the Study Area turnover an estimated £332.1m of Study Area residents spend at 2021.
- 5.51 Accounting for inflow in terms of convenience spending, this equates to an initial deficit of £-3.1m of (see Table 5, **Appendix C**). Figure 5.10 sets out the resultant surplus convenience goods expenditure at each assessment date, rising to £33.6m by 2031 (see Table 6a).

Figure 5.10 | Gross Convenience Goods Surplus Expenditure in Tower Hamlets

Year	Benchmark Turnover (£m)	Survey Turnover (£m)	Inflow (£m)	Surplus Expenditure (£m)
2021	384.7	332.1	49.5	-3.1
2026	387.8	353.0	52.6	17.8
2031	387.8	366.7	54.6	33.6

Appendix C, Table 6a

Figure 5.11 | Gross 'capacity' for new convenience goods facilities in Tower Hamlets

Year	Surplus Expenditure (£m)	Floorspace Capacity (sq m net)	
		Min	Max
2021	-3.1	-200	-400
2026	17.8	1,400	2,400
2031	33.6	2,600	4,600

Appendix C, Table 6b

- 5.52 We then go on to consider committed and extant permissions for new convenience retail floorspace across the East of the Borough Area that could come forward over the next few years, sourced from

the Council's April 2020 Property & Land Audit.

- 5.53 This includes any developments that have not been built, are currently under construction, or have opened or would not have been operating at the time of the Household Survey and are set out at Table 6c of **Appendix C**. We do not take into account proposed allocations for retail floorspace, but consider development proposals for which a formal planning application has either been submitted or approved. A complete list of the commitments considered in our capacity assessment is provided at Table 6c of the statistical tables presented at Appendix C. The commitments are also described at Section 6 of this report.
- 5.54 In total, these committed developments equate to a net convenience floorspace of 14,940 sq m and an estimated turnover of £119.5m. We have then adjusted the estimated turnover of commitments that are located outside of the Borough, as residents of Tower Hamlets are likely to make up only a small portion of estimated spend at those future retail destinations. The adjusted estimated turnover is £51.8m. The most relevant commitments include the redevelopment of Chrisp Street Market, which would provide an uplift of 3,077 sq m of convenience retail floorspace equating to £24.6m of turnover.
- 5.55 Taking account of adjusted committed turnover, we identify a negative residual expenditure across the plan period, rising to £-18.6m by 2031. A modest proportion of this residual expenditure is made up from the over-trade at existing stores in the earlier years of the assessment, though over time, population and expenditure growth become more of a factor.
- 5.56 At this stage, we would typically use average sales densities to calculate a minimum floorspace scenario (a large supermarket operator) and a maximum floorspace scenario (a combination of discount foodstores operators) in order to calculate the net additional convenience goods capacity. However, as identified in Figure 5.12 below, this generates a negative floorspace capacity.

Figure 5.12 | Net quantitative 'capacity' for new convenience goods facilities in Tower Hamlets

Year	Surplus Expenditure (£m)	Commitments (£m)	Residual Expenditure (£m)	Floorspace Capacity (sq m net)	
				Min	Max
2021	-3.1	51.8	-54.9	-4,300	-7,500
2026	17.8	52.2	-34.4	-2,700	-4,700
2031	33.6	52.2	-18.6	-1,500	-2,500

Appendix C, Table 6f

- 5.57 This should not be taken literally to imply that a proportion of current residential floorspace should be lost in order to ‘balance the books’. It simply indicates that, when all commitments are taken into account (as shown in Table 6c, **Appendix C**), these potential developments absorb all remaining identified convenience capacity over the plan period to 2031.

Comparison Goods Findings

Market Shares

- 5.58 Turning to consider comparison goods, we examine market shares across the range of categories defined by Experian.
- 5.59 These eight categories cover all ranges of bulky and non-bulky items. The full results of our market shares analysis are set out at Tables 7-26 of **Appendix C**.
- 5.60 To begin with, we look at the overall comparison goods spend by residents across the Study Area. The results show that destinations in Tower Hamlets account for 23.5% (£193.5m) of the spending of all Study Area residents at 2021 (£824.6m per annum). The remaining 76.5% of spending carried out by residents of the Study Area is spent in destinations beyond Tower Hamlets.

Figure 5.13 | Comparison Goods - Market Share (%) by Destination

Destination	Market Share	Turnover
Town Centre Stores	19.7%	£162.2m
<i>Edge of Centre Stores</i>	<i>3.8%</i>	<i>£31.3m</i>
<i>Out of Centre Stores</i>	<i>0.0%</i>	<i>£0.0m</i>
Tower Hamlets Sub-Total	23.5%	£193.5m
Newham	21.4%	£176.6m
LLDC	30.5%	£251.4m
Others	24.6%	£203.0m
Leakage Sub-Total	76.5%	£631.1m
Total	100.0%	£824.6m

Appendix C, Table 25

- 5.61 Figure 5.13 examines what locations Study Area residents are spending their money. The results show that, within Tower Hamlets, town centre retailers (defined as including designated town, district and neighbourhood centres) attract 19.7% of total spending (£162.2m, or 83.8% of all spending within Tower Hamlets), with a further £31.3m, or 3.8%, to out of centre facilities within the Borough.

- 5.62 Notably, surrounding authorities attract a significant proportion of ‘leakage’. As would be anticipated, the East of Borough Areas’ proximity to Westfield Stratford City supports the location’s significant draw, attracting 28.9% of all spending (the vast majority of spending at facilities within LLDC). Additionally, it is notable that Newham attracted a similar proportion of comparison goods spending from residents of the Study Area to Tower Hamlets itself. Unlike LLDC, Newham does not have a single facility that accounts for the majority of leakage, with spending drawn to a number of facilities across the Borough.

Comparison Retail Capacity

- 5.63 The methodology for calculating capacity for comparison goods floorspace differs from that used to model capacity for convenience goods floorspace. The principal reason for this is that there are no robust, industry standard benchmark sales densities for calculating the turnover of smaller independent retailers that typically make up the majority of the comparison provision of town centres (although it is noted that sales densities are published for national multiple comparison retailers). Moreover, the trading levels of comparison retailers can fluctuate significantly depending on a number of localised variables, most notably the location of the retailer relative to similar providers (as customers are more likely to link multiple comparison goods trips to retailers in close proximity to each other).
- 5.64 As such, we adopt a standard approach that comparison goods retailers across the Study Area are trading ‘at equilibrium’ at 2021, meaning that we adopt the survey derived turnover of each facility, and examine capacity by measuring the growth in available expenditure to 2031.

Figure 5.14 | Gross Comparison Goods Surplus Expenditure in Tower Hamlets

Year	Benchmark Turnover (£m)	Survey Turnover (£m)	Inflow (£m)	Surplus Expenditure (£m)
2021	193.5	193.5	0.0	0.0
2026	227.6	232.0	0.0	4.4
2031	259.8	272.6	0.0	12.9

Appendix C, Table 26a

Figure 5.15 | Gross ‘capacity’ for new comparison goods facilities in Tower Hamlets

Year	Surplus Expenditure (£m)	Floorspace Capacity (sq m net)
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		Min	Max
2026	4.4	700	1,100
2031	12.9	1,800	2,800

Appendix C, Table 26b

- 5.65 For the purposes of our assessment, we have assumed that the District's attraction to Study Area residents will remain constant at 23.5% of all spending proportionate to population growth (Table 26a). Based on the scale and location of planned residential and retail developments within the East of the Borough Area, we consider this a robust basis for analysis. Figures 5.14 & 5.15 set out the resultant gross comparison goods capacity forecast over time.
- 5.66 We then consider committed and extant planning permissions for new comparison retail floorspace across the Study Area that are likely to come forward over the plan period, again informed by our analysis of the sites identified through the Property & Land Audit, April 2020. This includes any developments that are currently under construction, or would not have been operating at the time of the Household Survey. In the same way as we viewed convenience goods, we do not take into account proposed allocations for retail floorspace that are not likely to come forward over the plan period.
- 5.67 In total, these committed developments equate to a net 25,866 sq m of comparison goods floorspace and an estimated turnover of £124.2m (see Table 26c at **Appendix C**). We have then adjusted the estimated turnover of commitments that are located outside of the Borough, as residents of Tower Hamlets are likely to make up only a small portion of estimated spend at those future retail destinations. The adjusted estimated turnover is £41.6m at 2021 (see Table 26.e at Appendix C). These commitments are then projected forwards and deducted from the surplus expenditure set out in Figure 5.15. Once accounted for, we are able to calculate the net comparison goods capacity.

Figure 5.16 | Net quantitative 'capacity' for new comparison goods facilities in Tower Hamlets

Year	Surplus Expenditure (£m)	Commitments (£m)	Residual Expenditure (£m)	Floorspace Capacity (sq m net)	
				Min	Max
2026	4.4	48.9	-44.5	-7,000	-11,000
2031	12.9	55.8	-42.9	-5,900	-9,300

Appendix C, Table 26f

- 5.68 As with the convenience goods capacity exercise, these commitments entirely absorb the available residual expenditure for new comparison goods retail floorspace (see Table 26f of **Appendix C**), and we go on to identify a negative residual expenditure, over the entirety of the plan period, across both

2026 and 2031.

- 5.69 Negative capacities are shown into the future as, despite the forecast growth in population (and associated increases in available 'survey' spending), the projected increases associated with the turnover of the planned comparison facilities significantly exceed the amount of expenditure growth.

6.0 Spatial Town Centre Strategy for AAP Area

Introduction

- 6.1 Following on from our assessment of convenience and comparison goods capacity as described in Section 5 of this report, a spatial town centre strategy has been prepared in line with the requirements of the brief. In preparing this Plan, we have had reference to the AAP Movement Strategy prepared by We Made That. A complete, full size version of the plan is contained at **Appendix D**.

Discussion

- 6.2 As described in Section 5 of this report, negative capacity has been identified for both convenience and comparison floorspace to 2031 for the AAP area. This means that when you take into consideration the existing provision of retail floorspace, population growth that is expected in the AAP area to 2031, and the extant planning permissions that are likely to be brought forward for new retail floorspace, there is no requirement for additional retail floorspace within the Study Area for the AAP period.
- 6.3 The brief asks us to consider the following options as part of our consideration of the spatial strategy:
- a) Expanding/reclassifying Aberfeldy Neighbourhood Centre;
 - b) Relocating Aberfeldy Neighbourhood Centre;
 - c) Focusing on access to existing District Centres (Chrisp Street, Bromley by Bow and Canning Town); and
 - d) Designating additional neighbourhood parades.
- 6.4 Based on the outcome of our assessment of convenience and comparison retail floorspace capacity, our recommendation is that the Council shift their focus slightly. Rather than considering options to expand, relocate, and designate new centres, we recommend that Council's priorities shift to ensuring that the existing neighbourhood centres and parades stay relevant in the context of changing retail trends and major new developments within the AAP area.
- 6.5 To that end, a high level spatial plan has been prepared that focuses on the existing context of the AAP boundary. The plan points towards the existing movement barriers, particularly for pedestrians

and cyclists, which create challenges for the neighbourhood centres and parades. The plan also highlights the extant planning permissions and new developments that are in the pipeline at present (the commitments described in the capacity assessment). There are 17 schemes that have been considered within this Study, and when shown graphically on the spatial town centre strategy, it is clear that these new developments will have a big impact on the way that the AAP area functions.

6.6 The spatial town centre strategy shows a series of items as discussed below.

Relevant Policies Mapping

6.7 The Plan includes the following:

- AAP area boundary;
- The centre boundaries for the five neighbourhood centre and neighbourhood parades within the AAP boundary;
 - Devons Road Neighbourhood Centre;
 - Aberfeldy Street Neighbourhood Centre;
 - London City Island Neighbourhood Centre;
 - St Leonards Street Neighbourhood Parade;
 - Caspian Wharf Neighbourhood Parade;
- Centres in the surrounding area:
 - Chrisp Street District Centre;
 - Mile End Neighbourhood Centre;
 - Mile End Road Neighbourhood Parade;
 - Bow Road Neighbourhood Parade;
 - Stroudley Walk Neighbourhood Centre;
 - Canary Wharf Major Centre;
 - Poplar High Street Neighbourhood Centre;
 - Canning Town District Centre (Newham);
 - Bromley-by-Bow District Centre (LLDC).

Pedestrian and Cyclist Movement Barriers

- 6.8 In addition to the items highlighted above, the plan also highlights the existing pedestrian and cyclist movement barriers within and on the edge of the AAP area. Specifically the plan highlights key arterial roads, railway lines and waterways.
- 6.9 The A12, for example, dissects the AAP area from north to south, making movement from east to west (and vice versa) more difficult than it would otherwise be. As a result, the A12 highway corridor presents a clear barrier for residents of parts of the Borough. For example those who are residents on the eastern side of the A12 would potentially be put off from accessing shops and services on the western side of the A12 such as Crisp Street District Centre. While there are underpasses and overpasses available for pedestrians to use, the need to potentially travel out of ones way to cross such a busy road is inconvenient. In their Connection and Movement Study, We Made That have recommended that priority interventions for improved pedestrian and cycle routes to cross the A12 in three locations within the AAP area, and this may assist in promoting east-west movement.
- 6.10 London City Island Neighbourhood Centre, is also, as suggested by its name, somewhat isolated from other parts of the Borough. Surrounded by the River Lea, railway lines and the A13, the Island almost entirely relies on access either by car from Lower Lea Crossing, or access from Canning Town Station. For pedestrians and cyclists access to the Island is illegible and navigation difficult. A sea of motorways and busy roads separates the Island from the rest of the AAP area. We Made That have identified various interventions to promote walking and cycling across the AAP area, including for improvements to access London City Island.
- 6.11 The following have been identified as potential pedestrian and cycle movement barriers within and in the immediate surroundings of the AAP area and are highlighted on the Spatial Town Centre Strategy Map.
- River Lea;
 - A12 motorway;
 - A13 motorway;
 - A1261;
 - Limehouse Cut;

- Railway lines.

Commitments

- 6.12 Finally, the plan provides a spatial analysis of major extant planning permissions within the AAP area and within the wider Study Area. These planning permissions, or commitments, have been considered in our capacity assessment as set out in Section 5. A complete list of the 17 extant planning permissions is provided at Table 6.1.

Table 6.1 | Extant Planning Permissions / Commitments

#	Application Site	Application Ref	LPA	Description	Net Convenience Floorspace (sq m)	Net Comparison Floorspace (sq m)
1	Leven Road Gas Works	PA/18/02803/A1	Tower Hamlets	2,800 new homes, 2,500 sq m of commercial space, 2,700 sq m of employment space and 1 ha public realm.	750	375
2	Crisp Street Market	PA/16/01612/A1	Tower Hamlets	Demolition of existing buildings, erection of 19 new buildings from 3-25 storeys	3,077	3,053
3	Aberfeldy Estate	PA/11/02716/P0	Tower Hamlets	Total including projected units estimated 2,500.	436	872
4	Orchard Wharf / Castle Wharf	PA/16/01763/A1	Tower Hamlets	Residential-led development, 24 storey tower with stepped blocks of 20, 17, 11 and 8 storeys.	94	188
5	Islay Wharf	PA/19/01760/A1	Tower Hamlets	Mixed use development comprising 2 blocks between 12 storeys and 21 storeys	88	88
6	Leven Wharf	PA/16/02140/A1	Tower Hamlets	Part 7, part 11 storey mixed use building with basement parking	73	375
7	Tram Shed / Poplar Bus Garage	PA/19/02148/A1	Tower Hamlets	Residential led mixed use development ranging from 3 to 20 storeys and incorporating 530 residential units, commercial and retail floorspace (awaiting determination)	127	254

#	Application Site	Application Ref	LPA	Description	Net Convenience Floorspace (sq m)	Net Comparison Floorspace (sq m)
8	Blackwall Yard	PA/19/02559	Tower Hamlets	Mixed use development including residential, 2,400 sq m of retail floorspace, commercial floorspace, community and education uses (EIA Scoping only)	600	1,200
9	Bow Common Gas Works	PA/19/02379	Tower Hamlets	Mixed use development including residential, commercial, retail, community and education (awaiting determination)	194	387
10	Stroudley Walk Market	PA/19/01921/NC	Tower Hamlets	EIA Scoping Report received for up to 290 units (C3) and retail uses (A1/A2/A3) up to 25 storeys in height (awaiting determination.)	95	190
11	Halsville Quarter	17/04046/REM	Newham	Canning Town Centre redevelopment	1,434	2,868
12	Silvertown Way	16/03428/FUL	Newham	Residential, hotel, commercial floorspace	413	1,125

#	Application Site	Application Ref	LPA	Description	Net Convenience Floorspace (sq m)	Net Comparison Floorspace (sq m)
13	Thameside West	18/03557/OUT	Newham	Hybrid application for the demolition of existing buildings and the construction of new buildings up to 26 storeys, comprising 5,000 new homes; 19,441 sq m. of flexible employment floorspace; 7,368 sq m. of flexible retail floorspace; 7,055 sq m. of community and leisure floorspace (awaiting determination following Mayoral call-in)	1,842	3,684
14	Stephenson Street	17/01847/OUT	Newham	3,810 new homes, 25,000 sq m of retail and commercial space, 5 ha of public realm, a new community centre and a 1,000 pupil secondary school	3,677	7,355
15	Tesco	17/00525/SCOES	LLDC	EIA Scoping Report received for up to 670 units (C3) and commercial uses including retail (A1/A2/A3/A4) (awaiting determination)	205	2,874
16	Imperial-by-Sea	17/00344/FUL	LLDC	491 residential units (C3) and 3,570 sq m of community, commercial and retail floorspace (A1/A2/A3/A4/B1/D1)	205	410
17	Sugar House Island	12/00336/LTGOUT	LLDC	Flexible mixed-use floorspace	400	800

7.0 Health Check Assessments

- 7.1 This section of the report sets out a health check assessment for each of the neighbourhood centres and parades within the AAP area. The purpose of the exercise is to assess the vitality and viability of each centre. The extent of our assessments of each centre is determined by the Council's Policies Map (2020).

Methodology

- 7.2 The town centre assessments build on our analysis of wider market trends as outlined in Section 2. We supplement this analysis with three sources of new empirical evidence; the qualitative results of a household telephone survey conducted by NEMS Market Research, on the ground Business Surveys conducted by AspinallVerdi and our town centre health-checks.
- 7.3 By combining the results of the market research with our on-the-ground observations, we are able to build a picture of the current health of each neighbourhood centre and neighbourhood parade, based on analysis of its market share for different goods, as well as its performance against the range of health-check indicators.
- 7.4 We describe our methodology for the household telephone survey in Section 5 of this Study, and the health check exercise below, before going on to provide recommendations of individual centre interventions in Section 8.

NEMS Household Survey and Socioeconomic Data

- 7.5 In addition to providing us with the data required to calculate the market shares used in our capacity assessment, the NEMS Household Survey was also used to ask respondents questions about a number of other factors. These questions and the responses collected have assisted us in setting the scene for our health check assessments.
- 7.6 The survey results confirmed that the Study Area has a relatively young population, with more than 67.3% of responses coming from those aged 18-44. Within Zone 8 (mostly comprised of the AAP area), 68.9% of respondents were aged 18-44.

- 7.7 The survey also asked about household residential status. Across the Study Area the proportion of respondents that own their house outright or have a mortgage, was 25.4%, and for Zone 8 it was 24.5%. The overall proportion of respondents who identified that they rent from the Council was 24.3%, and similarly, 23.2% of respondents rented from a housing association. Within Zone 8, those same figures were slightly lower than for the whole Study Area, with 22.8% for council rent and 20.6% for housing association rent.
- 7.8 The survey also asked respondents about their ethnicity. Table 7.1 provides a breakdown of the responses for the Study Area as a whole, and for Zone 8. The key takeaway as identified below is that Zone 8 had a very high proportion of respondents who identified as being Asian / Asian British (39.2%), compared to the Study Area as a whole (26.4%).

Figure 7.1 | Study Area and Zone 8 Ethnicity

Ethnicity	Study Area (%)	Zone 8 (%)
White (British / Irish / Other)	44.3	36.9
Black / Black British (Caribbean / African / other black)	13.3	7.9
Asian / Asian British (Indian / Pakistani / Bangladeshi / other Asian)	26.4	39.2
Mixed (any mixed category)	3.6	1.8
Chinese	0.5	0.0
Other	0.6	0.0
(Would rather not say)	11.3	14.2

- 7.9 In addition to self-reporting from residents, we are able to categorise areas using the ONS' 2011 Output Area Classification³⁰ in order to identify differences in spending habits at Figure 7.2. Whilst the dataset utilises the most recently available 2011 Census data, it is indicative of broader trends in differences in spending habits³¹ between demographic 'Supergroups'.
- 7.10 Both Tower Hamlets and Zone 8 are only made up of three supergroups: Cosmopolitans, Ethnicity Central and Multicultural Metropolitans. Whilst this split is not unusual for a Central London Borough, it is notable that Zone 8 shows a higher proportion of Ethnicity Central, and a lower proportion of

³⁰ <https://www.ons.gov.uk/methodology/geography/geographicalproducts/areaclassifications/2011areaclassifications/penportraitsandradialplots>

³¹ ONS, 'Average weekly household expenditure by Output Area Classification (OAC) Supergroup', Table A51

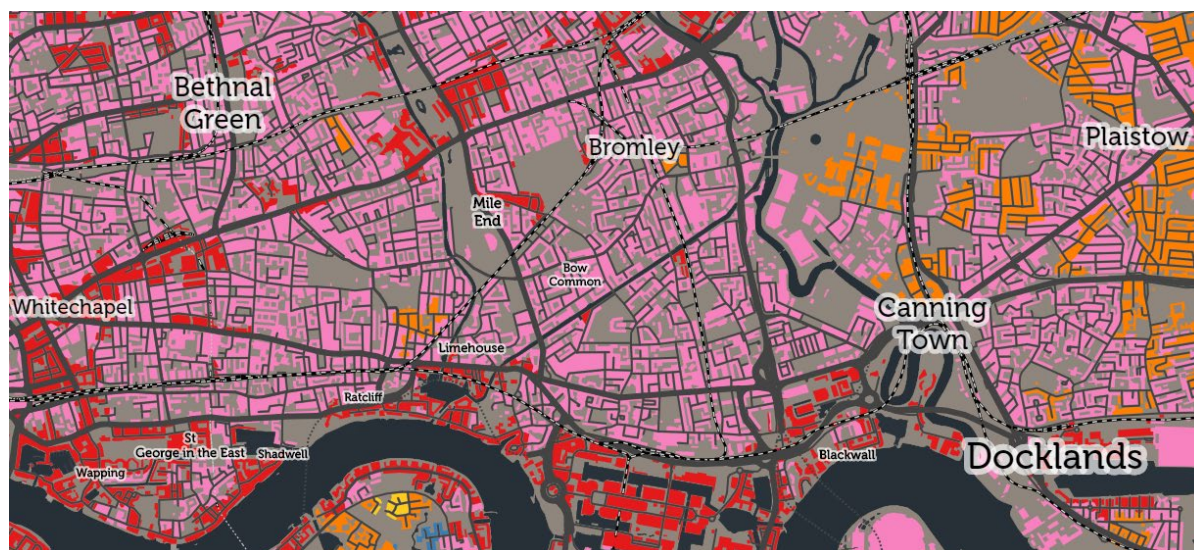
Cosmopolitans.

- 7.11 This is most relevant where spending is concerned, due to the disparity in retail spending between Ethnicity Central (an average of £157.60 per week) and Cosmopolitans (£170.50). Leisure spending showed far less of a difference (£105.50 and £102.50, respectively).

Figure 7.2 | Tower Hamlets and Zone 8 Output Area Classification

Output Area Classification (OAC) 'Supergroups'	Tower Hamlets (%)	Zone 8 (%)	Avg. Weekly Retail Spend	Avg. Weekly Leisure Spend
Rural Residents	0.0	0.0	£223.2	£151.1
Cosmopolitans	25.9	11.6	£170.5	£102.5
Ethnicity Central	73.1	86.9	£157.6	£105.5
Multicultural Metropolitans	1.0	1.5	£180.0	£109.1
Urbanites	0.0	0.0	£203.0	£146.1
Suburbanites	0.0	0.0	£215.0	£172.0
Constrained City Dwellers	0.0	0.0	£115.4	£71.4
Hard-Pressed Living	0.0	0.0	£159.0	£96.9

Figure 7.3 | Spatial Output Area Classification



- 7.12 Given the historic nature of the data, it is not possible to project changes forward using these spending characteristics, but we do note the spatial disparity between the OAC Supergroups at Figure 7.3. In particular, the concentration of Cosmopolitans around recently-developed hotspots that may

indicate the potential changes in spending habits that new residents can provide.

Neighbourhood Centre Health Checks

7.13 Nexus Planning carried out town centre health checks in July 2020 for the five neighbourhood centres and neighbourhood parades in the AAP area as follows:

- Devons Road Neighbourhood Centre;
- Aberfeldy Street Neighbourhood Centre;
- London City Island Neighbourhood Centre;
- St Leonards Street Neighbourhood Parade; and
- Caspian Wharf Neighbourhood Parade.

7.14 This health check exercise was completed after the resumption of trading for retail stores and hospitality industry following the COVID-19 'lockdown'.

7.15 Health checks are both a physical exercise in walking the town centres to understand their make-up and any physical strengths or weaknesses, as well as an exercise in understanding the views of local stakeholders.

7.16 While the NPPF does not provide a precise list of criteria to be used to assess the health of a centre, the Government's 'Town Centres and Retail' National Planning Practice Guidance (NPPG) of March 2014, updated in July 2019, offers a helpful set of indicators.

7.17 As the five centres that have been assessed are generally quite small, we have used the NPPF and NPPG advice to generate a set of our own 15 indicators for the health check exercise. The indicators are:


1. **Retail offer** | Data on the diversity of uses in the centres was collated during the health check completed by Nexus in July 2020. The collected data includes the number and type of units provided in these locations, using Experian Goad categories.
2. **Vacant units** | Vacant properties were also identified during the 2020 health checks. The volume of vacant floorspace within a centre can provide an indication of how well the centre is performing. However, it is important to acknowledge that a degree of vacancy is inevitable

and indeed desirable. Some 'churn' is expected in the market as units alter and change, as new businesses come in, and others leave. In this context, vacant units can be found in even the strongest of town centres. Equally, a low vacancy rate does not necessarily mean a centre is performing well; as the quality and performance of the occupied units may be relatively poor. At this specific time, the Council should also be wary of the post-COVID 19 implications of town centre openings, with some businesses either not yet able to re-open, or holding off re-opening.

3. **Culture and leisure** | Observations were made during the health checks assessment in regard to the offer of culture and leisure services and facilities within each centre.
4. **Unhealthy businesses** | An analysis of unhealthy businesses, such as takeaways and betting shops, and their impact on the general health of the centre, was made during the site visits for our health checks.
5. **Visitor satisfaction** | Information on customers' views is based on the results of the comprehensive NEMS Household Survey. These results can provide an indication of how a centre is both used and viewed by local residents. In the case of smaller neighbourhood centres and parades, sometimes the sample size of residents who regularly shop at these centres was too small to provide a representative sample.
6. **Business confidence** | A general assessment of business confidence was made during AspinallVerdi's business surveys.
7. **Events** | Desktop research was undertaken in regards to any events that would usually take place within each centre.
8. **Footfall** | General footfall and pedestrian flows were observed by Nexus during site visits to the centres in July 2020. This aspect is complicated by the COVID-19 implications of town centre openings. We have made judgments where relevant.

9. **Access** | Consideration of access to and around each centre was informed by the Nexus site visits. This was in addition to a desktop review of data pertaining to access to public transport and the We Made That Movement Study. The accessibility of a centre is determined by the ease and convenience of access by a variety of transport means including pedestrians, cyclists and disabled people.
 10. **Car and bicycle parking** | An assessment of nearby car and cycle parking was made for each centre during the Nexus Planning site visits.
 11. **Urban and green environment** | Consideration of the quality of the buildings and public realm in each of the centres was informed by Nexus' site visits.
 12. **Historic environment** | A review of the historic environment was also considered during the Nexus Planning site visits.
 13. **Street markets** | Desktop research was undertaken to identify whether local street markets occur, or have historically occurred within the neighbourhood centres.
 14. **Independent trading** | Consideration of the balance of retailer representation was informed by Nexus' site visits to the Town Centre.
 15. **Night time economy** | General understanding of the night time economy was informed by Nexus' site visits to the Town Centre, the household survey work, and a review of various local businesses' opening hours online. Again, this aspect is complicated by the COVID-19 implications of town centre openings. We have made judgments where relevant.
- 7.18 A health check assessment for each of the five neighbourhood centres and parades is set out overleaf. Our assessment of each indicator has assisted in preparing the recommended interventions proposed at Section 8 of this Report.

Devons Road Neighbourhood Centre

Devons Road Neighbourhood Centre

Description
<p>Devons Road Neighbourhood Centre is comprised of two clear delineations – the old and the new. The older section is the south and west portion of the centre. This part of the centre comprises 12 retail units and two places of worship. Devons Road is busy, and traffic moves past quickly. Metal railings have been installed to avoid conflict between cars and shoppers, however the railings do not create an aesthetically pleasing environment for pedestrians using the centre. Mature trees run along the western side of Devons Road, but there is no planting or vegetation at ground level, meaning the human environment is dominated by hard surfaces and there is limited legibility.</p> <p>Alternately, the north east section of the neighbourhood centre is part of a new development that was at the final stages of completion at the time of the Nexus Planning site visits. The development is called the Lime Quarter (application reference: PA/10/01734/A1). The new development comprises seven retail units at the ground floor, one of which is currently being used as a marketing suite for the residential aspect of the scheme. A listed public house is also located within this part of the centre, fronting Devons Road. The Lime Quarter is adjacent to the Devons Road DLR station.</p>

Forming a more legible link between the two parts of the centre for pedestrians is recommended to create a connected and cohesive neighbourhood centre. This is further discussed along with additional recommendations at Section 8 of this report.

Photographs



Health Check Assessment


Criteria	Observations																								
1. Retail Offer	<p>The table below provides a breakdown of the retail offer as observed during the Nexus Planning site visits.</p> <table><tr><th>Category</th><th>Units (#)</th><th>Units (%)</th></tr><tr><td>Convenience</td><td>3</td><td>15.8</td></tr><tr><td>Comparison</td><td>0</td><td>0</td></tr><tr><td>Retail Services</td><td>1</td><td>5.3</td></tr><tr><td>Leisure Services</td><td>7</td><td>36.8</td></tr><tr><td>Financial & Business Services</td><td>0</td><td>0</td></tr><tr><td>Vacant</td><td>8</td><td>42.1</td></tr><tr><td>TOTAL</td><td>19</td><td>100</td></tr></table>	Category	Units (#)	Units (%)	Convenience	3	15.8	Comparison	0	0	Retail Services	1	5.3	Leisure Services	7	36.8	Financial & Business Services	0	0	Vacant	8	42.1	TOTAL	19	100
Category	Units (#)	Units (%)																							
Convenience	3	15.8																							
Comparison	0	0																							
Retail Services	1	5.3																							
Leisure Services	7	36.8																							
Financial & Business Services	0	0																							
Vacant	8	42.1																							
TOTAL	19	100																							

	<p>In addition to the retail units identified in the table above, the neighbourhood centre is home to a church, a mosque and marketing suite. These uses are not included within Experian's Goad's categories.</p> <p>The range of services and facilities provided represent a fairly standard cross section of the retail offer expected for a neighbourhood centre of this size. Notably there are no comparison goods retailers in the centre at present. One of the convenience units identified was a Halal store.</p>
2. Vacant Units	<p>Vacant units are overly represented as a result of the Lime Quarter Development which is at point of final completion, but the units remain vacant. Having reviewed the planning application documents, there are seven retail units at the ground floor, six of which are vacant. The seventh is currently being utilised as a marketing suite. We would expect modern units such as these to be leased in short time, bringing the overall proportion of vacant units down fairly substantially.</p> <p>In the western section of the centre, there were two vacant units at the time of the Nexus site visits.</p>
3. Culture & Leisure	<p>There are two places of worship located within the centre – The Lighting Baptist Church and the Bow Common Masjid. A gym is located in the same building as the Coral betting shop, but other than this there are limited identified leisure uses other than two takeaway units.</p>
4. Unhealthy Businesses	<p>There are two takeaway shops which were noted as being some of the busiest shops within the parade. There are also two betting shops in the centre which may be considered an over-supply given the total of retail units in this centre is less than 20.</p>
5. Visitor Satisfaction	<p>The NEMS Household Survey asked respondents what they liked about Devons Road. The most common response was that it was 'close to home', indicating that the centre is predominantly used by residents who live nearby.</p>
6. Business Confidence	<p>At the local level, businesses will want to see an increase in footfall as a result of the major residential developments that are being constructed at the moment. The completion of the Lime Quarter in particular should bring about an increase in footfall. Similarly, as restrictions ease in the wake of the Covid-19 pandemic, an increase in footfall may be generated as people return to work and more commuters begin to use the DLR station.</p>

	Convenience traders that were spoken with at Devons Road appeared to have confidence in the area and did not express concerns with trade. Service and leisure operators were not available and these businesses may have a different view.
7. Events	None identified specific to Devons Road Neighbourhood Centre.
8. Footfall	<p>At the time of the Nexus site visit undertaken on a Friday afternoon, there was regular footfall throughout the western portion of the centre. The most popular units were the Fish Bar & Kebabs and the three convenience stores.</p> <p>Footfall would generally be expected to increase following Covid-19 restrictions easing.</p>
9. Access	<p>The key barrier as observed during the health check analysis is that Devons Road can be particularly busy, and therefore is potentially not able to capitalise on footfall to and from the DLR station. Safety barriers run along the northern length of Devons Road except where there is a gap for pedestrian crossings. While the barriers clearly exist for the purpose of avoiding conflict between pedestrians and vehicles, they do have an impact on the overall legibility and attractiveness of the centre.</p> <p>A more direct, clear route from the DLR to the centre may assist with generating even more footfall, and this is discussed in more detail in Section 8.</p>
10. Car and Cycle Parking	<p>Limited car parking is available directly outside the retail units, and at the time of the Nexus site visits, illegal stopping was noted on a number of occasions.</p> <p>Some bicycle parking is available, although the local roads do not make for easy navigation or safe cycling. Priority interventions to enhance walking and cycling routes around the area are proposed as part of the We Made That Movement Study.</p>
11. Green and Urban Environment	<p>While mature trees extend the length of the Devons Road west frontage, there is no planting at ground level, with the exception of a raised green space, triangular in shape, fronting the Devons Road/Violet Road roundabout.</p> <p>Raised planters to replace the existing barriers along Devons Road could be a way to improve the green environment and make the area more attractive. This is discussed in more detail at Section 8.</p>

12. Historic Environment	The Grade II* listed The Widow's Son public house faces Devons Road and adjoins the new Lime Quarter.
13. Street Markets	Devons Road Market is located at 17 Towcester Road Bromley-By-Bow E3 3ND. The market is held on the last Saturday of every month. Given that this market is not directly linked to the neighbourhood centre and is a 10 minute walk away, it is unlikely that the centre benefits from additional footfall.
14. Independent Trading	The Council should be flexible in its application of planning policy in order to ensure that independent traders which would contribute to increasing footfall and broadening diversity in the centre can readily re-fill vacant units. Town Centres can no longer be thought of as Use Class A1 entities and the Government's emerging amendment to the Use Classes Order should assist with ensuring that less restrictive controls are placed on diversifying town centres in general.
15. Night Time Economy	The only evening use within the centre at this stage is The Widow's Son public house, which was closed at the time of the Nexus site visits due to Covid-19.

Aberfeldy Street Neighbourhood Centre

Aberfeldy Street Neighbourhood Centre

Description
<p>Aberfeldy Street Neighbourhood Centre is located in the heart of Aberfeldy Village. The wider Aberfeldy area is bounded by the A12 to the west, the A13 to the south and the River Lea to the east.</p> <p>The centre is very much in transition, and suffers from the uncertainty of possible estate regeneration, for which there is an extant planning permission (application ref.: PA/11/02716/P0). More than half the retail units within the centre boundary are currently vacant, a trend that has very likely been made worse by the recent pandemic.</p> <p>Notwithstanding the high levels of vacant units, the centre has a certain charm, and there is clear opportunity to turn it into a viable neighbourhood centre once more. Wide pavements and tall trees make for a reasonably attractive pedestrian environment. The painted facades give the impression of there being extensive local character, even without the footfall to back it up. Good facilities were noted including bike hire station, bins, cycle loops, phone booth, cash point and post box.</p> <p>Essentially, the centre has all the makings of a viable and vital retail offer, but is missing the shops and the patronage.</p>

Photographs




Health Check Assessment

Criteria	Observations																								
1. Retail Offer	<p>The table below provides a breakdown of the retail offer as observed during the Nexus Planning site visits.</p> <table><tr><th>Category</th><th>Units (#)</th><th>Units (%)</th></tr><tr><td>Convenience</td><td>2</td><td>10.5</td></tr><tr><td>Comparison</td><td>1</td><td>5.3</td></tr><tr><td>Retail Services</td><td>1</td><td>5.3</td></tr><tr><td>Leisure Services</td><td>4</td><td>21.1</td></tr><tr><td>Financial & Business Services</td><td>0</td><td>0</td></tr><tr><td>Vacant</td><td>11</td><td>57.9</td></tr><tr><td>TOTAL</td><td>19</td><td>100</td></tr></table> <p>In addition to the units included above, the centre is also home to a workshop, the Aberfeldy Islamic Cultural Centre & Mosque and a dental practice. One of the two convenience retailers was identified as retailing Bangladeshi groceries and Halal food.</p>	Category	Units (#)	Units (%)	Convenience	2	10.5	Comparison	1	5.3	Retail Services	1	5.3	Leisure Services	4	21.1	Financial & Business Services	0	0	Vacant	11	57.9	TOTAL	19	100
Category	Units (#)	Units (%)																							
Convenience	2	10.5																							
Comparison	1	5.3																							
Retail Services	1	5.3																							
Leisure Services	4	21.1																							
Financial & Business Services	0	0																							
Vacant	11	57.9																							
TOTAL	19	100																							

	A community centre is located just north of the centre boundary.
2. Vacant Units	Very high proportion of vacant units within the centre having an obvious impact the centre's vitality. This is in part due to the uncertainty surrounding the estate regeneration taking place by PoplarHARCA. For the 2016 Carter Jonas Town Centre Capacity Study, there were 7 vacant units reported.
3. Culture & Leisure	In addition to the Aberfeldy Islamic Cultural Centre & Mosque, two of the retail units are utilised by the Culloden Bangladeshi Parents Association. The Tommy Flowers Public House is the main leisure offer within the centre, and was by far the busiest unit as observed at the time of the Nexus site visits.
4. Unhealthy Businesses	Apart from one hot food takeaway unit at the southern end of the centre, the remainder of uses were considered to be healthy. No betting shops were observed within the centre at the time of the Nexus site visits.
5. Visitor Satisfaction	Of those respondents to the NEMS Household Survey that identified that they visited Aberfeldy Street, 31.6% noted that an 'increased general choice and range of shops' would encourage them to visit more. 27.2% of respondents noted 'better street lighting', and 15.1% noted 'more pubs / bars'.
6. Business Confidence	<p>The uncertainty surrounding the possible estate regeneration has had a visible impact on the viability and vitality centre, and is continuing to have an impact on the take up of vacant units within the centre.</p> <p>The operator that we met with was very confident with their business and looking to expand into another unit. They were keen to see more units being occupied as this would help to generate a greater amount of footfall. The availability car parking was considered to be a positive, together with new developments taking place nearby.</p>
7. Events	The Foundation for Future London funds a monthly event at Aberfeldy Street called 'Aberfeldy Live! Talkaoke', a Tower Hamlets project run by 'The People Speak'. The event is held at the last Thursday of each month, and aims to provide a platform to talk to local people about the subjects that matter to them. The event is live streamed on Zoom.
8. Footfall	Due to the high proportion of vacant units there was a notable absence in footfall within the centre. The only unit that assisted in increasing dwell time was the public house. Other popular units included the fast food takeaway, chemist and convenience store.

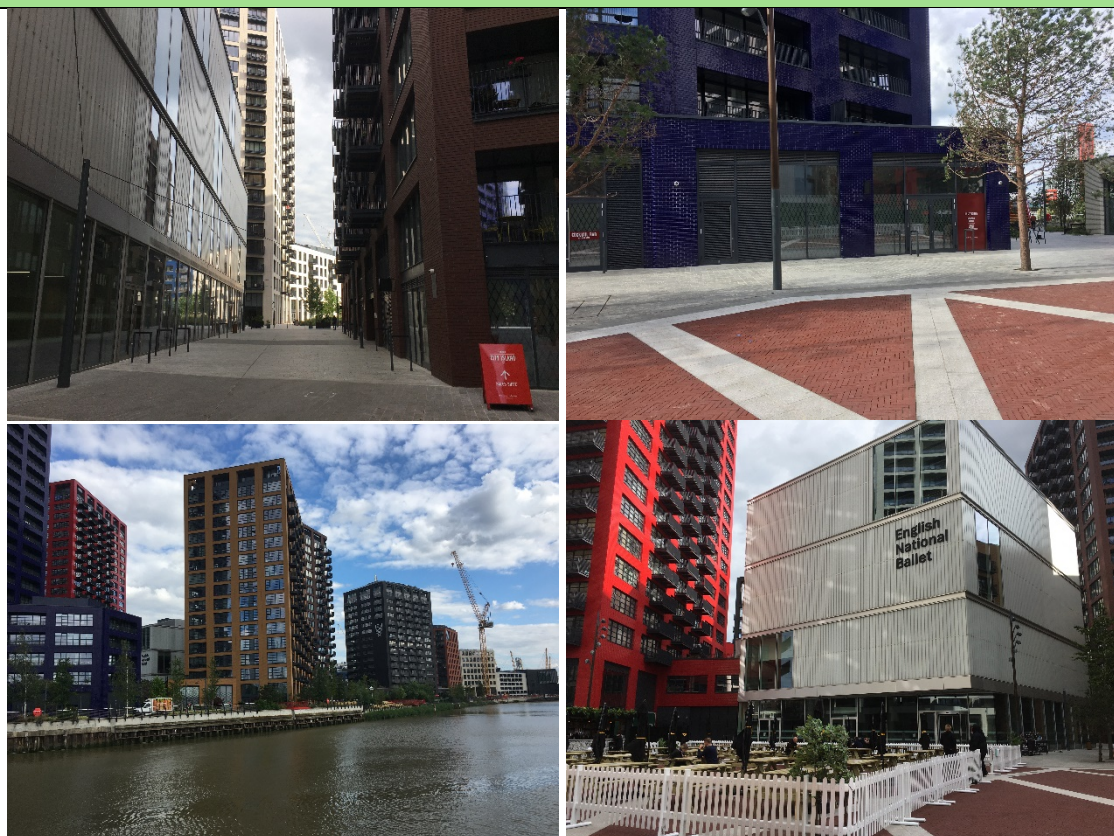
9. Access	<p>The most local bus servicing the area is the 309, which runs from Canning Town to Stepney Green.</p> <p>Aberfeldy Street also has its own Santander bicycle rental facility, and it was observed that there were only a couple of bicycles stored in the facility at the time of the Nexus site visits.</p>
10. Car and Cycle Parking	<p>Limited car parking is available within the neighbourhood centre itself, though notwithstanding there were car parking spaces available at the time of the Nexus site visits.</p> <p>Adequate cycle parking was also available through the provision of bicycle loops. A Santander bicycle rental facility is located on the eastern footpath.</p>
11. Green and Urban Environment	<p>Some large mature trees are present within the centre, providing shade and access to vegetation. Ground level planting may assist in improving the urban environment even further and this is discussed further at Section 8.</p>
12. Historic Environment	<p>A review of Historic England's list of listed buildings identifies that there are no listed buildings in the vicinity of Aberfeldy Street Neighbourhood Centre.</p>
13. Street Markets	<p>A desktop search identified no markets currently taking place within or nearby the Aberfeldy Street Neighbourhood Centre. The layout of the street itself would lend itself to a street market where the road could be blocked to traffic between Dee Street and Blair Street.</p>
14. Independent Trading	<p>A number of the retailers in this location are clearly independent, including the Tommy Flowers pub, the Aberfeldy Tailor and Fabrics, and Miu Valley Chinese. One of the convenience stores was identified as offering specific Bangladeshi groceries.</p>
15. Night Time Economy	<p>The main source of evening economy comes from the Tommy Flowers pub, the Miu Valley Chinese, and the AN Grill.</p>

London City Island Neighbourhood Centre

London City Island Neighbourhood Centre
 <p>The map shows the London City Island, a large, irregularly shaped landmass in the water. The island is colored in shades of orange and yellow, indicating its boundaries and internal structure. It is surrounded by a blue area representing water. To the right of the island, the area is labeled 'Canning Town' twice, with small blue icons indicating specific locations. The map also shows a road and a bridge crossing the water near the island.</p>
Description
<p>London City Island is a new development that is in the final stages of completion. At the time of the Nexus site visits very few of the retail units were in operation. Those that were in operation included a bar with outdoor seating, a unit called 'Island Grocer', a café/restaurant with a convenience store function, and an art gallery. Other units that were advertised as 'coming soon' were a Beauty Bar, a photography studio and a coffee shop. Other units were advertised as being available to let.</p> <p>The area itself is modern, attractive, and designed with pedestrians and cyclists in mind, although the centre itself is somewhat geographically isolated. The main access to the area is via a footbridge</p>

over the River Lea that connects to Canning Town Station and Canning Town District Centre, and the Lower Lea Crossing.

Photographs



Health Check Assessment

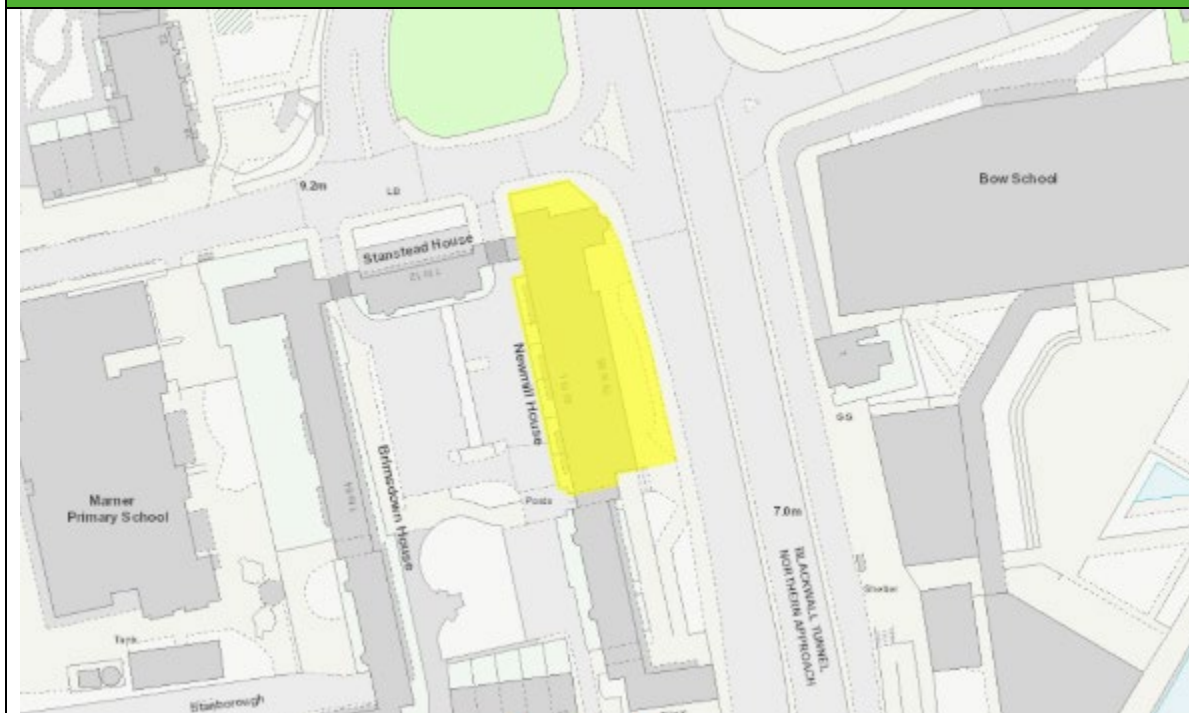
Criteria	Observations																								
1. Retail Offer	<p>The table below provides a breakdown of the retail offer as observed during the Nexus Planning site visits.</p> <table><tr><th>Category</th><th>Units (#)</th><th>Units (%)</th></tr><tr><td>Convenience</td><td>1</td><td>11.1</td></tr><tr><td>Comparison</td><td>0</td><td>0.0</td></tr><tr><td>Retail Services</td><td>0</td><td>0.0</td></tr><tr><td>Leisure Services</td><td>4</td><td>44.4</td></tr><tr><td>Financial & Business Services</td><td>1</td><td>11.1</td></tr><tr><td>Vacant</td><td>3</td><td>33.3</td></tr><tr><td>TOTAL</td><td>9</td><td>100</td></tr></table>	Category	Units (#)	Units (%)	Convenience	1	11.1	Comparison	0	0.0	Retail Services	0	0.0	Leisure Services	4	44.4	Financial & Business Services	1	11.1	Vacant	3	33.3	TOTAL	9	100
Category	Units (#)	Units (%)																							
Convenience	1	11.1																							
Comparison	0	0.0																							
Retail Services	0	0.0																							
Leisure Services	4	44.4																							
Financial & Business Services	1	11.1																							
Vacant	3	33.3																							
TOTAL	9	100																							

	Those units that were operational included a bar with outdoor seating (The Lockdown Room), the 'Island Grocer', a café/restaurant with a convenience store function, the Arebyte Gallery, a small coffee shop (The Espresso Room), Sainsbury's Local and a real estate agent (Johns & Co).
2. Vacant Units	At the time of the Nexus site visits there were 3 units that were advertised as 'coming soon'. We have included the units that are 'coming soon' in the vacant category for the purposes of this health check assessment, however it is expected that these units would be filled reasonably quickly.
3. Culture & Leisure	<p>The London City island development also incorporated the new English National Ballet and the London Film School.</p> <p>A rooftop sports pitch is also understood to be located in the south west part of the Island, atop the London City Island Office Building.</p>
4. Unhealthy Businesses	No unhealthy businesses were observed at the time of the Nexus site visits.
5. Visitor Satisfaction	As the development is so new, the sample size of respondents to the NEMS Household Survey was too small to ascertain any meaningful conclusions in regards to visitor satisfaction.
6. Business Confidence	This development is relatively new and is clearly becoming established, both in residential and commercial terms. The demographic of residents will be attractive to operators and additional nearby development may also drive commercial interest in this location. Some of the commercial units are let and the current pandemic has slowed this process down. The presence of the English National Opera as well will generate visits and potentially an evening economy which will help to attract a range of occupiers.
7. Events	The London City Island website has a dedicated page for news and events. At present, there are no events listed, however we would expect this to change over time as the area comes into full operation.
8. Footfall	There was some footfall noted at the time of the Nexus site visits, mostly in the vicinity of the outdoor bar area, and over the bridge towards Canning Town station. Footfall is expected to increase as the population of the Island increases over time.
9. Access	<p>London City Island is bounded by the River Lea. Access to the area is primarily via Canning Town station, where a footbridge crosses the River Lea.</p> <p>Vehicle access is via the A20 to the south.</p>
10. Car and Cycle Parking	There was very limited car parking visible at the time of the Nexus site visits and it is understood that private vehicle parking is predominantly located within the residential buildings.

	Cycle parking was observed to be readily available throughout the site.
11. Green and Urban Environment	The development has been constructed with adequate consideration to landscaping, and this is obvious through the area. An appropriate mix of hard and soft surfaces is provided.
12. Historic Environment	A review of Historic England's list of listed buildings identifies that there are no listed buildings in the vicinity of London City Island Neighbourhood Centre.
13. Street Markets	No street markets were observed at the time of the Nexus site visits, and a desktop search provided no information about future markets in the area.
14. Independent Trading	The three operational retail units at the time of the Nexus site visits appeared to be independent traders.
15. Night Time Economy	The current bar and restaurant/café uses provide evening economy for the area, and this is expected to grow as the development is completed and the area becomes fully functional.

St Leonards Street Neighbourhood Parade

St Leonard's Street Neighbourhood Parade



Description

St Leonards Street Neighbourhood Parade consists of seven retail units that provides an offer of basic shops and services to the neighbourhood. The units are at the ground floor of an estate building, with residential above. The location of the parade next to the A12 is such that units predominantly cater to residents who live in the close vicinity. The Bow School is located on the opposite side of the A12, and it is likely that school children frequent the parade when the school term is in session.

Overall the environment was generally considered to be unpleasant due to the parade's setting along the A12, which is a busy arterial road. At times, traffic along the A12 is known to be particularly bad, which has implications for air quality. The parade is therefore not the type of location that customers and local people are likely to dwell at for long periods of time. The potential exception is perhaps The Galvaniser's Union public house, which is located at the northern end of the strip. The remainder of the area is typified by Council estate housing, some of which looks over the parade.

Photographs




Health Check Assessment

Criteria	Observations																								
1. Retail Offer	<p>The table below provides a breakdown of the retail offer as observed during Nexus Planning site visits.</p> <table><tr><th>Category</th><th>Units (#)</th><th>Units (%)</th></tr><tr><td>Convenience</td><td>1</td><td>14.3</td></tr><tr><td>Comparison</td><td>0</td><td>0</td></tr><tr><td>Retail Services</td><td>2</td><td>28.6</td></tr><tr><td>Leisure Services</td><td>3</td><td>42.9</td></tr><tr><td>Financial & Business Services</td><td>1</td><td>14.3</td></tr><tr><td>Vacant</td><td>0</td><td>0</td></tr><tr><td>TOTAL</td><td>7</td><td>100</td></tr></table> <p>St Leonards Street is comprised of seven retail units, offering a range of facilities and services, all very local in nature.</p> <p>The leisure services comprise of a public house and two hot food takeaway. There is also a convenience store, a barber, a beauty salon and a solicitor.</p>	Category	Units (#)	Units (%)	Convenience	1	14.3	Comparison	0	0	Retail Services	2	28.6	Leisure Services	3	42.9	Financial & Business Services	1	14.3	Vacant	0	0	TOTAL	7	100
Category	Units (#)	Units (%)																							
Convenience	1	14.3																							
Comparison	0	0																							
Retail Services	2	28.6																							
Leisure Services	3	42.9																							
Financial & Business Services	1	14.3																							
Vacant	0	0																							
TOTAL	7	100																							
2. Vacant Units	<p>No vacancies were observed, although The Galvaniser’s Union public house was temporarily closed at the time of the Nexus site visits. A review of the company website identifies that the pub is still temporarily closed and will reopen when government restrictions ease.</p>																								
3. Culture & Leisure	<p>The Galvaniser’s Union public house, whilst temporarily closed due to Covid, is the primary source of entertainment in the area.</p>																								

4. Unhealthy Businesses	No betting shops within the parade, but there are two fast food takeaways.
5. Visitor Satisfaction	The sample size of respondents to the NEMS Household Survey who identified that St Leonards Street Neighbourhood Parade was their centre of choice was too small to extrapolate any meaningful conclusions in relation to visitor satisfaction.
Business Confidence	The operators spoken with appeared to be trading well (convenience trader), however the location does suffer from the heavy traffic flows and the fact that this acts as a hard edge to the potential catchment. We were not able to speak with the pub operator/manager and it would have been interesting to understand what outlook the operator has. New development immediately to the north has brought a new residents and a Sainsburys convenience store which changes the nature of the location
6. Events	None specific to the Parade. The location of the parade beside the A12 is unlikely to make a pleasant location to host events.
7. Footfall	Some footfall was observed whilst on site, although this appeared to be mostly from residents of the local estate. As previously noted, there is an underpass that connects the west side of the A12 (and the parade) with the Bow School on the east side, and during a regular semester it would be expected that some school students might visit the parade.
8. Access	The A12 is a major barrier, although there is an underpass approximately 75 metres south of the parade, which provides access to the Bow School and the eastern side of the A12.
9. Car and Cycle Parking	No formal cycle parking observed in the area. Informal public car parking available between Empson Street and the A12.
10. Green and Urban Environment	Green planting between A12 and the parade that helps reduce the impact of the A12, and its growth should continue to be monitored
11. Historic Environment	No notable historic buildings were noted within the nearby vicinity.
12. Street Markets	There is a nearby market at 17 Towcester Road Bromley-By-Bow E3 3ND (Devons Road Market). The market is held on the last Saturday of every month and is within short walking distance of the parade.

13. Independent Trading	Some of the existing uses within the parade are independent businesses.
14. Night Time Economy	The Galvaniser's Union public house is the main source of evening entertainment within the parade and within the immediate local area.

Caspian Wharf Neighbourhood Parade

Caspian Wharf Neighbourhood Parade

Description
<p>Caspian Wharf Neighbourhood Parade is comprised of five retail units at the ground floor of the intersection of Yeo Street, Violet Road and Seven Sea Gardens. The area has been developed within the last decade, and the buildings in which the retail units sit at the ground floor appear relatively modern. The retail offer includes a Tesco Express, gym, two real estate agents and a dry cleaners.</p> <p>The parade was observed to have generally a pleasant urban environment. Violet Road was relatively busy at the time of the Nexus site visits. The intersection comprised of a mostly shared surface including dropped kerb and large pedestrian crossing, allowing for safe crossing from the east and west sides of the street, albeit additional traffic calming may assist in further promoting pedestrians and cyclists.</p>

Photographs



Health Check Assessment

Criteria	Observations																								
1. Retail Offer	<p>The table below provides a breakdown of the retail offer as observed during Nexus Planning site visits.</p> <table><tr><th>Category</th><th>Units (#)</th><th>Units (%)</th></tr><tr><td>Convenience</td><td>1</td><td>20</td></tr><tr><td>Comparison</td><td>0</td><td>0</td></tr><tr><td>Retail Services</td><td>1</td><td>20</td></tr><tr><td>Leisure Services</td><td>1</td><td>20</td></tr><tr><td>Financial & Business Services</td><td>2</td><td>40</td></tr><tr><td>Vacant</td><td>0</td><td>0</td></tr><tr><td>TOTAL</td><td>5</td><td>100</td></tr></table> <p>Overall, the parade has a very limited offer of uses including a Tesco Express, gym, two different real estate agents and a dry cleaner. The parade is a short walk from Chrisp Street District Centre, and therefore supplements the offer of the Chrisp Street with localised services.</p>	Category	Units (#)	Units (%)	Convenience	1	20	Comparison	0	0	Retail Services	1	20	Leisure Services	1	20	Financial & Business Services	2	40	Vacant	0	0	TOTAL	5	100
Category	Units (#)	Units (%)																							
Convenience	1	20																							
Comparison	0	0																							
Retail Services	1	20																							
Leisure Services	1	20																							
Financial & Business Services	2	40																							
Vacant	0	0																							
TOTAL	5	100																							
2. Vacant Units	There were no vacancies observed within the parade at the time of the Nexus site visits.																								
3. Culture & Leisure	The only leisure based offer within the parade at the time of the Nexus site visits was the gym.																								
4. Unhealthy Businesses	No unhealthy businesses were noted that the time of the Nexus site visits.																								
5. Visitor Satisfaction	The sample size of respondents to the NEMS Household Survey who identified that Caspian Wharf Neighbourhood Parade was																								

	their centre of choice was too small to extrapolate any meaningful conclusions in relation to visitor satisfaction.
Business Confidence	This is a relatively small centre anchored by a Tesco Metro store. The area is predominantly residential in nature with relatively high density development, thus providing a large number of potential customers to businesses located here. The supply of accommodation is limited and therefore should any of these units become vacant it is highly likely that there would be good demand for the accommodation.
6. Events	A desktop search did not reveal any specific events local to Caspian Wharf.
7. Footfall	A reasonable amount of footfall was observed at the time of the Nexus site visits for a small centre. The majority of patronage was for the Tesco Express.
8. Access	The centre is accessible for pedestrians, cyclists and private vehicles. There is also a bus that runs the length of Violet Road and south the Chris Street. Regents Canal runs to the south of the parade.
9. Car and Cycle Parking	Cycle hoops were observed within the area for cyclists visiting the retail units or visiting residents of local buildings.
10. Green Environment	Very limited greenery within the immediate surrounds of the parade, partly due perhaps to the relatively narrow kerbs.
11. Historic Environment	A review of Historic England's list of listed buildings identifies that there are no listed buildings in the vicinity of Caspian Wharf Neighbourhood Parade.
12. Street Markets	A desktop search provided no information about street markets in the area.
13. Independent Trading	Two of the five units within the centre appeared to be independent businesses.
14. Night Time Economy	At the time of the Nexus site visits, no evening economy uses were observed as being present within the parade.

8.0 Neighbourhood Centre Interventions

Introduction

- 8.1 The brief asks us to provide innovative recommendations for interventions within each of the neighbourhood centres and parades that the council can implement to address the opportunities and threats posed by the retail trends discussed in Section 2 of this report.
- 8.2 In Section 2 we explored the changes and trends that have been observed in the way that people undertake their shopping over the last decade or so, including crucially the rise of internet shopping in that period. Coupled with those changes as observed over the last decade or so, is the drastic impact that the Covid-19 pandemic has had over the course of 2020. The interventions that are set out overleaf are recommended with the overarching retail trends in mind, but also considering the expected changes as a result of the pandemic.
- 8.3 Crucially though, the impacts of the pandemic are still yet to be understood in their entirety. It is important that we strike a balance between assuming that things will go back to the way they were prior to the pandemic, and understanding that the pandemic may have changed the way we go about our daily lives for good. By way of example, the pandemic, and the impact on people's working habits, has brought about commentary on such concepts as the '15-minute city', a city in which all daily urban necessities are within a 15-minute reach on foot or by bike³² including home, work, entertainment, healthcare and education. In the 15-minute city, local and neighbourhood centres would play a crucial role in providing the relevant necessities for a population that spends an increased quantum of time at their homes and within their local neighbourhood. By improving the function and attractiveness of the AAP's neighbourhood centres and parades, we expect those centres to be able to generate substantial patronage.
- 8.4 For each of the neighbourhood centres and parades and using the observations and conclusions drawn in our health check assessments in Section 7, an Intervention Plan has been prepared for each of Devons Road Neighbourhood Centre, Aberfeldy Street Neighbourhood Centre, London City Island Neighbourhood Centre, St Leonards Street Neighbourhood Parade and Caspian Wharf

³² Carlos Moreno, <http://www.moreno-web.net/the-15-minutes-city-for-a-new-chrono-urbanism-pr-carlos-moreno/>, June 2019

Neighbourhood Parade. Each intervention plan provides site specific recommendations designed to ensure that that neighbourhood centre or neighbourhood parade remains relevant in the context of wider development and change within and just outside the AAP boundary, as well as in the context of social change.

8.5 The recommended interventions for each centre are set out in the sections following. Full sized intervention plans are contained at Appendix E. An assessment matrix of each centre is also provided at Appendix F. The assessment criteria that are included at Appendix F have been drawn directly as set out in the brief and include the following:

- Maintaining a viable physical high street presence;
- Improving residential and high street amenity;
- Creating opportunities for social interactions;
- Reducing non-active travel use, including for deliveries;
- Reducing congestion and pollution;
- Deliverability (considering the role of the planning system and other council functions);
- Potential trade-offs, including any potential viability impacts.

8.6 Each proposed interventions has been assessed against the criteria as either having a positive impact, a challenge being identified, or irrelevant to the proposal.

Devons Road Neighbourhood Centre

8.7 Devons Road, whilst being one neighbourhood centre, is comprised of two clearly delineated sections; the old and the new. The new section, the recently completed Lime Quarter, boasts high quality public realm and larger, modern retail units, while the older section, south west of the Lime Quarter, has a tired, dated, feel to it.

8.8 As described in the health check assessment, Devons Road is busy, and traffic moves swiftly. In order to combat the challenges this presents, some of the interventions presented below and at Appendix E propose measures to reduce the impact of traffic. We also discussed in our health check assessment that the older section of the centre (to the south) has poor public realm, and would benefit from general improvements, added vegetation and planting, and the removal of railings between the road and the footpath.

8.9 The proposed intervention options for Devons Road Neighbourhood Centre include the following:

Item	Intervention	Description
a.	Traffic calming measures	Install traffic calming measures along Devons Road between Devons Road Station and The Lighthouse Baptist Church. In addition, install a shared surface along Devons Road between Violet Road and Brock Place to give a 'village' feel, reduce the impact of traffic, and give pedestrians and cyclists priority. In doing so, the overall shopping environment and experience for pedestrians would improve, and visitors to the centre are likely to dwell in the area for longer.
b.	Create legible pedestrian connection	Improve pedestrian connections from the Lime Quarter Development to the western side of Devons Road, by creating a direct and legible pedestrian route between the two sections of the centre (across Devons Road, north of the existing roundabout at the junction with Violet Road). A similar recommendation was made within We Made That's Movement Study, which pointed out that while the current junction arrangement makes sense for road traffic, it is not legible for pedestrians moving between the two parts of the centre.
c.	Enhance existing raised green space	Enhance the existing raised green space triangle to make it more accessible and useable. This intervention may require the triangle to be reformed into a pocket-park at ground level, improving its ability to be practically utilised by members of the public. Ensure seating is included in the plans to give residents and visitors to the centre the opportunity to dwell within the centre for longer periods.
d.	Install Collection Hub	Install 'Click and Collect' lockers at Corsican Square or an alternative location to reduce the impact of delivery vehicles on the local street network. As outlined in Section 2 of this report, internet shopping has exploded over the last few years, buoyed even further by the pandemic. As such it is important that there is a functional system to manage deliveries within neighbourhoods.
e.	Remove pedestrian railings	Remove the existing pedestrian railings that run almost the entire length of Devons Road. The railings create a divisive environment and a barrier for legible pedestrian movement.

Item	Intervention	Description
f.	Enhance public realm	Enhance the existing areas of public realm including through the installation of raised planters to partially replace the existing barriers between the road and footpath which are recommended for the removal at (e). The planters could form a functional barrier between the road and the public realm. The planters would not need to be installed along the entire length of Devons Road as the traffic calming measures and shared surface would also contribute to reducing risk to pedestrians in the area.
g.	Shopfront improvements	Promote shopfront improvements amongst existing retailers, particularly in the southern portion of the centre. For example, the Council could partner with a local architecture or design firm to work with independent businesses to design a mural or motif on blank walls and roller doors. The opportunity could be taken to employ local college students to undertake work experience. A similar project was undertaken in Tottenham recently in partnership with the Greater London Authority ³³ . Alternatively, a shopfront guide could be prepared to assist business owners as they make external changes in the future.
h.	Promote footfall generating uses	Look to promote footfall generating uses, such as cafes and restaurants where possible. As discussed in Section 2 of this report, successful high streets have had to pivot from traditional bricks and mortar retail to providing experiential opportunities.
i.	Improve cycle parking	Improve existing provision and increase the quantum of cycle parking on the western side of Devons Road to further prioritise cycling ahead of private car use for local residents.

Aberfeldy Street Neighbourhood Centre

- 8.10 Aberfeldy Street Neighbourhood Centre suffers from the ongoing uncertainty around the possible redevelopment of the Aberfeldy Estate. Our health check assessment made observations about the centre having extremely high levels of vacant units. Notwithstanding, it is clear that from a physical perspective the centre has a lot of potential to be both vibrant and vital, particularly given the nearest other town centre locations are Chrisp Street and London City Island, both of which are somewhat difficult or unpleasant to travel to as a pedestrian or cyclist. Aberfeldy Street should therefore be the

³³ Haringey London, <https://tottenham.london/explore/seven-sisters/seven-sisters-shopfront-improvements>

primary neighbourhood shopping destination for residents east of the A12, north of the A13 and west of the River Lea.

8.11 Furthermore, it is important that appropriate enhancements and investment occurs prior to major nearby developments taking place, such as Leven Road Gas Works and Leven Wharf, both of which are in walking distance of Aberfeldy Street and propose new retail floorspace as part of a mixed use development. Retail units within these developments are likely to compete with those on offer within Aberfeldy Street.

8.12 The proposed intervention options for Aberfeldy Street Neighbourhood Centre include the following:

Item	Intervention	Description
a.	Traffic calming measures	Introduce traffic calming or a shared surface along the length of the street between Dee Street and Blair Street. In doing so, it would become clear that pedestrians and cyclists have priority in the area, thereby creating a much more pleasant shopping environment, in which patrons are more likely to dwell for longer period of time.
b.	Enhance pedestrian connection between Lansbury Street and Aberfeldy Street	Enhance the pedestrian connection between Lansbury Gardens and Aberfeldy Street. The pedestrian connection as existing could be easily enhanced with urban realm improvements and lighting.
c.	Enhance pedestrian connections across Aberfeldy Street	Enhance the two pedestrian crossing on Aberfeldy Street to assist pedestrian who need to cross the street. In conjunction with the proposed traffic calming measures as described in (a), the enhanced pedestrian crossing would help to prioritise pedestrian movement within the centre ahead of car movement along Aberfeldy Street.
d.	Parklet programme	Implement a 'Parklet' programme with local residents, providing mini park spaces for children to play and adults to dwell, all the while improving the Aberfeldy Street environment and showing locals that people should have priority over vehicles. There have been examples across London of successful Parklet programmes, which are often as simple as providing fake grass, potted plants and some seating.

Item	Intervention	Description
e.	Install Collection Hub	Install 'Click and Collect' lockers at an appropriate location within or just on the edge of the centre to reduce the impact of delivery vehicles on the local street network. As outlined in Section 2 of this report, internet shopping has exploded over the last few years, buoyed even further by the pandemic. As such it is important that there is a functional system to manage deliveries within neighbourhoods.
f.	Urban realm improvements	Ensure a balanced approach to urban realm improvements including installation of additional street furniture, without resulting in a 'cluttered' street environment. By improving the urban environment of the neighbourhood centre, customers and local residents are more likely to spend longer within the centre. This is particularly important to ensure that the centre can stay relevant and continue to compete when there are mixed-use schemes being developed, including some retail, within walking distance.
g.	Promote footfall generating uses	Improve the overall activity and footfall generating uses in the centre to assist businesses to become commercially viable. As discussed in Section 2 of this report, successful high streets have had to pivot from traditional bricks and mortar retail to providing experiential opportunities.
h.	Markets	Consider implementing a weekly or monthly Aberfeldy Street market as a way to generate footfall and promote the street to the local community. As we reported in chapter 2 some centres are beginning to benefit from a greater focus on independent retailers and also modern markets, which are frequently focussed around food and drink operators. The layout of the street itself lends itself to a market arrangement, with the road easily able to be closed to cars at certain times.

London City Island Neighbourhood Centre

8.13 As London City Island is a brand new development that is now nearing completion, it is difficult to make recommendations for improvements to the urban realm and mix of uses. The island, which is almost entirely surrounded by the River Lea, is somewhat isolated from other locations within the Borough. Until such time as there is a comprehensive mix of retail uses in operation, residents and

visitors to London City Island are very likely to undertake their shopping at Canning Town District Centre which is located over the River Lea and on the other side of the Canning Town Railway Station. The recent opening of a Sainsbury's Local on the Island demonstrates that the centre is starting to come into its own.

- 8.14 The proposed intervention options for London City Island Neighbourhood Centre include the following:

Item	Intervention	Description
a.	Improve wayfinding and signage for pedestrians and cyclists	Improve way finding and signage for pedestrians and cyclists who are approaching London City Island from the north. Similarly, to get from the Island to Canning Town, a pedestrian or cyclist must walk through Canning Town Railway Station, and this route is not well signed or legible.

St Leonards Street Neighbourhood Parade

- 8.15 St Leonards Street Neighbourhood Parade fronts the very busy A12. As detailed in our health check assessment, the area is dominated by vehicle traffic, making for an unpleasant pedestrian environment. There are limited interventions that can realistically reduce the dominance of the vehicle traffic for the neighbourhood parade, and therefore the centre must rely on its function and retail offer to draw customers.
- 8.16 The proposed intervention options for St Leonards Street Neighbourhood Parade include the following:

Item	Intervention	Description
a.	Enhance existing vegetation	The existing vegetation that exists between the A12 and the parade of shops forms a protective barrier for customers visiting shops in the parade. The planting should be enhanced as much as possible to form a reprieve from the noise and air pollution of the major motorway, creating a nicer environment in which customers may spend longer.
b.	Subway improvements	There is an existing subway beneath the A12 just to the south of St Leonards Street Neighbourhood Parade. The subway would benefit from improvements for the sake of utilisation and safety, and to improve the connection between the east and west of the A12. Improvements to this pedestrian route are also suggested within the We Made That Movement Strategy.
c.	Improve cycle parking	No formal bicycle parking was observed at the time of the Nexus site visits and the centre would therefore benefit from the installation of cycle parking to allow cyclists to be able to conveniently stop and visit the shops within the parade.

Caspian Wharf Neighbourhood Parade

- 8.17 As discussed in our health check assessment, Caspian Wharf Neighbourhood Parade is an area of the AAP that has benefitted from extensive residential development in recent years. The centre itself is very limited in its retail offer, the primary draw card being the Tesco.
- 8.18 The proposed intervention options for Caspian Wharf Neighbourhood Parade include the following:

Item	Intervention	Description
a.	Traffic calming measures	Generally the public realm around Caspian Wharf Neighbourhood Parade is high quality and relatively modern. While the kerb is at grade with the road at the intersection of Violet Road and Yeo Street, vehicles were observed to travel quite quickly along Violet Road, and therefore additional traffic calming measures may assist in improving the environment for cyclists and pedestrians. Cyclist priority to assist promotion of cycling in line with recommendations made in the We Made That Movement Strategy.
b.	Additional vegetation	The streets are dominated by concrete and would be more attractive if there was some level of greenery, whether planters or mature trees.
c.	Improve cycle parking	Existing cycle provision is relatively poor, so additional public cycle parking facilities would benefit the retail units in the vicinity, by providing added convenience for cyclists passing through.
d.	Install Collection Hub	Install 'Click and Collect' lockers on Yeo Street or an alternative location to reduce the impact of delivery vehicles on the local street network. As outlined in Section 2 of this report, internet shopping has exploded over the last few years, buoyed even further by the pandemic. As such it is important that there is a functional system to manage deliveries within neighbourhoods.

9.0 Summary and Conclusion

- 9.1 The purpose of this Retail Needs Assessment for the East of Borough AAP, has been to provide an assessment of the retail needs resulting from the anticipated growth in the AAP area, to consider whether the existing uplift of commercial units currently permitted is sufficient, and to identify the optimum spatial strategy to allocate this retail offer. In addition, the study considered new retail trends, including the growth of internet deliveries, and has suggested ways in which the AAP can reduce the negative impacts of these trends and support the neighbourhood centres and parades to make use of the opportunities that are presented.
- 9.2 A summary of the key parts of the study is presented below.

Retail Capacity Findings

- 9.3 This Retail Needs Assessment established the Study Area and the projected changes in population, expenditure and special forms of trading, as well as the market shares arising out of the Household Telephone Survey of the Study Area.
- 9.4 As described in Section 5 of this report, negative capacity has been identified for both convenience and comparison floorspace to 2031 for the East of the Borough AAP.
- 9.5 Fundamentally, this means that when you take into consideration the existing provision of retail floorspace, population growth that is expected in the AAP area to 2031, and the extant planning permissions that are likely to be brought forward for new retail floorspace, there is no requirement for additional retail floorspace within the Study Area for the AAP period.
- 9.6 It is important to point out that forecasting as far away as 2031 must be treated with some caution, as there will be economic, political and technological unknowns that will intervene over that period. Moreover, capacity modelling should not be seen as an absolute; it is a guide.
- 9.7 Equally, in relation to decision taking, the lack of significant demonstrable quantitative capacity should not necessarily prevent the Council from allowing new applications for retail development in existing designated centres, particularly where such developments would bolster the draw of such

centres and encourage growth in line with Council's aspirations and the centre's position within the retail hierarchy.

- 9.8 We would also stress that, in accordance with national planning policy and guidance, applications for retail developments above the relevant threshold and outside of the designated primary shopping area boundaries would need to be considered in accordance with the sequential approach and retail impact assessment methodology.
- 9.9 Whilst the capacity findings summarised above set out to provide the Council with an evidence base to inform the future allocation of new retail facilities where necessary, we are cognisant of the recent update of the Use Classes Order (The Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020, which came into effect on 1st September 2020).
- 9.10 As previously summarised in Section 2, this creates a new flexible Class E which combines the former Class A1 (shops), Class A2 (financial and professional services), Class A3 (restaurants and cafes), Class B1 (business), parts of Class D1 (non-residential institution), and parts of Class D2 (assembly and leisure). It is clear that the intention is to remove restrictions and allow greater freedom on the high street and in town centres for businesses to be agile and respond to changing circumstances.
- 9.11 As such, planning permission is not required for the change of use between previously separate Use Classes (under the superseded 1987 Order) that are no longer considered to be 'development'. An unintended consequence of this update to the Use Class Order is that such flexibility will also apply in out of centre locations.
- 9.12 Whilst we do not specifically identify any capacity for new retail floorspace in the Study Area, the discount sector in particular remains acquisitive, and other formats may also seek to expand or contract as trends shift. There is therefore a risk that operators will seek to take advantage of the opportunity created by the change in the Use Class Order that will allow retail uses to occupy non-retail Class E premises in out of centre locations, circumventing any relevant 'town centre first' policies.
- 9.13 This issue affects existing facilities that would fall under Class E but (going forward) can be mitigated by attaching conditions to the grant of planning permission in out of centre locations to restrict the use to that applied for.

- 9.14 The Council may wish to apply such conditions to new out of centre Class E uses to prevent proposals for larger footprint gyms, offices, soft play or trampoline centres (amongst others) from becoming an out of centre foodstore or other retail facility without compliance with the relevant impact tests. For example, the use of foodstores is generally restricted by condition to only food retail (with a proportion of non-food goods) and for no other purpose. Such conditions can override the provisions of the Use Classes Order.

Retail Trends and the Impact of the Pandemic

- 9.15 The trends assessment, which was set out in some detail in Section 2 of this report and set the scene for the rest of the study, has provided commentary around the state of play for the retail world over the last decade or so. In addition to looking back at trends over time, we also considered the impact of the Covid-19 pandemic and the potential systemic shift that the pandemic and subsequent lockdown has had on the way we carry out our day-to-day lives. There is no denying that with that systemic shift, will come further changes to the way that people carry out their shopping. In this study we have had to consider the pandemic may have changed the way we go about our daily lives for good.
- 9.16 Internet shopping has had the single biggest impact on the way that people shop and Experian has previously reported that special forms of trading will account for almost 26% of retail sales by 2025, increasing to around 30% by 2030. Whilst new technology provides significant challenges to bricks and mortar operators, it also provides opportunities for more progressive operators that are able to invest in new technology, and it is important therefore that retailers embrace new technologies where possible.
- 9.17 Prior to the pandemic there was already a growing market for grocery shopping to be undertaken online and delivered straight to the customer's home. The Covid-19 pandemic has accelerated this trend. An increased number of shoppers are likely to continue to undertake grocery shopping online where the option is available. This will reduce the amount of custom in stores and, as such, reduce footfall in centres anchored by grocery operators. However, we expect that the impact of internet shopping may be less applicable to the AAP neighbourhood centres and parades, particularly where there are a high number of alternative and independent convenience retailers that do not have a major presence online.

- 9.18 Early reports on the impacts of the pandemic have also shown a willingness of people to undertake more of their shopping at their local high streets and centres. The concept of the 15-minute city as discussed in Section 8 of this report sets out that local and neighbourhood centres would play a crucial role in providing the relevant necessities for a population that spends an increased quantum of time at their homes and within their local neighbourhood.
- 9.19 The design of urban spaces and public realm is also crucial in ensuring that neighbourhood centres and parades can stay relevant. By improving the function and attractiveness of the AAP's neighbourhood centres and parades, we expect those centres to be able to generate substantial patronage. Where social distancing continues to be a focus and the new norm, it is important that public areas provide adequate outdoor space. Where possible, opportunities for al fresco dining are likely to remain popular, particularly in the summer months.
- 9.20 These factors have all been given due consideration in our recommendations for interventions in each of the five neighbourhood centres and parades in the east of Borough AAP.

Recommended Interventions

- 9.21 Based on the outcome of our assessment of retail floorspace capacity, we recommended that the Council shift the focus of the Study slightly. Rather than considering options to expand, relocate, and designate new centres in the AAP, we have recommended that the Council prioritise the enhancement of the existing neighbourhood centres and parades to ensure that they stay relevant in the context of changing retail trends, the impact of the pandemic and major new developments within the AAP area.
- 9.22 For each neighbourhood centre and parade, an intervention plan has been prepared that investigates options to enhance the experience of customers and residents shopping within the centres, as well as improving opportunities for local businesses. The interventions range from suggesting specific locations for 'Click and Collect' lockers, making recommendations for public realm improvements and creative proposals for shop front improvements and instigating a Parklet programme. The interventions have also been designed to shift the focus from private cars to pedestrians and cyclists by proposing improved pedestrians connections, traffic calming measures and enhances bicycle parking.

Glossary of Terms

Bulky goods:	<p>Goods of a large physical nature (for example DIY, furniture, carpets) that sometimes require large areas for storage or display.</p> <p><i>Source: Planning Portal</i></p>
Capacity:	<p>Forecast resident spending within the catchment area, with which to support existing and additional retail floorspace.</p> <p><i>Source: Planning Portal</i></p>
Comparison Goods:	<p>Retail items not bought on a frequent basis, for example televisions and white goods (fridges, dishwashers etc.).</p> <p><i>Source: Planning Portal</i></p>
Convenience Goods:	<p>Everyday essential items, such as food.</p> <p><i>Source: Planning Portal</i></p>
Edge-of-Centre:	<p>For retail purposes, a location that is well connected to, and up to 300 metres from, the primary shopping area. For all other main town centre uses, a location within 300 metres of a town centre boundary. For office development, this includes locations outside the town centre but within 500 metres of a public transport interchange. In determining whether a site falls within the definition of edge of centre, account should be taken of local circumstances.</p> <p><i>Source: NPPF</i></p>
Expenditure per Capita:	<p>The amount of money spent on retail goods per person in each Zone across the Study Area.</p>
Expenditure:	<p>Average annual expenditure levels for various forms of goods, multiplied by the population within the defined Study Area.</p>
Experian Goad:	<p>Experian Goad is a retail property intelligence system that helps retail developers, property investors, planning professionals, and commercial agents to identify profitable locations for retail property development and</p>

investment projects. It offers comprehensive retail location plans and easy to use reports covering over 3,000 shopping areas in the UK and Ireland.

Experian (MMG3):

A population, expenditure and socio-demographic dataset that utilises the 2011 Census release, projected forward by using growth rates derived from Office for National Statistics projections and current age and gender estimates.

Financial & Business Services:

An Experian Goad category comprising the likes of banks, building societies, employment agencies, legal services, estate agents and business services.

Source: Experian Goad

Floorplate:

Defined as the physical rentable area on one whole floor; sometimes called the footprint.

Goad Plans:

A plan showing a bird's eye view of a retail centre including the exact location of all retail outlets and vacant premises, fascia name, retail category, and floor space. Key location factors such as pedestrian zones, road crossings, bus stops and car parks are also featured, allowing you to instantly assess the site quality of existing or prospective store locations.

Source: Experian

Independent Retailers:

Retailers with less than 10 outlets/ stores.

Source: Experian

Leisure Services:

An Experian Goad category for town centre leisure units which includes bars, cafes, cinemas, nightclubs, take-aways, hotels, public houses and restaurants. For clarity, it does not include facilities for leisure pursuits e.g. sports centres, swimming pools or health & fitness clubs.

Source: Experian Goad

Main Town Centre Uses:

Retail development (including warehouse clubs and factory outlet centres); leisure, entertainment and more intensive sport and recreation

uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).

Source: NPPF

Market Share:

The proportion of residents that visit a particular retail destination, derived from household survey results.

National Multiple:

Defined as retailers with ten or more stores/ outlets.

Source: Experian

Prime Unit:

‘Prime’ is a widely used term within real estate investment circles to describe building and location quality. There are no universally agreed definition, however, and no consistency in the distinctions applied to prime or non-prime property.

Source: Colliers

Primary shopping area:

Defined area where retail development is concentrated.

Source: NPPF

Retail Floorspace:

Total floor area of the property that is associated with all retail uses in square metres. May be expressed as a net figure (the sales area) or in gross (including storage, preparation and staff areas).

Source: Planning Portal

Retail Impact:

The potential effects of proposed retail development upon existing shops.

Source: Planning Portal

Retail Services:

An Experian Goad category comprising the likes of dry cleaners, health & beauty, opticians, photo processing, post offices and travel agents.

Source: Experian Goad

Sequential Approach:

A planning principle that seeks to identify, allocate or develop certain types or locations of land before others. For example, brownfield housing

sites before greenfield sites, or town centre retail sites before out-of-centre sites.

Source: Planning Portal

Sales Density:

Turnover, per square metre. Various retail planning sources such as GlobalData UK Food & Grocery Company Briefing Reports and Mintel Retail Rankings provide average (or benchmark) sales densities for national multiple convenience retailers.

Special Forms of Trading:

Special forms of trading (SFT) are defined as sales via the internet, mail order, stalls and markets, vending machines, door-to-door and telephone sales, including online sales by supermarkets, department stores and catalogue companies.

Source: Experian

Study Area:

The geographical area where the household survey is carried out, based on postal sectors that make up the 5 Zones that cover the East of the Borough Area and its surrounding hinterland.

Trade draw:

The proportion of trade that a development is likely to receive from customers within and outside its catchment area. It is likely that trade draw will relate to a certain geographic area (i.e. the distance people are likely to travel) and for a particular market segment (e.g. convenience retail). The best way of assessing trade draw where new development is proposed is to look at existing proxies of that type of development in other areas.

Source: PPG Paragraph: 017 Reference ID: 2b-017-20140306

Turnover:

Amount of sales per unit area of retail floorspace

Source: Planning Portal

Town Centre:

Area defined on the local authority's proposal map, including the primary shopping area and areas predominantly occupied by main town centre uses within or adjacent to the primary shopping area. References to town centres or centres apply to city centres, town centres, district centres and local centres but exclude small parades of shops of purely neighbourhood significance. Unless they are identified as centres in Local Plans, existing

out-of-centre developments, comprising or including main town centre uses, do not constitute town centres.

Source: NPPF

Appendix A: Study Area Plan

Appendix B: Household Telephone Survey Results

Appendix C: Statistical Modelling

Appendix D: Spatial Town Centre Strategy Plan

Appendix E: Centre Intervention Plans

Appendix F: Intervention Assessment Matrix

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