

Rutland Retail Capacity Assessment (2016 Update)

Volume One — Main Report | April 2016



CONTENTS

VOLUME ONE – MAIN REPORT

1	INTRODUCTION.....	3
2	PLANNING POLICY CONTEXT.....	4
3	STUDY CONTEXT.....	9
4	THE SUB-REGIONAL CONTEXT	13
5	ASSESSMENT OF CENTRES IN RUTLAND	17
6	SURVEY AREA, SHOPPING PATTERNS AND POPULATION & EXPENDITURE GROWTH	22
7	RETAIL CAPACITY FORECASTS	25
8	COMMERCIAL LEISURE ASSESSMENT.....	31
9	CONCLUSIONS & RECOMMENDATIONS	35

VOLUME TWO – PLANS & APPENDICES

PLAN 1	STUDY AREA PLAN
PLAN 2	EXPENDITURE FLOW PLAN
PLANS 3-12	COMPARISON GOODS MARKET SHARES BY CENTRE
PLANS 13-15	CONVENIENCE GOODS MARKET SHARE PLANS BY MAJOR STORES
APPENDIX I	COMPARISON GOODS CAPACITY TABLES
APPENDIX II	CONVENIENCE GOODS CAPACITY TABLES

VOLUME THREE — HOUSEHOLD SURVEY RESULTS

Prepared by NEMS Market Research

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For and on behalf of GVA Grimley Ltd

1 INTRODUCTION

1.1 Bilfinger GVA have been instructed by Rutland County Council ('the Council') to undertake a Retail Capacity Assessment Update, which will form part of the evidence base for the Council's Local Plan review. The report updates the previous retail capacity evidence base for the County, which comprises the Rutland Retail Capacity Assessment (RRCA) (Roger Tym & Partners, 2010) and the Rutland Retail Capacity Assessment Update (RRCAU) (Peter Brett Associates, 2013).

1.2 The purpose of the study is to:

- Provide an updated assessment of the vitality and viability of the two main centres of Oakham and Uppingham;
- Provide an updated assessment of the quantitative and qualitative 'need' for additional retail floorspace in the County over the period to 2036; and
- Make recommendations to the Council in respect of its future approach to retail provision in its Local Plan.

1.3 The findings of the RRCA and RRCAU were underpinned by a household telephone survey of shopping patterns undertaken by NEMS Market Research in 2009; a new survey has been undertaken in support of this study to provide an updated understanding of residents' shopping patterns. The household telephone survey is used to capture shopping patterns of households across an agreed survey area. The extent of the survey area was agreed with the Council at initial stages of preparation of the study, and is unchanged from that used for the RRCA / RRCAU. The results of the household survey also provide an understanding of the extent to which centres outside the County compete for residents' spending with Oakham and Uppingham town centres. We provide a full discussion of the survey area and approach to the household survey in Section 6 of this report.

1.4 Our study is split into three volumes. This report forms Volume 1 to the study; Volume 2 sets out supporting plans and appendices, and Volume 3 provides the household telephone survey data, which has again been prepared by NEMS Market Research. The remainder of Volume 1 responds to the above study objectives in full and is structured as follows:

- Section 2 sets out our review of national, strategic and local planning policy relevant to retail and leisure planning, and also provides a review of the key findings from the RRCA / RRCAU;
- Section 3 considers national trends in the retail sector, and in particular the implications of recent economic growth and technological advances which are impacting on shopping habits;
- Section 4 considers the wider study context, identifying the most popular shopping destinations for residents in the survey area, the key competing centres surrounding the survey area, and the extent to which they influence the shopping patterns of residents;

- Section 5 reviews the composition, role and function of current shopping provision in Oakham and Uppingham town centres, through undertaking updated 'health check' assessments;
- Section 6 sets out our approach to calculating retail capacity, including definition of the household telephone survey area and discussion of approach to the household telephone survey;
- Section 7 sets out the quantitative 'need' for additional convenience (food) and comparison (non-food) retail floorspace in the County over the study period to 2036;
- Section 8 presents a qualitative assessment of commercial leisure provision; and
- Section 9 draws our analysis together and set out conclusions, strategic guidance and recommendations.

1.5 Our health check assessments (and subsequent analysis) refer to different types of retail and commercial leisure floorspace, as follows:

- **'Convenience'** goods refers to food shopping – including supermarkets, and specialist stores such as bakers, greengrocers, off licences and so on;
- **'Comparison'** goods refers to non-food shopping – including fashion, home furnishings, electrical items, DIY goods, books and music
- **'Services'** uses refers to commercial leisure services such as restaurants and cafes, retail services such as hairdressers, beauty salons, banks, building societies and estate agents, as well as non-retail uses such as cinemas and arts centres.

2 PLANNING POLICY CONTEXT

2.1 In this section we summarise the key features of national and local planning policy guidance which provide the context and framework for this study.

NATIONAL POLICY FRAMEWORK

National Planning Policy Framework (NPPF), 2012

2.2 The National Planning Policy Framework (NPPF), published on 27 March 2012 sets out the Government's planning policies for England and replaces the suite of national Planning Policy Statements, Planning Policy Guidance and Circulars with a single document.

2.3 The NPPF continues to recognise that the planning system is plan-led and therefore Local Plans, incorporating neighbourhood plans where relevant, are the starting point for the determination of any planning application. In line with the Government's aim to streamline the planning process, each Local Planning Authority (LPA) should produce a single Local Plan for its area with any additional documents to be used only where clearly justified.

2.4 The NPPF maintains the general thrust of previous policy set out in PPS4 – Planning for Sustainable Economic Growth (2009). It advocates a 'town centres first' approach, and requires planning policies to positively promote competitive town centre environments and manage the growth of centres over the plan period. In planning for town centres LPAs should:

- Recognise town centres as the heart of their communities and pursue policies to support their viability and vitality;
- Define a network and hierarchy of centres that is resilient to anticipated future economic changes;
- Define the extent of town centres and primary shopping areas, based on a clear definition of primary and secondary shopping frontages in designated centres and set policies that make clear which uses will be permitted in such locations;
- Promote competitive town centres that provide customer choice and a diverse retail offer which reflect the individuality of town centres;
- Retain and enhance existing markets and, where appropriate, re-introduce or create new ones, ensuring that markets remain attractive and competitive;

- Allocate a range of suitable sites to meet the scale and type of economic development needed in town centres. Where town centre sites are not available, LPAs should adopt a sequential approach to allocate appropriate edge of centre sites;
- Set policies for the consideration of proposals for main town centre uses which cannot be accommodated in or adjacent to town centres;
- Recognise that residential development can play an important role in ensuring the vitality of centres; and
- Where town centres are in decline, plan positively for their future to encourage economic activity.

2.5 LPAs should ensure that the Local Plan is based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area. These assessments should be integrated and take full account of relevant market and economic signals. LPAs should use the evidence base to assess, inter alia:

- The needs for land or floorspace for economic development, taking account of both quantitative and qualitative requirements for all foreseeable types of economic activity over the plan period, including retail and commercial leisure development;
- The existing and future supply of land available for economic development and its sufficiency and suitability to meet the identified needs;
- The role and function of town centres and the relationship between them, including any trends in the performance of centres; and
- The capacity of existing centres to accommodate new town centre development.

2.6 Consistent with transitional arrangements, the Local Plan will be examined by an independent inspector whose role it is to assess whether the plan is sound. In order to be found sound the Plan should be:

- Positively prepared i.e. based on a strategy which seeks to meet objectively assessed development and infrastructure requirements
- Justified i.e. the most appropriate strategy, when considered against the alternatives;
- Effective i.e. deliverable over its plan period and based on effective joint working; and
- Consistent with national policy i.e. enable the delivery of sustainable development

2.7 Overall, the NPPF adopts a positive approach, with a presumption in favour of sustainable development and support for economic growth. In terms of decision-making, applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise. The NPPF is a material consideration in planning decisions.

National Planning Policy Guidance (NPPG) (2014)

- 2.8 In March 2014 the Department for Communities and Local Government (DCLG) launched the online planning practice guidance, which cancelled a number of previous planning practice guidance documents, including the Practice Guidance on Need, Impact and the Sequential Approach (2009). Although it does not constitute a statement of Government policy, it provides technical guidance on how to prepare a robust evidence base and how to assess the impact of proposals for main town centre uses. The web-based resource provides guidance on how to assess and plan to meet the needs of main town centre uses in full through production of a positive vision or strategy for town centres.

LOCAL POLICY FRAMEWORK FOR RUTLAND

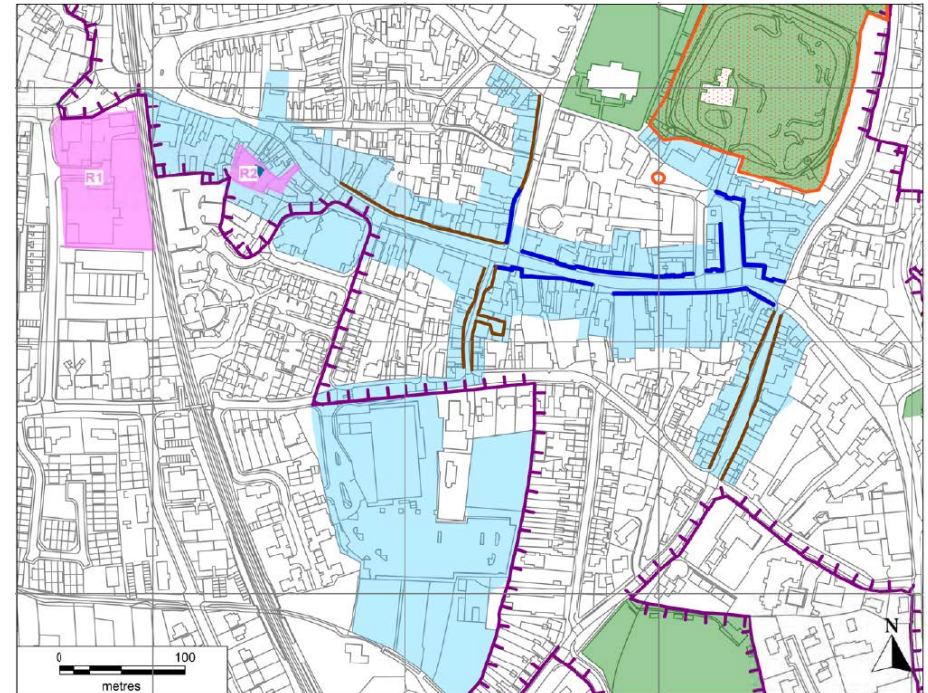
- 2.9 The Rutland Core Strategy was adopted in 2011 and was therefore adopted at the time of preparation of the RRCAU; it remains the extant local planning policy document for the County. Policy CS17 ('Town Centres and Retailing') sets out a hierarchy of centres identifying Oakham as the 'main town centre' serving the whole of Rutland, and Uppingham as a 'town centre', serving the surrounding rural catchment. Policy CS17 directs 'main town centre uses' to these defined centres, and where developments cannot be accommodated within defined town centres a sequential approach will be followed.
- 2.10 The Core Strategy sets out the amount of comparison and convenience goods floorspace which should be accommodated in Rutland over the course of the Core Strategy period; these figures were based on the recommendations of the RRCA. The Core Strategy also puts forward initiatives for the regeneration of the West End area in Oakham town centre over the course of the Plan period.
- 2.11 The Core Strategy also makes provision for a reassessment of the areas defined as primary and secondary shopping frontages, to be carried out in the Council's Site Allocations and Policies Development Plan Document; this exercise has subsequently been carried out and the DPD has been adopted; we discuss this below.

Rutland Site Allocations and Policies (2014)

- 2.12 The Site Allocations and Policies DPD was adopted by the Council in October 2014. The DPD allocates sites for development and sets out policies for determining planning applications. The DPD reflects the approach of the Core Strategy in directing additional retail floorspace to Oakham, although updates the Core Strategy's capacity figures to take into account the findings of the RRCAU. Policy SP3 of the Site Allocations and Policies DPD allocates two sites in Oakham for retail development:
- Site R1 – Tim Norton site, Long Row (0.69ha)
 - Site R2 – Land to the rear of the White Lion, Melton Road (0.29ha).

- 2.13 Site R2 is located within the boundary of Oakham town centre, whilst Site R1 is located on the edge of the town centre. The sites are shown on **Figure 2.1** below, which also shows the defined boundary of Oakham town centre and primary and secondary shopping frontages (discussed below).

Figure 2.1: Town centre boundary and primary and secondary frontages, Oakham town centre (RCC Site Allocations and Policies DPD)

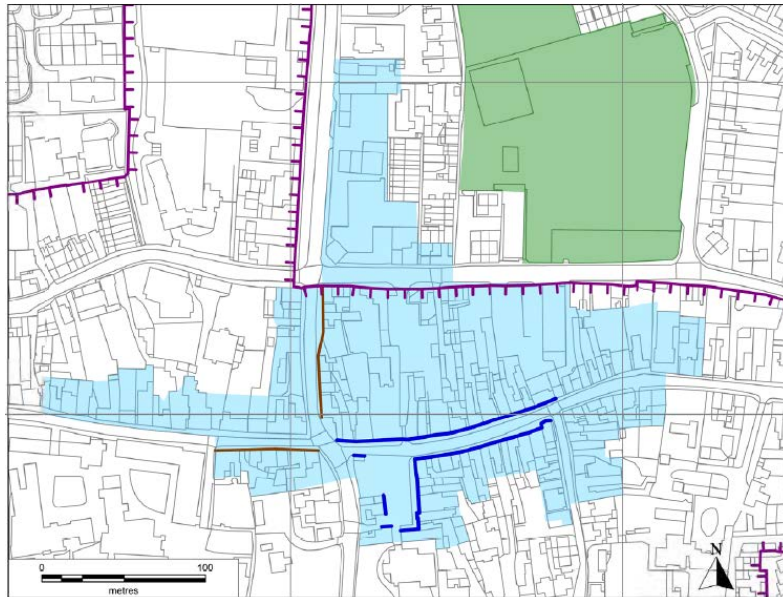


- 2.14 Policy SP3 states both sites are only suitable for comparison goods retail development (with other appropriate town centre uses or residential uses on upper floors). Policy SP3 also states that where a site incorporates existing 'public services' such as a car park, proposals will be expected to include 'appropriate arrangements' for the replacement or reconfiguration of this. Finally, Policy SP3 states that applications for retail development on unallocated sites will need to demonstrate compliance with the sequential test, in line with Core Strategy policy CS17.
- 2.15 The RRCA and a further evidence base document, the Oakham & Uppingham Town Centre Boundaries Study (Peter Brett Associates, 2012), both considered the town centre boundaries and primary and secondary shopping frontages in Oakham and Uppingham town centres. The

recommendation for Oakham was to extend the boundary of the town centre to include the Tesco store on South Street, and along Gaol Street, which acts as a key pedestrian link between the Tesco store and the primary shopping area. The boundary was also extended to include an area of land to the south and east of the Tesco store, which at time of preparation of the DPD was expected to come forward as an extension to the Tesco store, for which planning permission has been granted. We understand that this development is now unlikely to proceed (however the existing Tesco store remains trading), and the land which was previously earmarked for the extension to the Tesco store is now unlikely to come forward for retail / town centre uses.

- 2.16 Minor amendments to the primary shopping frontage in Oakham town centre were also recommended. No changes were recommended in respect of the town centre boundary or primary shopping frontages in Uppingham. Reflecting the requirements of the NPPF, and informed by the findings of the Town Centre Boundaries Study, secondary shopping frontage was identified in Oakham (Gaol Street, Mill Street and part of Church Street) and Uppingham (Orange Street and High Street West). Policy SP12 of the Site Allocations and Policies DPD sets out what types of uses are permissible in the areas of Oakham and Uppingham town centre defined as primary and secondary shopping frontage. **Figure 2.2** shows the town centre boundary and primary and secondary shopping frontages in Uppingham town centre.

Figure 2.2: Town centre boundary and primary and secondary frontages, Uppingham town centre (RCC Site Allocations and Policies DPD)



Local Plan Review

- 2.17 As set out in the previous section, the Council is carrying out a Local Plan Review, which will extend the time period of the Plan to 2036, and replace a number of existing development plan documents (including those discussed above) with a single local plan. This study will form part of the evidence base for the new Local Plan; we understand that consultation on the 'Issues and Options' draft of the Plan is due to take place in early 2016.

Uppingham Neighbourhood Plan

- 2.18 A Neighbourhood Plan has been prepared for Uppingham, and was 'made' by the Council in January 2016. The Plan seeks to 'retain and enhance the traditional values of a small market town ensuring that future development in Uppingham reflects the community's needs and aspirations incorporating new technology where appropriate. The built environment should be compatible with local and national policies, but above all should enable all sections of the community to enjoy a sustainable way of life'. One of the 'key objectives' of the Plan is to 'improve the sustainability of the town's retail centre'. The Plan seeks to ensure the offer of Uppingham town centre remains one of 'quality'. Policy 7 proposes minor amendments to the primary shopping frontages in the town centre from those set out in the Council's Site Allocations and Policies DPD (as set out above).

RELEVANT GOVERNMENT RESEARCH AND POST-NPPF DEVELOPMENTS

- 2.19 In May 2011, Mary Portas was appointed to lead an independent review into the future of the high street, largely in response to the far-reaching effects of the recession on the retail industry and local high streets in particular. The report, published in December 2011, suggests measures to tackle the further decline of the high street; a total of 28 recommendations are identified.
- 2.20 The Government published its formal response to the Portas Review in March 2012, which accepted virtually all of Portas' recommendations. It announced that 24 'Portas Pilot' were to be set up, with Town Teams to create plans for the future of their high streets. In addition it confirmed support for investment to help Business Improvement Districts (BIDs) access loans for their set-up costs and funding for a Future High Street X-Fund to reward towns which are delivering innovative plans to bring their town centres back to life. The Government did not support the call to introduce the suggested Secretary of State 'exceptional sign off' for all new out-of-town developments or require all large new developments to have an 'affordable shops' quota.
- 2.21 A number of further measures have been introduced by the Government subsequent to the publication of the Portas Review. These have included the establishment of the Future High Streets Forum, which brings together businesses, academics and local leaders to work with councils to drive forward new ideas and policies for improving town centres. The Forum is co-chaired by the DCLG and members include Mary Portas, senior figures at the British Independent Retailers Association, British

Property Federation, Association of Town & City Management, the British Council of Shopping Centres, and retailers such as Tesco, John Lewis and McDonalds.

- 2.22 Perhaps most significantly, the Town and Country Planning (General Permitted Development) (England) Order 2015 has introduced greater flexibility to enable a more straightforward change of use within shopping frontages. The amendments allow permitted change from retail premises (A1) to financial services (A2), and restaurants and cafes (A3) without a time limit on that change of use. The move is designed to reduce vacancies on high street, but a consequence is that local authority retail frontage policies (such as those identified in Rutland's Site Allocations and Policies DPD) can be bypassed unless alternative mechanisms are in place.

EXISTING EVIDENCE BASE

- 2.23 As set out in Section 1, this Study updates the findings of the Council's previous retail evidence base, which comprises:
- the Rutland Retail Capacity Assessment (RRCA) (2010); and
 - the Rutland Retail Capacity Assessment Update (RRCAU) (2013).
- 2.24 The findings of both studies were supported by a household telephone survey of shopping patterns, which was undertaken by NEMS Market Research in 2009. No new survey was undertaken in support of the RRCAU. The 2009 household telephone survey identified that the survey area (see Section 6) retained only 22% of available comparison (non-food) goods expenditure, with the remaining expenditure spent in destinations outside the survey area such as Leicester, Peterborough and Stamford. The survey found that the majority of the comparison goods expenditure which was 'retained' within the survey area is spent in Oakham town centre, with smaller amounts of expenditure directed towards Uppingham and local centres in the County.
- 2.25 Patterns of convenience (food) goods shopping showed a higher level of expenditure retention in the survey area, with 51% of convenience goods expenditure available to residents of the survey area spent within the survey area, much of which was accounted for by the Tesco store at South Street, Oakham, although levels of expenditure retention in the Oakham area were considerably higher. Foodstores in Stamford and Corby were popular convenience goods shopping destinations outside the survey area.
- 2.26 The RRCAU identified that the Council should plan for between 2,300 sq.m and 3,500 sq.m net comparison goods in the County over the period 2011 to 2026, and between 900 and 1,300 sq.m net convenience goods floorspace over the same timeframe. For both comparison and convenience goods, the higher figures were based on the assumption that an increased amount of expenditure would be retained in the County over the course of the period to 2026 — although the RRCAU concluded that 'given the strength of the offer in surrounding centres such as Leicester, Stamford and Peterborough relative to provision in the County, the scope for substantial expenditure 'claw back'

can be considered relatively limited'. For both comparison and convenience goods therefore, the amount of floorspace which the RRCAU identified that the Council should plan for is relatively limited. Section 7 of this report updates the capacity figures identified above.

- 2.27 The RRCA and RRCAU set out a number of strategic recommendations for the location of future retail development in the County, including that:
- The majority of the identified floorspace capacity should be directed towards Oakham, reflecting its status as the highest-order centre in the County.
 - Applications for new retail development elsewhere should be treated on individual merits, but be appropriate to the role and function of the centre in question;
 - The Council should identify a site in Oakham to meet the qualitative shortfall in 'bulky goods' comparison goods retailing in the County, but wider (unrestricted) comparison goods floorspace in non-town centre locations should be resisted.
 - A qualitative need exists for improved foodstore provision in Oakham, in order to promote competition, provide improved consumer choice, and reduce the over-trading in the existing Tesco store in Oakham.
 - The qualitative and quantitative needs for additional convenience provision could be met by an application for a Sainsbury's foodstore at Barleythorpe Road, Oakham, if approved by the Council (the application was undetermined at the time of preparation of the RRCAU).
 - Applications for new retail floorspace in edge-of-centre or out-of-centre locations should demonstrate compliance with the 'sequential' and 'impact' tests, as set out in the NPPF and Rutland Core Strategy.
 - The threshold of 500 sq.m gross for retail impact assessments identified in the RRCA (which was subsequently carried forward in the Council's adopted Core Strategy) should remain unchanged.
- 2.28 Section 9 of this report updates the above strategic recommendations having regard to our updated assessment of the performance of centres in the County and the quantitative and qualitative 'need' for additional retail floorspace.

Summary

- **The National Planning Policy Framework (NPPF) was adopted in March 2012 and replaces the suite of national planning policy statements, including PPS4. The NPPF maintains the general thrust of PPS4 and advocates a 'town centres first' approach. It requires planning policies to positively promote competitive town centre environments and manage the growth of centres over the plan period. It also requires local planning authorities to define the extent of the town centres and primary shopping areas, based on a clear definition of primary and secondary frontages.**

- The Rutland Core Strategy was adopted in 2011 and was therefore adopted at the time of preparation of the RRCAU; it remains the extant local planning policy document for the County. Policy CS17 ('Town Centres and Retailing') sets out a hierarchy of centres identifying Oakham as the 'main town centre' serving the whole of Rutland, and Uppingham as a 'town centre', serving the surrounding rural catchment. Policy CS17 directs 'main town centre uses' to these defined centres, and where developments cannot be accommodated within defined town centres a sequential approach will be followed.
- The Core Strategy sets out the amount of comparison and convenience goods floorspace which should be accommodated in Rutland over the course of the Core Strategy period; these figures were based on the recommendations of the RRCA, and the purpose of this study is to update these figures. The Core Strategy also puts forward initiatives for the regeneration of the West End area in Oakham town centre over the course of the Plan period.
- The Council has also adopted a Site Allocations and Policies DPD (October 2014). This DPD allocates sites for development in the County, and sets out policies for determining planning applications. The DPD allocates two sites in Oakham for retail development — the Tim Norton garage site at Long Row (0.69ha) and a small site (0.29ha) to the rear of the White Lion public house. The latter site is located within the boundary of Oakham town centre, and the Long Row site is on the edge of the town centre, but divorced from the town centre by a railway line. Both sites are identified as only being suitable for comparison goods retail development, with other appropriate town centre uses on upper floors. A Neighbourhood Plan for Uppingham was also 'made' by the Council in January 2016.
- The Council is carrying out a review of its Local Plan, in order to extend the time period to 2036, and replace a number of existing development plan documents (including those summarised above) with a single Local Plan. This study therefore forms part of the evidence base for the Council's new Local Plan. Initial consultation on the 'Issues and Options' version of this document was undertaken in November 2015.

3 STUDY CONTEXT

- 3.1 In this section we set out a summary of current national trends in respect of the retail and commercial leisure sectors, which can have implications for future growth of centres and demand for new retail floorspace. As part of our assessment, we consider the potential implications of these trends on centres in Rutland.

A return to growth

- 3.2 Analysis published by Experian (Retail Planner 2015) identified that following several years of subdued performance, including a period of recession; a 'strong economic upswing' took place in early 2013, driven by increases in consumer spending and business investment. Experian expect the UK economic upswing to continue, although at a slower pace than seen during 2014. In the short-to-medium term, Experian expect progress to be 'restrained' due to government finances remaining under pressure, and weaker exports to the Eurozone.
- 3.3 Experian also point to the fact whilst retail sales have prospered between 2013 and 2015 due to the 'exceptional buoyancy' of consumer spending (because of low inflation and stronger earnings growth), this buoyancy is only true in terms of volumes of sales. Experian state that the value of goods have 'been depressed by heavy discounting and persistent deflation of goods prices'. This has been particularly noticeable in the convenience (food) goods sector.
- 3.4 There has therefore been a return in confidence to consumer spending since 2013, which offers potential for strongly-performing town centres to capitalise on, although this is tempered by other changes in the retail sector which we discuss below.

Changing Retailer Space Requirements

- 3.5 During the recession retailers' margins were squeezed, whilst other costs have continued to rise and a raft of multiple and independent retailers have either collapsed or significantly shrunk their store portfolios. The growth of the internet means that retailers no longer need stores in every town to achieve national coverage, and many are therefore focusing their development programmes on the provision of large flagship stores in strategic locations, supported by smaller satellite stores and transactional websites.
- 3.6 The larger flagships accommodate full product ranges whilst smaller stores offer more select ranges, supplemented by internet kiosks allowing access to the full range. This offers many advantages to retailers including lower property costs, more efficient logistics and being able to open stores where there is a high level of demand despite there being space restrictions. This 'polarisation' of retailing is

enabling larger dominant centres to continue to attract key flagship formats. This can pose a particular challenge to smaller and medium-sized centres, where there are higher order centres in close proximity.

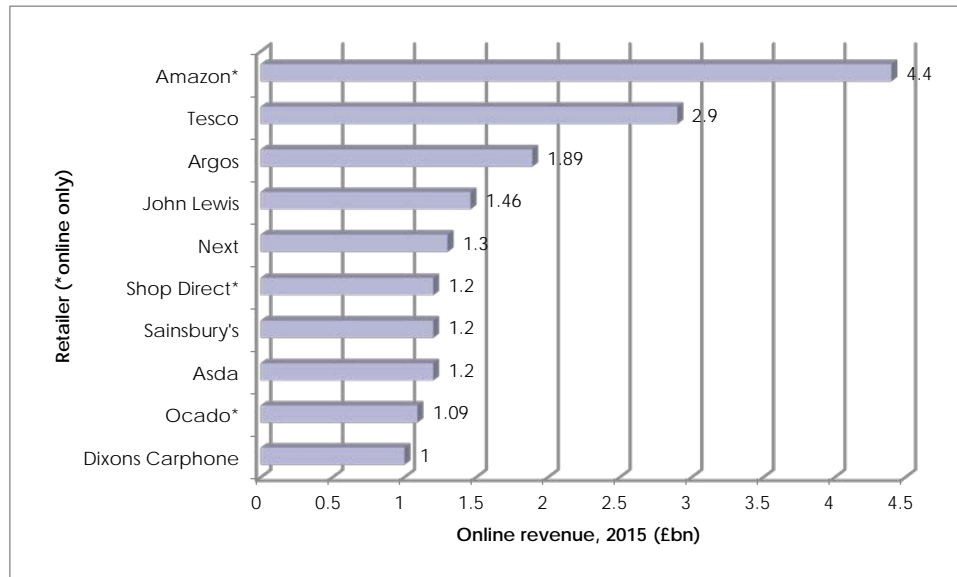
- 3.7 This is particularly an issue for Rutland — its two principle town centres of Oakham and Uppingham are small centres, each with a limited amount of comparison goods floorspace, and limited representation from national retailers. The County is surrounded by a network of larger centres – including regional shopping destinations such as Leicester, Peterborough and Nottingham, and sub-regional destinations including Stamford, Melton Mowbray, Market Harborough and Corby. Leicester and Corby have seen significant upgrades to their retail offer in recent years, and Peterborough is currently experiencing investment in the enhancement of its retail and commercial leisure offer (we discuss this further in Section 4). We would therefore expect these centres to continue to act as significant 'pulls' on comparison goods spending over the course of the Council's Local Plan period.
- 3.8 An often inevitable consequence is that smaller and medium-sized centres become home to more, value-orientated retailers – Poundland, Wilko, Primark and so on – who are more reluctant to pay the rental costs associated with higher-order centres, and, much in the same way that Woolworths previously did, are developing a comprehensive network of coverage in smaller towns, often by being able to acquire prime retail sites at relatively competitive rates. Whilst there is some representation from these types of retailers in Oakham (for example, Wilko), for the most part the centres in Rutland have remained immune from this trend. In Rutland's instance, this is largely for two reasons: firstly because both Oakham and Uppingham have an existing upmarket / specialist retail offer which was less affected by the economic downturn, and therefore fewer opportunities for value retailers to take space have materialised; and secondly, because the retail property stock in both centres is mostly comprised of small-format units which are often less attractive to national retailers (apart from more specialist / boutique retailers).

Internet Growth & Multichannel Retailing

- 3.9 The online shopping population is reaching saturation, and any future 'growth' in the market is likely to come from increased spend driven by new technology, a better 'browsing' experience and improved delivery options. The growth in online sales has previously raised concerns about the continued need for bricks and mortar stores; however trends indicate that online and in-store shopping channels are becoming increasingly blurred.
- 3.10 A number of national retailers who are trading in Rutland's centres (specifically Oakham) now operate 'Click & Collect' facilities, with examples including Tesco, Boots and Fat Face. It is noteworthy that of the top ten online retailers in 2015, seven have a physical presence on the UK High Street, and all of these offer 'Click & Collect' facilities (**Figure 3.1**), although only two of these ten retailers (Tesco and Dixons Carphone) currently have a trading presence in Oakham. Most independent traders in the town centres of Oakham and Uppingham do not currently offer 'Click & Collect' and therefore this opportunity is possibly less pronounced in the County than in the surrounding higher order centres, however there remains an opportunity for enhancement of this. On a wider scale, despite being a

relatively new concept for the retail sector to embrace, 'Click & Collect' is affirming that physical stores can continue to have a role in the multichannel shopping environment. The advantages of physical stores, in terms of the shopping experience, service and immediacy of products in a showroom setting, will ensure that a network of key stores remains a fundamental component of retailer's strategies to provide an integrated multichannel retail proposition. Importantly for town centres, the 'Click & Collect' phenomenon can be expected to drive an occupier desire to maintain a representation of physical store units across town centres.

Figure 3.1: Top ten UK retailers by online revenue, 2015



Source: Retail Week/Prospect, January 2016. *denotes online only stores. Note: John Lewis also have 'Click & Collect' facilities available via Waitrose stores

The Role of the Town Centre

3.11 The town centre has been the main shopping channel for centuries, but in the face of new forms of e-tailing (i.e. online shopping) and m-tailing (shopping through mobile phones, tablets and so on) competition many centres will need to continue to adapt in order to remain viable shopping destinations. Emerging trends suggest that many centres will be used increasingly for leisure and social activities as well as traditional retailing, with more bars, restaurants, food outlets and community spaces. Whilst the commercial leisure market is competitive and could, ultimately, reach a saturation

point (particularly in smaller centres), in locations where this role and function is less developed, this could represent an important opportunity in future years. Enhancing the non-retail offer so towns function as more than just retail locations will help drive footfall and increase dwell time.

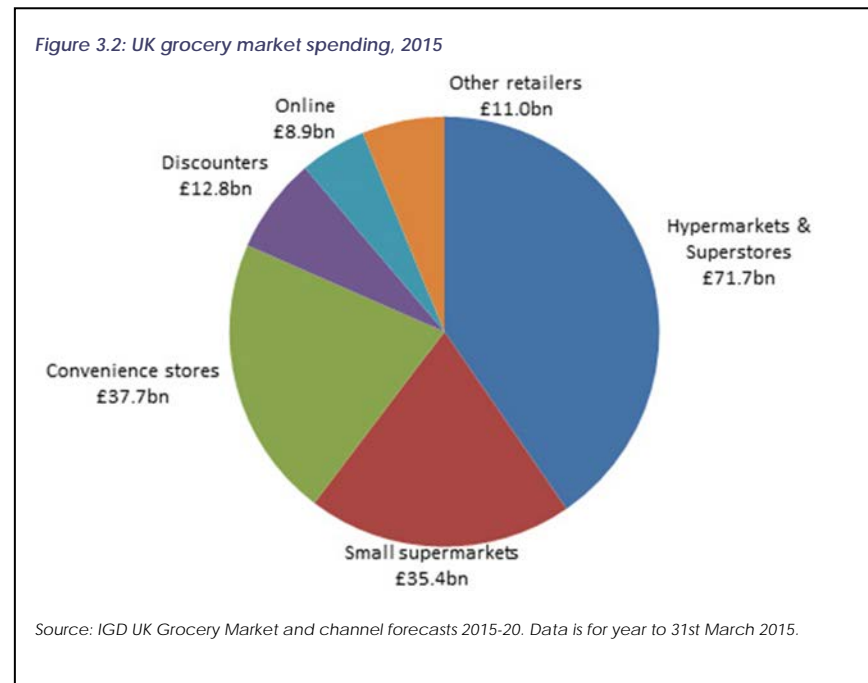
- 3.12 More generally, centres which offer unique/specialist retail offer which cannot be matched online are likely to continue to perform strongly. Towns should promote unique attractions such as heritage assets, historic buildings and cultural features which can differentiate a centre and improve its attractiveness. To ensure that town centres have a viable function moving forwards they must provide an attractive shopping and leisure experience which the internet is unable to match, and we consider Oakham and Uppingham town centre to already be well placed in this respect.
- 3.13 A wider strategy must deliver a mix of town centre uses to enhance the attraction of a centre, and increase frequency of visit and dwell time. A vital component of this will be making town centres as accessible as possible, with improved and affordable car parking, as well as investment in public realm and place marketing initiatives. Again, we consider the centres in Rutland to already be performing well in respect of this, albeit with further scope for improvement (as we discuss in Section 5).

Convenience Goods/Foodstores

- 3.14 The convenience goods sector is in the middle of a considerable period of change. The main foodstores (i.e. the 'big four' - Sainsbury's, Tesco, Asda, Morrisons) have reigned in substantial expansion and the roll-out of super-sized stores. Both Tesco and Morrisons announced a closure programme of underperforming stores in 2015. The combined spread of convenience store openings, online grocery sales, and the expansion of 'deep discount' retailers such as Aldi and Lidl has fundamentally changed consumer shopping behaviour. These trends have encouraged repetitive top-up shopping that in turn diminishes main grocery sales and renders large-format stores less profitable.
- 3.15 The 'main' supermarket operators are continuing to invest in new stores, although new store openings are becoming a less frequent occurrence. As discussed in Section 1, since completion of the RRCAU in 2013, it has been confirmed that the permission for an extension to the Tesco store in Oakham town centre will not be proceeding. Since the RRCAU, the Council have also granted planning permission for a new Sainsbury's supermarket in Oakham, however in summer 2015 it was confirmed that this development would also not be proceeding. These developments confirm the greater reluctance among the major supermarket retailers to commit to new store openings, preferring in many cases to invest in upgrading existing stores to improve the shopping experience for customers.
- 3.16 Both Aldi and Lidl have gained market share for a number of consecutive years, largely at the expense of the 'big four', and are pursuing ambitious development programme of opening new stores as well as refurbishing older stores. Planning permission has recently been granted for the first discount foodstore in the County, which will be operated by Aldi on a site at Land's End Way,

Oakham. There has also been growth at the 'premium' end of the convenience goods market, with both Waitrose and M&S Food growing store numbers.

3.17 The chart below (Figure 3.2) shows the composition of the convenience goods sector in 2015, based on data collected by The Institute of Grocery Distribution (IGD). IGD estimate that the UK grocery market was worth £177.5bn in 2015, and of this 'convenience stores' (defined by IGD as stores under 3,000 sq.ft net) claim £37.7bn of this (21.2%). However, as Figure 4.2 shows, notwithstanding the unquestionable growth in the popularity of 'convenience' stores, most food shopping spend is still accounted for by larger-format stores — £71.7bn was spent in 'hypermarkets and superstores' (stores over 25,000 sq.ft net), and a further £35.4bn in 'small supermarkets' (stores between 3,000 and 25,000 sq.ft net). There is therefore still an important role for larger-format stores to play in meeting residents' food shopping needs.



3.18 Operators with 'hyper-market' format stores (over 60,000 sq.ft net) are seeking to introduce concessions or sub-lets to make better use of excess space. For example, some branches of Sainsbury's are trialling Argos concessions, and branches of Tesco Extra include either concessions from other Tesco-owned brands, or other fashion retailers.

Out-of-Centre Retailing

- 3.19 Retailers are opting to develop stores in the most strategic and cost effective locations, with a notable resurgence of out-of-centre destinations, which offer benefits of lower rents, larger retail units and in most cases, free car parking. According to Verdict, out-of-town retailing is the only form of retailing which has seen store numbers increase consistently since 2000. The Department for Business, Innovation and Skills (BIS) reports that the number of out-of-centre stores has increased by up to c.1,800 (25%) since 2000; whilst the number of town centre stores fell by almost 15,000 between 2000 and 2009, the majority of which are likely to have been in 'high street' locations.
- 3.20 The recovery of market confidence is benefitting out-of-town retailing. Vacancy rates have fallen, footfall has increased, and many retailers are seeking expansion in out-of-centre locations. A number of these are traditional town centre retailers which have developed out-of-town store formats, including John Lewis, which now operates a number of 'At Home' stores in out-of-centre locations, as well as other traditionally 'high street'-focussed retailers such as Debenhams, Next, Primark and H&M. However, centres in Rutland have remained relatively immune to out-of-centre retailing, with no developments of note currently trading or planned.

Commercial Leisure

- 3.21 As the nature of retail and high-street shopping continues to change over time, the commercial leisure sector is becoming an increasingly important contributor to the vitality and viability of town centres. Leisure time is a precious commodity to consumers and in order to maximise free time, research suggests that town centre visitors often combine leisure activities as part of an overall going out experience. Reflecting this trend, leisure is becoming an increasingly important component in town centre regeneration schemes, particularly in secondary towns which, reflecting the wider trends in the retail sector previously identified, are in some cases becoming less attractive as retail destinations.
- 3.22 The recession brought mixed fortunes for the restaurant sector. The main casualties were from the more exclusive end of the market, as well as smaller companies with less established brands. Many companies owning multiple brands expanded throughout the economic downturn and continue to trade well, often by offering heavy promotions and discounts. There has been a clear growth in the numbers of 'casual / family dining' restaurants – examples being Pizza Express, Carluccios, Zizzi, Strada and so on. Increasingly, these restaurants are also anchoring leisure-focussed (often cinema-led redevelopment schemes), and also increasing representation in other strong trading destinations such as major retail parks.
- 3.23 The coffee shop sector remains buoyant; there are now approximately 16,500 coffee shops across the country. Recent analysis shows that the UK's coffee shop sector remains one of the most successful in the nation's economy and will continue to expand. Operators such as Costa are now a High Street staple whilst the independent coffee shop sector is also growing store numbers.

- 3.24 The pub industry suffered during the recession with a record number of pub closures across the UK as a direct consequence of a decline in both drinks sales and rental revenues. This decline continues today, at a rate of approximately 30 pub closures per week across the country. Many pubs have in recent years been converted to small-format convenience stores (a new Co-Operative store in Oakham being a recent example of this). Additional factors such as competition from supermarkets, changes to licensing legislation and the smoking ban have further compounded the problems faced by many operators. Similar to the foodstores, however, value led brands such as JD Wetherspoon have achieved sales growth in recent years and continue to expand (recently opening a branch in Oakham, for example).
- 3.25 The health & fitness sector continues to perform strongly as the social trend involving the maintenance of personal health and fitness shows no sign of abating. The health & fitness market is currently being expanded through investment by value and budget operators such as Easy Gym, Gymbox and Pure Gym. This new breed of venues aims to appeal to a wider market with flexible, low cost monthly or 'pay as you go' subscriptions. These facilities are usually located in high-footfall, in or edge of centre locations, often as part of a wider leisure offer, and are already established in locations such as Leicester and Peterborough.

Summary

- The 'traditional' high street continues to face a number of challenges stemming from the impacts of the recent economic downturn, the tightening of retail spending in recent years, and continued significant changes in consumer shopping behaviour. The growth in online shopping, including multi-channel retailing, acts as tough competition for the high street, but also presents an opportunity for the high street to capitalise, by maximising the opportunities arising from services like 'Click & Collect', and retailers moving towards a seamless transition between store-based and virtual shopping experiences.
- Out-of-centre retailing remains an ever-present source of competition, and market evidence suggests that many retail parks have performed well during the economic downturn, and are becoming increasingly attractive to 'high street' retailers.
- Town centre strategies which support the continued evolution of the high street are therefore considered ever more vital. This may involve providing a high quality shopping 'experience', maximising the benefits of tourist trade, and improving the mix of retail and non-retail outlets to increase length of stay and spend.
- It will be important, therefore, for town centres to be well positioned to be able to adapt to on-going changes in the retail and leisure sector over the development plan period and to reaffirm their unique selling points which differentiate their retail offer from other centres, allowing them to differentiate themselves from – rather than directly compete with – higher order centres. Heritage, tourism assets and other 'unique selling points' should be capitalised on, and robust place marketing strategies put in place.

4 THE SUB-REGIONAL CONTEXT

4.1 In this section we draw on the findings of the household telephone survey of shopping patterns that has been undertaken in support of this study (further details of which are provided in Section 6), to identify the current shopping patterns of residents in Rutland for their main comparison (non-food) and convenience (food) shopping. Initially, rather than focussing solely on destinations within the County, we place the role and function of Rutland's town centres within the context of the wider surrounding area, identifying the main competition for retail spending. Following on from this, we present a qualitative review of the current performance and planned future development in these centres; our analysis of the performance of Oakham and Uppingham town centres then follows in Section 5. This exercise complements the quantitative / economic analysis which we set out later in the report.

Shopping patterns in the Rutland survey area

4.2 Shopping patterns derived from the household telephone survey allow us to calculate the amount of comparison goods expenditure which each centre within and surrounding the survey area which forms the basis of our assessment. This indicator is a good reflection of both the strength of the retail offer in a centre, as well as its accessibility, and overall quality of experience. The total amount of expenditure which is retained within a survey area is known as its 'retention rate'; the remaining expenditure flows to destinations outside the survey area. **Table 4.1** shows the amount of comparison goods expenditure retained within Rutland, and the amount of expenditure which flows to locations outside the survey area.

Table 4.1: Comparison goods expenditure retention in Rutland

	£m	% of total
Total amount of comparison goods spend available to survey area (2015), of which:	175.8	100%
Comparison goods trade draw to centres in Rutland	39.6	22.5%
Comparison goods expenditure spent outside survey area	133.9	76.2%

Source: Table 5, Appendix II. Retention rate excludes spending in local/small shops, which accounts for the remaining £2.3m/1.3% of comparison goods expenditure.

4.3 Our assessment has identified that there is a total of £175.8m of comparison goods expenditure which is available to residents of the 'survey area' which we have used for the purposes of our assessment (the survey area is defined further below). Of this, £39.6m is retained by Oakham and Uppingham town centres, equivalent to a 'retention rate' of 22.5%. This represents a marginal increase from the retention rate of 21.8% identified in the RRCA, and it is positive to note that the centres in the County have managed to retain and slightly increase their market share in the six years since the previous household telephone survey of shopping patterns, in light of the continued strength of the retail offer in surrounding higher-order centres (which we discuss below).

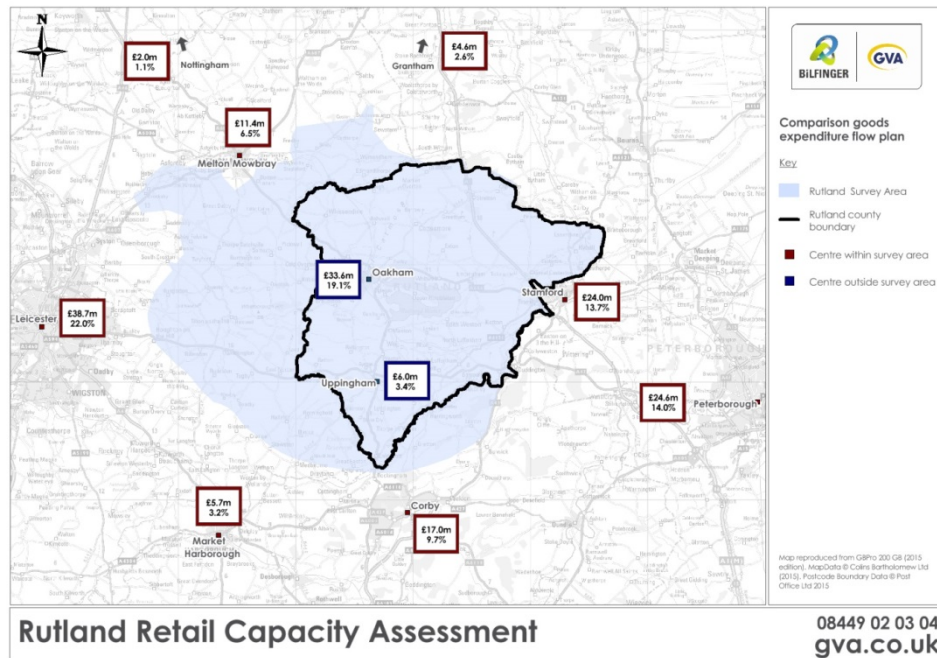
4.4 **Table 4.2** sets out the most popular destinations for comparison goods spending in the survey area, identifying the extent to which facilities outside the County compete for expenditure with Oakham and Uppingham town centres. The results are also shown visually on **Figure 4.1**, which shows the overall boundary of the survey area we have used for our assessment (which is identical to that used in the RRCA and RRCAU), and the amount of comparison goods spending to each of the locations within and surrounding the survey area. A fuller discussion of the survey area and its sub-division into survey zones is set out in Section 6.

Table 4.2: Survey area comparison goods trade draw by centre

Centre	Borough	Comparison goods trade draw (£m)	Comparison goods market share from survey area, 2015 (%)
Leicester	Leicester City	38.7	22.0%
Oakham	Rutland	33.6	19.1%
Peterborough	Peterborough City	24.6	14.0%
Stamford	South Kesteven	24.0	13.7%
Corby	Corby	17.0	9.7%
Melton Mowbray	Melton	11.4	6.5%
Uppingham	Rutland	6.0	3.4%
Market Harborough	Harborough	5.7	3.2%
Grantham	South Kesteven	4.6	2.6%
Nottingham	Nottingham City	2.0	1.1%

Source: Table 5, Appendix II. All comparison goods destinations with turnovers in excess of £2m shown.

Figure 4.1: Survey area comparison goods trade draw by centre



- 4.5 Table 4.2 and Figure 4.1 shows that residents in the survey area continue to undertake their comparison goods shopping in a variety of locations, with Leicester, Peterborough, Stamford, Corby and Melton Mowbray each drawing more than £10m of comparison goods spend from the survey area. Leicester is the most popular comparison goods shopping destination for residents in the survey area, drawing £38.7m of comparison goods spend, over one-fifth of total available comparison goods spend.
- 4.6 Oakham is the second most-popular comparison goods shopping destination, accounting for just under 20% of total available comparison goods spending (£33.6m), a near-identical performance in percentage terms to that seen in the RRCA (see Table 4.3). Peterborough and Stamford account for similar levels of spending, drawing £24.6m and £24.0m respectively.
- 4.7 Behind these four centres, a further £17.0m of comparison goods spending is directed towards Corby, and £11.4m to Melton Mowbray. Uppingham has a relatively limited comparison goods shopping function, as we discuss in the following section, and draws only £6.0m of comparison goods spending

from the survey area. Market Harborough, Grantham and Nottingham also attract minor amounts of spending.

- 4.8 Compared to the findings of the previous household survey, Leicester now attracts a substantially greater market share from residents in the survey area, to the extent where it has surpassed Oakham as the most popular comparison goods shopping destination for residents in the survey area. The RRCA identified that Leicester only attracted the third-highest amount of comparison goods spending from the survey area, behind Oakham and Peterborough. Leicester has therefore managed to strengthen its trade draw from the survey area, but this has not come at the expense of Oakham, which has, as noted above, retained an almost identical proportion of trade draw from the survey area. Rather, we expect the increased market share attracted to Leicester has come chiefly at the expense of Peterborough and Nottingham, the latter of which now has a relatively limited influence over shopping patterns of residents in the survey area.
- 4.9 Table 4.3 compares the market share of each major comparison goods shopping location in 2015 (based on the updated household survey) with that in 2010 (from the RRCA).

Table 4.3: Market share of major comparison goods shopping destinations, 2010 and 2015

Centre	Comparison goods market share from survey area, 2015 (%)	Comparison goods market share from survey area, 2010 (RRCA) (%)	Change in comparison goods market share, 2010-2015 (%)
Leicester	22.0%	15.8%	+6.2%
Oakham	19.1%	19.2%	-0.1%
Peterborough	14.0%	15.1%	-1.1%
Stamford	13.7%	13.6%	+0.1%
Corby	9.7%	7.5%	+2.2%
Melton Mowbray	6.5%	7.2%	-0.7%
Uppingham	3.4%	1.9%	+1.5%
Market Harborough	3.2%	1.9%	+1.3%
Grantham	2.6%	2.3%	+0.3%
Nottingham	1.1%	2.9%	-1.8%

Source: Table 5, Appendix II / RRCA, Appendix 4, Table 4b

Assessment of competing centres

- 4.10 The RRCA identified that many residents of the study area undertake their comparison goods shopping in locations surrounding the County, particularly Leicester, Peterborough and Stamford, as well as to a lesser extent Melton Mowbray and Corby. The updated survey results show that this continues to remain the case, although there have been definite shifts in shopping patterns, with Leicester and Corby gaining market share, and Peterborough and Nottingham both losing market share. In the remainder of this section we review the retail and commercial leisure offer in these competing centres.

Leicester

- 4.11 The comparison goods offer in Leicester continues to be strong, with the city ranked in 17th position nationally in the most recent Venuscore Retail Rankings. The Highcross development in Leicester city centre opened in 2008 (and was therefore trading at the time of the previous household survey) and continues to attract a strong tenant mix, anchored by John Lewis, and also including high-profile stores operated by Apple, Zara, Next, Urban Outfitters, H&M, Topshop/Topman, and so on. Substantial investment has been made in recent years by Hammerson, the owners of Highcross, to create a dining quarter to complement the strong retail offer, and the centre has recently attracted Bill's, Byron, Chimichanga, and a number of other high profile operators. As has been set out above, Leicester remains a strong 'pull' on spending for residents in the County, and it is evident that the centre is performing well as a leisure and cultural destination.
- 4.12 The wider city centre also continues to have a strong retail offer, although it is clear that the 'centre of gravity' of the retail offer now orientates around Highcross. Other key retailers in the centre include large branches of Marks & Spencer and Primark. Significant investment has also been made in the public realm in the city centre through the 'Connected Leicester' initiative, which seeks to improve pedestrian connectivity between different quarters in the city centre, removing barriers to movement and the dominance of vehicular traffic in parts of the centre, with the aim of better linking the retail, leisure and cultural assets in the city centre. We are not aware of any plans for significant further expansion of the retail offer in the city centre, although the redevelopment of the former Leicester City Council offices site as an office and residential-led scheme (which will also include a small amount of retail floorspace) can be expected to introduce significant new footfall into the city centre upon completion.
- 4.13 There are emerging, as-yet undetermined proposals for significant expansion of the out-of-town Fosse Park shopping centre on the western edge of Leicester, which is owned by the Crown Estate. The proposed development is known as Castle Acres Shopping Park, and is proposed to have 26 retail units anchored by a 8,300 sq.m Next Fashion, Home & Garden store. In total the development, if approved, would provide an additional 32,200 sq.m of retail development. The Retail Impact Assessment submitted in support of the planning application suggests that the applicants expect the

scheme to draw approximately £2.1m of its expected £103.4m comparison goods turnover from the Rutland area¹. The household survey undertaken in support of this study shows that Fosse Park is currently drawing £2.5m of comparison goods spend from the survey area and this could, therefore, potentially increase further.

Peterborough

- 4.14 Peterborough is an established comparison goods shopping destination to the south-east of the County, and whilst its retail offer is not as extensive as a centre such as Leicester it nevertheless continues to have a significant influence over shopping patterns of residents in the survey area (even though proportionately its market share has decreased since the RRCA). The retail offer in Peterborough, based around the John Lewis-anchored Queensgate Centre, has seen a number of limited enhancements in the time since the previous study, most notably the opening of a 5,500 sq.m Primark store in 2012, but for the most part has remained relatively unchanged. Aside from John Lewis and Primark, other key retailers trading in Queensgate include typical larger-town centre operators such as Topshop/Topman, H&M, Next, Superdry, BHS and so on. Elsewhere in the city centre, there is a large Beales Department Store on Westgate, and branches of Marks & Spencer, TK Maxx and New Look. A large Waitrose store has recently opened adjacent to Peterborough rail station.
- 4.15 The Queensgate Centre was formerly owned by Hammerson but was sold in 2013 to Invesco Real Estate, who, in partnership with Lend Lease, have recently submitted a planning application for the significant enhancement of the offer at Queensgate. The development will result in the creation of new large-format retail units, including a Next store which will double in size from current store, seven new restaurant units, a new multi-screen digital cinema and refurbishment of the existing shopping centre. In August 2015 it was confirmed that Odeon would operate the new cinema. If this proposed development is implemented, we would expect that this will cement Peterborough's position as a key shopping destination for residents in the County, and potentially result in the centre 'clawing back' some of the market share it has lost in recent years.

Corby

- 4.16 Willow Place in Corby, which opened in 2007, continues to enjoy a strong lower to mid-market retail offer with representation from retailers such as Primark, TK Maxx, New Look, River Island and H&M. The wider town centre has a value-orientated retail offer with representation from retailers such as Wilko, Poundland and Poundworld, alongside a supporting range of retail services. Corby is ranked in 318th position in the Venuescore Index, and is classified as having a 'lower middle' offer by Venuescore. The regeneration of Corby town centre has continued strongly in recent years: the Corby Cube opened in 2010, providing the town with a new theatre, library, council chamber and customer

¹ Castle Acres falls within Blaby District Council administrative area, planning application ref 15/0577/FUL. The figure of £2.1m stated is trade draw from zone 5 of the applicants catchment area, which covers much of Rutland County (source: Quod Planning Retail Impact Assessment, Document 6, Table 4b)

services facility. A new cinema, operated by independent cinema operator Savoy, opened in July 2015, as part of a development also including Nando's and Prezzo. Planning permission has been granted for a second cinema in the town centre, to be operated by Vue, alongside further commercial leisure facilities. Since the RRCA, a large Tesco Extra foodstore has opened on Oakley Road, to the east of the town centre.

- 4.17 The household survey results show that Corby has increased its market share from the survey area since the RRCA, and draws £2.0m of comparison goods spend from residents in the Oakham area, and £6.6m of spend from residents in the Uppingham area.

Stamford

- 4.18 Stamford has not witnessed any major development schemes since the RRCA but continues to attract representation from upmarket operators, with The White Company, Steam Trader Company and gourmet food shop Cook all commencing trading in the town in recent years. Stamford is ranked in 394th position in the Venuescore Index, and is classified as having an 'upper middle' retail offer. The town centre is anchored by a Tesco Metro supermarket and includes representation from Marks & Spencer Simply Food, Fat Face, White Stuff, Mountain Warehouse, Boots and Superdrug.

Melton Mowbray

- 4.19 Melton Mowbray is ranked in 293rd position in the Venuescore Index, and the quality of its retail offer is 'middle'-ranking, indicating the centre has a good mixture of retail uses. The centre includes a large Morrisons supermarket, and also is regarded as having a strong specialist food retail offer, supported by the town's annual food festival. Melton has, like Oakham, been the subject of considerable interest from convenience goods operators: a new Sainsbury's supermarket has opened on the former Melton Borough Council offices site, a new Lidl store has recently commenced trading, and a planning application for a Waitrose store was withdrawn prior to determination.
- 4.20 Retail and commercial leisure activity in the centres surrounding Rutland therefore remains buoyant and confirms that these destinations will continue to act as strong competitors for comparison and convenience goods spending over the course of the Plan period.

Summary

- Rutland is surrounded by a number of larger centres — Leicester, Peterborough, Corby, Stamford and Melton Mowbray — which exert an influence over shopping patterns and commercial leisure visits to varying degrees. There is no reason to suspect that the 'higher order' centres which surround the County will lessen their influence over the comparison goods shopping patterns of residents in the County over the Council's Local Plan period, and it is for this reason our capacity forecasts (discussed below) are based on a 'constant market share' approach; i.e. we have not

planned for the overall proportion of comparison goods expenditure which is retained in the catchment area to increase.

- The most popular comparison goods shopping destination for residents in the survey area is Leicester. Leicester accounts for 22.0% of all comparison goods spend available to the survey area, an increase from 15.8% in the 2009 household telephone survey (the data of which informed the RRCA and RRCAU). It is now the most popular comparison goods shopping destination for residents in the survey area (in the 2009 survey, Oakham had the highest overall market share at 19.1%). Leicester's increased popularity as a comparison goods shopping destination has not come at the expense of Oakham, but rather from other 'higher-order' shopping destinations such as Peterborough and Nottingham, both of which have lost market share from the survey area relative to the 2009 survey results.
- Leicester is a UK top 20 comparison goods shopping destination and the John Lewis-anchored Highcross shopping centre is now firmly established as the shopping focus in the city centre following its opening in 2008. Leicester is performing well both as location for comparison goods shopping destination and also leisure / cultural uses, and its 'casual dining' offer in particular has evolved substantially in recent years, particularly at Highcross. There is a (currently undetermined) planning application for significant expansion of the out-of-town Fosse Park shopping centre on the western edge of Leicester, which if permitted, would deliver 32,200 sq.m of new comparison goods and could potentially draw trade from the survey area if a strong tenant mix is secured.
- Peterborough has lost market share from the survey area relative to the previous household survey but could potentially recapture some of this lost market share if proposals for the redevelopment of the Queensgate Centre are approved and implemented. The proposals seek the creation of new large-format retail units, restaurants and a multi-screen digital Odeon cinema; these proposals will, if implemented, help Peterborough to diversify its town centre offer, replicating what has been successfully achieved in Leicester.
- Corby town centre has also increased its market share from the survey area relative to the 2009 survey, and its regeneration has continued strongly in recent years, again largely through the enhancement of its leisure offer. Stamford is an attractive town centre which continues to attract representation from upmarket comparison goods operators. Many residents on the eastern side of Rutland are located closer to Stamford than they are to any centres in the County itself, and the scope for expenditure 'clawback' from residents in this part of the survey area. Melton Mowbray has seen more limited enhancements to its comparison goods offer but has a much-strengthened convenience goods offer following the opening of new Sainsbury's and Lidl stores.

5 ASSESSMENT OF CENTRES IN RUTLAND

5.1 In this section, we define the role and function of current shopping provision in Rutland. Our assessment focuses on the ‘main town centre’ (as defined in the Rutland Core Strategy) of Oakham, and the ‘town centre’ of Uppingham. Firstly, we set out summaries of these two town centres against the ‘health check’ indicators which National Planning Practice Guidance states should be used to assess the vitality and viability of town centres. For each indicator we assign a ‘traffic light’ score to provide an overall conclusion of the performance of the centre in respect of the centre against that indicator. A red score indicates that we have concerns about the performance of a particular town/district centre against the relevant NPPG indicator; an amber score indicates the centre is performing satisfactorily but with scope for improvement, and a green score indicates that the centre is generally performing well against the indicator in question, with no major areas of concern.



Market Place, Oakham (picture credit: Rutland County Council)

5.2 **Table 5.1** provides an overview of the town centres in Rutland, in terms of retail floorspace, the total number of shop units, and positioning in the Venuescore national retail rankings. In order to provide context, we also provide this information for the higher-order centres surrounding the County, such as Leicester, Peterborough and Corby.

Table 5.1: Profile of centres in Rutland and competing centres

Centre	Position in Rutland retail hierarchy	Total number of units ⁽¹⁾	Total floorspace (sq.m net, estimated) ⁽¹⁾	Venuescore Retail Ranking 2014-15 ⁽²⁾	Venuescore Market Position 2014-15 ⁽²⁾
Centres in Rutland⁽³⁾					
Oakham	Main town centre	214	10,700	1,313	Upper Middle
Uppingham	Town centre	89	4,800	n/a ⁽⁴⁾	n/a
Competing centres					
Leicester	-	1,070	117,900	17	Middle
Peterborough	-	504	81,400	48	Middle
M Harborough	-	311	22,200	275	Middle
MMowbray	-	309	19,100	293	Middle
Corby	-	180	25,000	318	Lower Middle
Stamford	-	304	16,500	394	Upper Middle

⁽¹⁾ Based on Experian Goad centre boundaries, which may differ from Council policy boundary

⁽²⁾ Source: Venuescore Index, 2014-15. The ‘market position’ is an indication of the quality of the retail offer in the centre, ranging from ‘lower’ to ‘upper’, based on tenant mix at the time of preparation of the Venuescore Index

⁽³⁾ Excludes local centres

⁽⁴⁾ No Venuescore data is available for Uppingham

Performance assessment of Oakham town centre


5.3 Oakham is the highest-order town centre in Rutland, and the focus for convenience and comparison goods shopping and Council services. The centre also has an important tourism role, with Oakham Castle located within the town centre (which is currently being renovated following £2m of Lottery grant funding), and Rutland Water – a popular destination for water sports, walking and cycling – is located to the south of the town.

5.4 The town centre contains a number of national multiple retailers including Tesco, Boots, Wilko, Caffe Nero and Costa, but also has a noticeably strong independent retail and café/dining sector, with a

number of boutiques, cafes and tea rooms, particularly in the Mill Street area. The focus of the retail offer is High Street, with Church Street, Market Place, Melton Road and Mill Street acting as secondary shopping/leisure locations. The Tesco store sits to the south-west of the primary shopping area, slightly detached from the rest of the retail offer, but nevertheless performs the role and function of an ‘anchor’ store. We set out our assessment of the current performance of Oakham town centre against NPPG indicators below.

Key indicator / observations	Score
Diversity of uses and retailer representation	
<ul style="list-style-type: none"> The most recent Experian Goad centre report for Oakham (August 2013) identifies that 34.6% of units in Oakham town centre are occupied by comparison goods retailers, 7.5% by convenience goods retailers, and 15.4% by retail services operators (e.g. opticians, dry cleaners, post offices and so on). These proportions are broadly in line with respective UK averages, although some sub-categories (clothing being a particular example) remain under-represented compared to UK averages. The proportion of charity goods shops in the town centre (2.3% of all units) is slightly below the UK average (2.7%) and also lower than other surrounding centres such as Market Harborough (3.2% of units), Corby (2.8%), Stamford (2.7%) and Melton Mowbray (2.6%). A further 17.3% of units are occupied by leisure services (cafes, public houses, restaurants etc), below the UK average of 22.6% - although a number of recent openings in the town centre, such as Caffe Nero, Wildwood Restaurant and JD Wetherspoon will have assisted in reducing this difference to the UK average. A key qualitative gap in the offer of the town centre is the absence of a cinema, although this is likely to be reflective of the small size of the town and predominantly rural catchment. In terms of retailer representation, it is apparent that Oakham is being an increasingly popular destination for national retailers, particularly in the café/restaurant sector. In addition to the three operators identified above, other additions to the retail offer in recent years include Boots Opticians, Costa and Fat Face. The majority of the units on High Street are operated by national retailers, although a number of these units are occupied by local or national charity shop chains. Mill Street continues to act as the focus of the independent/boutique retail sector in the town, and this role appears to have strengthened in recent months with the opening of several new specialist shops, including a lighting store, tea rooms, two galleries, and homewares shop. Elsewhere in the centre, we note that a prominent vacant unit in Market Place has been let to Caffe Nero, and a large vacant unit on Burley Road now trades as a restaurant. It would appear that confidence in the town centre as a retail and leisure location is therefore strong at present. 	
Vacancy rates	
<ul style="list-style-type: none"> The most recent Experian Goad centre report for Oakham (August 2013) identifies that the centre has a vacancy rate of 11.2%, compared to the current UK average of 9.2%. 	

Key indicator / observations	Score
<p>However, this vacancy rate was distorted by a number of works to units which were taking place at the time of the Experian survey – the redevelopment of the Working Mens Club on High Street (which is now trading as the pub/restaurant development which includes Wetherspoon) and redevelopment of a number of units on Church Street which had been damaged by fire, but are now trading.</p> <ul style="list-style-type: none"> The Council undertook their own assessment of the retail mix in the centre in September 2015 which identified that 11 of 207 units in the centre were vacant, equivalent to a vacancy rate of 5.3%, therefore significantly below the UK average. From our site visits in November 2015, it is clear that the vacancy rate in the centre remains low. There are a number of small concentrations of vacant units – most notably the top of Mill Street, and also Knights Yard (off Gaol Street). Overall the vacancy rate does not present cause for concern. We understand that there are issues of high turnover of units in secondary parts of the centre, which should be monitored by the Council. 	
Pedestrian flows	
<ul style="list-style-type: none"> Oakham town centre benefits from generally moderate levels of footfall throughout. There are clear ‘anchor’ stores and points around where footfall is stronger – the area in the vicinity of the Tesco store being the most noticeable example. Footfall along much of High Street is also reasonable, with the area between Wilko/the new JD Wetherspoon pub (to the west) and the Market Place (to the east) generally the busiest. Melton Road, Mill Street and Church Street continue to act as more secondary locations where footfall is lower. Footfall along Gaol Street was also noticeably low, despite this being the main thoroughfare between the High Street and Tesco store, although this may be related to the relatively poor quality retail offer in this location at present. Generally, the patterns of footfall appear similar to those observed in previous studies. 	
Accessibility	
<ul style="list-style-type: none"> There have been no major changes in respect of the accessibility of the town centre subsequent to the previous study, and generally we consider the level of accessibility of the centre to be good in the context of its size and relatively remote location. There is a network of small public car parks surrounding the town centre, and we understand from the Council that parking facilities on the northern side of the town centre (Church Street, 50 spaces and Burley Road, 90 spaces) are generally more heavily used than those to the south and west (Brooke Road, 40 spaces; South Street, 53 spaces; Westgate Street, 77 spaces) are often more lightly used. A number of bus routes serve the town centre via High Street and the bus stands at John Street, although frequency of services is generally hourly or less. Service RF1 provides an 	

Key indicator / observations	Score
<p>important hourly link between the town centres of Oakham and Uppingham, and also extends to Corby. There are also hourly services between Oakham and Peterborough via Stamford (route 9, hourly Monday to Saturday) and between Oakham and Nottingham via Melton Mowbray (route 19, hourly Monday to Saturday). Surprisingly, there is no direct bus connection between Oakham and Leicester. Three local 'hopper' services also connect residential areas of Oakham with the town centre and railway station; these run on an hourly basis.</p> <ul style="list-style-type: none"> • There are also hourly train services from Oakham station, on the western edge of the town centre, to Leicester via Melton Mowbray and Peterborough via Stamford. Services typically extend westwards to Birmingham New Street and eastwards to Cambridge/Stansted Airport. 	
State of town centre environmental quality	
<ul style="list-style-type: none"> • Oakham town centre continues to be an attractive town centre. The buildings are, for the most part, of good quality and make a positive contribution to the overall environment. Although the High Street is not pedestrianised this does not significantly impact on the overall environmental quality of the centre. Oakham Castle and grounds helps to provide an attractive setting. • From our site visits to the centre in November 2015 there are three areas where improvements would be beneficial: <ol style="list-style-type: none"> 1. The West End (Melton Road, between the railway crossing and the Wilko store) continues to have a poorer environmental quality compared to much of the rest of the centre, partly a result of the slightly disjointed urban fabric of this area (for example the petrol station near the Deans Street junction), and partly due to a number of vacant/poor quality buildings. Enhancements are required to better knit this part of the town centre to the primary shopping area to the east and railway station to the west. 2. Market Place benefits from an attractive setting but this is tempered by allowing the central area to be used for car parking on non-market days. Removal of the parking facilities here would improve the appearance of the Market Place, allowing it to be used for a broader range of uses. It would also improve the setting of the entrance to Oakham Castle, and become more of a natural focal point for the town centre. 3. Gaol Street has benefited from investment in recent years to deliver a pedestrianised streetscape. However, this part of the town centre is now beginning to look tired, and requires a refresh. As one of the few pedestrianised thoroughfares in the town centre, it would benefit from additional investment to include better landscaping/planting, public realm such as seating, and an extension of the paving used along the length of the street to the nearby Tesco store. The street is also a natural area to encourage more of a 'café culture', particularly in Knights Yard which benefits from a good sized pedestrianised 	


Key indicator / observations	Score
<p>square.</p> <ul style="list-style-type: none"> • Elsewhere, the environmental quality of the centre can be considered good. 	

Performance assessment of Uppingham town centre


5.5 Uppingham is a considerably smaller town centre when compared to Oakham, containing just 89 units, and exerts less influence over the shopping patterns of local residents. The retail offer in the centre is anchored by a small Co-Operative foodstore (located on North Street East). There are a handful of day-to-day shopping and retail service facilities, including two pharmacies, a newsagent, a bank, a dental surgery and so on – however for the most part the offer in the centre is devoted to a mixture of specialist boutiques and art galleries/showrooms. The presence of four hotels in the small town centre also suggests the role and function of this centre is slightly atypical and that it caters as towards a tourism/visitor market (which is likely to include visitors to Uppingham School, which is also based in the town centre) as it does to meeting local shopping needs.



Uppingham town centre (picture credit: Rutland County Council)

Key indicator / observations	Score
Diversity of uses and retailer representation	
<ul style="list-style-type: none"> The most recent Experian Goad centre report for Uppingham (August 2014) identifies that comparison goods outlets account for almost half of all units in Uppingham town centre (43.8%, compared to a UK average of 32.2%); typically, smaller/lower-order centres have greater representation from convenience goods and services retailers, and therefore Uppingham goes against the trend somewhat in this respect. The high figure largely relates to the concentration of art galleries/showrooms on Orange Street, which are classified by Experian as comparison goods retailers. The rest of the comparison goods offer in the centre consists of day-to-day shopping facilities such as pharmacies and florists, and, to a greater extent, specialist/ boutique retailers, including antiques shops, specialist bookshops, interior decorations, and even a dog grooming shop. The proportion of charity shops is below the UK average. Convenience goods floorspace accounts for 11.2% of all units, above the UK average of 8.5%. This includes the Co-Operative foodstore on North Street East, which acts as the 'anchor' store to the centre. The store is a small, cramped supermarket which appears to be popular (to the extent that the store was observed to be running low on stock in a number of areas at the time of our visit). Given that it is the only foodstore which serves Uppingham, it appears to be of insufficient size. There are also small Spar and One Stop stores located in the town centre, which can be expected to cater for limited 'basket' food shopping. These stores are supported by a range of independent specialist retailers, including a bakers, two butchers, and two newsagents. Retail services account for 15.7% of all units, fractionally above the UK average of 14.3%. From our site visits we observed particularly strong representation from hairdressers/beauty salons in the centre. The proportion of estate agents in the centre is also above the UK average (4.5% in Uppingham compared to 3.5% UK average) Leisure services are under-represented in the centre, accounting for 14.6% of units compared to a UK average of 22.6%. There are shortfalls against UK averages in terms of representation from restaurants, public houses, bars and cafes, as well as take-aways. Existing café / restaurant facilities in the town centre appear well used. As stated above, there are four hotels in the town centre, a noticeably above-average level of representation. Financial services are also below average, accounting for 7.8% of units in the centre compared to a UK average of 10.7%. We note in particular that there is only one bank in the centre (Barclays, on High Street West). The town centre is relatively compact, covering just 89 units in total, and in this context the diversity of uses can be considered generally reasonable, although the size of the anchor foodstore is not considered to be fit for purpose. In terms of retailer representation, the vast majority of the retail offer is accounted for by independent retailers. However, there are a small number of national operators trading in the centre, including Co-Operative, One Stop, Spar, Boots, Post Office and Age UK. 	

Key indicator / observations	Score
Vacancy rates	
<ul style="list-style-type: none"> The Experian Goad centre report for Uppingham (August 2014) identifies the centre as having a low vacancy rate of 6.7%, below the UK average of 11.4%. The Council's more recent own monitoring of Uppingham town centre (September 2015) identifies nine vacant units, equivalent to a higher vacancy rate of 12.1%. The difference can be explained by slightly different survey areas being adopted by Experian and the Council. From our visit to the centre in November 2015 it is clear that the vacancy rate in the centre is low and does not present cause for concern. A large former bank on Market Place has been let to a high-end hair and beauty salon, whilst a prominent vacant unit at the junction of North Street East and Orange Street is now operating as a gallery. There remains a large vacant premises at the junction of High Street West and Orange Street (we are unsure as to its former use). 	
Pedestrian flows	
<ul style="list-style-type: none"> The centre is relatively quiet, and no instances of particularly high footfall were observed during our visit to the centre (although the cafes and restaurants open in the centre all appeared to be very well supported). North Street East was noted to have higher levels of footfall on account of the presence of the Co-Operative store and also the bus stops. There is relatively little in the way of footfall-generating activity on High Street West, Orange Street and Queen Street and these areas were observed to be the quietest parts of the centre. 	
Accessibility	
<ul style="list-style-type: none"> The centre has a number of small surface car parks close the shopping frontage, most notably a 50-space car park adjacent to the Co-Operative foodstore; a small car park adjacent to Hope's Yard, as well as in the Market Place. On-street parking is also available on High Street East. Although we have not undertaken any detailed assessment of capacity it would appear parking provision is generally sufficient and whilst the car parks were observed to be well-used, there was no evidence of congestion at the time of our visit. Public transport provision in the town is more limited. There are hourly bus services from the town to Oakham and Corby (RF1), as well as Leicester via Houghton-on-the Hill (747). A less frequent service runs between Uppingham and Stamford via Ketton. There is only one bus service a day to/from Peterborough. There are no Sunday bus services. There is a need to improve bus shelters, and particularly bus departure information at the town centre's principal bus stops on North Street East. 	

Key indicator / observations	Score
<ul style="list-style-type: none"> Uppingham is not served by the national rail network, with the nearest stations at Oakham (Birmingham to Stansted Airport line) and Corby, from where hourly services to London via Kettering are available. 	
State of town centre environmental quality	
<ul style="list-style-type: none"> As with Oakham, Uppingham is an attractive historic, and well-maintained town centre. The buildings are for the most part in excellent condition, and the presence of Uppingham School, the historic Market Place, and well-maintained residential properties close to the town centre help to lend the centre a quiet charm. North Street East is arguably less well-maintained than the rest of the centre, and a number of modern buildings such as the Harley Davidson garage / petrol filling station, whilst perfect adequate, do not make an overly positive contribution to the centre. Again, as with Oakham, the environmental quality of the Market Place area could potentially be improved through the removal of car parking, allowing this space to be used for a broader range of activities. However, this area does provide important, centrally-located car parking provision and there may be a need to retain this. 	

Summary

- The study has undertaken an updated 'health check' assessment of the two principal centres in the County. Oakham is defined in the Council's adopted Core Strategy as a 'main town centre', and Uppingham is a 'town centre'. We have assessed the performance of each centre against the criteria for undertaking 'health check' assessments set out in the National Planning Practice Guidance (NPPG).
- Rutland's centres have benefited from consistently good levels of 'vitality and viability' in recent years, including throughout the economic downturn, and current indications are that Oakham town centre in particular is performing strongly at present. However, neither Oakham nor Uppingham town centre can afford to be complacent: in light of the strong competition from surrounding centres, there will be a need for continued investment in, and promotion of, the centres, to enable them to offer a credible alternative to the surrounding higher-order locations.
- Oakham is the highest-order town centre in Rutland, and the focus for convenience and comparison goods shopping and Council services. The centre also has an important tourism role, with Oakham Castle located within the town centre (which is currently being renovated following £2m of Lottery grant funding), and Rulland Water – a popular destination for water sports, walking and cycling – is located to the south of the town. The town centre contains a number of national multiple retailers including Tesco, Boots, Wilko, Caffe Nero and Costa, but also has a noticeably strong independent retail and leisure sector, with a number of boutiques, cafes and tea rooms, particularly in the Mill Street area. Oakham's retail mix is generally in line with national averages,

although though some categories such as clothing continued to be under-represented in the town. There is evidence of increasing interest from national operators in the town. The vacancy rate in the centre is low and not of cause for concern.

- Historically, commercial leisure uses such as cafes, restaurants, public houses etc have been under-represented in Oakham when compared to national averages, but the centre is becoming an increasingly popular destination for these type of uses, with a number of recent openings from national operators (Wetherspoon, Caffe Nero, Wildwood) and local operators. These uses are important in diversifying the mix of uses in the town centre and increasing dwell-time, and therefore this development can be seen as having a positive impact on the vitality and viability of the town centre.
- The environmental quality of the centre remains, for the most part, strong. Most buildings are of good quality and make a positive contribution to the overall environment of the centre. Previous retail evidence studies, and the Council's adopted Core Strategy, have all identified that the West End area of Oakham town centre requires improvement, and this remains the case. The environmental quality of this part of the centre remains underwhelming compared to the rest of the centre, which is not aided by disconnected retail frontages and the lack of any key attractors. There is also a need to improve the physical environment in the Gaol Street area, which despite the proximity to the Tesco store and the inclusion of a number of upmarket stores, has low footfall, a number of vacant units and a generally 'tired' appearance. There is clear scope for improvement, and, making use of the pedestrianised space, encouragement of development of a 'café culture'. There is scope for the Market Place to make a wider contribution to the vitality and viability of the centre, and the Council may wish to consider the removal of car parking in the Market Place in order to enhance the setting of the area.
- Uppingham is a significantly smaller town centre when compared to Oakham, containing just 89 units, and therefore has a much more limited influence over shopping patterns in residents of the County. The retail offer in the centre is anchored by a small Co-Operative foodstore on North Street East; complementing this are a handful of day-to-day shopping and retail service facilities, including two pharmacies, a newsagent, a bank, a dental surgery and so on – however for the most part the offer in the centre is devoted to a mixture of specialist boutiques and art galleries/showrooms. The presence of four hotels in the town centre also suggests the role and function of this centre is slightly atypical and that it caters as much towards a tourism/visitor market as it does to meeting local shopping needs.
- The Co-Operative store is the only foodstore currently serving the town and appears clearly constrained, and there is a clear policy case for supporting the expansion of this store in order to reduce the amount convenience goods expenditure which is lost to surrounding centres. Positively, the independent convenience goods sector in the town is strong, and a small market held every Friday helps to further diversify the offer of the centre. Overall, for the size of the town the diversity of uses is reasonable, and the vacancy rate does not present cause for concern.
- The environmental quality of the centre is generally strong, with most of the historic buildings which make up the centre in excellent condition. There is a need to improve bus stops and bus departure information in the centre.

6 SURVEY AREA, SHOPPING PATTERNS AND POPULATION & EXPENDITURE GROWTH

6.1 In this section we set out the performance of existing floorspace across the survey area. After introducing the approach to calculating capacity, we consider the trading performance of Oakham and Uppingham town centres. From this analysis, we are able to establish the quantitative ‘need’ for additional retail floorspace, disaggregated by five-year interval periods over the study period to 2036. The findings of this section should be read in association with the capacity tabulations at Appendix II (for comparison goods) and Appendix III (for convenience goods) in Volume 2.

Methodology

6.2 The ‘need’ for new floorspace is calculated through a conventional and widely-accepted step-by-step methodology, consistent with best practice, which draws upon the findings of the household telephone survey of shopping patterns (as previously discussed) to model the current flows of expenditure to each retail destination within the survey area, and those competing centres in the surrounding area.

6.3 The first stage in this exercise is establishing the ‘baseline’ position, which is developed as follows:

- **Step 1:** Calculate the total amount of convenience and comparison goods expenditure which is available within the postcode sectors comprising the main centres’ catchment areas (the ‘survey area’);
- **Step 2:** Allocate the available expenditure to the convenience and comparison goods shopping destinations visited by residents within these postcode sectors, as defined by the household telephone survey of shopping patterns;
- **Step 3:** Compare the total expenditure attracted to each shopping destination with the current retail floorspace to assess ‘sales densities’ (i.e. turnover per sq.m) in each shopping destination.

Survey Area and Household Survey

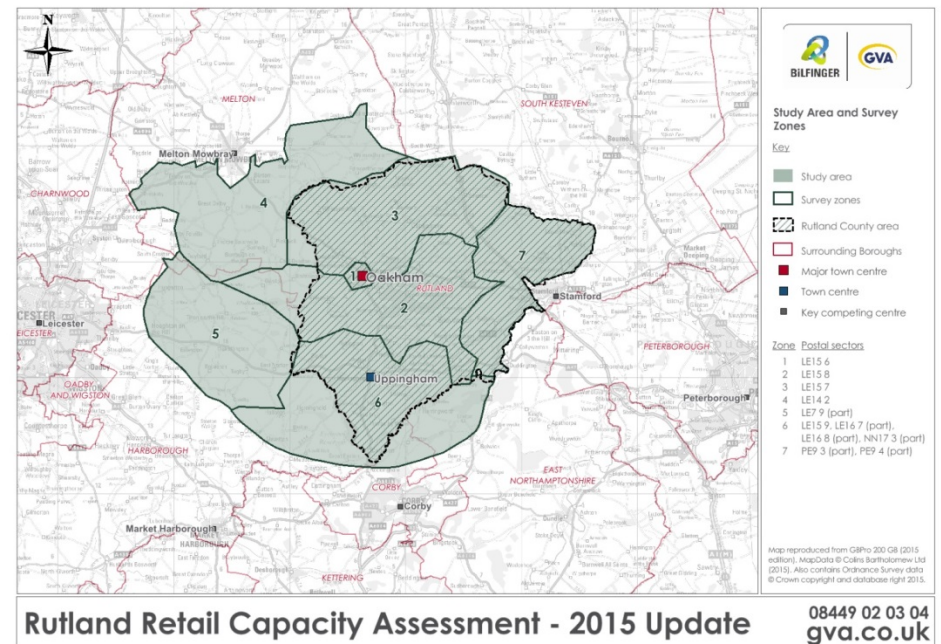
6.4 As noted above, in order to determine the ‘need’ for new floorspace, a household telephone survey is required to establish the current shopping patterns of residents. In order to determine this, we have established a ‘survey area’, which covers Rutland in its entirety, as well as parts of adjacent authorities in instances where some residents look towards centres in Rutland for some of their shopping needs. A

² The final interval period (2030-36) is six years

plan of the survey area is shown in **Figure 6.1** (a larger version is reproduced in Volume 2; the boundary of Rutland and that of adjacent authorities is shown for ease of reference). A total of 700 household telephone surveys were undertaken by NEMS Market Research during October/November 2015.

6.5 As shown in Figure 6.1, the survey area is split into seven zones, to enable differences in patterns of shopping across the survey area to be fully captured. Zones 1, 2, 3, 6 and 7 fall wholly or partly within Rutland. Survey zone boundaries have been defined by postcode sectors³. Oakham town centre falls within zone 1, and Uppingham town centre falls within zone 6.

Figure 6.1: Survey area



³ In the case of zones 5, 6 and 7, the size of some of the postcode sectors means the survey area has been manually defined.

- 6.6 The household telephone survey results identify shopping habits of households for both convenience and comparison goods, as well as commercial leisure spending (which we discuss separately in Section 8 of this report):
- 6.7 For convenience goods, the household telephone survey included questions on 'main food' and 'top-up food' shopping. The results of the two types of food expenditure were then merged through the application of a weight which reflects the estimated proportion of expenditure accounted for by each goods type (70% main food / 30% top-up food). This forms a 'composite' pattern of convenience spending, expressed as a market share for each destination centre or foodstore for each survey zone.
- 6.8 For comparison goods, the household telephone survey included questions on where respondents normally undertake shopping for the following types of comparison goods shopping:
- Clothing and footwear;
 - Furniture, floor coverings and household textiles;
 - DIY and decorating goods;
 - Domestic appliances;
 - Audio-visual equipment;
 - Personal, medical, recreational and luxury goods.
- 6.9 Shopping patterns for each of these types of comparison goods are then combined to produce a 'composite' set of comparison goods shopping patterns, using weighted averages of the household survey responses for each goods type based on the proportion of personal spending ('expenditure per capita') available to residents in the survey area⁴.

Estimates of Population in the Survey Area

- 6.10 Table 1 in Appendix II shows the current and projected population for each of the zones which together comprise the survey area shown in Figure 6.1. The total current population (at 2015) in the survey area is 49,521 persons. Based on population projections provided by Experian, and making allowance for additional population to come forward in zone 1 to reflect the planned strategic growth at Oakham North, this will increase to 53,226 persons by 2025 and 57,066 persons by 2036 (the end of the study period). This represents a growth in population of 7,545 persons.

⁴ Expenditure per capita data for each of the different types of comparison goods spend are derived from Experian's MicroMarketer system.

- 6.11 The amount of population growth expected to come forward at Oakham North is 2,027 persons, or 26.8% of the total expected population growth in the survey area. We have calculated this figure by applying the annual housing growth trajectory at Oakham North (provided by officers at RCC) of 84 dwellings per annum, and converted this to population using Experian-derived household density projections. The resulting figures are applied to the baseline population projections for zone 1 at the study base year (2015) to calculate the total population in zone 1 at the interval years of 2020, 2025, 2030 and 2036.

Available Expenditure in the Survey Area

- 6.12 Experian identify a 'per capita' spend on comparison and convenience goods on a zone by zone basis, and these are shown in Table 2 of Appendix II for comparison goods, and Table 2 of Appendix III for convenience goods.
- Comparison goods spend per head ranges from £3,333 in zone 1 (Oakham) to £4,834 in zone 4 (south of Melton Mowbray). The average spend per head across the survey area is £4,161, which is a high level of spend per head and confirms that the catchment area is generally affluent.
 - Convenience goods spend per head ranges from £1,971 in zone 1 to £2,579 in zone 4, with an average spend per head on convenience goods of £2,281.
- 6.13 It is expected that spend per head on comparison and convenience goods will increase over the course of the study period, although growth in convenience goods spending is expected to be very limited. Therefore, we apply an appropriate annual growth rate to the 2015 baseline figures (as summarised above), which reflects expenditure growth rate projections set out in Experian's Retail Briefing Note 13 (October 2015).
- 6.14 The figures set out in Table 2 of Appendix I and II have been discounted to include allowance for 'special forms of trading' (SFT), such as online shopping. Experian forecast that this currently (2015) accounts for 11.7% of comparison goods spending, and 2.8% of convenience goods spending, and expect this to increase over the course of the study period to 14.3% for comparison goods by 2036, and 6.4% for convenience goods by 2036. Experian forecast that comparison goods SFT will peak at 15.2% of comparison goods spending in 2022, before decreasing over the period to 2036 as the market reaches saturation. Experian forecast that convenience goods SFT will increase incrementally over the period to 2036. Table 2 of Appendix II and III summarise the 'with' and 'without' expenditure figures, and also shows the deductions we have made for SFT over the duration of the study period.
- 6.15 By applying the population forecasts to the per capita expenditure forecasts, we can gain an understanding of the total amount of spending on comparison and convenience goods which is currently available to residents of the survey area, and how much this is expected to increase over the course of the study period:

- There is currently £175.8m of comparison goods expenditure available to residents of the survey area, which is expected to increase to £381.5m by the end of the study period (i.e. 2036), equivalent to a growth in comparison goods spending of £205.8m; and
- There is currently £96.3m of convenience goods expenditure available to residents of the survey area, which is expected to increase to £112.6m by the end of the study period, representing a modest growth in convenience goods spending of £16.3m.

6.16 As we have set out in Section 4, Leicester draws the highest comparison goods turnover of residents in the survey area, accounting for £38.7m of comparison goods spending, or 22% of total available comparison goods expenditure. Oakham town centre accounts for a further £33.6m of comparison goods spending, followed by Peterborough (£24.6m) and Stamford (£24.0m).

Sales Efficiency

6.17 It is also necessary to factor in changes in respect of 'sales efficiencies'. These represent the ability of retailers to increase their productivity and absorb higher than inflation increases in their costs (such as rents, rates and service charges) by increasing their average sales densities. The application of a turnover 'efficiency' growth rate is a standard approach used in retail capacity studies. Although Experian (who are the data providers for the other technical inputs into this study) do not provide clear guidance on sales densities, it is fair to assume that as Experian anticipate that personal spending on both comparison and convenience goods will increase over the study period, so will sales efficiency. Informed by Experian's expenditure growth forecasts, we have therefore adopted the following sales efficiency growth rates:

- **Comparison goods:** 1.75%, per annum (50% of average comparison goods expenditure growth rate 2015-2036);
- **Convenience goods:** 0.1%, per annum (50% of average convenience goods expenditure growth rate 2015-2036)

Floorspace Data

6.18 The comparison and convenience goods floorspace data which we incorporate into our model has been drawn from a range of data sources, including the Institute of Grocery Distribution (IGD), Experian Goad, and the Council's own planning application records. Our floorspace assumptions for foodstores make allowance for a proportion of the sales area of the foodstore to be used for the sale of comparison goods (in supermarkets, this may include books, stationery, home entertainment, small electrical items, for example).

Summary

- In this section we have set out the methodology behind the calculation of quantitative 'need' for new comparison (non-food) and convenience (food) goods, which we undertake in the following section.
- The need assessment is informed by an assessment of shopping patterns over the study area shown in Figure 6.1, which covers Rutland County its entirety, as well as parts of neighbouring authorities where the catchment of Rutland's centres may extend into.
- The total current population (at 2015) in the survey area is 49,521 persons. Based on population projections provided by data provider Experian, and factoring in population growth expected to come forward at Oakham North, this will increase to 57,066 persons by 2036 (the end of the study period). This represents a growth in population of 7,545 persons.
- There is currently £175.8m of comparison goods expenditure available to residents of the survey area, which is expected to increase to £381.5m by the end of the study period (i.e. 2036). 22% of this comparison goods expenditure is retained by centres and stores in the County, which is considered to represent a reasonable performance in light of the strength of the retail offer in the larger centres which surround the County such as Leicester and Peterborough.
- There is currently £96.3m of convenience goods expenditure available to residents of the study area, which is expected to increase to £112.6m by the end of the study period.
- 'Special forms of trading' – which is mostly accounted for by online shopping – is expected to account for a maximum of 15.2% of total comparison goods spending and 6.4% of convenience goods spending over the course of the study period to 2036. The expenditure growth figures set out above take the most recent SFT forecasts (also provided by Experian) into account.

7 RETAIL CAPACITY FORECASTS

7.1 In this section we set out the quantitative ‘need’ for new comparison and convenience goods retail floorspace in Rutland, based on the methodology set out in Section 6. We discuss convenience goods capacity in turn below.

Comparison goods capacity forecasts

Oakham town centre turnover & catchment area

7.2 Oakham town centre has the highest comparison goods turnover of any centre in the County. This is in line with what should be expected; it is the largest centre in the County in terms of retail floorspace, sits in the centre of a wide rural catchment area and is also the administrative centre of the County. Oakham draws £33.6m of comparison goods spend from the survey area, equivalent to 19.1% of total comparison goods expenditure available to the survey area. £2.0m of this £33.6m is accounted for by non-food spend in the Tesco store in Oakham.

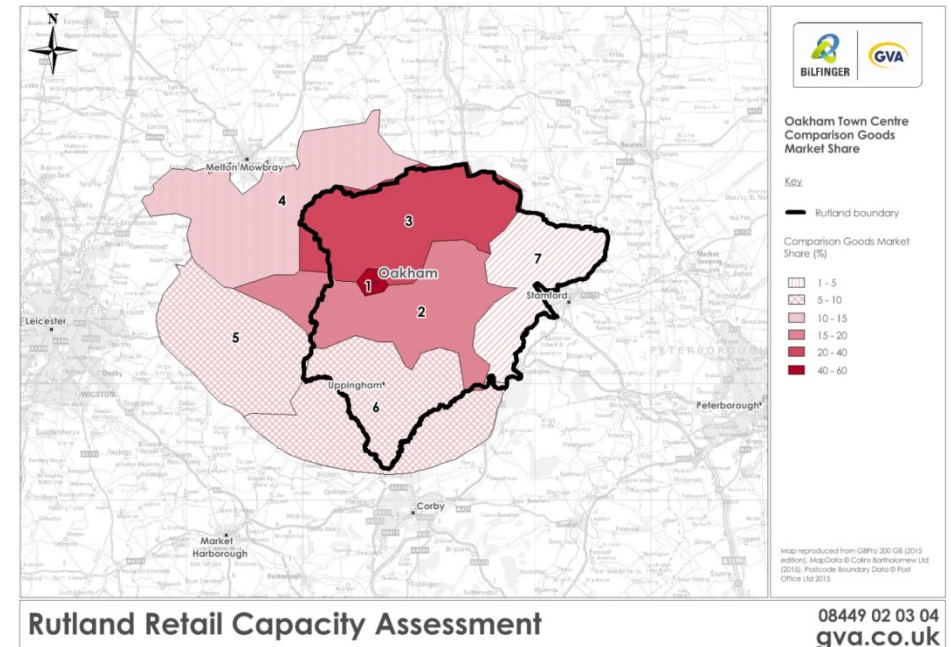
7.3 Analysis of Table 5 (Appendix II) shows that Oakham draws over £1.0m of comparison goods spend from six of the seven survey zones, with only zone 7 showing very limited trade flows to Oakham – which can be explained by the proximity of residents in this zone to Stamford. £13.1m of Oakham’s £33.6m comparison goods turnover comes from its ‘local’ zone, zone 1, which is tightly drawn around the Oakham urban area. A further £9.6m comes from zone 3, the rural area to the north of Oakham. For residents in these zones, Oakham is the most popular comparison goods shopping destination, and therefore this represents Oakham’s ‘core’ catchment area. There are also noteworthy expenditure flows of £4.1m from zone 2, £2.4m from zone 4 and £3.2m from zone 6, but in each of these zones other surrounding locations take a greater share of residents’ comparison goods spend, and therefore these zones can be considered to represent Oakham’s ‘secondary’ catchment area. Residents in zone 2 look towards Stamford and Peterborough; Leicester and Melton Mowbray draw greater amounts of spend from zone 4; and Uppingham, Leicester and Corby all draw greater amounts of spend from zone 6.

7.4 As noted above, it is positive to note that Oakham is the most popular comparison goods shopping destination for its ‘local’ zone (zone 1) – the town centre (including Tesco) attracts 41.1% of available comparison goods spend from its local zone. Given the relatively limited comparison goods function which the town offers in compared to the network of surrounding centres, we consider this to be a good performance, indicating that the centre is able to meet many residents’ day-to-day and more specialist comparison goods shopping needs. Whilst there is clearly scope for improvement to assist in delivering more sustainable patterns of shopping, the strength of the retail offer in the surrounding centres will inevitably mean that some residents will prefer to travel further afield. Aside from Oakham town centre, residents in zone 1 principally undertake their comparison goods shopping in Leicester

(£7.5m of comparison goods spend), Peterborough (£3.3m) and Stamford (£2.2m). Very few residents in Oakham choose to undertake comparison goods shopping in Uppingham.

7.5 The extent of Oakham’s comparison goods catchment area is shown in **Figure 7.1**.

Figure 7.1: Oakham town centre comparison goods market share



Source: household survey results

Uppingham town centre turnover & catchment area

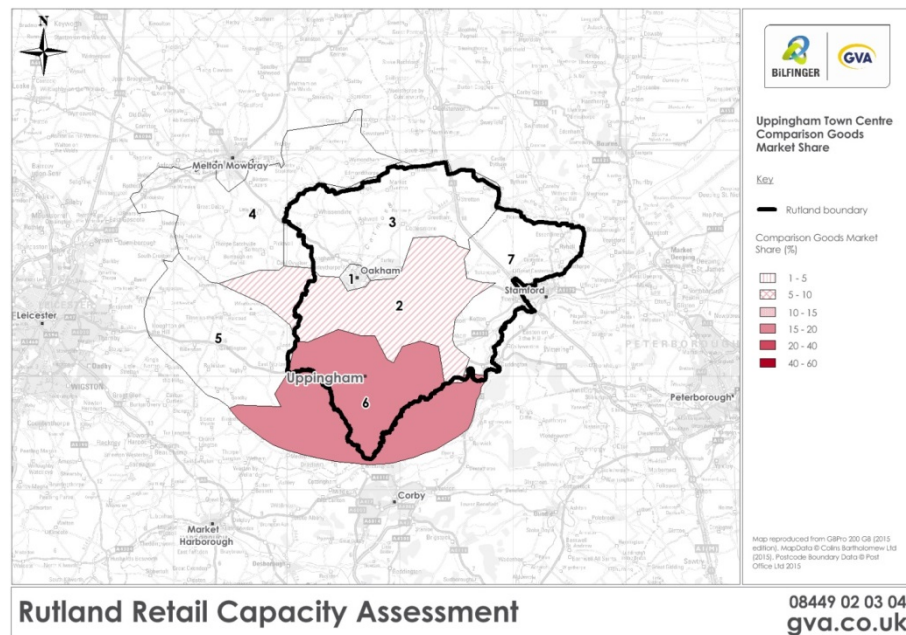
7.6 Our health check assessment of Uppingham town centre has confirmed that the centre has a relatively constrained role and function as a comparison goods shopping destination, on account of both the size of the town centre, and the fact that much of its offer is orientated towards the specialist/niche sector, such as art dealerships, boutiques and so on. There are opportunities for residents’ day-to-day comparison goods shopping needs to also be met, however.

7.7 Table 5 of Appendix II shows that Uppingham draws £5.4m of comparison goods spend from its ‘local’ zone (zone 6), equivalent to a market share of 15.1%, which in the context of the above conclusions,

can be considered to represent a reasonably satisfactory performance. However, many residents of zone 6 are choosing to travel to other destination for their comparison goods shopping: £9.4m of comparison goods spend goes to Leicester, £7.9m to Corby, £3.7m to Peterborough and £3.2m to Oakham. Each of these centres – particularly Leicester and Peterborough – have a much more extensive comparison goods offer, particularly in sectors such as mid-market clothing & footwear, which Uppingham lacks. These shopping patterns are not necessarily cause for concern; rather, they are reflective of Uppingham’s role and function within the area’s retail hierarchy.

7.8 Uppingham does not have a significant influence over the comparison goods shopping patterns over the majority of the survey area, only drawing a total of £0.6m from the remaining six survey zones, of which £0.2m comes from zone 2. It therefore principally serves some of the day-to-day shopping needs of its immediate local area, rather than acting as a ‘destination’ location (although the centre also has an important tourism function which means it is likely to draw some ‘inflow’ spend from beyond the survey area). Uppingham’s comparison goods catchment area is shown in **Figure 7.2**.

Figure 7.2: Uppingham town centre comparison goods market share



Source: household survey results

Out-of-centre floorspace

7.9 As we have identified previously, there is virtually no out-of-centre comparison goods retail floorspace in the County, particularly in respect of comparison goods. This means that all of the comparison goods spend attracted to centres in the County is spent in town and smaller centres, supporting their vitality and viability. However, the absence of certain types of comparison goods floorspace, particularly ‘bulky goods’ comparison goods floorspace (DIY goods, large electrical items, furniture and so on) means that loss of expenditure to centres which offer these facilities will always be inevitable.

Performance analysis

7.10 We have assessed the performance of Oakham and Uppingham town centres by considering the shopping patterns (as identified by the household telephone survey) and the performance of existing comparison goods floorspace with each of the town centres. Using the market shares attributed to each centre from the household telephone survey, and the estimates of expenditure available to the survey area, it is possible to calculate the comparison goods turnover of each centre, by applying these two factors together. This exercise is useful in showing whether a centre is trading in line with expectations (taking account its role and function in the retail hierarchy), or whether it is ‘under-trading’ or ‘over-trading’.

7.11 Table 8 of Appendix II shows that comparison goods floorspace in Rutland is trading at £3,069 per sq.m. This is an aggregate trading performance of Oakham and Uppingham town centres (including non-food floorspace in town centre supermarkets). When considering the trading performance of the centres individually (**Table 7.1**), it can be seen that Oakham achieves a higher sales density of £3,772 per sq.m, but Uppingham’s is significantly lower at £1,581 per sq.m.

Table 7.1: Trading performance of Oakham and Uppingham town centre

	Comparison goods turnover from survey area (£m) ¹	Estimated comparison goods floorspace (sq.m) ²	Turnover per sq.m (£)
Main town centre			
Oakham	33.6	8,903	3,772
Town centre			
Uppingham	6.0	3,822	1,581

¹Source: Table 5a, Appendix II ²Source: Experian Goad category reports

7.12 We consider Oakham’s performance to be reasonable, given the fact there is relatively little modern comparison goods floorspace in the town centre (with the exception of that in the Tesco store and a handful of larger outlets elsewhere in the town centre such as Wilko, Boots etc). Uppingham’s performance reflects the aforementioned limited/upscale comparison goods function of the town centre, as previously discussed, and again also reflects that the retail property stock in the town centre almost entirely consists of small, historic trading units. However, such a low sales density would appear to support the findings of our health check assessment that some day-to-day comparison needs are not being met.

7.13 To put this performance into context, in our capacity projections for future comparison goods floorspace for the Borough, we have adopted a ‘baseline’ sales density of £4,500 per sq.m, which we consider to represent a likely sales density of modern, new floorspace in Oakham town centre, having regard to the role and function of the centre and the competition from surrounding higher order centres. It is considered that there is scope for the trading performance of both centres to be improved, although such improvements are likely to be easier to bring about in Oakham town centre compared to Uppingham.

7.14 It should be noted that the figures shown in Table 7.1 do not take account of expenditure ‘inflow’ from beyond the survey area, and if these figures were to be included, the performance of some of the centres would be higher, although would continue to fall below our ‘baseline’ of £4,500 per sq.m.

Identification of capacity

7.15 Having undertaken the trading performance, we are in a position to establish the quantum of new comparison goods floorspace which the Council should seek to plan for over the period to 2036. In assessing capacity for future comparison goods floorspace, we have assumed that existing comparison goods floorspace stock across the Borough will improve its sales efficiency (i.e. its turnover per sq.m) over the course of the study period. As set out above, we have assumed that new comparison goods floorspace should achieve sales in the region of £4,500 per sq.m. In identifying capacity it is important to note that forecasts become increasingly open to margins of error over time, and accordingly should be refreshed throughout the Council’s Plan period. We also advise that findings should be considered alongside the qualitative discussion of the performance of individual centres which this report has previously set out, as identification of low/negligible capacity does not, in itself, mean that there is no ‘need’ for additional floorspace.

7.16 The ‘baseline’ comparison goods capacity for Rutland over the period to 2036 is shown in **Table 7.2**. These capacity forecasts are based on ‘constant market shares’, i.e. assuming that current patterns of comparison goods shopping (as identified in the household telephone survey) will remain unchanged. We are not aware of any planning ‘commitments’ for new comparison goods floorspace which need to be factored in to our capacity forecasts, with the exception of the non-food floorspace within the approved Aldi store at Lands End Way, Oakham.

Table 7.2: Comparison goods floorspace capacity to 2036

	2020 (sq.m net, rounded)	2025 (sq.m net, rounded)	2030 (sq.m net, rounded)*	2036 (sq.m net, rounded)*
Comparison goods floorspace capacity	500	1,500	2,700	4,700

Source: Table 8, Appendix II
 *Indicative only. Figures are cumulative and rounded.

7.17 Table 7.2 shows that, assuming current patterns of comparison goods shopping remain unchanged, the need for new comparison goods floorspace in the County is limited to 500 sq.m net by 2020 and 1,500 sq.m net by 2025. This requirement increases to 4,700 sq.m net by the end of the study period at 2036 (all figures are cumulative). As stated above, figures at the end of the Plan period should be considered indicative. The figures make allowance for the additional population growth which is expected to come forward at Oakham North.

Convenience goods capacity forecasts

7.18 The remainder of this section sets out the capacity for additional convenience goods floorspace in Rutland over the period to 2036. The discussion set out below should be read in conjunction with the tabulations at **Appendix III**.

Summary of shopping patterns

7.19 As set out in the previous section, our assessment has identified that there is currently (2015) £96.3m of convenience goods expenditure available to residents of the survey area. Of this, £40.1m (41.7%) is spent at stores in Rutland (both in-centre and out-of-centre stores). Both Oakham and Uppingham town centres have a foodstore which performs an important ‘anchor’ role, although our qualitative assessment of Uppingham town centre has identified that the Co-Operative store which anchors this centre is too small. The centres at lower levels in the hierarchy are generally too small to support their own supermarkets, but there is a network of local/small convenience shops across the survey area which collectively account for £3.8m of convenience goods spending.

7.20 The convenience goods spending in the County is principally accounted for by a handful of foodstores – in the case of Oakham, these are the in-centre Tesco store at South Street, an out-of-centre Co-Operative store at Burley Road, and a recently-opened small Co-Operative store on Braunstone Road (also out-of-centre). The M&S Simply Food store which trades within the BP petrol filling station on Oakham Bypass also draws a small amount of convenience goods spend. In Uppingham, the only two foodstores are both in the town centre: the aforementioned Co-Operative store on North Street East, and a small One Stop store on High Street West. Both Oakham and

Uppingham also have a range of independent convenience goods retailers which make an important contribution to the vitality and viability of their respective centres. **Table 7.3** summarises the most popular foodstores in the County, based on turnover derived from the survey area (excluding 'inflow' from tourism/visitor spend).

7.21 The proportion of convenience goods expenditure which is retained within the survey area is 41.7%. This has reduced from 50.2% in the previous study; in other words more convenience goods expenditure is currently spent outside the County than was the case at the time of the previous study. This is because the market share attracted to the Tesco store in Oakham has reduced from six of the seven survey zones: for example from 57.4% to 45.1% from zone 1; from 28.6% to 25.0% in zone 2; from 41.0% to 33.6% in zone 3; and from 15.4% to 9.9% in zone 6. The main beneficiaries of this reduction in market share appear to be discount foodstores in Corby, Stamford and Grantham. It is reasonable to assume therefore that if the permitted Aldi store in Oakham is permitted, some of this market share which has been lost will be 'clawed back' to Oakham.

Table 7.3: Turnover of main foodstores in Rutland

Foodstore	Turnover from survey area, 2015 (£m)	Sequential location (in/edge/ out-of-centre)
Tesco, South Street, Oakham	21.2	In-centre
Co-Operative, Burley Road, Oakham	8.3	Out-of-centre
Co-Operative, North Street East, Uppingham	4.1	In-centre
Co-Operative, Braunstone Road, Oakham	2.8	Out-of-centre
M&S Simply Food, BP PFS, Lands End Way, Oakham	0.7	Out-of-centre

Source: Table 5, Appendix III

7.22 **Table 7.4** shows the most popular convenience goods shopping destinations for those parts of the survey area that fall within Rutland (which is survey zones 1, 2, 3, 6 and 7). It also shows each zone's 'local retention rate', i.e. the proportion of available convenience goods expenditure to residents of that zone which is retained within the zone itself, thus giving an indication of the sustainability of localised convenience goods shopping patterns. The green-shaded entries denote stores within the respective 'local' zones; the blue-shaded zones denote stores within an adjacent survey zone.

Table 7.4: Local retention rate and most popular convenience shopping locations by zone

	Local retention rate (for zone) (%)	Most popular convenience goods shopping location (%)	Second-most popular convenience shopping location (%)	Third-most popular convenience shopping location (%)
Oakham (zone 1)	75.7%	Tesco, Oakham (45.1%)	Co-Operative, Burley Road, Oakham (12.7%)	Co-Operative, Braunstone Road, Oakham (10.8%)
Rutland Central (zone 2)	-	Tesco, Oakham (25.0%)	Morrisons, Stamford (16.8%)	Waitrose, Stamford (9.0%)
Rutland North (zone 3)	-	Tesco, Oakham (33.6%)	Co-Operative, Burley Road, Oakham (20.6%)	Aldi, Grantham (5.1%)
Uppingham & Rutland South (zone 6)	25.1%	Co-Operative, Uppingham (18.2%)	Aldi, Corby (15.8%)	Asda, Corby (14.1%)
Rutland East (zone 7)	-	Morrisons, Stamford (27.3%)	Lidl, Stamford (17.6%)	Sainsbury's, Stamford (17.2%)

Source: Table 4, Appendix III

7.23 Table 7.4 shows that Oakham itself (zone 1) is reasonably self-sustaining as a convenience goods shopping destination, with just over three-quarters of available convenience goods expenditure available to residents in the Oakham zone spent at stores in Oakham. This reflects a trend previously identified in the RRCA and RRCAU. The most popular foodstore is the Tesco store in Oakham town centre, which attracts almost half of all convenience goods spending of residents in the Oakham zone. The remaining 25% of convenience goods spending available to residents in this zone is spent at stores in Stamford and Corby, which attract a market share of 9.6% and 9.5% respectively. Analysis of Table 4 of Appendix III (the market share data by zone) shows that the most popular location for convenience shopping in each of these towns is a discount retailer (Lidl in Stamford, 4.9% market share; Aldi in Corby, 4.5% market share), and we would consider there to be potential for some of this expenditure to be 'clawed back' following the opening of the approved Aldi store at Lands End Way.

- 7.24 No localised retention rate is provided for zones 2, 3 and 7 as these zones do not contain any convenience goods shopping facilities which attract a significant market share⁵. It can be seen that the majority of residents in zone 3 (Rutland North) look towards Oakham for their convenience goods shopping, although the Aldi store in Grantham is the third-most popular convenience goods shopping destination. Again, we would expect some of this expenditure to be 'clawed back' following the opening of the Aldi store in Oakham. The market shares for zone 2 are more evenly split between Oakham and Stamford, whilst virtually all residents in zone 7 undertake their convenience goods shopping in Stamford, which is more readily accessible than Oakham for residents in this part of the County.
- 7.25 Uppingham's localised convenience goods retention rate is much lower, at 25.1%. In other words, only one-quarter of available convenience goods expenditure available to residents in the Uppingham zone is spent at stores in Uppingham. The majority of this is accounted for by the Co-Operative store on North Street East (market share of 18.2% from zone 6). Many residents in zone 6 prefer to undertake their convenience goods shopping in Corby, with Aldi and Asda stores in Corby both achieving strong market shares from the zone. Whilst for some residents in the southern part of the zone, Corby is likely to be the easier location to travel to for convenience goods shopping, much of the zone falls within a natural catchment area of Uppingham and therefore the patterns of shopping identified suggest there is a need for improved convenience shopping provision in Uppingham.

Performance assessment

- 7.26 At Tables 6 and 8 of Appendix III we have undertaken an assessment of the trading performance of convenience goods floorspace in the County, to establish whether the floorspace is trading in line with 'benchmark' levels (i.e. company averages for national operators), or typical sales densities for independent retailers). Table 8 of Appendix III shows that, on aggregate, convenience goods floorspace in Rutland is trading at £6,711 per sq.m. This sales density reflects the mixture of the convenience goods offer in the County, but one which errs towards smaller-format foodstores and independent specialist retailers (with the exception of the Tesco store in Oakham).
- 7.27 Analysis of the performance of individual stores in the County is set out at Table 6 of Appendix III. This shows that:
- The Tesco store in Oakham is 'over-trading' by +£6.7m against company average levels (the RRCA and RRCAU both identified this store to be over-trading)
 - Both Co-Operative stores in Oakham are trading at slightly above company average levels;
 - The Co-Operative store in Uppingham is over-trading by +£1.9m against company average levels.

⁵ Owing to postcode sector boundaries, the Co-Operative store at Burley Way, Oakham falls just inside the boundaries of zone 2. However, as it clearly functions as part of the retail offer serving the Oakham urban area (zone 1) we have included the store within zone 1 for the purposes of our analysis.

- Independent stores in Oakham and Uppingham town centres are both shown to be trading at below average levels, when applying a sales density of £2,000 per sq.m to the turnover of the floorspace. Whilst this performance is slightly concerning, it is likely to be a consequence of these stores principally being used for occasional top-up shopping rather than repeated main/top-up shopping trips; they may consequently be under-represented in the survey results (which are weighted 70:30 towards 'main' food shopping trips).

7.28 As an aggregate, Table 6 of Appendix III shows that:

- Convenience goods floorspace in Oakham town centre is over-trading by +£4.2m;
- Out-of-centre convenience goods floorspace in Oakham is over-trading by +£0.5m;
- Convenience goods floorspace in Uppingham town centre is over-trading by +£1.9m.

7.29 It is clear therefore that the majority of convenience goods floorspace in the County is performing well at present, although the trading performance of independent convenience retailers in both town centres needs to be carefully monitored. Should the permitted Aldi foodstore in Oakham come forward, it is expected that this will have the effect of reducing the current trading performance of the Tesco and Co-Operative stores in Oakham, although the 'impacts' associated with this have been considered by Bilfinger GVA as part of a separate instruction and have been considered acceptable.

Identification of capacity

- 7.30 **Table 7.5** shows the capacity for additional convenience goods floorspace in Rutland over the period to 2036. As with the comparison goods capacity forecasts, it is important to note that forecasts become increasingly open to margins of error over time, and accordingly should be refreshed throughout the Council's Plan period, and findings should be considered alongside our qualitative assessments set out earlier in this report, as identification of low/negligible capacity does not, in itself, mean that there is no 'need' for additional floorspace.
- 7.31 Based on a 'constant market share' approach, Table 7.5 shows that there is no quantitative need for any additional convenience goods provision in the County until the very end of the study period at 2036; prior to this point there is a marginal over-supply of floorspace. These forecasts take into account the outstanding 'commitment' for a new Aldi foodstore in Oakham, which the applicants estimate will achieve a convenience goods turnover of £6.8m per annum at 2020.

Table 7.5: Convenience goods floorspace capacity to 2036

	2020 (sq.m net, rounded)	2025 (sq.m net, rounded)	2030 (sq.m net, rounded)*	2036 (sq.m net, rounded)*
Convenience goods floorspace capacity	-500	-400	-200	+100

Source: Table 8, Appendix III

*Indicative only. Figures are cumulative and rounded.

majority of which arises post-2025. There is a very limited quantitative 'need' for new convenience goods floorspace, with a negative requirement up to 2030 and a requirement for only 100 sq.m net at 2036. The convenience goods requirement has decreased since the RRCAU on account of the fact that Experian are now forecasting very limited growth in convenience goods spending over the duration of the period to 2036, and forecasts over the proportion of convenience goods shopping which will be undertaken online have increased relative to the position at the time of the RRCAU. The limited growth in convenience goods spending which will come forward will largely be met by the approved Aldi scheme. However, as this study has identified, there are qualitative arguments for the development of further convenience goods floorspace in the County, particularly in Uppingham.

Summary

- The findings of this study have been informed by a new household telephone survey of shopping patterns, which have established where residents in the defined 'survey area' (see plan below) are undertaking their comparison and convenience goods shopping, and patterns of commercial leisure visits. A full discussion of our methodological approach in this respect is set out in Section 6. In identifying capacity it is important to note that forecasts can become increasingly open to margins of error over time, and accordingly should be refreshed throughout the Council's Local Plan period. The 'need' figures which arise should also be considered alongside the qualitative recommendations which we set out below, as identification of low/negligible capacity does not, in itself, mean that there is no 'need' for additional floorspace.
- Both the convenience and comparison goods capacity forecasts are based on a 'constant market share' approach, i.e. assuming that current patterns of shopping remain unchanged. We also have regard to 'commitments' for new retail floorspace in the County — where planning permission for new retail developments have been granted but not yet commenced trading — as these act as a 'claim' on the amount of expenditure which is available to support new floorspace. The only 'commitment' we are aware of is the permission for a new Aldi foodstore at Land's End Way, Oakham, and we have incorporated this commitment into the capacity forecasts set out below.
- Our analysis has also identified that many of the principle foodstores in the County are trading at above company average levels, or 'over-trading'. In particular, the Tesco store in Oakham is trading at +£6.7m above company average levels; both Co-Operative stores in Oakham are trading slightly above company average levels; and the Co-Operative store in Uppingham is trading at +£1.9m above company average levels. This can in itself be an indication of 'need', although it would be expected that the level of 'over-trading' at these stores would likely be reduced once the approved Aldi store commences trading. The retail impact of the proposed Aldi store has been considered by GVA under separate instruction and considered to be acceptable.
- Based on a 'constant market share' approach, we have identified a quantitative 'need' for up to 4,700 sq.m net additional comparison goods floorspace for the County for the period to 2036, the

8 COMMERCIAL LEISURE ASSESSMENT

8.1 Commercial leisure uses — such as cafes, restaurants, bars and cinemas — are playing an increasingly important role in the vitality and viability of centres by providing complementary uses that strengthen both the daytime and evening economies. Due to the changing nature of high-street shopping, leisure uses can often represent a significant proportion of a town centre's overall turnover; our health check assessments of Oakham and Uppingham town centres have demonstrated that both have an element of commercial leisure provision (mostly restricted to cafes, pubs and restaurants) which helps to support their vitality and viability. The proximity of both centres to the recreational leisure facilities at Rutland Water (and associated scope for capturing spend from residents as well as visitors) offers further opportunities to support the commercial leisure role and function of the centres.

8.2 This section of the report therefore considers the current provision of leisure uses through the survey area, including patterns of visits to restaurant, café, cinema, entertainment venues and cultural facilities, and identifies any qualitative 'gaps' in the provision of these facilities. The results are informed by the aforementioned qualitative assessments of centres carried out by GVA and the findings of the household telephone survey undertaken in support of this study in November 2015. We also consider the amount of expenditure growth which is expected to come forward on leisure goods over the course of the study period, (although we do not translate this to a floorspace requirement).

8.3 The findings of the household survey (Question 15) show that:

- The majority of residents in the survey area participate in at least one type of commercial leisure activity – only 6.2% of respondents said that they do not.
- The most popular type of commercial leisure activity is visiting restaurants, which is a pastime undertaken by 77.2% of respondents. This is followed by visiting pubs (65.9%), cafes (65.5%) and cinema (50.7%). Other types of leisure uses – such as visiting cultural facilities, entertainment venues and health & fitness facilities, attracted under 50% of responses.

8.4 It should be remembered that patterns of visits to leisure activities are, in part, a reflection of the availability of facilities. For example, whilst on paper the fact that only 50% of respondents visit the cinema might appear low, but given the nearest cinema facilities are in Leicester and Peterborough, this is perhaps not surprising.

Cafés (Q16)

8.5 The results of the household telephone survey identified that:

- 65.5% of survey area respondents visit cafes. Oakham town centre captures a 43.5% market share from the survey area, followed by Stamford (17.1%) and Uppingham (14.2%).
- Oakham town centre draws market share from each of the seven survey zones, including a 90.3% market share from its local zone, zone 1. This suggests that current levels of café facilities in the town centre are meeting residents' needs, and there is only limited loss of market share from this zone. Oakham also draws market shares of 40.5% from zone 2, 1.2% from zone 3, and market shares over 20% from zones 4 and 5. Our qualitative assessment set out that Oakham has seen improved levels of representation in the town centre from both independent and national café operators in recent years and this can be expected to have translated into the strong market shares observed here.
- Uppingham town centre draws a market share of 61.3% from its local zone (zone 6) which is considered to be a relatively strong performance given the number of café facilities in the town centre is quite limited in comparison to Oakham.
- The patterns of visits observed confirm that visiting cafes is generally a more localised activity which residents are less willing to travel longer distances for. With the exception of Stamford, which picks up strong market shares (90.8%) from zone 7 owing to its close proximity to this zone, the survey area is quite self-contained.



Caffè Nero, Oakham (picture credit: Rutland County Council)

Restaurants (Q17)

8.6 As noted previously, visiting restaurants was the most popular leisure activity for residents in the survey area, with 77.2% of respondents undertaking this type of activity. Analysis of the survey results shows that:

- Oakham is the most popular location for restaurants, drawing an aggregate 39.4% market share from across the survey area. It is positive to note that 33.6% of this market share is to restaurants in Oakham town centre, confirming that the restaurant offer is an important element of the wider offer of the centre. The remaining 5.8% goes to restaurants in Oakham which are not in the town centre (likely to be local pubs, and so on).
- Oakham has a very strong market share from its 'local' zone, zone 1, from which it claims 89.1% of the restaurant market share (77.7% to the town centre, 11.4% to elsewhere). Whilst this is partly likely to be reflective of the distance to alternative locations, this can nevertheless be considered a strong performance. There are also minor flows of market shares to Leicester and Stamford from residents in zone 1.
- Oakham's restaurant offer has a secondary catchment from zones 2, 3 and 4, from which the town draws a market share of 41.8%, 44.5% and 29.6% respectively. However, Oakham draws a much more limited market share from the remaining zones.
- Reflecting the patterns of retail spending identified previously in the report, Stamford is a key competing centre. The geography of zone 7 means that residents in this zone inevitably look towards Stamford, which benefits from a strong restaurant sector. Stamford also draws 22.6% of the market share from zone 2 and 28.2% of the market share from zone 3, and therefore Stamford directly competes with Oakham town centre in these zones.
- Oakham also has competition for expenditure for residents in zone 4: whilst it achieves a 29.6% market share from this zone, Leicester draws a market share of 21.8% and Melton Mowbray draws a market share of 32.2%. A strengthened restaurant offer in Oakham town centre could therefore potentially draw further market share from zones 2, 3 and 4.
- Residents in zone 5 principally look towards Market Harborough (28.2%) and Leicester (21.9%) in preference to centres in Rutland.
- Uppingham draws a strong market share from its local zone (zone 6), from which it attracts a 32.3% market share, the majority of which is accounted for by facilities in the town centre. There is competition from Market Harborough, Leicester and Stamford, each of which draws market shares in the region of 12% from residents in the zone.
- Unlike in our retail spending analysis, Peterborough exerts a minimal influence on patterns of visits to restaurants from residents in the survey area.

Cinemas (Q19)

8.7 Just over half of all respondents stated that they visit the cinema. There are no purpose-built cinema facilities within the survey area — meaning that residents have to travel to destinations further afield. As our appraisal of competing centres has demonstrated, there have been a number of recent and planned new cinema-led developments in these competing centres, notably in Corby and Melton Mowbray (completed) and Peterborough (planned).

8.8 Analysis of the household survey results shows that:

- The most popular location for cinema visits is split relatively evenly between three facilities – Showcase in Peterborough (overall market share of 23.0%); Showcase in Leicester city centre (19.8%) and the recently-opened, single-screen Regal in Melton Mowbray (19.3%). Residents in the Oakham urban area (zone 1) also split their cinema visits relatively equally between these facilities.
- One-third of all residents in both zone 2 and zone 3 travel to Showcase in Peterborough, whilst the Stamford Arts Centre also picks up an 19.1% market share from zone 2. The Regal in Melton draws strong market shares from zones 3 (43.1%) and 4 (39.1%)
- Showcase in Leicester city centre draws strong market shares from across the survey area, ranging from 11.4% (zone 3) to 39.9% (zone 4), although it draws no market share from zone 7.
- Residents in zone 5 look almost exclusively to Leicester for their cinema visits. In addition to the 27.9% market share attracted to Showcase, the Odeon cinema in Leicester attracts a 30.1% market share from zone 5; 17.0% of residents in zone 5 visit the independent Phoenix cinema in Leicester city centre, and 11.9% visit the Vue at Meridian Leisure Park, on the western side of Leicester. Each of these facilities attracts only a limited market share from the remaining survey zones.
- The opening of the Savoy Cinema in Corby town centre has had some influence over cinema trips in the survey area, most notably from zone 6 where it draws a 21.4% market share, with lower market shares also attracted from zone 1 (10.2%) and zone 2 (8.5%). Almost one-third of residents in zone 6 prefer to travel to Odeon in Kettering.
- Residents in zone 7 principally visit the Showcase in Peterborough (60.4%) and Stamford Arts Centre (38.1%)

Cultural facilities

8.9 Visits to cultural facilities (for example, museums, exhibitions, art galleries, theatre, live music and so on) was an activity undertaken by 44.7% of respondents, a relatively low figure which again may be reflective of the fact that there is little in the way of facilities of this nature in the County. Two clear locations stand out as being the most popular choices for respondents — London and Leicester. 25.3%

of respondents travel to cultural venues in central London from across the survey area, although from the Oakham zone (zone 1) this figure is lower at 14.6%, and is much higher from zone 7 (37.2%), the latter potentially a reflection of the accessibility of London from Peterborough for residents in this zone.

- 8.10 The other location which has a noticeable impact on patterns of visits to cultural facilities is the Curve Theatre in Leicester city centre's Cultural Quarter. The theatre opened in 2008 but has subsequently become established as a leading regional theatre. It attracts an aggregate market share of 23.8% from the survey area, and accounts for over a quarter of all cultural facilities trips in zone 1, almost half of all trips in zone 5, and noteworthy market shares from the remaining survey zones except zone 7.
- 8.11 Stamford Arts Centre (and to a lesser extent other facilities in Stamford such as the Corn Exchange) also influence visit patterns of residents. The Arts Centre draws an aggregate 7.5% market share from the survey area, but attracts higher market shares from zone 2 (14.0%) and zone 7 (27.9%).
- 8.12 As we have identified previously there is relatively little in the way of cultural facilities within the County itself. Nevertheless the Rutland County Museum in Oakham draws a 12.7% market share from zone 1 and a 20.6% market share from zone 3. The Museum has a substantial permanent collection of agricultural history, as well as an ongoing programme of exhibitions and events, the latter of which are likely to help ensure more frequent visits from local residents.

Entertainment Venues

- 8.13 For the purposes of this study, the term 'entertainment venues' has been used to encompass a range of leisure activities including ten-pin bowling, bingo and ice-skating. The results of the household telephone survey identified that:
- This type of leisure activity is far less popular amongst residents in the survey area: only 17% of all survey participants stated that they took part in at least one of the 'entertainment venue' activities, again likely a consequence of the absence of facilities of this nature in the County. Visiting entertainment venues was most popular in zone 3 (22.2%) and zone 7 (21.7%) and least popular in zone 5 (9.1%) with varying degrees of popularity likely to be reflective of residents' differing levels of access to facilities of this nature across the survey area.
 - Provision in the surrounding higher-order centres is mostly limited to ten-pin bowling – the highest market shares from the survey area are directed to New York Thunderbowl in Kettering (19.7% market share from the survey area, including a 65.0% market share from zone 6); AMF Bowling in Peterborough (16.8% market share from the survey area, including a 73.2% market share from zone 7); and MFA Bowl in Peterborough, which draws market shares over 30% from residents in zones 1 and 2.
- 8.14 Whilst the trends which the household survey has identified are not especially surprising as many facilities of this nature typically locate in higher-order centres where there is a large catchment (including, for many, a large student community), the almost-total absence of entertainment facilities

in the County mean that it is plausible to conclude that there is a qualitative gap in the provision of 'entertainment venues' within the County. While there is a limited range of facilities available in the centres surrounding the survey area, the distance involved in travelling to these facilities from some parts of the County means that residents are simply choosing not to use them. However, it is unlikely that either Oakham or Uppingham have a sufficiently-sized catchment to be able to support the provision of facilities of this nature.

Expenditure growth in the commercial leisure sector

- 8.15 By applying the Experian population projections we have adopted for our retail capacity forecasts to the latest per capita expenditure data on leisure spending, we can obtain an indication of the likely growth in leisure spending available to residents of the survey area. Whilst not all of this available expenditure can, by default, be used to support the development of new commercial leisure facilities in the survey area – particularly because leisure spending is often undertaken with holidays, day trips, special occasions and so on and therefore may in part be spent outside the survey area – it does provide an indication of the scope for additional development to be supported, thus supporting our qualitative observations in respect of the performance of the centres set out above.
- 8.16 Experian provide per capita leisure expenditure data on the following categories of commercial leisure spending:
- 'Cultural services' – this includes spending on cinema, theatre, museums, live music/entertainment, nightclubs, bingo, and TV subscriptions such as Netflix. Spending on this type of leisure service ranges from £331 per person, per annum (zone 1) to £475 per person, per annum (zone 4)
 - 'Recreation and sporting services' – this includes spending on admission to spectator sports (e.g. watching football matches) and subscriptions to sports/social clubs. Spending on this type of leisure service ranges from £106 per person, per annum (zone 1) to £164 per person, per annum (zone 4).
 - 'Restaurants and cafes' – this includes spending in both restaurants and cafes, and also includes spending on 'alcoholic drinks consumed outside the home' (i.e. in pubs and bars) and on take-aways. Spending on this type of leisure service accounts for the majority of residents' commercial leisure spend, ranging from £1,056 per annum (zone 1) to £1,456 per annum (zone 4).
- 8.17 Experian advise that spending on commercial leisure services will increase by between 1.3% and 1.6% per annum over the period between 2016 and 2036. By applying the average zonal per capita spend on the different types of commercial leisure activity to Experian's population projections for the survey area (see Table 1, Appendix II), the total 'pot' of commercial leisure expenditure available to residents of the survey area can be calculated. The results of this exercise are summarised in **Table 8.1**.

Table 8.1: Growth in commercial leisure spending in survey area, 2015-36

	2015 (£m)	2020 (£m)	2025 (£m)	2030 (£m)	2036 (£m)	Change, 2015-36 (£m)
Cultural services	19.0	21.3	23.4	25.7	28.7	+9.6
Recreation & sporting services	6.6	7.4	8.1	8.9	9.9	+3.3
Restaurants & cafes	60.7	67.8	74.6	81.9	91.4	+30.7
Total commercial leisure spend	86.3	96.4	106.2	116.5	130.0	+43.7

Source: Experian Micromarketer

- 8.18 Table 8.1 shows that total spending on commercial leisure is expected to increase by £43.7m in the survey area between 2015 and 2036. Over 70% of this expenditure growth will be in the 'restaurants and cafes' sector and therefore there is considerable scope for existing centres in the survey area to further capitalise on this growth in spending, building on current good levels of provision. The above figures do not take into account 'inflow' of spend which will arise from visitors to the area, and therefore in reality this is likely to represent a minimum/baseline level of expenditure growth.
- 8.19 Growth in cultural services is more limited, and much of this is likely to be captured by destinations outside the survey area — we would expect London and Leicester in particular to remain popular attractors for this type of leisure spending. We would therefore expect any additional provision of this nature within the County to be of relatively limited scale, but some additional provision may be possible.
- 8.20 One of the obvious gaps in the commercial leisure offer of the County is any cinema facilities, and whilst we have not undertaken any detailed demand analysis, the levels of expenditure growth expected to come forward may not support the development of such a facility. The Regal Cinema in Melton Mowbray is a single-screen cinema in a town with a population of circa 20,000 people, and a rural catchment which is broadly comparable to that of Oakham. Oakham's resident population is roughly half of Melton Mowbray's, and may not be sufficient to support a comparable facility. Nevertheless, if opportunities arise to develop a small-scale facility of this nature in the County, it should be considered favourably in principle.

Summary

- Our study has also undertaken an assessment of commercial leisure provision in the County, and the expenditure growth which is expected to come forward over the course of the period to 2036. As we have identified above, commercial leisure is becoming an increasingly important contributor to the overall vitality and viability of town centres, 77.2% of residents in the survey area visit restaurants, and 65.5% visit cafes.
- Oakham town centre captures a 39.4% market share for spending in restaurants, and 43.5% market share for spending in cafes. Nine out of ten residents who live in the Oakham area (zone 1 of our survey area) visit facilities in Oakham for spending on restaurants and cafes. This confirms the importance of this sector to the wider vitality and viability of the town centre. Our qualitative assessment set out that Oakham has seen improved levels of representation from both independent and national café/restaurant operators in recent years, and this can be expected to have translated to the strong market shares seen here. Uppingham town centre also draws nearly two-thirds of spending on cafes from its local survey zone (zone 6), and one-third of spending on restaurants, but its appeal is limited beyond its immediate catchment and there is strong competition for market share with Market Harborough, Leicester and Stamford.
- Experian forecast that spending on restaurants and cafes in the survey area will increase by £30.7m over the period to 2036 and this therefore represents an opportunity for Oakham and Uppingham town centres to further develop and enhance their offer, although, as stated previously, this should not come at the expense of the centres' ability to meet local residents' shopping needs.
- There are qualitative gaps in the commercial leisure offer in the County, most specifically in terms of the absence of a cinema or entertainment facilities such as ten-pin bowling and ice skating. The proportion of residents who participate in the latter type of activities is generally low, which may in part reflect the lack of provision in the County. It is questionable whether there is a sufficiently large resident population to support the development of either cinema or entertainment facilities in the County, although this study has not undertaken any detailed demand analysis in respect of this. However, the development of small-scale cinema facilities in particular would, if appropriately located within Oakham town centre, support its vitality and viability, particularly in the evening, and any applications of this nature which come forward should be therefore considered favourably in principle.

9 CONCLUSIONS & RECOMMENDATIONS

- 9.1 This report provides an updated assessment of the retail and commercial leisure needs of Rutland. The study will form part of the evidence base for the Council's Local Plan review. The study updates the previous retail capacity evidence base studies for the Council — the Rutland Retail Capacity Assessment (RRCA) in 2010 and the Rutland Retail Capacity Assessment Update (RRCAU) in 2013. The findings set out in this study have been underpinned by a new household telephone survey of shopping patterns, superseding the previous survey work which dates from 2009, having been undertaken in support of the RRCA. In order to ensure continuity with the previous studies, the boundaries of the 'survey area', and the subdivision of this survey area into zones (which allows for a more localised analysis of shopping patterns to be undertaken), are all unchanged.
- 9.2 The study has been prepared at a time of considerable change for the retail and leisure sector in the UK, and town centres need to offer an increasingly diverse, compelling offer, rather than just being foci of retail activity.

National and local policy framework

- 9.3 The National Planning Policy Framework (NPPF) was adopted in March 2012 and replaces the suite of national planning policy statements, including PPS4. The NPPF maintains the general thrust of PPS4 and advocates a 'town centres first' approach. It requires planning policies to positively promote competitive town centre environments and manage the growth of centres over the plan period. It also requires local planning authorities to define the extent of the town centres and primary shopping areas, based on a clear definition of primary and secondary frontages.
- 9.4 The Rutland Core Strategy was adopted in 2011 and was therefore adopted at the time of preparation of the RRCAU; it remains the extant local planning policy document for the County. Policy CS17 ('Town Centres and Retailing') sets out a hierarchy of centres identifying Oakham as the 'main town centre' serving the whole of Rutland, and Uppingham as a 'town centre', serving the surrounding rural catchment. Policy CS17 directs 'main town centre uses' to these defined centres, and where developments cannot be accommodated within defined town centres a sequential approach will be followed.
- 9.5 The Core Strategy sets out the amount of comparison and convenience goods floorspace which should be accommodated in Rutland over the course of the Core Strategy period; these figures were based on the recommendations of the RRCA, and the purpose of this study is to update these figures.

The Core Strategy also puts forward initiatives for the regeneration of the West End area in Oakham town centre over the course of the Plan period.

- 9.6 The Council has also adopted a Site Allocations and Policies DPD (October 2014). This DPD allocates sites for development in the County, and sets out policies for determining planning applications. The DPD allocates two sites in Oakham for retail development — the Tim Norton garage site at Long Row (0.69ha) and a small site (0.29ha) to the rear of the White Lion public house. The latter site is located within the boundary of Oakham town centre, and the Long Row site is on the edge of the town centre, but divorced from the town centre by a railway line. Both sites are identified as only being suitable for comparison goods retail development, with other appropriate town centre uses on upper floors. A Neighbourhood Plan for Uppingham was also 'made' by the Council in January 2016.
- 9.7 The Council is carrying out a review of its Local Plan, in order to extend the time period to 2036, and replace a number of existing development plan documents (including those summarised above) with a single Local Plan. This study therefore forms part of the evidence base for the Council's new Local Plan. Initial consultation on the 'Issues and Options' version of this document was undertaken in November 2015.

National retail & leisure market trends

- 9.8 The 'traditional' high street continues to face a number of challenges stemming from the impacts of the recent economic downturn, the tightening of retail spending in recent years, and continued significant changes in consumer shopping behaviour. The growth in online shopping, including multi-channel retailing, acts as tough competition for the high street, but also presents an opportunity for the high street to capitalise, by maximising the opportunities arising from services like 'Click & Collect', and retailers moving towards a seamless transition between store-based and virtual shopping experiences. A small number of retailers in Oakham town centre now offer 'Click & Collect' facilities, including Boots (which also trades in Uppingham), Tesco and Fat Face, however it has yet to extend to the majority of retailers in either centre (particularly the independent sector) and this therefore represents an opportunity for both town centres moving forward.
- 9.9 The convenience goods sector is in the middle of a considerable period of change. The main foodstores (i.e. the 'big four' - Sainsbury's, Tesco, Asda, Morrisons) have reigned in substantial expansion and the roll-out of super-sized stores. The combined spread of convenience store openings, online grocery sales, and the expansion of 'deep discount' retailers such as Aldi and Lidl has fundamentally changed consumer shopping behaviour. These trends have encouraged repetitive top-up shopping that in turn diminishes main grocery sales and renders large-format stores less profitable.
- 9.10 The 'main' supermarket operators are continuing to invest in new stores, although new store openings are becoming a less frequent occurrence. It has been confirmed that the permission for an extension to the Tesco store in Oakham town centre will not be proceeding. The Council have also granted planning permission for a new Sainsbury's supermarket in Oakham, however in summer 2015 it was

confirmed that this development would also not be proceeding. These developments confirm the greater reluctance among the major supermarket retailers to commit to new store openings, preferring in many cases to invest in upgrading existing stores to improve the shopping experience for customers.

- 9.11 Data from the Institute of Grocery Distribution (IGD) estimates that the UK grocery market was worth £177.5bn in 2015, and of this ‘convenience stores’ (defined by IGD as stores under 3,000 sq.ft net) claim £37.7bn of this (21.2%). Therefore, notwithstanding the unquestionable growth in the popularity of ‘convenience’ stores, most food shopping spend is still accounted for by larger-format stores — £71.7bn was spent in ‘hypermarkets and superstores’ (stores over 25,000 sq.ft net), and a further £35.4bn in ‘small supermarkets’ (stores between 3,000 and 25,000 sq.ft net). There is therefore still an important role for larger-format stores to play in meeting residents’ food shopping needs.
- 9.12 Out-of-centre retailing remains an ever-present source of competition, and market evidence suggests that many retail parks have performed well during the economic downturn, and are becoming increasingly attractive to ‘high street’ retailers. Many out-of-centre developments are seeking to increase footfall through a greater product offer and mix of uses (including introduction of coffee shops and casual dining) to encourage footfall and longer dwell times. Rutland is in an almost unique position of having very little in the way of out-of-centre retailing, and therefore has remained relatively immune from this trend.
- 9.13 As the nature of retail and high-street shopping continues to change over time, the commercial leisure sector is becoming an increasingly important contributor to the vitality and viability of town centres. Leisure time is a precious commodity to consumers and in order to maximise free time, research suggests that town centre visitors often combine leisure activities as part of an overall going out experience. Reflecting this trend, leisure is becoming an increasingly important component in town centre regeneration schemes, particularly in secondary towns which, reflecting the wider trends in the retail sector previously identified, are in some cases becoming less attractive as retail destinations.
- 9.14 Town centre strategies which support the continued evolution of the high street are now vital. This should involve providing a high quality shopping ‘experience’, maximising the benefits of tourist trade, and improving the mix of retail and non-retail outlets to increase length of stay and spend. Both Oakham and Uppingham town centres are well-positioned to take advantage of this trend (particularly Oakham with its proximity to Rutland Water), and the number of cafes in Oakham town centre appears to have increased in recent years. The growth of the café/restaurant sector is important to the future vitality and viability of the town centre but this should not come at the expense of its core shopping function.
- 9.15 It will be important for town centres to continue to be well positioned to be able to adapt to on-going changes in the retail and leisure sector over the local plan period and to reaffirm their unique selling points which differentiate their retail offer from other centres, allowing them to differentiate themselves from – rather than directly compete with – higher order centres. This is particularly

important for Rutland’s town centres, which do not have any centres with the scale of retail and leisure offer to compete with nearby higher order centres, but do have heritage and tourism assets and other ‘unique selling points’ which can be capitalised on. Robust place-marketing strategies put in place to further support and develop the centres as visitor destinations.

The sub-regional network

- 9.16 Rutland is surrounded by a number of larger centres — Leicester, Peterborough, Corby, Stamford and Melton Mowbray — which exert an influence over shopping patterns and commercial leisure visits to varying degrees. There is no reason to suspect that the ‘higher order’ centres which surround the County will lessen their influence over the comparison goods shopping patterns of residents in the County over the Council’s Local Plan period, and it is for this reason our capacity forecasts (discussed below) are based on a ‘constant market share’ approach; i.e. we have not planned for the overall proportion of comparison goods expenditure which is retained in the catchment area to increase.
- 9.17 The most popular comparison goods shopping destination for residents in the survey area is Leicester. Leicester accounts for 22.0% of all comparison goods spend available to the survey area, an increase from 15.8% in the 2009 survey. Accordingly it is now the most popular comparison goods shopping destination for residents in the survey area (in the 2009 survey, Oakham had the highest overall market share at 19.1%). Leicester’s increased popularity as a comparison goods shopping destination has not come at the expense of Oakham, but rather from other ‘higher-order’ shopping destinations such as Peterborough and Nottingham, both of which have lost market share from the survey area relative to the 2009 survey results.
- 9.18 Leicester is a UK top 20 comparison goods shopping destination and the John Lewis-anchored Highcross shopping centre is now firmly established as the shopping focus in the city centre following its opening in 2008. Leicester is performing well both as location for comparison goods shopping destination and also leisure / cultural uses, and its ‘casual dining’ offer in particular has evolved substantially in recent years, particularly at Highcross. Leicester city centre has become a ‘destination’ location, as its offer has diversified away from retail, allowing visitors to undertake a wide range of shopping and recreational/cultural activities when they visit for a day. There is a (currently undetermined) planning application for significant expansion of the out-of-town Fosse Park shopping centre on the western edge of Leicester, which if permitted, would deliver 32,200 sq.m of new comparison goods and could potentially draw trade from the survey area if a strong tenant mix is secured.
- 9.19 Peterborough has lost market share from the survey area relative to the previous household survey but could potentially recapture some of this lost market share if proposals for the redevelopment of the Queensgate Centre are approved and implemented. The proposals seek the creation of new large-format retail units, restaurants and a multi-screen digital Odeon cinema; these proposals will, if implemented, help Peterborough to diversify its town centre offer, replicating what has been successfully achieved in Leicester.

9.20 Corby town centre has also increased its market share from the survey area relative to the 2009 survey, and its regeneration has continued strongly in recent years, again largely through the enhancement of its leisure offer. Stamford is an attractive town centre which continues to attract representation from upmarket comparison goods operators. Many residents on the eastern side of Rutland are located closer to Stamford than they are to any centres in the County itself, and the scope for expenditure 'clawback' from residents in this part of the survey area. Melton Mowbray has seen more limited enhancements to its comparison goods offer but has a much-strengthened convenience goods offer following the opening of new Sainsbury's and Lidl stores.

The vitality & viability of Rutland's centres

9.21 The study has undertaken an updated 'health check' assessment of the two principal centres in the County. Oakham is defined in the Council's adopted Core Strategy as a 'main town centre', and Uppingham is a 'town centre'. We have assessed the performance of each centre against the criteria for undertaking 'health check' assessments set out in the National Planning Practice Guidance (NPPG). Rutland's centres have benefited from consistently good levels of 'vitality and viability' in recent years, including throughout the economic downturn, and current indications are that Oakham town centre in particular is performing strongly at present. However, neither Oakham nor Uppingham town centre can afford to be complacent: in light of the strong competition from surrounding centres, there will be a need for continued investment in, and promotion of, the centres, to enable them to offer a credible alternative to the surrounding higher-order locations.

Oakham town centre

9.22 Oakham is the highest-order town centre in Rutland, and the focus for convenience and comparison goods shopping and Council services. The centre also has an important tourism role, with Oakham Castle located within the town centre (which is currently being renovated following £2m of Lottery grant funding), and Rutland Water – a popular destination for water sports, walking and cycling – is located to the south of the town. The town centre contains a number of national multiple retailers including Tesco, Boots, Wilko, Caffè Nero and Costa, but also has a noticeably strong independent retail and leisure sector, with a number of boutiques, cafes and tea rooms, particularly in the Mill Street area.

9.23 The focus of the retail offer is High Street, with Church Street, Market Place, Melton Road and Mill Street acting as secondary shopping/leisure locations. The Tesco store sits to the south-west of the primary shopping area, slightly detached from the rest of the retail offer, but nevertheless performs the role and function of an 'anchor' store. There is an extant planning permission for the extension of this store, however we understand that this is unlikely to be implemented. It is positive to note that Tesco have undertaken some internal modernisation of their store which have improved the shopping environment. There is a need to improve the environmental quality of the Gaol Street area in order to further enhance linkages between the store and the town centre.

9.24 Oakham's retail mix is generally in line with national averages, although though some categories such as clothing continued to be under-represented in the town. There is evidence of increasing interest from national operators in the town, with Costa, Fat Face, Boots Opticians and Caffè Nero all opening in recent years. Historically, commercial leisure uses such as cafes, restaurants, public houses etc have been under-represented in Oakham when compared to national averages, but the centre is becoming an increasingly popular destination for these type of uses, with a number of recent openings from national operators (Wetherspoon, Caffè Nero, Wildwood) and local operators. As set out above these uses are important in diversifying the mix of uses in the town centre and increasing dwell-time, and therefore this development can be seen as having a positive impact on the vitality and viability of the town centre.

9.25 Mill Street continues to act as the focus of the independent/boutique retail sector in the town centre, and this role appears to have strengthened in recent months with the opening of a number of specialist new stores and the vacancy rate on the street is low.

9.26 Recent (September 2015) monitoring undertaken by Rutland County Council identifies that the vacancy rate in the town centre is 5.3%, less than half the current UK average (11.2%). Again, this is a positive reflection on the vitality and viability of the centre. Our visits to the centre as part of the preparation of this study confirm the vacancy rate to be low, although we understand that some secondary parts of the centre suffer from a high turnover of units, and whilst not strictly a planning matter, this should be monitored by the Council. The centre continues to benefit from generally good levels of accessibility although the absence of a direct bus service to Leicester is a surprise.



Mill Street, Oakham (picture credit: Rutland County Council)

- 9.27 The environmental quality of the centre remains, for the most part, strong. Most buildings are of good quality and make a positive contribution to the overall environment of the centre. Previous retail evidence studies, and the Council's adopted Core Strategy, have all identified that the West End area of Oakham town centre requires improvement, and this remains the case. The environmental quality of this part of the centre remains underwhelming compared to the rest of the centre, which is not aided by disconnected retail frontages and the lack of any key attractors. There is also a need to improve the physical environment in the Gaol Street area, which despite the proximity to the Tesco store and the inclusion of a number of upmarket stores, has low footfall, a number of vacant units and a generally 'tired' appearance. There is clear scope for improvement, and, making use of the pedestrianised space, encouragement of development of a 'café culture'.
- 9.28 Positively, the household telephone survey results identified that Oakham's comparison goods market share has remained virtually unchanged: at the time of the 2009 survey, Oakham town centre attracted 19.1% of the total comparison goods market share available to the survey area: based on the new survey results, this has increased to 19.2%. This shows Oakham town centre has managed to maintain its market share, and whilst on paper the figure may appear relatively low, in light of the competition from surrounding centres and the considerable differences these centres offer in terms of the amount and range of comparison goods shopping provision, we consider this to be a credible result. In between 2019 and 2015 there have been improvements to the comparison goods offer in Oakham, including a move towards more upmarket, specialist retailers and the attraction of national retailers such as Fat Face: however these have only translated to a minor improvement in the market share. This confirms that Oakham town centre will need to work hard to ensure it retains the 19.2% market share it currently attracts over the course of the Council's Local Plan period.

Uppingham town centre

- 9.29 Uppingham is a significantly smaller town centre when compared to Oakham, containing just 89 units, and therefore has a much more limited influence over shopping patterns in residents of the County. The retail offer in the centre is anchored by a small Co-Operative foodstore on North Street East; complementing this are a handful of day-to-day shopping and retail service facilities, including two pharmacies, a newsagent, a bank, a dental surgery and so on – however for the most part the offer in the centre is devoted to a mixture of specialist boutiques and art galleries/showrooms. The presence of four hotels in the town centre also suggests the role and function of this centre is slightly atypical and that it caters as much towards a tourism/visitor market as it does to meeting local shopping needs, and we expect that the role of Uppingham School is significant in this respect.



Uppingham town centre (picture credit: Rutland County Council)

- 9.30 The Co-Operative store is the only foodstore currently serving the town and appears clearly constrained, and there is a clear policy case for supporting the expansion of this store in order to reduce the amount convenience goods expenditure which is lost to surrounding centres. There are also small Spar and One Stop stores in the town centre, but these are only of a size suited to limited 'basket' shopping. Positively, the independent convenience goods sector in the town is strong. Overall, for the size of the town the diversity of uses is reasonable, and the vacancy rate does not present cause for concern. A large vacant unit at the junction of North Street East and Orange Street appears to represent a site well suited for commercial leisure uses such as a café or restaurant.
- 9.31 The centre is relatively quiet but the café and restaurant facilities in the centre appear well supported. The environmental quality of the centre is generally strong, with most of the historic buildings which make up the centre in excellent condition.
- 9.32 The accessibility of the centre needs to be seen in the context of its size: public transport is generally limited but there are hourly connections to Oakham, Corby and Leicester. There is a need to improve bus stops and bus departure information in the centre.

9.33 Although the comparison goods function of Uppingham is unquestionably limited, it is positive to note that Uppingham has increased its comparison goods market share from 1.9% (2009) to 3.4% (2015), although we are not aware of any major changes to its comparison goods offer in this time.

The 'need' for new retail floorspace

9.34 As stated above, the findings of this study have been informed by a new household telephone survey of shopping patterns, which have established where residents in the defined 'survey area' (see Figure 6.1) are undertaking their comparison and convenience goods shopping, and patterns of commercial leisure visits. A full discussion of our methodological approach in this respect is set out in Section 6. In identifying capacity it is important to note that forecasts can become increasingly open to margins of error over time, and accordingly should be refreshed throughout the Council's Local Plan period. The 'need' figures which arise should also be considered alongside the qualitative recommendations which we set out below, as identification of low/negligible capacity does not, in itself, mean that there is no 'need' for additional floorspace.

9.35 Both the convenience and comparison goods capacity forecasts are based on a 'constant market share' approach, i.e. assuming that current patterns of shopping remain unchanged. We also have regard to 'commitments' for new retail floorspace in the County — where planning permission for new retail developments have been granted but not yet commenced trading — as these act as a 'claim' on the amount of expenditure which is available to support new floorspace. The only 'commitment' we are aware of is the permission for a new Aldi foodstore at Land's End Way, Oakham, and we have incorporated this commitment into the capacity forecasts set out below.

9.36 Our analysis has also identified that many of the principle foodstores in the County are trading at above company average levels, or 'over-trading'. In particular, the Tesco store in Oakham is trading at +£6.7m above company average levels; both Co-Operative stores in Oakham are trading slightly above company average levels; and the Co-Operative store in Uppingham is trading at +£1.9m above company average levels. This can in itself be an indication of 'need', although it would be expected that the level of 'over-trading' at these stores would likely be reduced once the approved Aldi store commences trading. The retail impact of the proposed Aldi store has been considered by GVA under separate instruction and considered to be acceptable.

9.37 The proportion of convenience goods expenditure which is retained within the survey area is 41.7%. This has reduced from 50.2% in the previous study; in other words more convenience goods expenditure is currently spent outside the County than was the case at the time of the previous study. This is because the market share attracted to the Tesco store in Oakham has reduced from six of the seven survey zones: for example from 57.4% to 45.1% from zone 1; from 28.6% to 25.0% in zone 2; from 41.0% to 33.6% in zone 3; and from 15.4% to 9.9% in zone 6. The main beneficiaries of this reduction in market share appear to be discount foodstores in Corby, Stamford and Grantham. It is reasonable to assume therefore that if the permitted Aldi store in Oakham is permitted, some of this market share which has been lost will be 'clawed back' to Oakham.

9.38 Based on a 'constant market share' approach, we have identified a quantitative 'need' for up to 4,700 sq.m net additional comparison goods floorspace for the County for the period to 2036, the majority of which arises post-2025. There is a very limited quantitative 'need' for new convenience goods floorspace, with a negative requirement up to 2030 and a requirement for only 100 sq.m net at 2036. The convenience goods requirement has decreased since the RRCAU on account of the fact that Experian are now forecasting very limited growth in convenience goods spending over the duration of the period to 2036, and forecasts over the proportion of convenience goods shopping which will be undertaken online have increased relative to the position at the time of the RRCAU. The limited growth in convenience goods spending which will come forward will largely be met by the approved Aldi scheme. However, as this study has identified, there are qualitative arguments for the development of further convenience goods floorspace in the County, particularly in Uppingham.

9.39 A summary of the quantitative 'need' for new retail floorspace in the County over the period to 2036 is provided in **Table 9.1**. The figures set out below should be regularly reviewed throughout the Council's Local Plan period, and figures beyond 2030 should be treated as indicative.

Table 9.1 Summary of comparison and convenience goods floorspace capacity to 2036

	2020 (sq.m net, rounded)	2025 (sq.m net, rounded)	2030 (sq.m net, rounded)*	2036 (sq.m net, rounded)*
Comparison goods floorspace capacity	+500	+1,500	+2,700	+4,700
Convenience goods floorspace capacity	-500	-400	-200	+100

*Source: Table 8, Appendix II (comparison goods) / Table 8, Appendix III (convenience goods)
Indicative only. Figures are cumulative and rounded.

Commercial leisure

9.40 Our study has also undertaken an assessment of commercial leisure provision in the County, and the expenditure growth which is expected to come forward over the course of the period to 2036. As we have identified above, commercial leisure is becoming an increasingly important contributor to the overall vitality and viability of town centres, 77.2% of residents in the survey area visit restaurants, and 65.5% visit cafes.

9.41 Oakham town centre captures a 39.4% market share for spending in restaurants, and 43.5% market share for spending in cafes. Nine out of ten residents who live in the Oakham area (zone 1 of our survey area) visit facilities in Oakham for spending on restaurants and cafes. This confirms the importance of this sector to the wider vitality and viability of the town centre. Our qualitative

assessment set out that Oakham has seen improved levels of representation from both independent and national café/restaurant operators in recent years, and this can be expected to have translated to the strong market shares seen here. Uppingham town centre also draws nearly two-thirds of spending on cafes from its local survey zone (zone 6), and one-third of spending on restaurants, but its appeal is limited beyond its immediate catchment and there is strong competition for market share with Market Harborough, Leicester and Stamford.

- 9.42 Experian forecast that spending on restaurants and cafes in the survey area will increase by £30.7m over the period to 2036 and this therefore represents an opportunity for Oakham and Uppingham town centres to further develop and enhance their offer, although, as stated previously, this should not come at the expense of the centres' ability to meet local residents' shopping needs.
- 9.43 There are qualitative gaps in the commercial leisure offer in the County, most specifically in terms of the absence of a cinema or entertainment facilities such as ten-pin bowling and ice skating. The proportion of residents who participate in the latter type of activities is generally low, which may in part reflect the lack of provision in the County. It is questionable whether there is a sufficiently large resident population to support the development of either cinema or entertainment facilities in the County, although this study has not undertaken any detailed demand analysis in respect of this. However, the development of small-scale cinema facilities in particular would, if appropriately located within Oakham town centre, support its vitality and viability, particularly in the evening, and any applications of this nature which come forward should be therefore considered favourably in principle.

Recommendations – County-wide

- 9.44 Having summarised the key findings of the study below we set out our recommendations for the strategic approach to the development of new 'town centre' uses in the County, followed by recommendations specifically for Oakham and Uppingham town centres. As part of this, we update the recommendations set out in the Council's Site Allocations DPD in respect of town centre boundaries and primary/secondary shopping frontages.

General recommendations

- 9.45 In terms of the general approach to the future planning of retail and town centre uses, we make the following recommendations:
- **RCC1:** The Council should have regard to the requirements of adopted national policy when developing its retail and town centre policies for the County. The NPPF directs the development of retail and other town centre uses towards town centres in the first instance, and for development outside town centres compliance with the sequential and impact 'tests' needs to be demonstrated. Any new applications for retail or other town centre uses on the edge of, or outside of, the defined town centres in the County should therefore demonstrate that there are

no sequentially preferable sites available, and that no 'significant adverse' impacts will arise on existing defined centres. This approach reflects guidance in the NPPF and Policy CS17 of the adopted Core Strategy.

- **RCC2:** It is recommended that the comparison goods capacity requirements (a quantitative requirement of 4,700 sq.m net by 2036) which this study has identified should be directed towards Oakham town centre in the first instance, however applications for development in Uppingham town centre should be considered on the merits of the application, providing the development is of an appropriate scale.
- **RCC3:** It is not considered that other centres in the County are suitable locations for new retail and town centre uses, although applications which seek to deliver local-scale enhancements to shopping provision (we would typically expect this to be under 300 sq.m net floorspace) may be acceptable.
- **RCC4:** The RRCA recommended the adoption of a threshold of 500 sq.m gross for proposed retail developments in edge and out-of-centre locations. This approach was carried forward into the RRCAU, and the adopted Core Strategy and Site Allocations and Policies DPDs. We recommend that the Council continue to adopt this threshold in its new Local Plan.
- **RCC5:** The identified quantitative capacity requirements set out in this study should be kept under regular review throughout the Council's Local Plan period.

Site allocations, boundaries & frontages recommendations

- 9.46 The Site Allocations and Policies DPD (adopted 2014) allocates sites for development and sets out policies for determining planning applications. The accompanying proposals map also sets out town centre boundaries and primary and secondary shopping frontages in Oakham and Uppingham town centres.
- 9.47 As set out in Section 2, Policy SP3 of the DPD allocates two sites for retail development in Oakham town centre — the Tim Norton site on Long Row (Site R1) and land to the rear of the White Lion, Melton Road (Site R2).
- **RCC6:** It is recommended that Site Allocations R1 and R2 are carried forward as retail allocations in future Local Plan documents, although as identified in our recommendations Site R1 is only considered suitable for 'bulky goods' comparison goods retail.
 - **RCC7:** We also recommend that the Esso Petrol Filling Station site on High Street, Oakham is identified as further retail allocations in future Local Plan documents.
 - **RCC8:** In all of the sites identified in Recommendations RCC5 and RCC6, other 'town centre uses' or residential uses are appropriate on upper floors.
 - **RCC9:** We have reviewed the town centre boundaries and primary and secondary shopping frontages identified in the Site Allocations DPD and make the following recommendations:

Centre	Town centre boundaries	Primary shopping frontages	Secondary shopping frontages
Oakham	<ul style="list-style-type: none"> Amend town centre boundary to remove land previously identified for extension of Tesco store, as this site is now unlikely to come forward for retail or other town centre uses. No other changes to town centre boundary are recommended. 	<ul style="list-style-type: none"> No changes to the primary shopping frontage in Oakham town centre are recommended. 	<ul style="list-style-type: none"> No changes to the secondary shopping frontage in Oakham town centre are recommended.
Uppingham	<ul style="list-style-type: none"> No change to the town centre boundary in Uppingham is recommended. 	<ul style="list-style-type: none"> No change to the primary shopping frontage in Uppingham town centre is recommended. We note that the recently-adopted Uppingham Neighbourhood Plan allocates part of High Street West and Queen Street as primary shopping frontage, however we would not view the change of use away from class A1 retail use in these two areas to be detrimental to the overall vitality and viability of the town centre. We therefore hold the view that the area of High Street West allocated as primary shopping frontage in the Site Allocations and Policies DPD should remain as secondary shopping frontage. 	<ul style="list-style-type: none"> Existing areas of secondary shopping frontage as identified in the Site Allocations and Policies DPD (2014) should remain unchanged. The three units on the eastern side of Queen Street at its junction with High Street East should be added to the secondary shopping frontage. No other changes to the secondary shopping frontage in Uppingham town centre are recommended.

Policy wording recommendations

9.48 The Council have also asked us to provide comment on the continued suitability of the retail/town centre policies in the adopted Core Strategy and Site Allocations and Policies DPDs. These are Core Strategy: Policy SP17, and Site Allocations and Policies: Policy SP12 (Town Centre area, primary and secondary shopping frontages)

- RCC10:** Having reviewed the above policies, we make the following recommendations which the Council may wish to bear in mind when considering future revisions to the relevant policy:

Core Strategy Policy SP17:

- There should be no change to the hierarchy of centres, with Oakham as a 'main town centre' and Uppingham as a 'town centre'.
- Criteria (b): a definition of 'main town centre uses' needs to be provided (which should reflect the definition set out in the NPPF).
- Criteria (d): reference should be made to the fact that 'evening economy' and complementary leisure uses will be supported outside the primary shopping frontage in Oakham and Uppingham town centres.
- Criteria (h): would benefit from a greater level of clarification.

Site Allocations and Policies Policy SP12:

- We have set out our recommendations in respect of town centre boundaries, primary shopping frontages and secondary shopping frontages above
- We do not recommend any changes to the policy approach in respect of primary shopping frontages or secondary shopping frontages. However, whilst the Council have provided a definition of what would constitute an 'adverse cluster' of non-Class A1 retail uses in primary shopping frontages, which should be carried forward, no equivalent definition is provided for secondary shopping frontages. The Council will also need to have regard to the implications of changes to permitted development (discussed below).

The implications of changes to permitted development

9.49 In considering future revisions to Policy SP12, we draw attention to the fact that the Town and Country Planning (General Permitted Development) (England) Order 2015 has introduced greater flexibility to enable a more straightforward change of use within shopping frontages. Of particular relevance, the amendments allow permitted change from retail premises (A1) to financial services (A2), and restaurants and cafes (A3) without a time limit on that change of use. The move is designed to reduce vacancies on high streets. This will however serve to bypass the retail policies of many Local

Authorities, such as Policy SP12 of the Site Allocations and Policies DPD (as discussed above) which restrict the amount of non-A1 units in a retail centre or frontage.

- **RCC11:** The Council's policy framework has effectively protected and enhanced the primary shopping area in recent years, and we recommend the proactive consideration of legislative controls to prevent such a change of use where considered inappropriate and harmful to the vitality and viability of the shopping frontage – i.e. the dilution of A1 uses underpinning footfall and connectivity across a centre. This recommendation is applicable to both Oakham and Uppingham town centres. Consideration should be given to the use of Article 4 directions to assist in the protection of primary shopping frontages.

9.50 Having considered the broader, strategic recommendations for the development of retail and town centre uses in the County, below we set out specific recommendations for Oakham and Uppingham.

Recommendations – Oakham

9.51 Our key recommendations for Oakham are as follows:

- **OAK1:** Oakham town centre should continue to be the highest-order centre in Rutland, and the focus for the identified comparison goods capacity of 4,700 sq.m net by 2036. Whilst the majority of the comparison goods requirements do not arise until later in the Plan period (post-2025), this should not prevent appropriate development coming forward prior to this. It is important that any new development is of a scale appropriate to the role and function of Oakham as a small market town.
- **OAK2:** There is no quantitative or qualitative need to provide for any additional convenience goods provision in Oakham, provided that the planning permission for Aldi foodstore at Land's End Way, Oakham, is implemented. The development of the Aldi store will provide improved consumer choice and competition with the town centre Tesco store. However, applications which seek to develop further convenience goods provision (either extensions to existing stores or provision of new retail facilities) may be supported in principle provided that proposals are of an appropriate scale and can demonstrate compliance with relevant national policy 'sequential' and 'impact' tests.
- **OAK3:** This study has identified that commercial leisure uses, particularly cafes and restaurants, are making an increasingly important contribution to the vitality and viability of Oakham town centre, and applications which seek to further enhance provision should be supported in principle. However, it is important for the primary shopping area to retain a critical mass of retailing activity, in order to ensure strong levels of footfall and complement what appears to be a diversification of uses towards the café/restaurant sector in secondary parts of the centre. The need to retain a critical mass of retail activity in the primary shopping area is also important in ensuring that local residents' day-to-day shopping needs are met, thereby ensuring sustainable patterns of shopping. Applications for change of use away from Class A1 use in the primary shopping frontage should therefore be resisted. The Council has a strong policy in its Site

Allocation DPD to this effect and we recommend this approach is carried forward into the new Local Plan.

- **OAK4:** The RRCA identified a qualitative shortfall in 'bulky goods' comparison goods floorspace in the County, and recommended that a proportion of the identified comparison goods floorspace capacity be allocated to meeting this qualitative deficiency. Subsequently, the Site Allocations DPD identified a site on the edge of Oakham town centre (the Tim Norton garage site on Long Row) as being suitable for 'bulky goods' comparison floorspace. We consider that this remains a sensible approach, although we understand that redevelopment of this site would be subject to an alternative location for the garage premises being identified.
- **OAK5:** We do not consider the Tim Norton site to be suitable for either unrestricted Class A1 comparison goods floorspace, or Class A1 convenience goods floorspace, as we understand there are potential issues with traffic congestion related to the expected increased closure periods of the adjacent level crossing. 'Bulky goods' comparison goods uses generally generate lower levels of trip generation, and are likely to be more acceptable in principle, although any development should be subject to undertaking of a Transport Assessment. Should development of this site come forward, the Council should work with the applicants and Network Rail to secure the provision of enhanced pedestrian crossing facilities across the railway line.
- **OAK6:** Oakham is, for the most part, an attractive town centre and the historic quality of the centre should be preserved and enhanced where possible. There are clear opportunities for improvement in certain parts of the town centre however. The Council should carry forward its long-standing aspiration to improve the West End of the town centre (as currently identified in the Core Strategy) in order to enhance footfall and improve the gateway to the town centre for those arriving by rail. Improvements should include enhancements of the public realm, such as paving, as well as enhancements to shopfronts. There is a particular need to improve the gateway to the centre at the Melton Road / Station Road junction, which could incorporate improved pedestrian crossing facilities and better directional signage leading visitors to the town centre.
- **OAK7:** There is an opportunity site within this area, the Esso Petrol Filling Station site at the junction of High Street / Dean's Street, which provides an important opportunity to extend footfall west of the Wilko store to the benefit of businesses at the western end of the centre. The petrol filling station does not make a significant contribution to the wider vitality and viability of the town centre, and breaks up the retail frontage. The redevelopment of this site should therefore be considered an aspiration for the Council. Any redevelopment should incorporate flexible class A1/A3/A4 floorspace at ground floor level.
- **OAK8:** Elsewhere in the town centre, it is recommended that the Council seek to develop a strategy for the improvement of the environmental quality and overall vitality and viability of the Gaol Street area. This area appears to be suffering from a decline in pedestrian footfall and has a number of vacant units, but plays an important role in linking the High Street with the Tesco store on South Street. As one of the few pedestrianised areas in the town centre there is scope for the development of a 'café culture' with pavement seating in this area, particularly in the under-used Knights Yard, and the Council should support applications for the development of Class A3 / A4

uses along Gaol Street / Knight's Yard. Applications for Class A5 (hot food takeaway) uses should be resisted.

- **OAK9:** The market makes an important contribution to the vitality and viability of the town centre and support should be given to its continued development and growth. The removal of vehicular parking from the Market Place presents an opportunity for alternative seasonal / speciality markets to be introduced, further stimulating footfall and diversifying the offer of the centre, as well as improving the environmental quality of the area.
- **OAK10:** Tourism is an important industry in Rutland and Oakham benefits from close proximity to one of the area's key attractors, Rutland Water. Support should be given to place-marketing and tourism strategies which seek to enhance Oakham's role as the 'gateway' to Rutland Water.
- **OAK11:** Allied to the above, encouragement should be given to support initiatives which will further enhance the vitality and viability of the town centre, which could include encouragement of 'click & collect' facilities, development of an online hub for the independent retail sector, or encouraging a greater number of retailers in Oakham town centre to trade on a Sunday.
- **OAK12:** The potential for a direct bus, regular bus route between Oakham and Leicester should be investigated.
- **OAK13:** The key qualitative gap in commercial leisure provision is the absence of a cinema. Whilst it is possible that there is limited expenditure capacity available to support the development of facilities of this nature in the County, should any proposals come forward they should be considered positively. Any proposed development should ideally be focussed on Oakham town centre, and if not within the town centre, would need to demonstrate compliance with the sequential approach.
- **OAK14:** The development of a new residential community at Oakham North will require the provision of day-to-day shopping and services, likely to be in the form of a local centre. We understand that provision has been made for this as part of the Oakham North development and therefore, assuming this permission is implemented, we do not foresee a requirement for development of any further floorspace for retail/other town centre uses at this location.

Recommendations – Uppingham

9.52 Our key recommendations for Uppingham are as follows:

- **UPP1:** Uppingham should continue to form a second-tier 'town centre' in the County; its more limited size and opportunities for development in the town centre make it unsuitable for development of a significant scale. Therefore, it is not recommended that any of the identified comparison goods floorspace capacity (4,700 sq.m net by 2036) is directed towards Uppingham town centre.
- **UPP2:** Applications for new comparison goods or convenience goods retail development which are of an appropriate scale should nevertheless be considered on their merits and, if not within

the primary shopping frontage, demonstrate compliance with the sequential and impact 'tests' as set out in the NPPF.

- **UPP3:** Although this study has identified there is no quantitative need for additional convenience goods floorspace in the County until the end of the Plan period (i.e. at 2036), there is a qualitative need to improve convenience goods provision in Uppingham, to reduce the amount of convenience goods expenditure which is spent outside the town and facilitate more sustainable patterns of shopping. Enhancement of linkages between the existing Co-Operative store and primary shopping frontage should also be supported.
- **UPP4:** Our 'health check' assessment of Uppingham town centre has confirmed that the café and restaurant sector makes an important contribution to the vitality and viability of Uppingham town centre, and indeed is under-represented against national averages. Applications which seek to further enhance provision should be therefore supported in principle. However, as with Oakham, it is important for the primary shopping area to retain a critical mass of retailing activity, in order to ensure local residents' day-to-day shopping needs can be met. Applications for change of use away from Class A1 use in the primary shopping frontage should therefore be resisted. The Council has a strong policy in its Site Allocation DPD to this effect and we recommend this approach is carried forward into the new Local Plan.
- **UPP5:** The environmental quality of the centre is generally strong and there are no major areas of concern. The Council should continue to invest in public realm in the centre to help define a sense of place and ensure the centre maintains its smart, well-kept appearance.
- **UPP6:** Continued support and promotion should be given to the market and other unique selling points which the town centre offers, such as its hotels and art dealerships, in order to maximise the potential customer base of the town and promote its 'unique selling points'. This may form part of a joint place marketing strategy with Oakham town centre, and potentially Rutland Water.
- **UPP7:** Although accessibility by public transport is considered adequate for the size of the town, there is a need to improve the provision of bus timetabling / bus departure information (which should be updated to be based on live timing). Improvements to bus shelters / waiting areas would also be beneficial.

Monitoring and next steps

- 9.53 The study has identified that the centres in the County are performing well, and there are no fundamental areas of concern in respect of any individual centre's vitality and viability, although there is clear scope for environmental improvements to Oakham town centre. Nevertheless, it is recommended that the Council continues to monitor the vitality and viability of its centres over future years, using the NPPG indicators as set out in Section 5 of this report.
- 9.54 It is also recommended that the retail capacity figures identified in this report are subject to regular review throughout the Council's Plan period, particularly if the proposed Aldi store at Lands End Way commences trading, and if any large-scale comparison goods shopping developments come forward in the key surrounding centres. Forecasts of expenditure growth and 'special forms of trading'

such as online shopping are also subject to change, and updates to capacity forecasts will therefore also be required to reflect this.