



Blackpool Borough Council

Retail, Leisure and Hotel Study

June 2018

Final Report

Prepared on behalf of WYG Environment Planning Transport Limited.

Quay West at MediaCityUK, Trafford Wharf Road, Trafford Park, Manchester, M17 1HH
Tel: +44 (0)161 872 3223 Fax: +44 (0)161 872 3193
Email: info@wyg.com Website: www.wyg.com

WYG Environment Planning Transport Limited. Registered in England & Wales Number: 03050297
Registered Office: Arndale Court, Otley Road, Headingley, Leeds, LS6 2UJ



Contents

- Executive Summary 2
- 1.0 Introduction 17
 - 1.1 Instruction 17
 - 1.2 Structure of Report..... 18
- 2.0 Current and Emerging Retail, Leisure and Hotel Trends 20
 - 2.1 Introduction 20
 - 2.2 Polarisation and the Decline of Secondary Centres..... 20
 - 2.3 The End of the 'Big Four Space Race' and the Rise of the Discounter 22
 - 2.4 Special Forms of Trading 24
 - 2.5 Leisure and the Appetite for Additional Food and Drink 25
 - 2.6 The Hotel Sector 27
 - 2.7 Brexit..... 27
 - 2.8 Implications for Blackpool 28
- 3.0 Planning Policy Context 32
 - 3.1 Introduction 32
 - 3.2 National Planning Policy Framework..... 32
 - 3.3 Ensuring the Vitality of Town Centres Planning Practice Guidance..... 34
 - 3.4 Relaxation of Permitted Development Rights 35
 - 3.5 Blackpool Council Development Plan Policy 38
- 4.0 Original Market Research 49
 - 4.1 Introduction 49
 - 4.2 Household Survey..... 49
 - 4.3 Study Area 50
 - 4.4 Assessment of Retail Shopping Patterns 52
 - 4.5 Convenience Goods Shopping Patterns 54
 - 4.6 Comparison Goods Shopping Patterns..... 69
 - 4.7 Customer Behaviour 86
 - 4.8 In Street Surveys..... 88
- 5.0 Health Check Assessments..... 94
 - 5.2 Defining Types of Sub-Regional Retail Hierarchy..... 95
 - 5.3 Blackpool Town Centre 97
 - 5.4 District Centres..... 105



- 6.0 Population and Expenditure 113
 - 6.1 Introduction113
 - 6.2 Study Area Population113
 - 6.3 Retail Expenditure114
 - 6.4 Convenience Goods Expenditure.....117
 - 6.5 Comparison Goods Expenditure119
 - 6.6 Inflow of Expenditure120

- 7.0 Retail Capacity in Blackpool Borough 123
 - 7.1 Introduction123
 - 7.2 Capacity Formula.....123
 - 7.3 Future Capacity for Convenience Goods Floorspace124
 - 7.4 Future Capacity for Comparison Goods Floorspace.....131
 - 7.5 Qualitative Need.....136

- 8.0 Commercial Leisure Needs..... 144
 - 8.1 Introduction144
 - 8.2 Participation Rates.....144
 - 8.3 Bingo.....145
 - 8.4 Cinema147
 - 8.5 Ten Pin Bowling149
 - 8.6 Health and Fitness Centres.....151
 - 8.7 Food and Drink.....154
 - 8.8 Other Leisure Uses156

- 9.0 Hotel Needs Assessment..... 158
 - 9.1 Introduction158
 - 9.2 Economic and Tourist Bodies / Stakeholders Influencing the Hotel Market in the Council Area159
 - 9.3 Marketing Lancashire160
 - 9.4 Current Hotel Supply161
 - 9.5 Pipeline Hotels162
 - 9.6 Origins of Hotels Guests / Demand for Rooms164
 - 9.7 Hotel Performance / Capacity164
 - 9.8 Occupancy Levels165
 - 9.9 Seasonal Comments on Occupancy.....165
 - 9.10 Denials166
 - 9.11 Purposes of Visitors Stays166
 - 9.12 Length of Stay.....166



- 9.13 Wedding and Conference Facilities.....167
- 9.14 Future Plans.....167
- 9.15 Key Attractors168
- 9.16 Hotel Demand169
- 10.0 Key Findings and Policy Recommendations..... 172
 - 10.1 Introduction172
 - 10.2 The Existing Strategy and Improvements Since the 2011 Study.....174
 - 10.3 Summary and Key Findings: Retail Shopping Patterns and Need.....176
 - 10.4 Quantitative Need.....177
 - 10.5 Qualitative Need.....179
 - 10.6 Key Findings: The Health of Blackpool Town Centre182
 - 10.7 Key Findings: Commercial Leisure.....185
 - 10.8 Key Findings: Hotels187
 - 10.9 The Proposed Retail and Town Centre Strategy189
 - 10.10 Policy Recommendations: Defined Centre Boundaries195
 - 10.11 Recommended Local Impact Threshold.....197
- Glossary of Terms 202

Appendices

- Appendix 1. Study Area Plan
- Appendix 2. Household Survey Questionnaire and Results
- Appendix 3. In-street Survey Results
- Appendix 4. Health Check Assessment of Blackpool Town Centre
- Appendix 5. Health Check Assessments of the District Centres
- Appendix 6. Shopping Patterns and Quantitative Retail Capacity Tables
- Appendix 7. Existing Foodstore Provision Plan
- Appendix 8. Hotel Survey Questionnaire
- Appendix 9. Existing Hotel Provision Plan



Executive Summary

Introduction and Background

1. WYG was commissioned by Blackpool Council ('the Council') in 2017 to undertake a Retail, Leisure and Hotel Study.
2. The Study will act as an evidence base to assist in the formulation of future development plan policy, in particular the emerging Blackpool Local Plan Part 2: Site Allocations and Development Management Policies document and the delivery of the vision, objectives and policies set out in the Blackpool Local Plan Part 1: Core Strategy (2012-2027).
3. The Study draws on new empirical research in the form of a telephone survey of 1,150 households across the defined Study Area, which comprises 10 separate zones covering Blackpool Borough, and the adjacent local authority areas of Fylde and Wyre, to assess shopping and leisure patterns within the sub-region. The Study draws on the recommendations and strategy as set out in the previous evidence base documents, along with the policies and guidance as set out in the Core Strategy and the 2013 Town Centre Strategy.

Vitality and Viability

4. The Study has evaluated the vitality and viability of Blackpool town centre and the five district centres within the Borough. The health check assessments draw on a number of key indicators in accordance with the NPPG and compares the findings with those from the previous Fylde Coast Retail Study published by Roger Tym & Partners ('RTP') in 2011. The Study assesses how the defined town and district centres in the Borough have performed since the last town centre surveys were carried out, and provides recommendations with regard to how the Council can plan for the future improvements to the centre.
5. In terms of Blackpool town centre, Houndshell Shopping Centre is functioning effectively and accommodates a range of modern retailers. However, following the shopping centre's extension in 2008, a number of retailers relocated from elsewhere within the Principal Retail Core which resulted in a number of vacancies, most notably along Bank Hey Street. Bank Hey Street now comprises a number of discount and value stores such as Poundland, B&M Bargains, Heron Foods and the Liquidation Stock Clearance. There are also a number of charity shops throughout the town centre. In terms of leisure services, Blackpool has a

- significant and in some respects unique offer reflecting its role as the UK's premier seaside resort, with this service sector playing a significant role in the composition of the town centre.
6. There are significant issues with vacancies and poor-quality retail stock in other parts of the Principal Retail Core. This is also true in more peripheral locations of the town centre, including at Bickerstaffe Square, where many retail and service units remain vacant since being developed in 2014. However, it is hoped that the second phase of the scheme will help to generate market interest in this location. Although significant investment is taking place within the town centre there are still clear areas of high vacancy rates and poor overall environmental quality, and it is this lack of consistency across the centre in terms of overall aesthetics and offer which needs to be addressed.
 7. The health of the district centres in the Borough is varied. Overall, Highfield Road, Whitegate Drive, Red Bank Road and Bispham Village are considered to be performing relatively well and offer a good range of retail, leisure and service facilities to serve a localised catchment and meeting residents' day-to-day needs. Red Bank Road is the only district centre anchored by a large format foodstore, although each of the centres include a national multiple convenience offer such as a Tesco Express or Co-operative store.
 8. Waterloo Road district centre is considered to be less vital and viable than the other four defined district centres, with a higher than average vacancy rate, particularly in terms of the number of units (comprising 23.4% of the total number of units in the centre, compared to a national average of 11.2%). The current health of the centre is likely to be related to the high levels of deprivation in the local catchment and the lack of available expenditure to feed into the centre from residents in close proximity. WYG recommends that the defined boundary of this district centre is consolidated to remove Bond Street from the centre given its high vacancy rates and other opportunities to redevelop this area for alternative non-town centre uses (residential for example) could be explored. Potential opportunities to further refurbish or regenerate the market hall could act as a catalyst for wider improvements to the centre from a commercial perspective, and this should be explored with the owners.

Available Expenditure

9. The Study Area is made up of 10 zones, and Zones 1 to 6 broadly cover the Blackpool Borough administrative area. The Study Area has a resident population of approximately 311,896 persons at 2017, rising to 320,019 by 2032. It should be noted, however, that the resident population of the Blackpool administrative area is forecast to remain broadly stable over this period, and the forecast increase in the resident population of the Study Area is

therefore due to population increases in those parts of the Study Area within the Fylde and Wyre administrative areas.

10. Using local expenditure data provided by Experian Micromarketer G3 and forecasts in Experian Retail Planner Briefing Note 15, it is estimated that at 2017, the resident population of the Study Area generates some £656.8m of convenience goods expenditure. This is forecast to increase to £661.3m by 2032, which represents an increase of £4.5m (or 0.7%).
11. In 2017, the resident population within the Study Area is identified as generating £884.3m of comparison goods expenditure. This is expected to increase to £1,363.7m by 2032. This represents an increase of £479.4m (or 55%) between 2017 and 2032. This increase is a result of forecast increase in catchment population and, in particular, the forecast level of comparison goods expenditure growth over forthcoming years.
12. Experian forecasts that the overall Study Area population will increase from 311,896 at 2017 to 320,019 at 2032. This equates to an estimated population increase of 8,123 persons, or 2.6%, over the 15 year period or an increase of 542 persons per annum.
13. The inflow of expenditure from tourist spending on convenience and comparison retail goods was estimated based on 2016 STEAM Tourism Economic Impacts data, which was undertaken for Marketing Lancashire by Global Tourism Solutions (UK) Ltd. The STEAM data outputs incorporate visitor profile and expenditure data provided by the Lancashire Visitor Survey 2016.
14. The STEAM data identifies that in 2016, tourism in Blackpool generated a total of £1,496.4m of expenditure within the local economy, of which £491.9m (32.9%) is generated by day visitors and £1,004.5m (67.2%) is generated by staying visitors.
15. The total expenditure comprises the expenditure of visitors on a variety of categories of goods and services, including 'food and drink' and 'shopping', as well as indirect and induced economic effects of local businesses and residents spending tourism revenues locally.
16. We note that Blackpool will also benefit from inflow of expenditure from residents outside of the Study Area due to work or other non-tourism purposes. However, there is no available data on non-tourism visitor spending in Blackpool and the latest data provided by the ONS suggests that approximately 10% of people working in the Borough are likely to live outside of the Study Area. In any event, work related visits to Blackpool are likely to generate a much lower retail spend and we anticipate that non-tourist inflow of expenditure on convenience and comparison retail goods in Blackpool Borough is likely to be small in comparison to inflow

from tourism expenditure and will have an immaterial impact on expenditure and turnover figures across the Study Area as a whole. We therefore consider that our estimate of inflow from tourism spend provides a reasonable proxy for all inflow.

Market Share

Convenience Goods

17. Of the Study Area residents' total £656.8m expenditure on convenience goods, 95.5% is spent in stores and centres within the Study Area, which is referred to as the 'retention rate'. The remaining 4.5% of the Study Area residents' convenience goods expenditure is spent in destinations outside of the Study Area, and is referred to as 'leakage'. Existing facilities within Blackpool Borough attract a market share of 40.2% (£264.3m) of the total £656.8m of convenience goods expenditure generated by residents of the Study Area.
18. The most popular stores within Blackpool Borough are the out-of-centre Tesco Extra at Clifton Road Retail Park and Asda at Cherry Tree Road. Both of these stores are out of centre and have a wide appeal across Blackpool and the wider Study Area, with many residents prepared to travel to these stores. Sainsbury's at Red Bank Road and at Talbot Road are also important convenience goods destinations in Blackpool Borough. However, after Tesco Extra at Clifton Road Retail Park and Asda at Cherry Tree Road, the third most popular convenience goods destination for residents of Blackpool is Morrisons at Squires Gate Lane. Whilst located just outside of Blackpool Borough within the Fylde administrative area, this store functions as part of Blackpool.
19. The role of Blackpool town centre as a convenience goods destination for the Study Area residents is relatively limited in comparison to out-of-centre and other destinations across the borough. However, it should be noted that Blackpool town centre is likely to benefit from significant convenience goods spending by visitors to Blackpool, which is accounted for when undertaking the overall capacity for additional convenience goods across the Borough.
20. The opening of the Sainsbury's store at Talbot Road in Blackpool town centre has failed to significantly increase the attraction of Blackpool town centre as a convenience goods destination for residents across the Study Area as a whole. However, we consider that the store has acted to maintain the market share of Blackpool town centre in the face of increasing competition elsewhere both in and outside of the borough, particularly from the discounter stores such as Aldi and Lidl, who's dominance is shown within the latest shopping patterns.

Comparison Goods

21. Of the Study Area residents' total expenditure on comparison goods, 80.3% is spent in destinations within the Study Area, which we consider to be a high retention rate given the proximity of the Study Area to the higher order settlement of Preston, and confirms that comparison retail destinations within Blackpool Borough are drawing in residents from the wider Study Area. The retention rate has increased by 3.8 percentage points since 2010 meaning that more residents are now undertaking their comparison goods shopping locally.
22. Much of this increase in the retention rate across the Study Area (i.e. all ten zones) is attributable to an increase in local shopping by residents in those parts of the Study Area within the Fylde and Wyre local authority area, with Cleveleys, Poulton and Kirkham all increasing their market shares since 2010.
23. Looking at Blackpool Borough specifically, whilst the overall market share of destinations in the Blackpool Zones (Zones 1 to 6, which broadly correspond to Blackpool Borough) has increased slightly since 2010, this is primarily due to the substantial increase in the market share of Blackpool Retail Park, the borough's main out-of-centre retail destination.
24. The overall comparison goods market share of Blackpool town centre has fallen by a substantial 8.8 percentage points since 2010, whereas the popularity of Blackpool's three main retail parks has increased. We consider that this shift reflects the diversification of the comparison retail offer and increase in the overall quantity of out-of-centre comparison retail floorspace in Blackpool Borough, as well as the decrease in comparison retail floorspace within Blackpool town centre since 2007¹.

Quantitative Retail Capacity

Convenience Goods

25. Based on the current retention rates within the Borough, we do not identify a quantitative requirement for any additional convenience goods floorspace within Blackpool's catchment up to 2032 once existing commitments are considered.
26. The 2011 RTP Fylde Coast Retail Study did not identify any case to alter the retention rate for convenience goods spending due to the retention level being as expected. RTP identified a low

¹ We have compared the quantity of comparison retail floorspace at 2017 with that identified at 2007 in the 2008 Fylde Coast Retail Study, also prepared by WYG. The quantity of comparison retail floorspace at 2010 as identified in the 2011 Fylde Coast Retail Study prepared by RTP is not fully comparable due to methodological differences in the categorisation of retail floorspace, the treatment of upper level floorspace and the definition of the town centre boundary.

residual expenditure up to 2026, which they stated would be sufficient to support just one medium sized foodstore by 2026, given the low forecast rate of expenditure growth in the convenience goods sector.

27. Since the 2011 Study, the Blackpool area has benefited from the delivery of the Aldi at Blackpool Retail Park, the Aldi at Park Road and within Blackpool town centre, the Sainsbury's at Talbot Gateway (albeit this was included in the commitments in the RTP Study). As such, any minimal identified capacity in 2011 has since been more than absorbed from a quantitative perspective by the delivery of these foodstores. Furthermore, the latest forecast growth rates for convenience sales are now negative year on year across the plan period, compared to more buoyant growth rates identified by Experian at the time of the 2011 Study. This lack of growth in convenience expenditure has an impact in respect of identifying potential capacity for additional floorspace, in that forecasted capacity figures are now substantially less across the board. This is compounded by the fact that Blackpool is already well served by a range of larger format convenience operators (both within Blackpool's administrative boundary and just outside the boundary in Wyre and Fylde).

Comparison Goods

28. In terms of comparison goods floorspace requirements, again based on a constant market share across the Borough, we identify that by 2027, there will be between 7,700 sq.m and 12,800 sq.m of comparison goods floorspace required, increasing to between 18,300 sq.m and 30,600 sq.m by 2032.
29. We note that the RTP 2011 Fylde Coast Retail Study assessed the quantitative need in the comparison goods sector based on three retention scenarios; static, moderate increase and significant increase, with varying floorspace requirements identified as a result of the three scenarios. All three scenarios identified a positive residual requirement for additional comparison floorspace up to 2021. However, RTP considered that planning for 'static' retention would not be sensible given the identified need to make improvements in Blackpool town centre to support its role as a sub-regional centre, and opted for the 'moderate increase in retention scenario', given the constraints on the delivery of retail floorspace as of 2011.
30. The 2016 Core Strategy sets out a retail strategy for the Borough, which concentrates on the clawing back of a moderate level of expenditure and increasing the retention rate within the town centre in particular. The strategy acknowledges the importance of focussing new major retail development in the town centre to strengthen the offer, particularly seeking to enhance

the fashion offer through the Houndhill Phase II extension, and components of the Leisure Quarter development and Winter Gardens refurbishment.

31. However, it is important to note that the market has further altered since the RTP Study was published in 2011, and we are seeing a marked increase in store closures and liquidations, and a further decrease in confidence in the retail market to open new stores (with the exception being at the discount end of the market). As such, to plan for any further increase in retention across the Borough beyond that which was identified in the Core Strategy as part of the current capacity study would be unrealistic and would not reflect the current or indeed, forecasted trends in the market. We therefore consider that the strategy as identified in the Core Strategy (seeking to claw back expenditure to the Borough, which has taken place) is robust and should be carried forward.
32. As we set out in more detail below, we also recommend that the strategy for the Borough focusses more on shifting the patterns of expenditure being spent at out of centre stores (but within the Borough) back to the town centre in the first instance, along with drawing shoppers back into Blackpool from the wider Study Area including residents in Fylde and Wyre. We note in particular that the Leisure Quarter development will bring forward comparison floorspace which will seek to address the levels of expenditure being spent at out of centre destinations in the Borough, drawing shoppers back into Blackpool town centre in accordance with the objectives of the retail strategy in the Core Strategy.
33. Furthermore, given the unacceptably high levels of vacant and underused property in Blackpool town centre, some of the residual expenditure capacity for new floorspace could be directed to support the reuse of existing vacant floorspace in the town centre in accordance with the core planning principles set out in paragraph 17 of the NPPF, which includes that planning should encourage the reuse of existing resources in the first instance. This will help to reduce vacancy levels and contribute to improving the vitality and viability of Blackpool town centre.

Qualitative Capacity

Convenience Provision

34. We have not identified any quantitative capacity for additional convenience floorspace across the Borough, once committed convenience floorspace has been taken into account.

Blackpool Retail, Leisure and Hotel Study

35. When reviewing the existing convenience provision across the Borough as a whole, there is representation of all of the 'big four' supermarket operators (i.e. Tesco, Asda, Sainsbury's and Morrisons) and discounters (i.e. Aldi and Lidl) either within or just outside of the Borough.
36. The 2011 Fylde Coast Retail Study identified both a quantitative and qualitative gap in the convenience goods provision in Blackpool town centre, and that this should be the first priority for a qualitative improvement in the Fylde Coast's convenience offer – specifically, a gap in the access to a large supermarket providing a wider and choice range of goods. The 2011 Study stated that the proposed foodstore at Talbot Gateway could seek to meet the qualitative gap.
37. Our assessment of convenience goods shopping patterns in Section 4 and summarised above, suggests that the choice of main food shopping destinations (i.e. those above 1,000 sq.m net in particular) in the central and central-northern parts of the Borough (Zones 1, 2, 3 and 6) is more limited than in the south of the Borough, particularly considering that this area encompasses Blackpool town centre. The area within and directly to the north of the town centre, i.e. the area between the northern extent of the town centre boundary, Bispham district centre and the administrative boundary of the Borough to the east, has very limited provision by way of choices of operators. Indeed, this urban area is served principally by two large format Sainsbury's foodstores, one in the northern extent of the town centre boundary at Talbot Gateway and the second on Red Bank Road in Bispham.
38. As detailed in the Blackpool Core Strategy and as was identified in the RTP Fylde Coast Study, Blackpool suffers from severe levels of highly concentrated deprivation, particularly in the inner areas in and surrounding Blackpool town centre. Access to a choice range of foodstore provision is especially important in areas of high deprivation and low levels of car ownership, which make it more difficult for residents to travel to foodstore provision further afield, and can improve access to fresh and healthier food. Despite this low level of car ownership, as stated above, residents still travel outside of Zone 1 and even Zone 2 to meet their main food shopping requirements, demonstrating that the provision within Zones 1 and 2 do not meet their requirements, potentially down to the range of goods or the prices of the goods on offer. Such an issue may arise when the only foodstores on offer within walking distance are retailers at the higher-end of the price spectrum such as M&S or even to a lesser extent, Sainsbury's.
39. It is this qualitative deficiency which WYG has identified through the analysis of the results of the study, which could be addressed through the delivery of an alternative fascia choice in this part of the Borough, focussing on providing affordable goods for the more deprived communities. Any potential new convenience floorspace needs to be qualitatively different to

the offer already present in the town centre, focussing on lower priced goods to meet the clear deficiency.

40. Based on the findings above, we are of the view that there could be the potential to provide an additional foodstore towards the northern periphery of Blackpool town centre should a site within or on the edge of the centre become available. We envisage that the scale of foodstore appropriate would fit within the 1,500 to 2,500 sq.m (gross) bracket, ensuring that the turnover of which would not untenably impact on the existing Sainsbury's foodstore at Talbot Gateway. Any additional floorspace would need to ensure that it complements, rather than competes with the substantial investment made at Talbot Gateway in the delivery of the Sainsbury's, whilst seeking to attract shoppers and residents of Zone 1 back into the town centre, instead of travelling to other foodstores in Zone 5 to meet their shopping needs. As such, in order to claw the expenditure back into the town centre, any retailer would need to provide an offer different to that which is already provided, and which seeks to meet the current deficiency in terms of providing lower priced goods. It is important to note that providing another large foodstore or 'superstore' (i.e. over 2,500 sq.m) would not meet this same objective and would instead compete directly with the existing Sainsbury's.
41. In any event, as part of the summary of strengths and opportunities within the 2013 Town Centre Strategy, the Council identifies that key development sites within the town centre present opportunities to enhance convenience and comparison retail and service provision and complement qualitative improvements to the existing retail stock. The Strategy also recognises that it will be important to ensure that new provision does not undermine the existing town centre offer. WYG considers that this analysis is still reflective of the qualitative convenience position as identified in the latest Study.
42. Taking this one step further, it is important that any potential development site would ideally be located within the town centre boundary, and whilst it would need to meet both the sequential and impact tests, it would be necessary to consider the wider benefits a new foodstore could provide to the town centre in terms of choice, increased turnover and encouraging linked-trips with the existing uses. For example, a store of between 1,500 sq.m and 2,500 sq.m would require a site of approximately 0.6ha to provide the required floorspace and associated car parking (dependent on its location), demonstrating its relatively small scale.
43. Given the potential location within the town centre boundary, this would serve the underprovided area to the north of the town centre and to the south of Bispham, and would also serve the areas of deprivation within and surrounding the town centre. As such, any sites

outside of the town centre boundary for new convenience floorspace should be resisted, given the lack of quantitative need and the potential impacts such a proposal could have on existing operators within the defined centres.

Comparison Provision

44. Turning to comparison goods, we note that the 2011 Study identified a requirement to strengthen the clothing and footwear offer within the town centre, with the Core Strategy recognising the need to introduce higher-end retailers and quality eating establishments.
45. Modern format retail units are available within Houndshill, but as we demonstrate in detail as part of the healthcheck analysis for Blackpool town centre, whilst this has been a positive investment within the centre, there are areas outside of Houndshill which have declined further since the previous study was undertaken in 2011.
46. As also identified in Strengths and Opportunities in the 2013 Town Centre Strategy there may be opportunities outside of Houndshill (Bank Hey Street, Adelaide Street West in particular) to redevelop and regenerate key areas which are currently in decline and have high vacancy rates, or areas which are dominated by lower-end retailers which are not enhancing the centre's overall vitality and viability. The 2013 Strategy identifies that streetscape improvements are required along these streets, and set out a series of actions to focus specifically on the buildings in Bank Hey Street. Opportunities still exist to create new, larger format modern units to attract retailers back into the retail core, thus seeking to claw expenditure back from the out of centre destinations. As such, it is key that the recommendations and actions as stipulated in the 2013 Town Centre Strategy are brought forward, with a real push to concentrate on the medium to longer term aspirations and outcomes to ensure that units in this part of the town centre are 'fit for purpose' for comparison operators.

Leisure Capacity

47. The findings from the Study regarding commercial leisure uses have demonstrated that overall, there is a limited requirement for additional commercial leisure facilities (i.e. bingo, ten-pin bowling facilities, cinemas and gyms) beyond those which are committed. Our assessment has indicated that the existing facilities within the Borough and the town centre, are sufficient from a purely quantitative perspective to meet the requirements of existing residents.

48. However, it is important to note that the quantitative assessment has not taken account of existing commercial leisure requirements which may arise because of the inflow from tourist visits and spending. On this basis, we have identified that from a qualitative perspective, particularly given the current nature and quality of some of the existing commercial leisure facilities (for example, the ten-pin bowling facility on the Promenade), that there may be opportunities to enhance the existing commercial leisure provision within the town centre.
49. Whilst the market is relatively weak in terms of bringing forward new commercial leisure provision (beyond gyms and larger-format indoor recreation centres such as soft play and trampolining parks), it should be acknowledged that improved facilities could have the knock-on benefits of encouraging more visitors and residents into the town centre, and again increasing the duration of stay for these visitors. There may be opportunities for a joined-up approach between the public and private sector to improve on the qualitative provision of such uses within the town.

Hotel Capacity

50. Based on national hotel growth trends in 3, 4 and 5 star hotels, we calculate that the existing and proposed hotel room offer is sufficient to meet the requirements of overnight visitors and the extant hotel supply which is being delivered, or planned to be delivered across the centre will exceed the required estimated level of growth in hotel bedroom supply by approximately 63 rooms. There are a number of proposed new hotels across the town centre which will be of good/high quality and meet the potential deficiency in Blackpool, which was also identified in the 2009 Humberts Study. As such, we have not identified any quantitative or qualitative requirement for additional hotels in Blackpool beyond those already committed within the town centre, and which will offer a wide range and price of hotel rooms across the centre.
51. An ongoing monitoring of the provision and demand within Blackpool town centre will be important, particularly following the delivery of the Winter Gardens conference centre extension and Leisure Quarter scheme, which both have the potential to draw in additional tourists and visitors to those already identified. There may be future requirements for additional hotel bedrooms following the delivery of the planned investments within the town centre, particularly in response to the delivery of the Leisure Quarter site. We acknowledge that Policy CS21 of the Core Strategy supports hotel development in the town centre, Resort Core and Holiday Accommodation Areas, to help strengthen the resort's appeal to attract new audiences year round, and this strategy should continue into Part 2 of the Local Plan, and other supporting guidance documents. The strategy should continue to promote the reduction

in poor quality holiday accommodation, and the increase in high quality holiday accommodation to meet the needs of the 21st Century visitor.

Recommendations

52. The Study has sought to assess where the forecast capacity and growth identified could be located in the future to help inform the Council's future policy direction. We have also made recommendations in relation to the strategies which could be pursued to either maintain or improve the health of the Blackpool town centre in particular. One of the key issues identified throughout the Study is the loss of comparison market share attracted to the town centre retailers and the increase in attraction to out-of-centre destinations within the Borough. Whilst we have identified that the overall retention rate within the Borough as a whole has increased, in accordance with the retail strategy set out in the 2016 Core Strategy, this positive growth has not benefited the town centre directly. There was a clear concern in the 2013 Town Centre Strategy, which again has been brought forward into the 2016 Core Strategy, that unless the town centre offer was made more attractive, retail expenditure from the catchment would continue to be captured by competing destinations, undermining regeneration efforts in the town centre.

53. As the latest Town Centre Strategy dates back to 2013, there is an opportunity to create a new Strategy which ties together the progress made to date in the town centre and takes it a step forward in creating one overall visionary masterplan, based on relevant agency advice as well as town planning principles. It is this agency advice, which again was identified in the 2013 Town Centre Strategy as vital to bringing forward any future development based on demand, which could prove invaluable to the Council in determining a way forward for Blackpool beyond the strategic schemes already identified in the Core Strategy. A new approach to improving the public realm and opening up certain areas of the town centre, particularly to provide views to and from the sea frontage into the retail core. It is key that the town centre creates a safe and welcoming place to be in, with simple steps such as improving lighting, paving, street furniture, public squares and signage all proven to help attract shoppers, but also encourage them to visit again. It is true that first impressions last and therefore key gateways into the town centre, along with pedestrian routes from these gateways need to be enhanced, and current work to improve these fully supported and advertised by the Council. The 2013 Town Centre Strategy identified an issue that many day-trip visitors to the illuminations choose not to venture beyond the Promenade into the core of the town centre, and this issue continues today. Works to remodel the Promenade and make it more pedestrian-friendly and opening up Blackpool Tower between the Promenade and Bank

Blackpool Retail, Leisure and Hotel Study

Hey Street have begun to address the issue. We therefore support the Council's aspirations to draw visitors into the town centre to capture their spending potential, thus supporting retailers and leisure operators.

54. As we, and the previous strategies and retail studies have identified, the continued growth of Blackpool's out-of-centre/retail parks represent a threat to the future vitality and viability of the defined centres in the Borough. The findings of the household survey and the identified shopping patterns within the Study Area, but particularly within the Borough (Zones 1-6), demonstrate that the overall retention rate attributed to the destinations within the Borough from residents in the Study Area has increased since the 2011 RTP Study. However, the market share attracted by retail destinations within Blackpool town centre has decreased (by approximately 9 percentage points), indicating that the out-of-centre destinations have increased in popularity since the previous Study, which in turn has drawn expenditure away from Blackpool town centre.
55. It is this shift in shopping patterns and preference to shop at out-of-centre destinations (along with the increased offer at the retail parks) which needs to be continued to be redressed to ensure no further material degradation of the town centre's market share takes place. In short, there needs to be a shift in shopping patterns back to the town centre from out of centre destinations. There are opportunities to achieve this through the redevelopment of key opportunity sites within the centre to provide modern format units to retain retailers within the centre, along with the key schemes such as the Winter Gardens refurbishment and extension, the future phases of Talbot Gateway and the delivery of the Leisure Quarter site which has the potential to drive substantial economic development and draw shoppers and visitors back into the town centre. The requirement to provide retail units which meet modern occupier requirements was set out in detail in the 2013 Strategy and brought forward into the Core Strategy. This is still a key requirement for the town centre to enable it to successfully compete with other town and city centres, but also with the extensive out-of-centre provision, and promoting the redevelopment of areas within the centre to provide these units needs to be a top priority for the Council moving forward.
56. On a smaller scale, this can also be achieved by providing a town centre environment which offers everything that a shopper and tourist wants, including accessible and cheap car parking which is in good supply and a mix of commercial leisure uses which increase the attraction and provide something qualitatively different to the typical leisure use offered at retail park destinations (i.e. going beyond typical national multiple operators who benefit from occupying standalone 'pod' units on retail parks). It has to be acknowledged that one of the key

attractors of out of centre retailing is the free and easily accessible car parking, which the town centre has to compete with. Whilst we note that car parking is a key revenue for local authorities, expensive car parking can often put shoppers off visiting centres without wider incentives.

57. In addition, town Centre events, food and drink markets and small festivals attracting a variety of ages and demographics can all assist in drawing shoppers back into the town centre. These, along with the significant provision of tourist facilities within Blackpool town centre, can and should all act as important draws to the town centre for residents and tourists alike. The existing tourist facilities draw in a substantial level of visitors into Blackpool, the spending of which needs to be better captured within the retail facilities in the town centre. The existing events throughout the year also act as important attractions to visitors to the town centre, which will be further built upon through the opening of the extension to the Winter Gardens and the development of the extensive Leisure Quarter. The 2013 Town Centre Strategy also recognised the importance of the tourist attractions and how these (along with new innovative developments) help to define a distinguishing offer and achieve an attractive, thriving town centre. One key objective within the Strategy from 2013 is to strengthen the town centre as a leisure, entertainment, cultural and business tourism destination for both residents and visitors. This is vital, and a theme which we are keen to ensure is brought forward in any future strategies, in ensuring that Blackpool retains its distinctive nature, whilst improving its facilities to attract additional visitors with higher levels of available expenditure.
58. Improvements to the offer of the town centre markets may also go some way to providing an offer which out of centre destinations cannot. The 2013 Strategy clearly sets out an aspiration to development specialist markets at St. Johns Square to broaden the retail offer, and this could assist in adding a further dimension to providing a qualitatively different offer to that which is provided at the retail parks within the Borough.
59. Methods to resist future out of centre development includes the imposition of tighter planning controls through planning policy documents (both through the adopted development plan but also standalone guidance documents). We note that both Fylde and Wyre Councils have standalone impact threshold guidance notes, which provide locally set threshold guidance to control retail and leisure developments outside of defined centres. The advice provided to Wyre and Fylde Councils accords with our advice as part of this Study, that due to the significant pressure for large-scale out of centre retail development and the number of such schemes which fall below the default threshold of 2,500 sq.m set by the NPPF, there is a need to consider lower local floorspace thresholds. Applicant's retail impact assessments must also

be robustly appraised as part of the application process, ensuring that the details submitted adopt a robust methodology in assessing impacts, based on up-to-date evidence with regard to shopping patterns and performance of specific retailers. We provide further recommendations below in respect of future controls on new retail floorspace.

60. A key purpose of the 2013 town centre strategy and any future strategy is to seek to extend 'dwell time' and spend of both residents and visitors to the town centre, which in turn will help to enhance the overall vitality and viability of the centre. We consider it imperative that early engagement takes place with commercial agents to better understand supply and demand within Blackpool town centre. Separate, standalone advice is required to assess the current commercial requirements for Blackpool and the realistic prospects of attracting additional operators into the centre.
61. There has been an aspiration to substantially improve on the quality of hotels within Blackpool Borough but the town centre in particular, which was also identified in the 2009 Humberts Study. The knock-on effect of improving the hotel supply in terms of attracting more affluent tourists could substantially benefit the town centre through an increase in available expenditure and increase in level of trips to both retail and leisure destinations in and surrounding the town centre. The Council is already planning positively for this increase in better quality hotels and we are seeing the implementation of hotel schemes already within the town centre. It will therefore be important to monitor the knock-on effects of these schemes, not only from a resident and tourist perspective but also through an increase in investor confidence from private sector developers. The occupancy rates of the new hotels should be monitored over the short and medium term, to establish the take-up rates of these new rooms and the added benefit these have in terms of visitor numbers into the town centre. However, whilst new hotels may bring in different demographics to the centre, there also has to be the wider qualitative improvements to the retail and leisure offer within the centre which will ensure that visitors remain in the centre for the duration of their stay (or at least substantial periods).
62. In considering the Council's future strategy for Blackpool, we have provided recommendations in relation to appropriate town centre boundaries, primary shopping areas and retail frontages where appropriate. Full details are provided within the main Study and the associated appendices.

1.0 Introduction

1.1 Instruction

- 1.1.1 WYG Planning (hereafter referred to as 'WYG') was commissioned by Blackpool Borough Council ('the Council') in August 2017 to undertake a Retail, Leisure and Hotel Study for the Borough. The Council's previous evidence base in respect of retail and leisure needs was provided by the Blackpool, Fylde and Wyre Borough Councils' 'Fylde Coast Retail Study', published in August 2011, produced by Roger Tym & Partners ('RTP'). In terms of the latest evidence base for hotels, this was provided by the Visitor Accommodation Study for the Fylde Coast Sub-Region, produced by HLL Humberts Leisure in August 2009.
- 1.1.2 Given the length of time since the publication of the Fylde Coast Retail Study in 2011, and the Visitor Accommodation Study in 2009, it is considered appropriate to undertake an entirely new Study for Blackpool Borough informed by a new household shopping survey. The Study will assist in informing the local planning authority framework and particularly the emerging Blackpool Local Plan Part 2: Site Allocations and Development Management Policies document and the delivery of the vision, objectives and policies set out in the Blackpool Local Plan Part 1: Core Strategy (2012-2027).
- 1.1.3 The key purposes of the Study are identified by the Invitation to Quote Document, which was issued by the Council. The five principal matters to be addressed by the Study are:
- to understand the shopping behaviour of local residents living within and adjacent to Blackpool to identify convenience and comparison goods and expenditure patterns;
 - to undertake a health check assessment of the principal centres within Blackpool;
 - to assess the future quantitative capacity and qualitative need for new retail and leisure floorspace across the Local Plan period through to 2027 and longer term to 2032;
 - to assess the future capacity for 3*, 4* and 5* hotels within Blackpool;
 - to provide strategic advice on the overall future 'retail need' in the Borough;
 - to advise on the requirement for a locally set floorspace threshold for the NPPF impact assessment, and if so, what that threshold should be.
- 1.1.4 In order to address the above requirements, the Study draws on new empirical research, with NEMS Market Research Limited ('NEMS') undertaking a survey of 1,150 households

within the defined Study Area in October 2017. The Study Area for the household survey comprises ten zones which are based on postcode sectors grouped together to reflect areas which are likely to exhibit similar patterns of shopping behaviour. The six core zones which cover the Blackpool administrative area (Zones 1, 2, 3, 4, 5 and 6) replicate zones defined by the 2011 Fylde Coast Retail Study.

1.1.5 The study area identified in the 2011 Fylde Study broadly covered the administrative boundaries of the three Fylde authorities. For the current study, the focus of the study area is on those survey zones covering Blackpool Borough and its primary catchment area (i.e. Zones 1 to 14) as identified from the findings of the 2010 household survey.

1.1.6 As such, some of those study zones outside of the Blackpool authority area which were previously identified in the 2011 Fylde Coast Retail Study have been amalgamated (i.e. Zones 7, 8 and 9; and Zones 12 and 13) (see Appendix 1). We discuss this in more detail later in the Study.

1.1.7 This Study also draws on the most recent Experian population and expenditure data (published in December 2017) in order to establish the most up-to-date position with regard to both convenience and comparison goods capacity.

1.2 Structure of Report

1.2.1 Our report is structured as follows:

- Section 2 provides a context for the Study through the analysis of key retail, leisure and hotel trends;
- Section 3 considers local and national planning policy of relevance to retail and town centre matters;
- Section 4 provides a review of the results of the household survey undertaken by NEMS Market Research in October 2017, and the hotel survey undertaken by WYG in October and November 2017;
- Section 5 considers the vitality and viability of Blackpool town centre and the Borough's five defined district centres;
- Section 6 identifies current and future population and expenditure levels within the defined Study Area;
- Section 7 provides our assessment of the future quantitative and qualitative need for further convenience and comparison goods retail floorspace;



- Section 8 considers the need for additional commercial leisure development;
- Section 9 considers the need for additional 3*, 4* and 5* hotels across the Borough;
and
- Section 10 sets out our key conclusions and provides our recommendations in respect of Blackpool's future retail, leisure and hotel strategy.

2.0 Current and Emerging Retail, Leisure and Hotel Trends

2.1 Introduction

- 2.1.1 The retail property landscape across the UK has evolved significantly over the past 50 years, from post-war redevelopment in town centres, through to the emergence of retail warehouse parks and out-of-town regional shopping malls. For most of this period, the retail sector has experienced considerable expenditure growth, which has been attributed to a number of factors, including greater disposable income, availability of credit, new technology and a general overall increase in our standard of living. However, recent economic conditions have had a clear impact on expenditure, and per capita convenience goods spending has actually reduced in recent years. The way in which goods are purchased has also altered due to the increased popularity of 'e-tailing', which now claims more than one in every ten pounds spent in the UK.
- 2.1.2 In order to set out the wider context for the Study, we provide an overview of prevailing retail and leisure trends below, and summarise how these relate and could impact on Blackpool Borough and particularly, the town centre.

2.2 Polarisation and the Decline of Secondary Centres

- 2.2.1 In recent years, shoppers have been increasingly prepared to travel in order to access a greater choice of shops and the type of leisure facilities which are more commonly available in larger towns and cities. As a consequence, larger retail venues (with a regional or sub-regional role) have tended to perform relatively strongly, but a number of other secondary destinations (particularly those proximate to larger centres) have fared less well. The performance of many secondary destinations has also been particularly impacted upon by the recession and the growth of internet shopping, which has resulted in many operators and consolidating their store estate to reduce costs, believing that they can still achieve appropriate nationwide coverage with a lesser number of stores.
- 2.2.2 Colliers reflects² on what has happened to the space within the 160 former BHS stores across the country in their latest Midsummer Report. As Colliers reports, the take-up rate of this space has been hugely varied as the portfolio is of a diverse quality and nature. Outside of London, the success rate in terms of take-up is poor and just over a third of the stock had

² Colliers Midsummer Report 2017

found a new use. However, Colliers acknowledges that there is a positive to be taken from the process in that it has provided opportunities for new leaders of the occupational market to take on space, with occupiers such as Primark, Next, Aldi, Lidl, Sports Direct, TK Maxx, Poundworld, Wilko and The Range all acquired new stores.

- 2.2.3 It is also evident that certain operators – including the Arcadia Group, through its Outfit format which incorporates Topshop, Topman, Miss Selfridge and others – are sometimes prepared to close stores in smaller centres in favour of representation on a retail park. We also note the increasing preference of fast food operators to incorporate ‘drive thru’ restaurants, which has resulted in the closure of ‘in centre’ McDonald’s restaurants in some centres. Furthermore, in November 2016, Marks & Spencer announced its intention to close up to 30 stores and relocate or downsize a number of others. The changes will result in clothing being sold in a lesser number of Marks & Spencer stores.
- 2.2.4 The selective nature of retailer demand has fuelled the polarised retail environment with many operators focusing on key high footfall locations. The impact of these changes on individual centres is varied with some towns performing better than others. Research into town centre retail performance over the last decade completed by Cushman & Wakefield in 2018³ identifies that the ‘winning’ locations tend to be the largest retail centres, such as cities or attractive cathedral towns. These locations typically benefit from low levels of comparison floorspace provision relative to their population leading to higher sales densities, and higher tourist and leisure spend.
- 2.2.5 Nevertheless, town centre resilience is more closely correlated with affluence than catchment size. Those towns with the least resilience typically suffer from weak income profiles and low wage growth that curtail spending, along with higher rates of crime and a significant oversupply of comparison retail and leisure floorspace. The Cushman & Wakefield research identifies that these least resilient centres include many seaside locations, including Blackpool, along with many smaller centres in deprived parts of Scotland and Wales.
- 2.2.6 Such changes can result in particularly significant impacts on smaller and the least resilient town centres, which have tended to be the subject of higher vacancy rates, and which have also often suffered related reductions in commercial rental values and footfall in recent years. A reduction in commercial rents demonstrates a lack of demand for properties and poor take-up rates, along with high yields. Whilst low rental levels are often seen as a negative, as they indicate a lack of demand from major retailers, there are benefits to

³ UK High Streets: Dead or Alive? Cushman & Wakefield, April 2018

independents and local operators seeking cheap accommodation (even rent-free in some circumstances). In any event, as a consequence, a greater proportion of comparison goods expenditure is being claimed by a smaller number of 'winning' destinations, typically cities of regional or sub-regional importance.

2.2.7 However, such changes have also brought forward opportunities for different types of retailer. Some available units in secondary centres have been re-occupied by household discounters such as B&M Bargains, Poundland, Poundstretcher and Wilkinson. Whilst such lettings are valuable in bringing back premises into active use, many secondary centres are heavily reliant on such retailers, which are generally operated at the lower end of the market.

2.2.8 It is also evident that some centres are seeking to 'reinvent' themselves through an increased focus on quality independent and food and drink operators. Towns are also increasingly valuing their market as a means to differentiate themselves from retail parks and superstores, and many markets are looking to contemporary and speciality retailers to create interest and draw customers in. The greatest opportunities for successful vintage, craft and food and drink markets have so far been in centres served by affluent catchments.

2.3 The End of the 'Big Four Space Race' and the Rise of the Discounter

2.3.1 Shoppers have turned away from food superstores in recent year and Mintel⁴ suggests that this decline is such that it cannot be considered a 'blip'. Mintel attributes the problems which face superstores to two principal factors.

2.3.2 Firstly, many young people are choosing to rent within or close to town and city centres. As a consequence, many undertake sporadic food shopping and often eat out, use takeaways, or buy instant meals. Accordingly, when young people undertake food shopping, they often have no greater need than that which can be serviced by a convenience store.

2.3.3 The second factor is the growth of discount operators, which have become more mainstream in respect of both their offer and their market positioning. Mintel suggests that the improvements in discounters' offer – such as wider ranges, better fresh foods and more premium foods – means that they have become an attractive alternative to both large food superstores and to convenience stores.

⁴ 'UK Retail Rankings', Mintel, April 2016

Blackpool Retail, Leisure and Hotel Study

2.3.4 As a consequence, the 'big four' foodstore operators (Asda, Morrisons, Sainsbury's and Tesco) have become circumspect in respect of new store openings and, indeed, have closed a number of existing stores. All four have suffered significant declines in their market share over the past four or five years. As Table 2.1 below indicates, Tesco has suffered a 2.1 percentage point reduction in its share of the food retail market between 2011 and 2016, and Morrisons has suffered a 1.8 percentage point reduction in market share. Considered together, the market share of the 'big four' foodstore operators has declined from 58.5% in 2011 to 52.7% in 2016 (a reduction of 5.8 percentage points). In contrast, other retailers – most notably Aldi and Lidl – have benefitted from increases in their market share. Aldi's market share increased from 1.9% to 5.3% (equating to an increase of 3.4 percentage points) between 2011 and 2016.

Table 2.1: Market Share of Key UK Food Retailers

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

Source: UK Food & Grocery Retailer Update, Verdict, October 2016

2.3.5 The most notable expansion strategy pursued by any of the 'big four' operators in recent years relates to Sainsbury's decision to enter the discount market through a partnership with Netto. Netto announced the trialling of 15 stores in November 2014 clustered around the M62 corridor between Liverpool and Hull in order to 'test the water'. The first two new build openings were announced in March 2015 in Lymm and Hull, which appeared to suggest confidence in the venture. However, following the trial, Netto announced in July 2016 that it would close all its UK stores by August 2016.

2.3.6 For the most part, the current strategy of the 'big four' operators involves the reconfiguration and refurbishment of existing stores. In some cases, product lines are being reduced and pricing is being made straightforward. Some operators are looking to introduce other uses to take existing floorspace and Sainsbury's acquisition of the Home Retail Group in September 2016 allows it to introduce Argos (which it now owns) into its stores. Small concessions of

Habitat are also currently being tested within five branches of Sainsbury's and uses such as hairdressers, key cutting and shoe repairs, photo processing are all taking concession spaces in larger Tesco and Morrison superstores.

- 2.3.7 Aldi and Lidl have both sought to take advantage of the structural changes in the food retail market and have announced ambitious store opening targets that will further increase pressure on the 'big four' operators. Aldi has identified major expansion plans following successful Christmas sales in 2017 and after adding 76 new stores in the UK in 2017, intending to open 70 new UK stores in 2018⁵, bringing its total number of stores to around 800. Over the longer term, it intends to trade from 1,000 UK stores by 2022⁶. Aldi reports to require sites which are freehold, in town centre or edge of centre locations with a minimum of 1.3 acres⁷.
- 2.3.8 Lidl, who currently trades from over 690 stores, also has substantial growth plans for 2018 and beyond. Lidl's future requirements reportedly comprise units of between 14,000 sq.ft and 26,500 sq.ft, with sites of 1.5 acres required for standalone units and up to 4 acres for mixed-use schemes⁸.

2.4 Special Forms of Trading

- 2.4.1 Many consumers who previously shopped in town centres and at retail parks are now increasingly using the internet to make purchases. Experian⁹ identifies that 'special forms of trading' (which includes internet, mail order and market sales) now comprises an estimated 14% of total UK retail sales at 2017, which compares to a market share of just 4.7% at 2008. Experian estimates that the value of non-store sales in the UK at 2017 is £55.1 billion. It estimates that special forms of trading will increase further to account for 20% of retail expenditure at 2022. Thereafter, it is anticipated that additional growth will be relatively limited, with special forms of trading claiming 22.5% of UK retail expenditure at 2035 (the last reporting year for which Experian provides a figure).
- 2.4.2 The growth in internet as a sales medium has been enabled by the increase in access to the internet by UK households, which the Office for National Statistics¹⁰ reports increased from 57% of households at 2006 to 89% in 2016. The proportion of households with access to

⁵ Article headlined 'Aldi pursues UK expansion', UK.Reuters.com 4 January 2018

⁶ Article headlined 'Supermarkets: discounters race for space', Property Week, 2 November 2016

⁷ <https://www.aldi.co.uk/about-aldi/property/required-towns>

⁸ <https://www.lidl.co.uk/en/Site-Requirements-5377.htm>

⁹ 'Experian Retail Planner Briefing Note 15', December 2017

¹⁰ 'Statistical Bulletin: Internet Access Households and Individuals', Office for National Statistics, August 2016

the internet is expected to increase further over the coming years and the popularity of shopping online is also assisted by mobile phones and tablets with faster 4G network technology. The Office for National Statistics indicates that the proportion of adults accessing the internet using a mobile phone nearly doubled – from 36% to 66% – between 2011 and 2015.

2.4.3 It is evident that improvements in technology and an increased confidence in the security of online payments have supported substantial increases in internet sales in recent years. In addition, the option of using the internet to 'click and collect' in-store at a dedicated counter is also increasing in popularity¹¹. Some retailers are also seeing benefits arising from the use of shops as 'showrooms' where shoppers can view and try goods before making purchases later in their home. More progressive retailers are also providing in-store Wi-Fi (which can be used to inform shoppers of promotions via their mobile phones) and technology points (which can allow shoppers to browse a wider product range than that carried in store). Accordingly, whilst new technology and the rise of internet shopping undoubtedly provides challenges for traditional 'bricks and mortar' retailers, it also brings with it some opportunities.

2.4.4 In addition, it is important to note that many purchases made online are actually sourced from the shelves of 'bricks and mortar' stores and thereby have the potential to support retail floorspace. This is acknowledged by Experian which now provides adjusted market share figures for special forms of trading¹² in order to reflect purchases which are affected through stores. The adjusted allowance for special forms of trading equates to 3.2% for convenience goods at 2017, increasing to 3.9% at 2021, to 4.6% at 2026, to 5.1% at 2031, and to 5.3% at 2035. For comparison goods, the adjusted allowance is 14.8% at 2017, increasing to 16.9% at 2021, to 17.5% at 2026, to 17.8% at 2031, and to 18.0% at 2035. The adjustment is greater for comparison goods, reflecting the fact that most online food purchases are taken from the shelves of actual stores.

2.5 Leisure and the Appetite for Additional Food and Drink

2.5.1 People now eat out more often and for a wider range of occasions. PWC reports that the fundamental structural shift driven by demographic and consumer trends, has led to considerable market growth in the restaurant sector in recent years and underpinned significant transactional activity, particularly between 2015 and 2017. PWC also reports on

¹¹ 'Click and Collect', Mintel, September 2014

¹² 'Experian Retail Planner Briefing Note 15', December 2017

the increasing crossover between market segments with the food-to-go sector growing and being available all day, while dine-in chains are offering take away options including enhanced technology to encourage the use of services such as Deliveroo and Uber Eats¹³. However, in very recent months, key national brands have announced their downsizing and closure of restaurants, including Prezzo and Jamie Olivers’.

- 2.5.2 In any event, those restaurant operators still seeking to expand their portfolio, which there are many, increasingly require units which are in amongst the retail heart of a centre, rather than taking space within a food court. As a consequence, modern shopping mall developments tend to mix food operators within the wider offer and upwards of a quarter of units can be occupied by cafes and restaurants. Food and drink operators (particularly national multiples) can be particularly attractive to landlords as long leases can often be agreed to due to the cost of fit-outs.
- 2.5.3 Colliers¹⁴ also reports that cinema openings are on the up and that niche cinema operators, such as Everyman, Curzon and The Light, are considered to have the potential to be particularly complementary to shopping environments. Such cinemas have more modest land take requirements than large multiplexes, and therefore may have a greater chance of being incorporated in a mixed-use development.
- 2.5.4 The health and fitness sector has been buoyed by the popularity of budget gyms. Operators such as Pure Gym, the Gym Group and easyGym have an operational model which is based on low costs and high volume. Such gyms tend to have plenty of equipment in order to encourage uses, but are characterised by basic fit-outs and limited staff. Many budget gym operators – including Pure Gym and the Gym Group – are actively seeking to bring forward additional facilities, with a wide range of properties (including old theatres, larger shop units and office space) having the potential to meet their needs. The Leisure Database Company¹⁵ suggests that there were around 300 budget gyms across the country in summer 2016, but that this figure has the potential to increase to around 1,000 in the near future.
- 2.5.5 There are a number of emerging leisure concepts which are also helping to anchor retail environments, including bowling alleys, trampolining and crazy golf. These concepts can assist centres in providing a point of difference with the competition, ensure that visitors’ dwell times are increased, and assist a town’s evening economy.

¹³ <https://www.pwc.co.uk/services/business-recovery/insights/restructuring-trends/restaurants-2017-food-for-thought.html>

¹⁴ Ibid

¹⁵ As reported in the article headlined ‘Why budget gyms could be set to take over the sector’, Sports Insight, 11 June 2016

2.6 The Hotel Sector

- 2.6.1 The expectation in recent years, since the 2008 crash, has been that the hotel market would continue to steadily grow. However, issues around Brexit, foreign exchange rates and the slowdown in economic recovery generally has raised a degree of uncertainty, particularly outside the London Market.
- 2.6.2 Hotel growth has continued in the last two years with high levels of openings in 2015 and 2016. PwC forecast continued growth in room supply in 2018 with a 4.6% increase in room numbers in London and a 2.4% increase in the regions¹⁶.
- 2.6.3 In continuing to look at growth, Budget Hotels in particular have continued to grow rapidly in recent years, with the sector contributing approximately half of all new rooms. Premier Inn in particular, opened more than 25 hotels in the UK in 2017 (bringing total number to over 760), in addition they have opened 3 new 'hub' branded hotels, in London (Westminster and Spitalfields) and Edinburgh. The location for these 2017 offerings has predominantly been in town or city centres but has also included peripheral but accessible urban locations. The next largest budget operator by hotel number is Travelodge who after opening 15 new hotels in 2017 and 19 in 2016, are keeping pace with Premier Inn in what is a highly competitive market in the UK.
- 2.6.4 Linked to budget hotels is the rise of 'superbudget' hotels, there has been a steady increase in these 'no-frills' establishments. With easyHotel leading the way and reporting the aspiration to open in excess of 4,500 rooms outside the capital through both owned and franchised properties.

2.7 Brexit

- 2.7.1 The referendum in June 2016 on the UK's membership of the European Union resulted in a majority vote to leave the EU. The terms of withdrawal are to be negotiated with the Commission within two years of formal notification by the Government. A number of commentators have forecast that uncertainty during this time will negatively impact upon consumer confidence and expenditure, and that investor decisions may be put on hold.
- 2.7.2 Whilst it would appear that the short term impact of 'Brexit' on the retail and leisure sector has perhaps been more modest than some analysts suggested, Verdict published an

¹⁶ PWC UK Hotels Forecast 2018 – 'As Good as it Gets'

Economic & Retail Update in September 2016¹⁷ in order to highlight potential future issues. Its Update provides the following forecasts.

- Retail growth across Britain in 2016 is expected to be flat and growth in the clothing and footwear sector as a whole is likely to be disappointing. However, the weaker pound means that international travellers may spend more, with international brands and premium goods being particularly attractive.
- A weaker pound will also lead to higher import and manufacturing costs, which retailers will pass onto consumers. Verdict anticipates that the food and clothing and footwear sectors will see the greatest inflationary rises.
- Brexit may have a negative impact on the housing market and a consequential adverse impact on those retailers who rely on householders investing in their property. Accordingly, there may be less spending on goods such as furniture, floor coverings, DIY and gardening goods and so on.
- In volume terms, Verdict expects little change to the food retail sector, but notes that inflationary pressures might mean that shoppers spend a greater proportion of their income on their groceries and therefore have a lesser proportion to spend on other goods.

2.7.3 It is therefore evident that Brexit has the potential to impact on future expenditure growth (and also on population growth). As such, there will be a need to monitor the impacts arising from the UK's exit from the EU and for any future update to this Study to take appropriate consideration of such changes.

2.8 Implications for Blackpool

2.8.1 Blackpool relies heavily on the inflow of expenditure from tourists, both domestic and overseas, but it is also important that the Borough provides for its residents in terms of both convenience and comparison floorspace provision, in accordance with national and local policy guidance. The principal centre for the Borough is Blackpool town centre, but as we will demonstrate later in the Study, Blackpool's district centres also fulfil an important retail and leisure role for residents.

2.8.2 The defined centres in the Borough face a number of challenges, particularly from increasing competition from the internet, multichannel retailing, polarisation of retailing, and out-of-

¹⁷ 'Economic & Retail Update: H2 2016', Verdict, September 2016

centre retail/leisure developments. It is important for defined centres in the Borough to be able to respond to continued changes in the retail and leisure sector and to provide (or continue to provide) an offer/destination which distinguishes them from competing centres and out-of-centre retail and leisure destinations.

- 2.8.3 Blackpool town centre has been subject to ongoing competition from out of centre floorspace (both convenience and comparison), which reflects the national trend for shoppers to choose to shop at accessible retail destinations by car in convenient locations.
- 2.8.4 Blackpool and the wider Fylde Coast, is unique in nature but also in terms of its location. Situated on the coast in the North West of England, the town centre is a key destination for residents and tourists alike. The closest sub-regional centre to Blackpool is Preston town centre, which is a 30-minute drive along the M55. The competition from other larger centres in relative proximity to Blackpool continues to pose an issue for Blackpool in terms of retaining expenditure due to the wider offer and attraction of these centres.
- 2.8.5 As a sub-regional centre and important leisure destination benefitting from substantial tourism, Blackpool would appear well positioned to withstand the polarisation of the retail market. However, Blackpool suffers from high levels deprivation and a legacy of social and economic issues stemming from its changing role as a seaside holiday destination over the last century, which in turn have led to negative perceptions of the centre, particularly amongst residents of its more affluent hinterland. As part of our health check assessment in Section 5.0 we identify that whilst Blackpool town centre has maintained representation of almost all of the top comparison retailers, the centre suffers from a high level of vacancy and an increasing prevalence of discount retailers. Blackpool's ability to better capitalise on its important tourism role and draw in spending from its affluent wider catchment will therefore be important for increasing Blackpool's resilience to wider structural changes in the retail market.
- 2.8.6 The retail strategy contained within the adopted Core Strategy, as we set out in more detail in Section 3 below, recognises the difficulties Blackpool faces in terms of the severe levels of highly concentrated deprivation and the importance of the town centre (and other retail and leisure facilities in the Borough) in retaining convenience and comparison expenditure within Blackpool to meet residents' needs. The strategy acknowledges that the town centre is underperforming as a sub-regional centre and failing to attract Fylde Coast residents who are otherwise drawn to competing centres and out-of-centre retail parks. As such, the importance of improving Blackpool as a place to shop to claw back expenditure is a key theme within the Core Strategy.

- 2.8.7 The uncertainties in respect of the impacts of Brexit will be an important factor in determining the future of Blackpool, not only in terms of its retail and leisure offer but also in terms of its tourist attraction and ability to continue to draw in visitors both from the UK but also overseas. Due to the substantial inflow of expenditure from tourists, retaining the spend will be key and therefore, enhancing not only the retail and leisure offer but also the tourism offer will be important to secure Blackpool's success.
- 2.8.8 The continued growth of new out-of-centre/retail park formats represents a threat to the future vitality and viability of the defined centres in the Borough. In order to protect the vitality and viability of centres it is important therefore that the Council is not just controlling the expansion/change of use of out-of-centre development but also plan positively for town centre/edge-of-centre development opportunities. Suitable and available alternatives for developers and operators must be readily available within, and on the edge of defined centres to encourage schemes to sites which will benefit defined centres through additional visitation and trade. Such available and suitable sites are also important in defending the sequential approach policy requirement, which has become less stringent in recent years and has significantly benefitted developers and land owners instead of local authorities in attempting to direct schemes to defined centres.
- 2.8.9 The scheme at Talbot Gateway along with wider town centre improvement works in Blackpool town centre have substantially enhanced the aesthetics and overall environment. The committed town centre redevelopment schemes (Winter Gardens, Talbot Gateway Phase 2 and the cinema proposal adjacent to the Houndshell Shopping Centre) will further enhance the centre as a destination for residents and tourists alike. It will be important to establish if these improvements have increased the proportion of shopping trips to Blackpool town centre and seek to 'claw-back' lost expenditure travelling to other destinations outside of the Borough and wider Fylde Coast region. However, the ongoing market pressures on key 'anchor' retailers, as seen with the closure or scaling back of operators such as BHS and Marks and Spencer, will be important to monitor in respect of centres such as Blackpool. Further closures could substantially impact on Blackpool town centre, particularly if any future closures relate to the larger 'anchor' units within the centre.
- 2.8.10 However, whilst the growth of online retailing is likely to have had a detrimental impact on the turnover of Blackpool's retail destinations, going forward there may be opportunities for the Borough's retail facilities to benefit from multi-channel retailing in order to help drive footfall and sustain retailer representation.

- 2.8.11 Such opportunities will likely be driven in the first instance by national multiple retailers – and are therefore of particular relevance to larger retail venues, such as Blackpool town centre – but there are also likely to be opportunities for smaller centres to provide click and collect facilities, which could help encourage residents to visit the centres and access other facilities whilst they do so. Both convenience and comparison operators provide in-house 'click and collect' facilities which enable shoppers to order online at home and visit the stores to pick up the products. This often then has knock-on benefits to retailers by encouraging additional sales. As consumers are increasing their digital options, physical stores are making their locations interactive and engaging in order to attract footfall and justify the costs of store operations. Many are using tablets and smartphones for taking payments, demonstrating products, offering information and encouraging social sharing. Pop-up and street trading opportunities have substantially increased thanks to mobile systems and Cloud applications, enabling a business to inexpensively open and compete on high streets. Opportunities in Blackpool for more temporary stores and food offers could be explored further, to encourage traders to open pop-up shops and seasonal offerings.
- 2.8.12 Convenience operators such as Tesco and Asda also provide 'click and collect' pods within car parks, providing opportunities for shoppers to order their groceries online, and drive up to the pods to collect their pre-packed goods. Therefore, schemes which promote such uses should be encouraged by local authorities.
- 2.8.13 Tourism makes an important contribution to Blackpool and surrounding centres in Fylde in particular including the hotel sector and the town needs to positively harness the economic benefits of this sector, ensuring the supply of hotel bed spaces supports the continued drive for growth and the vitality of designated centres. We note that the level of accredited hotel provision is likely to grow substantially over the short and medium term through existing permissions for 3*, 4* and 5* hotels within the town centre which is supported by the policy framework in the Core Strategy and accompanying SPD. This overall offer may be required to grow further should a significant leisure scheme be forthcoming in the Borough, particularly as part of the Council's ambitious plans for the allocated Leisure Quarter redevelopment site set out under Policy CS20 of the Core Strategy.



3.0 Planning Policy Context

3.1 Introduction

3.1.1 Given that this Study seeks to provide important evidence to assist in the production of future retail and town centre planning policy, it is appropriate to review existing national planning policy of relevance to town centre matters. We also review and summarise Blackpool's adopted planning policy, insofar as it is relevant to retail, leisure and other town centre matters, in order to consider the Council's existing strategy in respect of its defined retail centres and wider provision of leisure services and its future strategy in respect of hotel provision within the town centre and wider Borough.

3.2 National Planning Policy Framework

3.2.1 The National Planning Policy Framework ('NPPF') was published in March 2012. The NPPF replaced all former Planning Policy Statements, Planning Policy Guidance Notes and some Circulars in a single consolidated document.

3.2.2 The main theme of the NPPF is that there should be 'a presumption in favour of sustainable development'. In terms of plan-making, paragraph 14 of the NPPF states that local planning authorities should positively seek opportunities to meet the development needs of their area, with an emphasis on Local Plans having sufficient flexibility to adapt to rapid change.

3.2.3 Paragraph 17 sets out a series of core planning principles which should underpin both plan-making and decision-taking. In terms of economic development, planning should proactively drive and support economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs. Every effort should be made to objectively identify and then meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth.

3.2.4 The NPPF stresses the Government's commitment to securing economic growth and paragraph 19 indicates that the planning system should do everything it can to support sustainable economic growth.

3.2.5 Paragraph 20 indicates that, to help achieve economic growth, local planning authorities should plan proactively to meet the needs of business and support an economy fit for the 21st century.

3.2.6 Paragraph 23 indicates that planning policies should be positive and promote competitive town centre environments and set out policies for the management and growth of centres over the plan period. In drawing up Local Plans, local planning authorities 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 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 and 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 retail, leisure, commercial, office, tourism, cultural, community and residential development needed in town centre. It is important that needs for retail, leisure, office and other main town centre uses are met in full and are not compromised by limited site availability. Local planning authorities should therefore undertake an assessment of the need to expand town centres to ensure a sufficient supply of suitable sites;
- allocate appropriate edge of centre sites for main town centre uses that are well connected to the town centre where suitable and viable town centre sites are not available. If sufficient edge of centre sites cannot be identified, set policies for meeting the identified needs in other accessible locations that are well connected to the town centre;
- 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 set out policies to encourage residential development on appropriate sites; and
- where town centres are in decline, local planning authorities should plan positively for their future to encourage economic activity.

- 3.2.7 Paragraph 23 also indicates that needs for retail, leisure, office and other main town centre uses should be met in full and should not be compromised by limited site availability.
- 3.2.8 Paragraph 24 requires local planning authorities to adopt a sequential approach to the consideration of planning applications for main town centre uses that are not in an existing centre or in accordance with an up-to-date Local Plan. The following paragraph 25 indicates that that the sequential approach should not apply to applications for small scale rural offices or other small-scale development.
- 3.2.9 Paragraph 26 indicates that local planning authorities should require an impact assessment for retail, leisure and office development outside of town centres which are not in accordance with an up-to-date Local Plan and if the development is over a proportionate, locally set threshold. Where there is no locally defined threshold, the default threshold will be 2,500 sq.m.
- 3.2.10 Paragraph 27 indicates that where an application fails to satisfy the sequential test or is likely to have a significant adverse impact on the vitality and viability of a town centre or on existing, planned, committed investment in a centre it should be refused.

3.3 Ensuring the Vitality of Town Centres Planning Practice Guidance

- 3.3.1 The 'Ensuring the Vitality of Town Centres' National Planning Practice Guidance was published in March 2014. It provides a concise summation of how retail and main town centre planning policy is to be applied in practice. The objectives of the Practice Guidance remain comparable with those of its predecessor, with there being a stated requirement for local planning authorities to plan positively and support town centres in order to generate local employment, promote competition within and between town centres, and create attractive and diverse places for users.
- 3.3.2 The Practice Guidance requires local planning authorities to fully assess and plan to meet needs for main town centre uses through the adoption of a 'town centre first' approach. Paragraphs 002 and 003 confirm that this should be delivered through a positive vision or strategy which is communicated through the development plan. The strategy should be facilitated through active engagement with the private sector and other interested organisations (including Portas Pilot organisations, Town Teams and so on). Any strategy should be based on evidence which clarifies the current state of town centres and opportunities to meet development needs and support centres' vitality and viability.

- 3.3.3 Paragraph 003 of the Ensuring the Vitality of Town Centres Planning Practice Guidance indicates that such strategies should seek to address the following matters:
- the appropriate and realistic role, function and hierarchy of town centres in the area over the plan period, including an audit of the vitality and viability of existing town centres and their ability to accommodate new development;
 - consideration of the vision for the future of each town centre and the most appropriate mix of uses;
 - the assessment of the scale of development that a town centre can accommodate;
 - the timeframe for new retail floorspace to be delivered;
 - what other complementary strategies are necessary or appropriate to enhance the town centre to deliver the vision in the future; and
 - the consideration of the enhancement of car parking provision including charging and enforcement mechanisms.
- 3.3.4 Paragraph 005 of the Practice Guidance identifies a series of key indicators which are of relevance in assessing the health of a centre over time. Paragraph 005 goes on to state that not all successful town centre regeneration initiatives have been retail-led or focused on substantial new development, but have instead involved improvements such as renewed public realm, parking, and accessibility and other partnership mechanisms.
- 3.3.5 Paragraph 009 reaffirms the town centre first policy in the form of the sequential test, which requires local planning authorities to undertake an assessment of candidate sites' availability, suitability and viability when preparing their local plan. Such an assessment should also consider the scale of future needs and the type of land required to accommodate main town centre uses.

3.4 Relaxation of Permitted Development Rights

- 3.4.1 At a national level, recent changes to the Town and Country Planning (General Permitted Development) Order 1995 have sought to support the diversification and vitality of town centres. The changes follow the Portas Report's recommendation to make it easier to change surplus space in order to provide for the effective re-use of buildings.
- 3.4.2 The Town and Country Planning (General Permitted Development) (England) Order 2015 came into force on 15 April 2015. The Order acts, *inter alia*, to consolidate and replace the Town and Country Planning (General Permitted Development Order 1995) and to provide

additional permitted development rights. It should be noted that conditions and restrictions apply, and that prior approval is generally required in order to implement development. The new rights include:

- a permitted change of use from retail/financial services (Class A1/A2), betting offices and pay day loans shops to residential (Class C3);
- a permitted change of use from amusement arcade/casino (sui generis use) to residential use (Class C3);
- a permitted change from retail (Class A1) to financial services (Class A2);
- a permitted change from retail/financial services (Class A1/A2) to food and drink (Class A3);
- a permitted change from retail/financial services (Class A1/A2), betting offices, pay day loan shops and casinos to assembly and leisure uses (Class D2);
- an extension of the temporary permitted development rights introduced in May 2013 for extensions to shops, offices, industrial and warehouse buildings to support business expansion and the economy so they apply permanently;
- the erection of click and collect facilities within the curtilage of a retail shop; and
- modifications to the size of an existing retail shop loading bay.

3.4.3 The Town and Country Planning (General Permitted Development) (England) (Amendment) Order 2016 subsequently came into force on 6 April 2016. The Amendment provides for the change of use of launderettes to residential uses as permitted development, and acts to make permanent previous temporary provisions which permit the change of use from office to residential use. A condition allowing the local planning authority to consider noise impacts on the intended occupants of the development from premises in commercial use is included in the extended right.

3.4.4 The intended consequence of the above measures is to secure the redevelopment and reuse of premises. It is considered that the relaxation in respect of changes of use to residential are more likely to encourage re-use of offices in larger metropolitan areas which may benefit from a greater supply of office buildings. However, Blackpool has seen an increase in the change of use under permitted development rights, from commercial premises to residential uses, resulting in a number of poor-quality and sub-standard residential units in peripheral town centre locations.

3.4.5 Previously, planning permission was not required for a change of use from class A4 (pub) to certain other uses, including Class A1, provided that the pub was not listed as an Asset of Community Value ('ACV'). The Neighbourhood Planning Act 2017 was given Royal Assent on 27 April 2017 and, amongst other things, legislated for changes to permitted development rights ('PDR') for pubs. The relevant provisions of the Neighbourhood Planning Act 2017 led to the amendment of PDR's as follows:

- Removing the right to demolish buildings in use (or last used) for a purpose within Class A4 (drinking establishments) including drinking establishments with expanded food provision.
- Removing drinking establishments from PDR's under Schedule 2 Part 3 Class A of the Order which previously allowed the change of use of drinking establishments to Class A1 (shops) or Class A2 (financial and professional services) subject to certain limitations, conditions and restrictions.
- Establishing a new PDR under Schedule 2 Part 3 Class AA for the change of use of a building and land within its curtilage as follows:
 - From Class A4 (drinking establishments) to a use as a drinking establishment with expanded food provision - a new Use Class AA (within use Class A4 and Class A3 (restaurants and cafes); and
 - From a use as a drinking establishment with expanded food provision back to a use solely under Class A4.
- Removing drinking establishments from PDR under Schedule 2 Part 3 Class B which previously allowed the change of use of drinking establishments to a use under Class A3 (restaurants and cafes).
- Amending the PDR's for a change of use to a state-funded school for two academic years within Schedule 2 Part 4 Class C of the Order so that this no longer applies to buildings within Class A4 (drinking establishments) or drinking establishments with expanded food provision.
- Revising the PDR's for a change of use to a temporary flexible use within Classes A1, A3 and B1 under Schedule 2 Part 4 Class D of the Order so that this no longer applies to buildings within Class A4 (drinking establishments) or drinking establishments with expanded food provision.



3.5 Blackpool Council Development Plan Policy

- 3.5.1 The Blackpool Local Plan Part 1: Core Strategy 2012-2027 (Core Strategy) was adopted in January 2016 and forms the main part of the development plan for the Borough. The Council will also continue to have regard to the remaining 'saved' policies from the Blackpool Local Plan 2001-2016 (Local Plan), which was adopted in June 2006. There are a number of saved policies from the previous Local Plan that remain relevant in the context of this study.
- 3.5.2 Work has now commenced on the Blackpool Local Plan Part 2: Site Allocations and Development Management Policies Document (SADMPD) and the Council consulted on the Regulation 18 Scoping Document in June/July 2017. This document set out the topics in which it is intended to develop policies on within the document. Once adopted, SADMPD will replace the remaining saved policies from the Local Plan.
- 3.5.3 We summarise the Core Strategy and relevant Saved Local Plan policies below.

Blackpool Local Plan Part 1: Core Strategy

- 3.5.4 Policy CS1 (Strategic Location of Development) of the Core Strategy sets out the overarching spatial focus for Blackpool as regeneration and supporting growth. It identifies three locations within the inner area of Blackpool as the focus for growth, development and investment, namely Blackpool town centre, the resort core and neighbourhoods within the inner areas. The three strategic sites within the town centre of Central Business District, Winter Gardens and Leisure Quarter are specifically identified. The policy further supports growth in South Blackpool.
- 3.5.5 Policy CS4 (Retail and Other Town Centre Uses) of the Core Strategy sets out the Council's retail strategy. The policy states:

In order to strengthen Blackpool Town Centre's role as the sub-regional centre for retail on the Fylde Coast, its vitality and viability will be safeguarded and improved by:

- a. Focusing new major retail development in the town centre to strengthen the offer and improve the quality of the shopping experience; and**
- b. The preparation and implementation of a Town Centre Strategy and Action Plan, working with stakeholders to arrest decline and restore confidence in the town centre.**

For Town, District and Local Centres within the Borough, retail and other town centre uses will be supported where they are appropriate to the scale, role and function of the centre.

In edge of centre and out of centre locations, proposals for new retail development and other town centre uses will only be permitted where it can be demonstrated that:

- a. It is a tourism attraction located in the Resort Core in accordance with policy CS21; or**
- b. There are no more centrally located/sequentially preferable, appropriate sites available for the development; and**
- c. The proposal would not cause significant adverse impact on existing centres; and**
- d. The proposal would not undermine the Council's strategies and proposals for regenerating its centres; and**
- e. The proposal will be readily accessible by public transport and other sustainable transport modes.**

The Council, through the Site Allocations and Development Management DPD, will identify a range of sites for new retail development in Blackpool Town Centre to allow for new comparison goods floorspace over the plan period.

3.5.6 The supporting text to Policy CS4 refers to the previous 2011 Fylde Coast Retail Study and the identified capacity at that time. Paragraph 5.55 states that major new development will be focused in the town centre and that the Houndshill Phase II extension, and any retail components of the Leisure Quarter development and the Winter Gardens refurbishment provide the best opportunities for the enhancement of the comparison goods offer in Blackpool town centre, which will complement the improvement in quality to the existing retail stock. The Site Allocations and Development Management DPD will identify the proposed sites for new retail development. Paragraph 5.56 then states that there is no overall quantitative or qualitative need for additional convenience goods provision in Blackpool in the short or medium term, and limited capacity to 2026.

3.5.7 Whilst Policy CS4 sets out the general retail strategy for the Borough, Chapter 7 of the Core Strategy is dedicated to achieving the regeneration of Blackpool town centre and the Resort Core, setting out seven policies which outline the strategy for achieving this:

- Policy CS17: Blackpool Town Centre;
- Policy CS18: Winter Gardens;

- Policy CS19: Central Business District (Talbot Gateway);
- Policy CS20: Leisure Quarter (Former Central Station Site);
- Policy CS21: Leisure and Business Tourism;
- Policy CS22: Key Resort Gateways; and
- Policy CS23: Managing Holiday Bed Spaces.

3.5.8 Policy CS17 establishes Blackpool town centre as the main retail and service centre in the Fylde Coast sub-region, identifying it as a key location for economic growth, development and investment. The policy states:

To re-establish the town centre as the first choice shopping destination for Fylde Coast residents and to strengthen it as a cultural, leisure and business destination for residents and visitors, new development, investment and enhancement will be supported which helps to re-brand the town centre by:

- a. Strengthening the retail offer with new retail development, with the principal retail core being the main focus for major retail development;**
- b. Introducing quality cafes and restaurants to develop a café culture;**
- c. Conserving and enhancing key heritage and entertainment assets within the town centre and complementing these with new innovative development;**
- d. Growing an office sector to create an attractive centre to do business;**
- e. Enhancing the quality of buildings, streets and spaces and connecting the different areas of the town centre, including the seafront, to improve pedestrian movement and improve connections with adjoining resort and residential areas;**
- f. Improving access to the town centre with vibrant and welcoming multi-modal transport gateways; and**
- g. Introducing a high quality residential offer in the longer term.**

Assistance will be provided to assemble sites and properties where required to facilitate major redevelopment.

3.5.9 Policy CS17 is accompanied by supporting text at paragraphs 7.4 to 7.11. This text elaborates further on how the policy will be realised and places importance on the exploitation of key assets, focussing retail development into the principal retail core and improving connectivity between the principal retail core and other parts of the town centre. The principal retail core comprises the main pedestrianised areas of Church Street, Victoria

Street, Bank Hey Street and the Houndshell Shopping Centre and is defined by Saved Policy SR5 of the Local Plan. Leisure uses are largely accommodated along the promenade frontage between Springfield Road and New Bonny Street and this is defined by Saved Policy SR8 – Leisure Zone.

3.5.10 The Council has identified three strategic opportunity sites within the town centre and as such, the previously adopted town centre boundary was extended to accommodate these locations with the adoption of the Core Strategy. The various strategies for each of the three sites are set out in Policies CS18, CS19 and CS20.

3.5.11 Policy CS18 relates to the Winter Gardens, a major Victorian entertainment complex which suffered from a lack of investment until the Council purchased it in 2010. The policy seeks to promote major refurbishment of the premises and states that:

Major refurbishment will be promoted and encouraged to enhance the appeal and status of the Winter Gardens as a year round entertainment, leisure and conference venue.

Proposals must be presented in the context of a comprehensive approach, sustain and enhance the significance of the Grade 2* Listed Building and conform to the Winter Gardens Conservation Management Plan.

The following will be supported:

- a. Improved theatre, conference and exhibition facilities including maintenance of existing venues**
- b. Leisure and entertainment uses which could include cinema, casino, museum, restaurants and cafes**
- c. Limited retail uses that complement the role of the Winter Gardens and functionally integrate with the adjacent town centre retail core**
- d. Hotel/ Serviced Apartments**
- e. Improved car and cycle parking**

3.5.12 Substantial investment has taken place since 2010 to the Winter Gardens. Following the acquisition, the Winter Gardens is undergoing a major programme of refurbishment projects that has already seen extensive work to the entrances, Dome and Floral Hall, and the opening of 2 new dining options: The Empress Grill Room and Mazzei Cafe. Early 2015 saw the re-opening of the Opera House Foyer Bar and The Theatre Bar on Church Street. Ground works are now also underway for the new conference and exhibition centre, which is an extension to the Winter Gardens and will incorporate a new state-of-the-art conference

space to host an additional 2,000 people over two floors. The conference centre could also be used in conjunction with the other Winter Gardens venues to achieve a total capacity of 7,000 for larger scale events. The conference and exhibition centre is due to be operational in Spring 2019 with the first major conference announced to take place in 2020.

3.5.13 Policy CS19 regards the Central Business District (CBD), a development site in the north-east of the town centre which is considered to be a key gateway into the town centre. Muse developments have already delivered the first phase of the scheme called Talbot Gateway which was completed in 2014 and included a new Council Office building (incorporating ground floor retail units), a Sainsbury's Supermarket and a multi-storey car park. The second phase of the development, which will comprise the redevelopment of the existing Wilkinson's site for a 142-bedroom hotel was granted planning permission in July 2017 (application reference 17/0276). The Council's committed extension to the tramway to link North Pier to Blackpool North Railway Station will provide direct serviced through this part of the town. The proposed tramway terminus is planned to form part of the redevelopment of the current Wilko store site with the terminus to be located in the centre of the development, close to and at the same level as the existing underpass to Blackpool North Station.

3.5.14 Policy CS19 sets out the uses that will be supported within the CBD and states that:

Comprehensive redevelopment of the Central Business District will be promoted and encouraged for mixed-use development which will become an important anchor for the north of the town centre; providing a welcoming arrival experience, connecting with the wider town centre and complementing its retail offer.

The following uses will be supported:

- a. A public transport interchange around a re-modelled railway station and enhanced pedestrian environment**
- b. Retail development that supports the existing major foodstore, including cafes and restaurants**
- c. Offices**
- d. Police Headquarters**
- e. Law Courts**
- f. Improved public car park provision for the wider town centre**
- g. Hotels**
- h. Residential**

In addition to new development, proposals to improve the appearance of existing buildings will be supported.

3.5.15 To date, the site is being brought forward in accordance with Policy CS19 and the adopted 'Talbot Gateway Planning Brief' (2006), with the exception of the new Police Head Quarters which is currently under construction in the south of the borough on Clifton Road.

3.5.16 Policy CS20 relates to the Leisure Quarter (LQ), an area which is considered to deliver an iconic leisure-based attraction to sit alongside the Blackpool Tower and Winter Gardens. The broad site is the focus of further developing Blackpool as a tourist destination and the Policy states:

Comprehensive redevelopment of the entire site will be promoted and encouraged for major leisure development of national significance; where the cumulative impact of a single or group of leisure uses will provide a compelling new reason to visit Blackpool.

The development must:

- a. **Demonstrate the highest design quality, through creative architecture, urban design and public realm that creates a landmark attraction which responds to Blackpool's historic townscape and character**
- b. **Integrate with and support, whilst not undermining existing resort core uses and attractions**
- c. **Provide ease of access, good vehicular and public transport connections, quality arrival points and adequate parking facilities (to serve the development and town centre)**
- d. **Improve pedestrian permeability by creating strong active connections through the site, and between the site and the town centre, seafront, central corridor and surrounding resort neighbourhoods**
- e. **Promote sustainable development through design, access, energy conservation and operational management.**

Complementary leisure uses, hotel development, ancillary retail, parking and servicing that would add value and support the major leisure development will be permitted.

Development proposals may be phased but must not be piecemeal in approach. If all reasonable measures have been taken to redevelop the entire site, and this is not possible, the retention and improvement of existing buildings will be allowed

provided the scheme meets the development objectives set out in the supporting Development Brief.

3.5.17 In 2011 the Council also adopted the 'Leisure Quarter Development Brief SPD' which supports Policy CS20 to ensure proposals for the site deliver a high-quality landmark attraction.

3.5.18 Policy CS21 turns the focus to leisure and business tourism and sets out the strategy for Blackpool to 'build on its status as Britain's favourite seaside resort'. The policy states:

In order to physically and economically regenerate Blackpool's resort core and town centre, the focus will be on strengthening the resort's appeal to attract new audiences year-round. This will be achieved by supporting:

- a. Proposals for new high quality tourism attractions focused on the town centre and resort core, including major development opportunities which have the potential to become wider catalysts for regeneration to improve the visitor experience**
- b. Proposals for new visitor accommodation focused on the town centre, resort core and defined holiday accommodation areas, unless exceptional circumstances justify a peripheral location outside these areas**
- c. The improvement and enhancement of important existing tourist attractions**
- d. The improvement of existing holiday accommodation and giving marginal, lower quality guesthouses the opportunity to convert to high quality residential accommodation outside the defined holiday accommodation areas.**
- e. New development along the promenade's built frontage which complements the high quality public realm investment along the promenade to enhance the appearance of Blackpool's seafront**
- f. The enhancement of existing and promotion of new venues and events spaces which can accommodate a year-round programme of events, festivals and conferences.**

Elsewhere, outside the resort core and town centre, the Council will support new tourism investment that is predominantly focused on existing outdoor leisure and recreation facilities which strengthens the wider resort offer and does not undermine resort regeneration.

3.5.19 The supporting text of the policy acknowledges that there is a need to raise quality in all aspects of the visitor experience in Blackpool, focusing investment and development within the established resort core and town centre.

3.5.20 Policy CS22 relates to Blackpool's 'Key Resort Gateways' and seeks to enhance areas which present visitors with their first impression of the resort on arrival. The policy states:

Proposals will be promoted and pursued for further improvement, remodelling and environmental enhancement of Central Corridor as a key strategic gateway to Blackpool and attractive point of arrival, including:

- a. Redevelopment of land within and adjoining the Corridor which creates attractive development frontages viewed from the Corridor;**
- b. Improved vehicular, pedestrian and cycling linkages through the Corridor and extending the network of green infrastructure;**
- c. Improved parking and reception facilities;**
- d. Enhanced landscaping, signage, lighting and security.**

Proposals for improvement and development will be supported to regenerate Central Drive, Lytham Road, Dickson Road and Talbot Road as prominent and attractive gateways to the resort and town centre, including:

- a. Replacing existing poor quality, seasonal and transient uses with more viable uses, including quality residential uses on those frontages outside a defined retail centre;**
- b. Improvements to buildings and shop frontages;**
- c. High quality public realm, landscaping, signage, lighting and security;**
- d. Traffic calming and improved public transport, pedestrian and cycling provision.**

To facilitate major redevelopment schemes assistance will be provided to assemble sites and properties where appropriate.

Any change in parking provision as a result of major redevelopment must not undermine the resort's ability to accommodate visitor trips.

3.5.21 Policy CS23 seeks to manage holiday bed spaces and ensure that an economically viable level of quality holiday accommodation is achieved in Blackpool, whilst reducing the identified oversupply of poor quality holiday bed spaces. The policy states:

To achieve an economically viable level of quality holiday accommodation, the following approach will be adopted to manage a reduction in the oversupply of poor quality holiday bed-spaces:

- 1. Within the main holiday accommodation areas defined in the SPD:**
 - a. Existing holiday accommodation use will be safeguarded and new or refurbished holiday accommodation will be supported**
 - b. Change of use from holiday accommodation, or the loss of sites used, or last used, as holiday accommodation, will be resisted unless:**
 - i. Exceptional circumstances are demonstrated in accordance with the SPD, or**
 - ii. In relation to a promenade frontage, the proposal would provide high quality holiday accommodation alongside a supporting new residential offer. Such proposals would need to comply with the requirements of the SPD.**
- 2. Outside the main holiday accommodation areas:**
 - a. Where existing holiday accommodation is viable its retention will be supported, including measures to improve the quality of accommodation**
 - b. Change of use from holiday accommodation to permanent residential use will be permitted where proposals provide high quality homes which comply with the Council's standards for conversions or new build, and relate well in use, scale and appearance to neighbouring properties.**
- 3. Within the key promenade hotel frontages defined in the SPD, holiday accommodation use will be safeguarded and appropriate measures to enhance the character and appearance of existing hotel buildings and frontages will be supported, to help sustain the long-term future of the resort.**

3.5.22 This policy is further supported by the Holiday Accommodation SPD which was adopted in 2011 and updated in 2017.

Blackpool Local Plan (2001-2016) Saved Policies

3.5.23 The following saved policies from the Local Plan remain relevant to this study:

Reshaping the Resort

- RR1 – Visitor Attractions
- RR4 – Amusement Arcades and Funfairs

- RR11 – Central Promenade and Seafront
- RR12 – Other Promenade Areas

Establishing a Thriving Sub-Regional Centre

- SR1 – Hounds Hill
- SR5 – Principal Retail Core
- SR6 – Retail/Café Zone
- SR7 – Mixed Use Zone
- SR8 – Leisure Zones
- SR9 – Use of Upper Floors

Balanced and Healthy Communities

- BH13 – District Centres
- BH14 – Local Centres
- BH15 – Change of Use of Premise Outside the Defined Centres
- BH16 – Shopping Development Outside Existing Frontages
- BH17 – Restaurants, Cafes, Public Houses, Hot Food Take-Aways
- BH18 – Amusement Centres

3.5.24 The saved policies are being reviewed and will ultimately be superseded by the SADMPD. Excluding the town centre boundary and strategic site allocations within it, all of the retail designations for Blackpool borough are currently designated by Saved Policies of the Local Plan.

Blackpool Town Centre Strategy

3.5.25 The Blackpool Town Centre Strategy was published in March 2013 and outlines a long-term vision for Blackpool town centre over the next 15-year period. The document establishes the town centre's strengths and weaknesses and identifies opportunities for change, priorities for improvement, as well as setting out a five-year action plan with delivery mechanisms.

3.5.26 The strategy aims to improve business confidence and encourage quality investment from both the private and public sectors, inform future decision making and co-ordinate town

centre initiatives to achieve complementary improvements and assist with town centre promotion and marketing.

3.5.27 The strategy is supported by six key objectives which are set out as follows:

- Objective 1: Re-establish the town centre as the first-choice shopping destination for Fylde Coast residents.
- Objective 2: Strengthen the town centre as a vibrant leisure, entertainment, cultural and business tourism destination for residents and visitors.
- Objective 3: Grow the town centre as a place to do business by creating a Central Business District and creative industries hub.
- Objective 4: Create a choice of high quality homes within and around the town centre.
- Objective 5: Improve the quality of buildings, streets and spaces and their maintenance and management.
- Objective 6: Provide convenient access to the town centre by all modes of travel and enable easier pedestrian movement.

3.5.28 The strategy is a non-statutory document and does not directly form part of the Council's Planning Policy Framework. Nevertheless, it is consistent with the relevant policies from the Core Strategy relating to Blackpool town centre and is an important consideration in undertaking this current Study. We comment in more detail on the 2013 Strategy at Section 10 under the recommendations section.

4.0 Original Market Research

4.1 Introduction

- 4.1.1 A key requirement of this Study is the detailed understanding of shopping behaviour in respect of both convenience and comparison goods. To this end, WYG commissioned specialist market researchers NEMS to undertake a telephone survey of households to identify consumers' habits and preferences in the Study Area. The household survey enables us to identify the market share claimed by specific retail destinations (that is, the number of trips to, or expenditure at, a particular destination as a proportion of the total number of trips, or total expenditure), the frequency of visits to purchase various types of goods, the incidence of linked trips, the most popular means of accessing town centre facilities, the use of other town centre facilities, and so on.
- 4.1.2 In street surveys were also undertaken by NEMS Market Research in Blackpool town centre. The purpose of the surveys is to provide an insight into the views and behaviours of customers, residents and visitors in relation to their visits to Blackpool town centre.
- 4.1.3 The undertaking of original market research enables an in-depth analysis of shopping behaviour at a local level, and allows the evaluation of the retail turnover and trade draw of particular centres. The use of specifically commissioned and tailored survey research is fundamental to identifying the likely capacity for future retail floorspace across the Study Area. Notwithstanding this, WYG acknowledges that there can be limitations to survey research, particularly with regard to the sample size which can be achieved, and the results should therefore be taken to be a broad indication of consumer preferences.
- 4.1.4 We set out the general methodological approach to the household and in street surveys along with the key results below.

4.2 Household Survey

- 4.2.1 A survey of 1,150 households was undertaken in October 2017, which asked respondents 55 questions relating to their retail and leisure habits. The household survey questions and full tabulation of the results from the household survey are provided at Appendix 2.

- 4.2.2 For convenience goods, respondents were questioned in respect of where they last visited and where they visited 'the time before last' to undertake 'main' food shopping¹⁸ and 'top up' food shopping¹⁹. For comparison goods, respondents were questioned in respect of where they last visited to purchase eight separate categories of comparison goods ('clothing and footwear'; 'CDs, DVDs and books'; 'small household goods'; 'toys and recreational goods'; 'chemist goods'; 'electrical goods'; 'DIY and gardening goods' and 'furniture'.

4.3 Study Area

- 4.3.1 A plan of the Study Area for the household survey is provided at Appendix 1, which is reproduced in Figure 4.1 below.
- 4.3.2 The Study Area encompasses the administrative area of Blackpool Borough along with surrounding areas to the north, east and south of the borough that form part of Blackpool's catchment (broadly the Fylde administrative area and the western half of the Wyre administrative area).
- 4.3.3 The Study Area comprises ten zones based on those adopted in the 2011 Fylde Coast Retail Study. The use of the same zone boundaries allows the comparison of shopping patterns over time, which is helpful in considering whether the role and function of particular centres is changing. Zones 1 to 6 replicate those used in the 2011 Fylde Coast Retail Study. Zones 7, 8 and 9 from the 2011 Study have been amalgamated to form Zone 7 and Zones 12 and 13 have been amalgamated to form Zone 9. Zone 8 corresponds to the former Zone 10 from the 2011 Study and Zone 10 corresponds to the former Zone 14 from the 2011 Study.
- 4.3.4 The Study Area and zones are based on postcode sector boundaries. Table 4.1 below sets out the postcode sectors which comprise each of the ten zones within the Study Area. Zones 1 to 6 broadly cover the Blackpool administrative area and represent Blackpool's primary catchment area, with Zones 7 to 10 forming Blackpool's secondary catchment area.

¹⁸ Which often takes the form of a 'trolley shop' and might be undertaken on a weekly basis

¹⁹ Which often takes the form of a 'basket shop' involving the purchase of grocery staples, such as milk and bread, and is generally undertaken on a more frequent basis

Figure 4.1: Blackpool Study Area

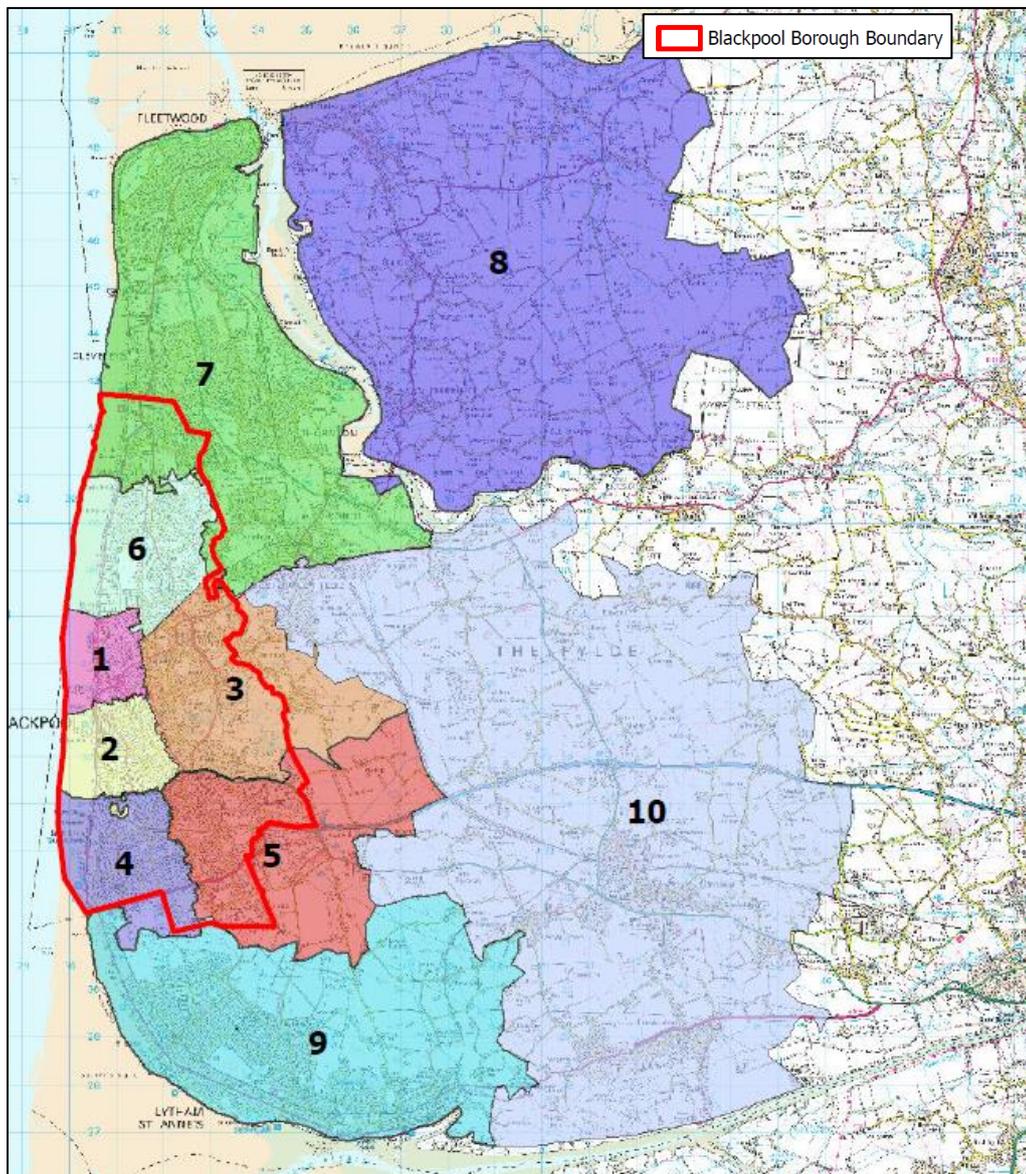


Table 4.1: Postcodes by Survey Zone

Survey Zone	Postcode Sectors
1	FY1 1, FY1 2, FY1 3
2	FY1 4, FY1 5, FY1 6
3	FY3 0, FY3 7, FY3 8, FY3 9
4	FY4 1, FY4 2, FY4 3
5	FY4 4, FY4 5
6	FY2 0, FY2 9
7	FY5 1, FY5 2, FY5 3, FY5 4, FY5 5, FY6 7, FY7 6, FY7 7, FY7 8
8	FY6 0, FY6 9, PR3 6
9	FY8 1, FY8 2, FY8 3, FY8 4, FY8 5
10	FY6 8, PR4 1, PR4 2, PR4 3

4.4 Assessment of Retail Shopping Patterns

4.4.1 The household telephone survey allows the assessment of the convenience and comparison goods shopping of residents across the Study Area. The household survey enables us to identify the market share of trips claimed by specific retail destinations, which we can then apply to the total convenience and comparison expenditure of residents to provide an assessment of the current pattern of retail expenditure.

4.4.2 The assessment of the current pattern of retail expenditure is provided in Tables 1a to 5 at Appendix 6 for convenience goods and Tables 9 to 28 for comparison goods. An associated step-by-step explanation is provided below and further details are also provided in Section 6 and in the notes accompanying the tables at Appendix 6.

Population

4.4.3 The population within each study area zone at the base year of 2017 as set out in Tables 1a and 9 at Appendix 6 was sourced from Experian Micromarketer G3 data (which was issued in December 2017).

Expenditure

4.4.4 Per capita expenditure on convenience and comparison goods for each of the Study Area zones at 2016 (the most recent estimates available) was also sourced from Experian Micromarketer G3 data as set out in Table 1b and Table 9b at Appendix 6. We made a deduction from the expenditure per capita on convenience and comparison goods to take account of the proportion of expenditure spent through special forms of trading (i.e. expenditure that does not take place in shops, namely internet, catalogue or mail order shopping). The deduction for special forms of trading is based on the estimates for non-store retail sales (adjusted for sales from stores) provided by Experian in its Retail Planner Briefing Note 15 (December 2017), of 2.9% for convenience retail sales and 13.5% for comparison retail sales.

4.4.5 The 2016 per capita expenditure data (excluding spending on special forms of trading) was then rolled forward to the 2017 base year using the retail expenditure growth forecasts (excluding special forms of trading adjusted for sales via stores) provided by Experian in Retail Planner Briefing Note 15.

4.4.6 The total expenditure pot within each zone at 2017 is derived from the product of the population of each zone (as set out in Table 1a at Appendix 6 for convenience goods and Table 9a at Appendix 6 for comparison goods) and the per capita expenditure on

convenience goods and each of the eight categories of comparison goods at 2017 (as set out in Table 1a at Appendix 6 for convenience goods and Table 9b at Appendix 6 for comparison goods).

4.4.7 The total convenience goods expenditure by the residents of each zone is set out in Table 2a at Appendix 6. The total convenience goods expenditure at 2017 by the residents of each zone is then split between main and top-up food shopping in Table 2b at Appendix 6 based on residents' typical weekly spend on main and top-up food shopping as determined from the household survey. The Study Area residents' convenience goods expenditure in the 2017 base year amounts to a total of £656.8m, of which £517.9m (78.9%) of the total convenience goods expenditure is spent on main-food shopping and £138.9m (21.1%) is spent on top-up food shopping.

4.4.8 The total comparison goods expenditure by the residents of each zone along with the total spending in each of the eight categories of comparison goods is set out in Table 10 at Appendix 6. In total, approximately £884.3m of comparison goods expenditure is available to residents of the study area in the 2017 base year of which:

- £260.6m is spent on clothing and footwear;
- £42.4m is spent on CDs, DVDs and books;
- £92.4m is spent on small household goods;
- £121.9m is spent on toys and recreation goods;
- £129.3m is spent on chemist goods;
- £112.5m is spent on electrical goods;
- £49.6m is spent on DIY & Gardening goods; and
- £75.6m is spent on furniture.

Pattern of Retail Expenditure

4.4.9 For convenience goods, the total main and top-up expenditure by the residents of each zone (Table 2b) is then applied to the percentage shopping patterns identified from the household survey (Table 3) to estimate the pattern of main and top-up convenience goods spending by the Study Area residents (Table 4). Table 5 sums the spending on main and top-up shopping to provide an overall pattern the convenience goods spending in monetary terms and in percentage terms.

- 4.4.10 For comparison goods, the total expenditure by the residents of each zone on each of the eight categories of comparison goods (Table 10) is then applied to the percentage shopping patterns identified for the associated category of comparison goods from the household survey (Tables 11, 13, 15, 17, 19, 21, 23, 25) to estimate the pattern of spending by the Study Area residents for each category of comparison goods (Tables 12, 14, 16, 18, 20, 22, 24, 26). Table 27 sums the spending across the eight categories of comparison goods shopping to provide an overall pattern the convenience goods spending in monetary terms, as well as in percentage terms (Table 28).
- 4.4.11 It is emphasised that our assessment of current shopping patterns relates to the Study Area residents and commentary relates to tangible retail destinations only (in other words, expenditure which is committed through the internet and other special forms of trading does not form part of the market share element of the commentary that follows). Furthermore, the analysis that follows relates to the market share of Study Area residents' expenditure only, and does not take account of inflow of expenditure from outside of the Study Area. The total spend at particular destinations is not therefore necessarily equal to the total turnover secured by those destinations, which may include inflow. Indeed, in Section 6.6, we estimate that inflow of expenditure from tourist spending on convenience goods provides an additional £55.2m of convenience goods expenditure at 2017 at destinations within Blackpool Borough.

4.5 Convenience Goods Shopping Patterns

Main Destinations for Convenience Goods Expenditure Inside Blackpool Borough

- 4.5.1 Table 4.2 below summarises the estimated convenience goods turnover of the main destinations for convenience goods shopping for the Study Area residents within Blackpool town centre and the five district centres in the borough, along with the main out-of-centre convenience goods shopping destinations within the borough.
- 4.5.2 Table 4.2 shows that the most popular individual convenience goods destinations within the Blackpool Zones for the Study area residents are:
- The out-of-centre Tesco Extra at Clifton Retail Park, which has a convenience goods turnover of £59.8m and a market share of 9.1%;
 - The out-of-centre Asda at Cherry Tree Road, which has a convenience goods turnover of £42.3m and a market share of 6.4%;
 - Sainsbury's at Red Bank Road in Red Bank Road/Bispham District Centre, which has a

convenience goods turnover of £24.0m and a market share of 3.7%; and

- Sainsbury's at Talbot Road in Blackpool town centre, which has a convenience goods turnover of £21.3m and a market share of 3.2%.

- 4.5.3 The next most popular individual destinations for convenience shopping in Blackpool are the Aldi stores at Park Road, Waterloo Road and Blackpool Retail Park, which each achieve a convenience goods turnover in excess of £12m, the Lidl stores at Anchorsholme Lane West, Devonshire Road and Bloomfield Road, which each achieve a turnover of over £6m.
- 4.5.4 The Sainsbury's at Talbot Road, the only main foodstore in Blackpool town centre, together with other stores in Blackpool town centre collectively achieve a convenience retail turnover of £37.2m and a market share of 5.7%; taken as a whole, Blackpool town centre is only the fourth most popular destination within Blackpool Borough for spending on convenience goods.
- 4.5.5 The dominance of out-of-centre foodstores in Blackpool is evident. The two most popular foodstores in the borough, Tesco Extra at Clifton Retail Park and Asda at Cherry Tree Road, along with the Aldi stores at Waterloo Road and Blackpool Retail Park, and Lidl at Devonshire Road are all out-of-centre. Spending in the borough's five main out-of-centre foodstores amounts to £133.8m, well over three times that spent in Blackpool town centre as a whole (£37.2m).
- 4.5.6 The role of Blackpool town centre as a convenience retail destination for Study Area residents has remained broadly static since 2010 when Blackpool town centre achieved a market share of 5.6% (compared to 5.7% at 2017). We would have expected the new Sainsbury's supermarket that opened in the town centre at Talbot Road in 2014 to increase the attraction and market share of Blackpool town centre for convenience retail shopping amongst the Study Area residents. However, Table 4.4 suggests that the new food stores that have also opened up elsewhere in Blackpool since 2010 (in particular, Aldi at Park Road) have, in tandem with the increasing popularity of discount foodstores, acted to cancel out any potential shift in spending to Blackpool town centre. Whilst the new Sainsbury's has diverted trade to the town centre, the new stores have diverted trade from the town centre; overall, therefore, the market share of Blackpool town centre remains broadly the same as at 2010.

Table 4.2: Main Destinations for Convenience Goods Expenditure Inside Study Area

Destinations	2017 Study Area Residents' Expenditure £m	2017 Market Share %	2010 Market Share %
BLACKPOOL BOROUGH			
Blackpool Town Centre			
Sainsbury's, Talbot Road, Blackpool	21.3	3.2	-
Iceland, Topping Street, Blackpool	5.3	0.8	1.1
Other stores, Blackpool Town Centre	10.7	1.6	4.5
Blackpool Town Centre Total	37.2	5.7	5.6
Waterloo Rd/South Shore District Centre Total	2.3	0.3	0.1
Red Bank Road/Bispham District Centre			
Sainsbury's Red Bank Road, Blackpool	24.0	3.7	4.7
Other stores, Red Bank Road/Bispham District Centre	4.0	0.6	1.1
Red Bank Rd/Bispham District Centre Total	28.1	4.3	5.8
Whitegate Drive District Centre Total	4.9	0.7	0.7
Highfield Road District Centre Total	1.9	0.3	0.3
Layton District Centre Total	3.1	0.5	0.4
Other Stores Inside Blackpool Borough			
Tesco Extra, Clifton Road Retail Park, Blackpool	59.8	9.1	9.7
Asda, Cherry Tree Road, Blackpool	42.3	6.4	7.1
Aldi, Park Road, Blackpool	15.1	2.3	-
Aldi, Parkinson Way Retail Park, Waterloo Road, Blackpool	12.8	1.9	1.4
Aldi, Blackpool Retail Park, Blackpool	12.1	1.8	-
Lidl, Anchorsholme Lane West, Thornton-Cleveleys	7.4	1.1	-
Lidl, Devonshire Road, Blackpool	6.8	1.0	0.5
Lidl, Bloomfield Road, Blackpool	6.3	1.0	0.8
Other stores, Blackpool Borough	24.2	3.8	5.8
Blackpool Borough Total	264.3	40.2	-

Notes: 2017 Expenditure and Market Share sourced from Table 5 at Appendix 6. 2010 Market Share derived from Spreadsheet 15, Volume 2, 2011 Fylde Coast Retail Study.

Table 4.3: Main Destinations for Convenience Goods Expenditure Elsewhere (Outside of Blackpool Borough) Inside the Study Area

Destinations	2017 Study Area Residents		2017 Blackpool Zones Residents
	Expenditure £m	Market Share %	Expenditure £m
ELSEWHERE (OUTSIDE BLACKPOOL BOROUGH) IN STUDY AREA			
Morrisons, Squires Gate Lane, Blackpool	37.4	5.7	24.7
Aldi, Crescent West, Thornton-Cleveleys	29.0	4.4	7.8
Morrisons, Amounderness Way, Thornton-Cleveleys	41.2	6.3	4.5
Tesco Metro, Victoria Road West, Thornton-Cleveleys	4.8	0.7	1.9
M&S Simply Food, Clifton Drive South, Thornton-Cleveleys	5.3	0.8	1.1
Lidl, Clarke Street, Poulton-le-Fylde	25.0	3.8	3.7
Booths, Teanlowe Centre, Poulton-le-Fylde	11.4	1.7	2.1
Aldi, Tithebarn Street, Poulton-le-Fylde	17.0	2.6	1.7
Tesco Express, Clifton Street, Lytham St Annes	2.9	0.4	1.2
Aldi, Clifton Drive, Lytham St Annes	18.4	2.8	0.9
Asda, Cop Lane, Fleetwood	31.3	4.8	0.2
Morrisons, Mill Street, Kirkham	16.5	2.5	0.2
Other stores, Elsewhere in Study Area	122.6	18.7	2.4
Elsewhere in Study Area Total	362.7	55.2	52.4

Notes: 2017 Expenditure and Market Share sourced from Table 5 at Appendix 6. Lidl at Squires Gate Lane opened in October 2017 and was not therefore operational at the time the household survey was undertaken.

Main Destinations for Convenience Goods Expenditure Elsewhere Inside the Study Area

- 4.5.7 Table 4.3 above sets out the main convenience goods shopping destinations for Study Area residents' elsewhere in the Study Area (i.e. outside of Blackpool Borough, but within the Study Area). Elsewhere in the Study Area, the main convenience goods shopping destinations for the Study Area residents are the Morrisons store at Squires Gate Lane in Blackpool, which is just within Fylde Borough, Morrisons in Thornton-Cleveleys, Asda in Fleetwood, Aldi in Thornton Cleveleys, Lidl in Poulton-le-Fylde, the Aldi stores in Lytham St Annes and Poulton-le-Fylde, and Morrisons in Kirkham.
- 4.5.8 Table 4.3 further summarises the convenience goods expenditure at these stores by residents of Zones 1 to 6. This enables us to identify the main convenience goods destinations outside of Blackpool Borough that residents of Zones 1 to 6 are travelling to. As set out in Section 4.3, Zones 1 to 6 broadly cover the Blackpool administrative area. For the

purpose of our analysis we have examined the shopping patterns of the residents of Zones 1 to 6, which from here on in we refer to as the “Blackpool Zones”, as proxy for the residents of Blackpool Borough.

- 4.5.9 For residents of the Blackpool Zones, the Morrisons at Squires Gate Lane is by far the most significant individual convenience retail destinations outside of Blackpool Borough. Whilst this store is located just outside of the borough within the Fylde administrative area, it is located adjacent to Blackpool Retail Park (the majority of which is within the borough) at the edge of the Blackpool urban area, and functions as part of Blackpool. Indeed, spending by residents of the Blackpool Zones accounts for some two-thirds of Study Area residents’ total spending at the store (£24.7m out of £37.4m).
- 4.5.10 The Aldi and Morrisons stores in Thornton-Cleveleys, and Lidl in Poulton-le-Fylde are the next most significant individual convenience retail destinations outside of Blackpool Borough, which reflects the proximity of these stores to Blackpool Borough.

Main Food and Top-up Food Shopping Split

- 4.5.11 The split between spending on main and top-up food shopping in each of the Study Zones is identified from the household survey and is shown in Table 6.7 in Section 6.4. Residents in Zones 1, 2 and 3 spend a slightly higher proportion of their total convenience expenditure on main-food shopping compared to residents in Zones 4, 5 and 6.
- 4.5.12 This variation is likely to be due to a combination of factors related to the level of socio-economic deprivation and proximity to foodstores. Residents in Zones 1 and 2 encompass those parts of the borough with the highest levels of deprivation.

Main Destinations for Main Food Expenditure by Zone

- 4.5.13 Table 4.4 below sets out the principal destinations for main food shopping expenditure on a zonal basis²⁰.
- 4.5.14 In Zone 1, the most popular foodstore by far is the Sainsbury’s on Talbot Road, which is the only large food supermarket within the zone. Residents in Zone 1 also travel to a variety of foodstores in the surrounding area for their main food shopping, with the next four most popular stores for main food shopping (Aldi at Park Road; Lidl at Devonshire Road, Asda at Cherry Tree Road and Sainsbury’s at Red Bank Road), with each achieving a market share of between 10% and 11%, all located outside of Zone 1.

²⁰ For the purposes of this study, we define the principal main food shopping destinations as those achieving a market share in any zone of 10% or greater.

- 4.5.15 Interestingly, only two of these stores (Lidl at Devonshire Road and Sainsbury's at Red Bank Road), are located in the zones adjacent to Zone 1. The other two stores (Aldi at Park Road and Asda at Cherry Tree Road) are located within Zone 5, and are between around 3km and 4km from the centre of Zone 1. This pattern reflects that the choice of main food shopping destinations in Zone 1, as well as the three surrounding zones (Zone 2, 3 and 6), is relatively limited, particularly given that Zones 1 and 2 encompass Blackpool town centre. Across these four zones, there are only two large supermarkets that provide over 2,500 sq.m net of floorspace, both of which are operated by Sainsbury's. Whilst we note that there are a further three supermarkets that provide over 1,000 sq.m gross of floorspace also located in this area – an M&S foodhall in Blackpool town centre and Lidl stores at Bloomfield Road and Devonshire Road, all three are relatively small for a main food shopping destination (with net sales areas of approximately 1,200 sq.m, 1,100 sq.m and 1,100 sq.m, respectively) and two are operated by the same retailer (Lidl).
- 4.5.16 In Zones 2 and 3, where the largest foodstores in both zones are modestly sized Lidl stores, residents similarly travel to a range of larger supermarkets in the surrounding area for their main food shopping. The most popular foodstore for the residents of both Zones 2 and 3 is Tesco Extra at Clifton Retail Park in Zone 5. A range of other stores are also significant destinations for main food shopping for the residents for Zone 2, namely Aldi at Waterloo Road, Asda at Cherry Tree Road, Lidl at Bloomfield Road and Morrisons at Squires Gate, which each achieve a market share of between 10% and 12%. The Asda at Cherry Tree Road and Aldi at Park Road, both in Zone 5, are also significant destinations for main food shopping for Zone 3 residents.
- 4.5.17 The most popular main food shopping destination for the residents of Zone 4 is Morrisons at Squires Gate followed by Aldi at Blackpool Retail Park, which are both located within the zone. Residents of Zone 4 also travel to the Asda at Cherry Tree Road and the Tesco Extra at Clifton Retail Park in neighbouring Zone 5.
- 4.5.18 The most popular main food shopping destination for the residents of Zone 5 by far is the Asda at Cherry Tree Road within the zone, followed by the Tesco Extra at Clifton Retail Park.
- 4.5.19 For the residents of Zone 6, the most popular destination for main food shopping is the Sainsbury's at Red Bank Road within Zone 6. Aldi in Thornton-Cleveleys in neighbouring Zone 7 and the Tesco Extra at Clifton Road Retail Park in Zone 5 are also significant main food shopping destinations.
- 4.5.20 The three most popular destinations for main food shopping for the residents of Zone 7 are the Morrisons in Thornton-Cleveleys, Asda in Fleetwood and Aldi in Thornton Cleveleys, all of

which are in Zone 7 itself. No individual destination in Blackpool Borough achieves a significant market share of expenditure; overall, only 9% of Zone 7 residents' main food shopping expenditure is spent in destinations in Blackpool Borough.

- 4.5.21 Residents in Zone 8 primarily undertake their main food shopping in destinations in Zone 8 (Aldi in Poulton-le-Fylde, Morrisons in Thornton-Cleveleys and Asda in Fleetwood), along with the Tesco Extra store at Clifton Retail Park in Zone 5, which is just inside Blackpool Borough. Just 6% of main food shopping by Zone 8 residents are to other destinations in Blackpool Borough.
- 4.5.22 The most popular destinations for main food shopping for the residents of Zone 9 include the Aldi, Sainsbury's and Booths stores in Lytham St Annes, which are all located within the zone. The Morrisons store at Squires Gate, which is located just outside of Zone 9 is also a popular destination for the Zone 9 residents, along with the Tesco store at Clifton Retail Park in Zone 5. Further to the Tesco store at Clifton Retail Park, just 4% of main food shopping by Zone 9 residents are to destinations in Blackpool Borough.
- 4.5.23 The most popular main food shopping destination for the residents of Zone 10 are the Morrisons in Kirkham and the Aldi in Wesham, which are both within Zone 10. Residents of Zone 10 also travel to the Tesco Extra at Clifton Retail Park in neighbouring Zone 5 in Blackpool Borough. Just 11% of main food shopping by Zone 10 residents are to other destinations in Blackpool Borough.
- 4.5.24 Table 4.4 further reveals the wide appeal of the three most popular convenience good shopping destinations across the Study Area (Tesco Extra store at Clifton Road Retail Park, the Asda at Cherry Tree Road and Morrisons at Squires Gate). The Tesco Extra store achieves a main food market share of 10% or greater in eight of the ten study zones (Zones 2 to 6 and 8 to 10), reflecting that many residents travel to this store from across the Study Area. Similarly, Asda at Cherry Tree Road is identified as a principal main food shopping destination for residents within five of the six Blackpool Zones (Zones 1-5) and Morrisons at Squires Gate is identified as a principal main food shopping destination for residents within three zones (Zones 2, 4 and 9).

Table 4.4: Main Destinations for 'Main' Food Expenditure by Zone

Zone	Main Destinations	Location of Store
1	1. Sainsbury's, Talbot Road, Blackpool (28%) 2. Aldi, Park Road, Blackpool (11%) 3. Lidl, Devonshire Road, Blackpool (10%) 4. Asda, Cherry Tree Road, Blackpool (10%) 5. Sainsbury's Red Bank Road, Blackpool (10%)	Zone 1 Zone 5 Zone 3 Zone 5 Zone 6
2	1. Tesco Extra, Clifton Road Retail Park, Blackpool (22%) 2. Aldi, Parkinson Way Retail Park, Waterloo Road, Blackpool (12%) 3. Asda, Cherry Tree Road, Blackpool (12%) 4. Lidl, Bloomfield Road, Blackpool (11%) 5. Morrisons, Squires Gate Lane, Blackpool (10%) 6. Sainsbury's, Talbot Road, Blackpool (10%)	Zone 5 Zone 4 Zone 5 Zone 2 Zone 4 Zone 1
3	1. Tesco Extra, Clifton Road Retail Park, Blackpool (20%) 2. Asda, Cherry Tree Road, Blackpool (18%) 3. Aldi, Park Road, Blackpool (11%)	Zone 5 Zone 5 Zone 5
4	1. Morrisons, Squires Gate Lane, Blackpool (34%) 2. Aldi, Blackpool Retail Park, Blackpool (17%) 3. Asda, Cherry Tree Road, Blackpool (12%) 4. Tesco Extra, Clifton Road Retail Park, Blackpool (10%)	Zone 4 Zone 4 Zone 5 Zone 5
5	1. Asda, Cherry Tree Road, Blackpool (48%) 2. Tesco Extra, Clifton Road Retail Park, Blackpool (19%)	Zone 5 Zone 5
6	1. Sainsbury's, Red Bank Road, Blackpool (28%) 2. Aldi, Crescent West, Thornton-Cleveleys (19%) 3. Tesco Extra, Clifton Road Retail Park, Blackpool (13%)	Zone 6 Zone 7 Zone 5
7	1. Morrisons, Amounderness Way, Thornton-Cleveleys (22%) 2. Asda, Cop Lane, Fleetwood (18%) 3. Aldi, Crescent West, Thornton-Cleveleys (13%) 4. Lidl, Clarke Street, Poulton-le-Fylde (11%)	Zone 7 Zone 7 Zone 7 Zone 10
8	1. Aldi, Tithebarn Street, Poulton-le-Fylde (21%) 2. Tesco Extra, Clifton Road Retail Park, Blackpool (16%) 3. Morrisons, Amounderness Way, Thornton-Cleveleys (14%) 4. Asda, Cop Lane, Fleetwood (12%)	Zone 7 Zone 5 Zone 7 Zone 7
9	1. Aldi, Clifton Drive North, Lytham St Annes (20%) 2. Morrisons, Squires Gate Lane, Blackpool (13%) 3. Sainsbury's, St Andrews Road North, Lytham St Annes (12%) 4. Tesco Extra, Clifton Road Retail Park, Blackpool (11%) 5. Booths, Haven Road, Lytham St Annes (10%)	Zone 9 Zone 4 Zone 9 Zone 5 Zone 9
10	1. Morrisons, Mill Street, Kirkham (20%) 2. Aldi, Mill Farm Sports Village, Coronation Way, Wesham (18%) 3. Tesco Extra, Clifton Road Retail Park, Blackpool (11%)	Zone 10 Zone 10 Zone 5

Source: Table 3 at Appendix 6

Main Destinations for Top-Up Food Shopping by Zone

- 4.5.25 Turning to top-up shopping, Table 4.5 below sets out the principal top-up food shopping destinations for top-up food shopping expenditure on a zonal basis²¹.
- 4.5.26 Table 4.5 highlights a clear difference in the most popular destinations for top-up shopping compared to main food shopping expenditure; as expected, many of the principal destinations are smaller stores located within or just outside of each zone and residents are much less likely to travel to destinations further afield for their top-up food shopping.
- 4.5.27 In Zone 3, however, Blackpool town centre (in Zone 1) is the most popular destination for top-up shopping for residents, rather than more local facilities within Zone 3 itself. This perhaps reflects the proximity and accessibility of Blackpool town centre to the residents of Zone 3 and the potential for linked trips arising as a consequence of people working or visiting Blackpool town centre. However, it is notable that the convenience retail facilities in Zone 3 are focused on Whitegate Drive and Talbot Road in the west of Zone 3 and there could potentially be lack of local convenience provision serving residents to the east of Zone 3 necessitating travel to Blackpool town centre for top-up shopping.
- 4.5.28 Interestingly, foodstores operated by retailers who are not part of the 'big four' comprise very popular destinations to undertake main food shopping across Blackpool Borough and the Study Area. Main food shopping expenditure in stores operated by discounters Aldi and Lidl accounts for around a fifth of all spending on main food shopping by residents of five of the Blackpool Zones (Zones 1-4 and Zone 6).

²¹ For the purposes of this study, we define the principal top-up food shopping destinations as those achieving a market share in any zone of 10% or greater.

Table 4.5: Principal 'Top-up' Food Shopping Destinations by Zone

Zone	Main Destinations	Location of Store
1	1. Sainsbury's, Talbot Road, Blackpool (28%) 2. Lidl, Devonshire Road, Blackpool (14%) 5. Sainsbury's Red Bank Road, Blackpool (10%)	Zone 1 Zone 3 Zone 6
2	1. Tesco Express, Andsell Road, Blackpool (13%) 2. Tesco Express, Central Drive, Blackpool (13%)	Zone 2 Zone 2
3	1. Blackpool town centre (26%) 2. Co-op, Layton Road, Blackpool (15%) 3. Co-op, Normoss Road, Blackpool (13%)	Zone 1 Zone 3 Zone 3
4	1. Tesco Express, Marton Drive, Blackpool (15%) 2. Morrisons, Squires Gate Lane, Blackpool (15%) 3. Sainsbury's Local, Whitegate Drive, Blackpool (12%) 4. Aldi, Blackpool Retail Park, Blackpool (12%) 5. Tesco Express, Highfield Road, Blackpool (11%)	Zone 4 Zone 4 Zone 3 Zone 4 Zone 4
5	1. Aldi, Blackpool Retail Park, Blackpool (19%) 2. Local Shops, Zone 5 (Blackpool) (17%) 3. Asda, Cherry Tree Road, Blackpool (14%)	Zone 4 Zone 5 Zone 5
6	1. Sainsbury's, Red Bank Road, Blackpool (37%) 2. Co-op, Warley Road, Blackpool (12%) 3. Tesco Express, All Hallows Road, Blackpool (11%)	Zone 6 Zone 1 Zone 6
7	1. Local Shops, Zone 7 (Wyre) (13%)	Zone 7
8	1. Hambleton (including Spar) (17%) 2. Co-op, Sandy Lane, Poulton-le-Fylde (15%) 3. Co-op, Lancaster Road, Poulton-le-Fylde (12%) 4. Pilling (12%) 5. Stalmine (11%)	Zone 8 Zone 8 Zone 8 Zone 8 Zone 8
9	1. Sainsbury's Local, Clifton Street, Lytham St Annes (25%) 2. Co-op, Woodlands Road, Lytham St Annes (11%)	Zone 9 Zone 9
10	1. Morrisons, Mill Street, Kirkham (22%)	Zone 10

Source: Table 3 at Appendix 6

Changes in Convenience Shopping Patterns Since 2010

- 4.5.29 There have been some significant changes in food shopping patterns across Blackpool Borough since the last household survey was completed in 2010 as part of the 2011 Fylde Coast Retail Study.
- 4.5.30 Most notably, a number of new supermarkets have opened in the borough, namely, Sainsbury's at Talbot Road (Zone 1), Aldi at Blackpool Retail Park (Zone 4) and Aldi at Park Road, (Zone 5). The new provision has increased competition across the borough as well helped to reduce the need for residents to travel to stores further afield.

- 4.5.31 In particular, the opening of the Sainsbury's at Talbot Road has substantially increased the retention of convenience shopping expenditure within Zone 1 (from 27% at 2010 to 36% at 2017²²), as well as increased the attraction of Blackpool town centre for convenience shopping for residents in neighbouring Zones 3 and 6.
- 4.5.32 Conversely, fewer residents in Zones 1 as well as Zone 2 are now travelling to the Morrisons at Squires Gate and Asda at Cherry Tree Lane than in 2010, with residents in these zones now choosing to shop at the closer Sainsbury's at Talbot Road and Aldi at Park Road in particular, which have since opened. Residents in these and other zones are also increasingly undertaking their convenience goods shopping at nearby discounter stores, which were already open in 2010, namely, the Aldi store at Waterloo Road and Lidl stores at Bloomfield Road and Devonshire Road.
- 4.5.33 A new Aldi store has also opened just outside of the borough in Thornton-Cleveleys (Zone 7). As a consequence, fewer residents in Zone 6 are now completing their convenience shopping within Zone 6 (from 50% in 2010 to 36% in 2017), with around 15% of residents instead travelling to the new Aldi in Thornton-Cleveleys.

Convenience Goods Expenditure Retention

- 4.5.34 Table 4.6 shows that, of the Study Area residents' total £656.8m expenditure on convenience goods, 95.5% is spent in stores and centres within the Study Area, which is referred to as the 'retention rate'. The remaining 4.5% of the Study Area residents' convenience goods expenditure is spent in destinations outside of the Study Area, and is referred to as 'leakage'.
- 4.5.35 This is a particularly high rate of convenience goods expenditure retention and indicates that the convenience goods facilities in the Study Area are meeting the needs of its residents. Convenience goods shopping patterns tend to be relatively localised as residents generally seek to source such goods close to home. Nevertheless, a small amount of convenience goods expenditure leakage to destinations beyond the Study Area is to be expected as some residents will inevitably undertake convenience shopping whilst travelling beyond the Study Area for work or other purposes. Moreover, in rural or remote areas (such as the parts of Wyre and Fylde covered by Study Area Zones 8 and 10), it is often the case that shoppers need to travel further to undertake main food and comparison goods shopping due to a lack of provision nearby.

²² Note that this relates to the overall convenience market share of expenditure to enable us to compare the findings with the 2011 Fylde Coast Retail Study.

- 4.5.36 Table 4.6 indicates that the convenience goods expenditure retention rate has fallen slightly since 2010, from 97.7% to 95.5%, potentially as a result of a number of new supermarkets opening up in Garstang and Preston since 2010, most notably the Morrisons in Ribblesdale Preston, which opened in 2013 and Aldi at Moss Lane in Garstang, which opened in 2015.
- 4.5.37 Table 4.6 further shows that existing facilities within Blackpool Borough attract a market share of 40.2% (£264.3m) of the total £656.8m of convenience goods expenditure generated by residents of the Study Area. Some 45.7%²³ of the total population within the Study Area is resident within Blackpool Borough. As noted above, we typically expect the convenience goods shopping needs of residents to be met locally and would expect the overall market share of destinations in Blackpool Borough to be comparable to the proportion of the Study Area population resident within this area. This is due to residents generally shopping locally (i.e. within a five minute drivetime) to meet their convenience shopping needs. The market share of 40.2% therefore appears low when considered against the distribution of the Study Area population, which we would consider to be broadly commensurate with each other.
- 4.5.38 Due to methodological differences in the reporting of the household survey results between the current and the 2011 Fylde Coast Retail Study, we were unable to identify the 2010 market share for all destinations in Blackpool Borough. To enable us to compare our findings with the 2011 Study, we additionally calculated the market share of all destinations in and outside of the Blackpool Zones (i.e. Zones 1-6), which are included in Table 4.6 in brackets. These figures indicate that the overall convenience goods market share of destinations in the Blackpool Zones has decreased slightly since 2010, from 48.0% to 45.1%. This fall in the market share broadly correspond to the increase in the market share of convenience goods destinations outside of the Study Area, from 2.3% at 2010 to 4.5% at 2017.

²³ Derived from 2017 population projections sourced from Experian Micromarketer G3 data.

Table 4.6: Convenience Goods Expenditure Retention and Leakage

Destinations	2017 Study Area Residents' Expenditure £m	2017 Market Share %	2010 Market Share %
Inside Study Area			
All Destinations Inside Blackpool Borough (figure for Blackpool Zones (Zones 1-6) in brackets)	264.3 (296.2)	40.2 (45.1)	(48.0)
All Destinations Outside Blackpool Borough (figure for outside Blackpool Zones (Zones 7-10) in brackets)	362.7 (330.8)	55.2 (50.4)	(49.8)
All Destinations Inside Study Area	627.0	95.5	97.7
Outside Study Area			
All Destinations Outside Study Area	29.8	4.5	2.3
Total	656.8	100.0	100.0

Notes: 2017 Expenditure and Market Shares sourced from Table 5 at Appendix 6. 2010 Market Share derived from Spreadsheet 15, Volume 2, 2011 Fylde Coast Retail Study. Insufficient data is available to enable us to calculate the 2010 market share for destinations inside and outside of the borough.

- 4.5.39 Table 4.7 below provides a zonal breakdown of the overall convenience goods market share showing the proportion of the convenience goods expenditure of the residents in a specific zone, and across the Blackpool Zones as a whole, that is spent at destinations within Blackpool Borough.
- 4.5.40 The table shows that Blackpool Borough's convenience shopping market share is high for Zones 1, 2, 3 and 5, with between 83.9% and 90.8% of residents' convenience goods expenditure spent at a destination within Blackpool Borough. The market share within Zones 4 and 6 is relatively modest, at 60.2% and 67.0%, as many residents in these zones travel to destinations outside of Blackpool Borough for their convenience goods shopping due to the proximity of stores in neighbouring authorities.
- 4.5.41 Inspection of Table 5 at Appendix 6 confirms that the Morrisons at Squires Gate Lane is an important convenience shopping destination for the residents of Zone 4, attracting 29.7% of Zone 4 residents' convenience goods spending. This Morrisons store is located just outside of Zone 4 and Blackpool Borough in neighbouring Zone 9 and is therefore within easy travelling distance for Zone 4 residents.
- 4.5.42 Table 5 at Appendix 6 similarly confirms that nearby Thornton-Cleveleys, which is located just outside of Blackpool Borough, is an important convenience shopping destination for the residents of Zone 6. The convenience retail offer of Thornton-Cleveleys includes Aldi, Morrisons and Lidl stores, and a quarter (25.4%) of Zone 6 residents' convenience goods expenditure is spent in Thornton-Cleveleys. Thornton-Cleveleys is within easy travelling

Blackpool Retail, Leisure and Hotel Study

distance for Zone 6 residents and is located a similar distance from Zone 6 as Blackpool town centre.

- 4.5.43 Overall, residents in the Blackpool Zones spend 78.1% of their total convenience goods expenditure at destinations within Blackpool Borough.

Table 4.7: Blackpool Borough Market Share of Expenditure at 2017 – Convenience Goods

Zone	Total Convenience Expenditure £m	Spending in Blackpool Borough £m	Blackpool Borough Market Share %
1	23.6	20.9	88.5
2	39.2	35.6	90.8
3	66.1	55.5	83.9
4	53.6	32.3	60.2
5	38.2	34.5	90.5
6	49.9	32.4	65.0
7	177.8	15.0	8.4
8	30.6	5.4	17.8
9	99.6	13.1	13.1
10	78.2	12.1	15.6
Blackpool Zones Total	270.6	211.3	78.1
Study Area Total	656.8	256.9	39.1

Notes: Sourced from Tables 2 and 5at Appendix 6

- 4.5.44 Overall, we therefore consider that the convenience goods market share of destinations in Blackpool Borough is low for Zones 4 and 6 (which in turn effects what appears to be a low convenience goods market share for destinations in Blackpool Borough as whole). However, the residents of Zones 4 and 6 are well served by provision just outside of the borough, most notably the Morrisons store at Squires Gate, which effectively functions as part of Blackpool, and foodstores in Thornton-Cleveleys. We therefore consider that the convenience goods market share of Blackpool Borough is reasonable and that there is limited scope for Blackpool to retain a significantly higher proportion of the convenience goods expenditure of residents across the Blackpool Zones.

Convenience Goods Shopping Patterns Summary and Conclusions

- The most popular stores within Blackpool Borough are the out-of-centre Tesco Extra at Clifton Road Retail Park and Asda at Cherry Tree Road. Both of these stores are out of centre and have a wide appeal across Blackpool and the wider Study Area, with many residents prepared to travel to these stores. Sainsbury's at Red Bank Road and

at Talbot Road are also important convenience goods destinations in Blackpool Borough. However, after Tesco Extra at Clifton Road Retail Park and Asda at Cherry Tree Road, the third most popular convenience goods destination for residents of Blackpool is Morrisons at Squires Gate Lane. Whilst located just outside of Blackpool Borough within the Fylde administrative area, this store functions as part of Blackpool.

- The role of Blackpool town centre as a convenience goods destination for the Study Area residents is relatively limited in comparison to out-of-centre and other destinations across the borough. However, it should be noted that Blackpool town centre benefits from additional convenience goods spending from visitors to Blackpool. Blackpool town centre's convenience goods shopping role is therefore likely to be understated by the findings of our assessment of the Study Area residents shopping patterns, which does not take account of inflow of expenditure from residents outside of the Study Area.
- The opening of the Sainsbury's store at Talbot Road in Blackpool town centre has failed to significantly increase the attraction of Blackpool town centre as a convenience goods destination for residents across the Study Area as a whole. It would appear that the store has acted to maintain the market share of Blackpool town centre in the face of increasing competition elsewhere both in and outside of the borough.
- The Sainsbury's store has significantly improved the local convenience retail provision in Blackpool town centre in this central area of the borough, providing a large supermarket that provides a comprehensive range of convenience products and functions as a main food shopping destination for local residents.
- Nevertheless, the choice of main food shopping destinations in Zones 1, 2, 3 and 6, which encompass the central and northern part of the borough, remains limited. There are two large supermarkets and three medium sized supermarkets in this area (along with a number of smaller foodstores). However, the two large supermarkets are both operated by Sainsbury's, and all three of the medium sized supermarkets are relatively small for a main food shopping destination and two are operated by the same retailer (Lidl).
- The overall convenience goods market share of destinations in Blackpool Borough is 40.2%, which appears low when compared against the 45.7% of the Study Area population resident in Blackpool Borough. We typically expect the convenience goods shopping needs of residents to be met locally and would expect the market share of destinations in Blackpool Borough to be comparable to the proportion of the Study

Area population resident within this area. This lower market share indicates that Blackpool's residents are travelling to destinations outside of the borough to meet their convenience shopping needs.

- Whilst a high proportion of residents in central and eastern parts of the borough undertake their convenience goods shopping at destinations within Blackpool, many residents in the north and south of the borough travel to destinations outside of the borough for their convenience goods shopping. Specifically, many residents in north of the borough undertake their convenience goods shopping at destinations located just outside of Blackpool Borough in Thornton-Cleveleys, which are within easy reach of Blackpool residents. Similarly, in the south of Blackpool, many residents undertake their convenience goods shopping at the Morrisons at Squires Gate Lane. Whilst located immediately outside of the borough, this Morrisons store is within close and easy travelling distance for the residents of Blackpool Borough and effectively functions as part of Blackpool.
- It is considered that the overall convenience goods provision serving the borough's residents, which includes that located just outside of the borough, is meeting the needs of Blackpool's residents. Therefore, whilst Blackpool Borough's convenience goods market share appears low, the scope to retain a significantly higher proportion of Blackpool residents' convenience goods expenditure is limited due to the proximity of the convenience stores located in the neighbouring authorities.

4.6 Comparison Goods Shopping Patterns

Main Destinations for Comparison Goods Expenditure in Blackpool Borough

- 4.6.1 Table 4.8 below sets out the estimated comparison goods turnover of Blackpool town centre and the five district centres in the borough, along with the three main out-of-centre comparison goods shopping destinations for the Study Area residents. Table 4.8 further compares the current market shares achieved by the defined centres and main out-of-centre destinations for comparison shopping with those achieved at 2010.
- 4.6.2 Table 4.8 confirms that Blackpool town centre is the main comparison shopping destination for the Study Area residents. However, Blackpool town centre is only attracting just under a third (30.2%) of all spending on comparison goods amongst residents of the Study Area, equating to some £267.1m. This is considered to be a relatively low market share given that Blackpool is a sub-regional centre.

4.6.3 All five of the borough's defined district centres are much less significant comparison retail destinations. Waterloo Road/South Shore District Centre attracts the highest level of Study Area residents' spending on comparison goods amongst the district centres (£11.1m, or 1.2%), followed by Bispham/Red Bank Road (0.6%), Whitegate Drive (0.5%), Highfield Road (0.3%), and Layton (0.2) District Centres, which broadly corresponds to the quantity of comparison goods floorspace in each of the district centres. Collectively, Blackpool's district centres attract just 2.8% (£24.7m) of Study Area residents' total spending comparison goods.

Table 4.8: Main Destinations for Comparison Goods Expenditure within Blackpool Borough

Destinations	2017 Study Area Residents' Expenditure £m	2017 Market Share %	2010 Market Share %
BLACKPOOL BOROUGH			
Defined Centres			
Blackpool Town Centre ¹	267.1	30.2	39.0
Waterloo Road/South Shore District Centre	11.2	1.3	0.4
Red Bank Road/Bispham District Centre ²	5.3	0.6	0.8
Whitegate Drive District Centre	4.5	0.5	-
Highfield Road District Centre	2.3	0.3	-
Layton District Centre	1.4	0.2	-
Main Out-of-Centre Destinations			
Blackpool Retail Park, Squires Gate Lane, Blackpool	95.1	10.7	6.6
Clifton Retail Park, Sandhams Way, Blackpool ³	44.2	5.0	4.1
Cherry Tree Retail Park, Cherry Tree Road, Blackpool ⁴	34.3	3.9	3.7
Other Destinations within Blackpool Borough	12.8	1.4	-
Sub Total within Blackpool Borough	478.1	54.1	-

Notes: 2017 Expenditure and Market Share sourced from Tables 26 and 27 at Appendix 6. 2010 Market Share derived from Spreadsheet 6, Volume 2, 2011 Fylde Coast Retail Study. ¹ Includes Houndhill Shopping Centre and Sainsbury's, Talbot Road, ² Bispham District Centre and Sainsbury's, Red Bank Road District Centre, ³ Includes Tesco Extra, Clifton Retail Park, ⁴ Includes Asda, Cherry Tree Road. Data on the 2010 Market Shares for Whitegate Drive, Highfield Road and Layton District Centres, and B&Q at Whitehills Retail Park was not available in the 2011 Fylde Coast Retail Study.

4.6.4 After Blackpool town centre, the most significant destinations for comparison goods shopping within Blackpool Borough are retail parks and other out-of-centre destinations. The most

popular of which is Blackpool Retail Park at Squires Gate²⁴, which is located approximately 4km south of Blackpool town centre and encompasses Currys PC World, Harveys, Pets at Home, Argos, Dunelm, Poundland, Maplin, TK Maxx, Office Outlet, Halfords and Aldi stores. Blackpool Retail Park attract £93.7m of the Study Area residents' comparison goods expenditure, equating to a market share of 10.5%. Clifton Retail Park – which is located approximately 5km south east of Blackpool town centre and encompasses Next, Matalan, Clarks and Tesco Extra stores – is the second most popular out-of-centre retail destination in Blackpool Borough, attracting 4.9% of Study Area residents' comparison goods spending, followed by Cherry Tree Retail Park (3.9%) some 3km south east of Blackpool town centre.

- 4.6.5 Collectively, Blackpool's three main out-of-centre comparison goods destinations as listed in Table 4.8 attract some £173.6m, or 19.6%, of the Study Area residents' spending on comparison goods, amounting to around two thirds of that spent in Blackpool town centre. Competition from out-of-centre retail destinations in Blackpool is therefore substantial.
- 4.6.6 Comparison with the findings of the 2011 Fylde Coast Retail Study indicate that the comparison goods market share of Blackpool town centre has decreased substantially from 39.0% at 2010 to 30.2% at 2017, a nine-percentage point fall.
- 4.6.7 Conversely, the market share of out-of-centre destinations in Blackpool have increased over the same period, most notably that achieved by Blackpool Retail Park, which has increased from 6.6% in 2010 to 10.5% in 2017. The market share of Clifton Retail Park has also increased over this period, from 4.1% to 4.9%. The market share of Cherry Tree Retail Park has broadly remained the same.
- 4.6.8 We consider that this shift is most likely due to the increasing quantity and diversification of the comparison retail offer within out-of-centre destinations in Blackpool, combined with a loss of comparison retail floorspace within Blackpool town centre over the last decade as identified in our healthcheck assessment of Blackpool Town Centre presented in Section 5²⁵.
- 4.6.9 Another important change is likely to be the national trend for the diversification in the types of retailers represented in out-of-centre locations. As many traditional out-of-centre bulky goods retailers have struggled or failed since 2010 in the wake of the 2007/2008 financial crisis, retail park floorspace has been taken up by a wider range of retailers, including

²⁴ It is recognised that part of Blackpool Retail Park is located within the administrative area of Fylde. However, we have considered Blackpool Retail Park here as a whole for the purposes of our analysis.

²⁵ The latest Experian Goad data indicates that the comparison retail offer in Blackpool town centre decreased to some 53,200 sq.m of floorspace and 198 units at May 2017. The 2008 Fylde Coast Retail Study identified that Blackpool town centre provided 56,600 sq.m of occupied comparison retail floorspace across 225 units at December 2007, indicating that some 3,400 sq.m of comparison retail floorspace and 27 units were lost in the town centre between 2007 and 2017.

foodstores and traditional high street retailers. This trend is most evident at Blackpool Retail Park, which has seen a large increase in its market share since 2010. Significant changes at Blackpool Retail Park since 2010 include the closure of Comet in 2013 and the merger of Currys and PC World into a smaller unit, with Poundland opening in part of the former Comet unit and Dunelm expanded into the remaining half in 2014. TK Maxx also opened in 2016. These changes, along with the opening of Aldi have significantly diversified the retail offer at Blackpool Retail Park and increased its appeal as a retail destination.

- 4.6.10 These types of incremental changes to the use of out-of-centre units along with the incremental expansion of existing units, such as the extension to the Home Bargains store at Cherry Tree Retail Park in Blackpool, have proved difficult for Local Planning Authorities to resist through the key retail planning policy tests set out in the national planning policy framework. However, it is important to highlight that the cumulative impacts of small scale and incremental out-of-centre development on town centres can be significant.
- 4.6.11 Some of the fall in market share of Blackpool town centre since 2010 could also be due to methodological differences between our Study and the 2011 Fylde Coast Retail Study. WYG's Study identifies a finer grained distribution of responses and shopping destinations, which includes all five of Blackpool's district centres, and is likely to result in a slightly lower market share for Blackpool town centre than the 2011 Fylde Coast Retail Study.

Main Destinations for Comparison Goods Expenditure Elsewhere in the Study Area

- 4.6.12 Table 4.9 below sets out the main comparison goods shopping destinations for Study Area residents' elsewhere in the Study Area (i.e. outside of Blackpool Borough, but within the Study Area). Elsewhere in the Study Area, the main comparison goods shopping destination for the Study Area residents is Cleveleys town centre followed by Lytham and St Annes town centres combined²⁶, Freeport Fleetwood Outlet Village / Fleetwood town centre and the B&Q store at Whitehills Retail Park around 5km south east of Blackpool town centre.
- 4.6.13 Comparison with the 2010 market shares suggests that the comparison goods market shares of Cleveleys and Lytham/St Annes, Poulton-le-Fylde and Kirkham have increased slightly since 2010, and the market share of Freeport Fleetwood Outlet Village/Fleetwood town centre has fallen slightly. Poulton-le-Fylde town centre benefitted from the redevelopment and refurbishment of its Teanlowe shopping centre and opening of an Aldi store, which we expect will have contributed to the town's increased market share. Kirkham town centre has

²⁶ We have combined the responses for Lytham and St Annes town centres as we suspect that the comparison goods turnovers for the two centres are not fully distinguished. This is because respondents may answer 'Lytham St Annes' as a destination, when in fact they mean either Lytham or St Annes town centre.

recently undergone a programme of public realm improvements although we suspect that the identified increase in market share is more likely due to the opening of the retail provision within the Mill Farm Sports Village to the north of Kirkham²⁷.

Table 4.9: Main Destinations for Comparison Goods Expenditure Elsewhere (Outside of Blackpool Borough) Inside the Study Area

Destinations	2017 Study Area Residents' Expenditure	2017 Market Share	2010 Market Share
	£m	%	%
Elsewhere within the Study Area			
Cleveleys Town Centre	62.5	7.1	6.6
Lytham/St Annes Town Centre	60.9	6.8	6.8
Freeport Fleetwood Outlet Village, Anchorage Road, Fleetwood	31.6	3.6	6.9
Fleetwood Town Centre	24.2	2.7	
B&Q, Whitehills Retail Park, Preston New Road, Blackpool	29.4	3.3	1.8
Poulton-le-Fylde Town Centre ¹	17.4	1.9	1.3
Kirkham Town Centre	14.5	1.6	0.9
Other Destinations Elsewhere within the Study Area	29.0	3.3	-
Sub Total Elsewhere within the Study Area	265.4	30.0	-

Notes: 2017 Expenditure and Market Share sourced from Tables 26 and 27 at Appendix 6. 2010 Market Share derived from Spreadsheet 6, Volume 2, 2011 Fylde Coast Retail Study. ¹ Includes Teanlowe Shopping Centre

Main Destinations for Comparison Goods Expenditure Outside the Study Area

4.6.14 Table 4.10 below sets out the main destinations for Study Area residents' comparison goods shopping outside of the Study Area. Preston city centre is the main leakage destination for Study Area residents spending followed by Manchester city centre, Deepdale shopping park in Preston and The Trafford Centre in Manchester. Notably, leakage to both Preston city centre and Deepdale shopping park has decreased since 2010.

²⁷ Whilst not in the town centre, respondents may have answered Kirkham, when in fact they mean Mill Farm Sports Village, which is just to the north of Kirkham.

Table 4.10: Main Destinations for Comparison Goods Expenditure Outside the Study Area

Destinations	2017 Study Area Residents' Expenditure	2017 Market Share	2010 Market Share
	£m	%	%
Preston City Centre ¹	44.3	5.0	8.0
Manchester City Centre	15.5	1.7	1.2
Deepdale, Blackpool Road, Preston ²	14.3	1.6	3.6
The Trafford Centre, Manchester	10.8	1.2	1.1
Riversway Retail Park, Preston Riversway, Mariners Way, Preston	6.6	0.7	-
Gemini Retail Park, Europa Boulevard, Warrington	6.0	0.7	-
Lancaster City Centre ³	5.3	0.6	0.5
Other Destinations Outside the Study Area	40.9	4.6	5.3
Total Outside the Study Area	140.7	15.9	19.7

Notes: 2017 Expenditure and Market Share sourced from Tables 26 and 27 at Appendix 6. 2010 Market Share derived from Spreadsheet 6, Volume 2, 2011 Fylde Coast Retail Study. ¹ Includes Fishergate Shopping Centre, ² Includes Morrisons, ³ Includes St Nicholas Arcades and Sainsburys, Cable Street. Data on the 2010 Market Shares for Riversway Retail Park and Gemini Retail Park was not available in the 2011 Fylde Coast Retail Study.

Comparison Goods Expenditure Retention within the Study Area

- 4.6.15 Table 4.11 shows that, of the Study Area residents' total £884.3m expenditure on comparison goods, 84.1% is spent in stores and centres within the Study Area, which is referred to as the 'retention rate'. The remaining 15.9% of the Study Area residents' comparison goods expenditure is spent in destinations outside of the Study Area, and is referred to as 'leakage'.
- 4.6.16 This is a high rate of comparison goods expenditure retention, particularly given the proximity of the Study Area to the higher order settlement of Preston, and indicates that the comparison goods offer in the Study Area is meeting the needs of its residents. Table 4.11 further shows that the comparison goods expenditure retention rate has increased by 3.8 percentage points since 2010, meaning that more Study Area residents are now undertaking their comparison goods shopping locally. This modest improvement in the comparison goods expenditure retention rate represents a significant achievement given that the retention rate within the current Study Area at 2010, of 80.3% as shown in Table 4.11, was already reasonably high²⁸. This improvement reflects the decline in the popularity of Preston City Centre and Deepdale for comparison retail shopping amongst the Study Area residents in favour of destinations within the Study Area.

²⁸ Note that this differs from the retention rate identified in the 2011 Fylde Coast Retail Study, of 75.2%, which relates to the different study area defined in the 2011 Fylde Coast Retail Study.

Table 4.11: Comparison Goods Expenditure Retention and Leakage

Destinations	2017 Study Area Residents' Expenditure	2017 Market Share	2010 Market Share
	£m	%	%
Inside Study Area			
All Destinations Inside Blackpool Borough (figure for Blackpool Zones (Zones 1-6) in brackets)	478.1 (509.7)	54.1 (57.6)	(56.5)
All Destinations Elsewhere in Study Area (figure for outside Blackpool Zones (Zones 7-10) in brackets)	265.4 (233.9)	30.0 (26.5)	(23.8)
All Destinations Inside Study Area	743.6	84.1	80.3
Outside Study Area			
All Destinations Outside Study Area	140.7	15.9	19.7
Total	884.3	100.0	100.0

Notes: 2017 Expenditure and Market Shares sourced from Tables 26 and 27 at Appendix 6. 2010 Market Share derived from Spreadsheet 6, Volume 2, 2011 Fylde Coast Retail Study. Insufficient data is available to enable us to calculate the 2010 market share for destinations inside and outside of the borough.

- 4.6.17 The retail strategy in the Core Strategy is based on the 'moderate' increase in the retention rate scenario considered in the 2011 Fylde Coast Retail Study, whereby the retention rate identified at 2010 for the study area defined in the 2011 Fylde Coast Retail Study (the '2011 study area') increases from 75.2%²⁹ by 2.8 percentage points by 2021 and by 4.8 percentage points by 2026. The 2011 study area encompasses a larger area than that covered by the Study Area defined in this report, meaning that we cannot directly compare the percentage point increase in the retention rate identified above from Table 4.11 with those tested in the 2011 Fylde Coast Retail Study.
- 4.6.18 Nevertheless, we are still able to assess the progress made towards achieving the 'moderate' increase in the retention rate tested in the 2011 Fylde Coast Retail Study. Assuming all of the increase in the retention rate tested across the 2011 study area is to occur within the current Study Area, the percentage point increases tested in the 2011 Fylde Coast Retail Study equate to increases of 3.0 percentage points by 2021 and 5.3 percentage points by 2026 within the current Study Area.

²⁹ The 2011 study area adopted in the 2011 Fylde Coast Retail Study encompasses a larger area than the Study Area in this report. Zones 11 and 15 as defined in the 2011 Fylde Coast Retail Study are excluded from the current Study Area as detailed in Section 4.3. Note that we derived the 2010 retention rate of 80.3% shown in Table 4.11 from 2011 Fylde Coast Retail Study data based on the current Study Area, whereas the 75.2% stated here relates to the retention rate for the 2011 study area.

- 4.6.19 The findings of the 2017 household survey therefore suggest that the increase in the retention rate across the current Study Area between 2010 and 2017, of 3.8 percentage points, has outstripped expectations for moderate increase in the retention rate over the period 2010 to 2021 (of 3.0 percentage points, equivalent to the 2.8 percentage point increase across the 2010 study area tested in the 2011 Fylde Coast Retail Study).
- 4.6.20 Table 4.11 further shows that some 54.1% (£478.1m) of the Study Area residents' total expenditure on comparison goods is spent in destinations in Blackpool Borough. The market share of destinations in Blackpool Borough is higher than the proportion of the Study Area population resident within this area (as noted earlier in this report, some 45.7% of the total Study Area population are resident within Blackpool Borough). Residents outside of Blackpool Borough (but within the Study Area) are therefore spending more on comparison goods at destinations within the Borough than residents of Blackpool Borough are spending at destinations outside of the Borough. When considered against the distribution of the Study Area population across the Study Area this market share therefore confirms that comparison retail destinations within Blackpool Borough are drawing in residents from the wider Study Area.
- 4.6.21 Due to methodological differences in the reporting of the household survey results between the current and the 2011 Fylde Coast Retail Study, we were unable to identify the 2010 market share for all destinations in Blackpool Borough. To enable us to directly compare our findings with the 2011 Study, we additionally calculated the market share of all destinations in and outside of the Blackpool Zones (i.e. Zones 1-6), which are included in Table 4.11 as the figures in brackets. These figures indicate that the overall comparison goods market share of destinations in the Blackpool Zones has increased slightly since 2010, from 56.5% to 57.6% (an increase of 1.1 percentage points). The market share achieved by destinations elsewhere within the Study Area outside of the Blackpool Zones (i.e. Zones 7-10) has increased by 2.7 percentage points, from 23.8% to 26.5%.
- 4.6.22 Therefore, whilst the market share of the Blackpool Zones has increased slightly since 2010, much of the increase in the overall Study Area comparison goods retention rate is due to an increase in local shopping in those parts of the Study Area outside of the Blackpool Zones (i.e. Zones 7-10) rather than an increase in spending at destinations within the Blackpool Zones.

Comparison Goods Expenditure Retention within Blackpool Borough

- 4.6.23 Table 4.12 below shows the proportion of the total comparison goods expenditure of residents in each Study Area zone that is spent at destinations within Blackpool Borough.

- 4.6.24 Blackpool Borough's comparison goods market share within Zones 1 to 5, which ranges from 75.0% in Zone 4 to 89.7% in Zone 2, is reasonably high. As for convenience goods spending, Blackpool's comparison goods market share within Zone 6 is more modest, at 65.7%, with around a third of residents' comparison goods expenditure spent in destinations outside of Blackpool.
- 4.6.25 Blackpool Borough's market share is much lower in Zones 7 to 10, ranging from 31.3% in Zone 8 to 41.6% in Zone 9, which reflects that this part of the Study Area primarily encompasses parts of the Fylde and Wyre local authority areas and residents in this area are therefore located outside of Blackpool Borough. Residents in these parts of the Fylde and Wyre local authority areas undertake much of their comparison goods shopping in defined centres and other local destinations within those parts of the Study Area outside of Blackpool Borough, ranging from 29.1% for the residents of Zone 10 to 50.9% for the residents of Zone 7. Residents in Zones 7 to 10 are also in relatively close proximity to competition from outside of the Study Area, most notably Preston city centre and facilities such as Deepdale. Destinations outside the Study Area achieve a market share in Zones 7 to 10 ranging from 9.7% in Zone 7 to 34.9% in Zone 10.
- 4.6.26 The market share figures for the Blackpool Zones (Zones 1-6), which are included in Table 4.12 in brackets, enable us to compare the findings of the 2017 household survey with the 2010 household survey results. These figures indicate that the comparison goods market share of destinations in the Blackpool Zones has increased within seven of the Study Zones (Zones 1, 2, 3, 5, 7, 9 and 10) since 2010. However, the comparison goods market share of destinations in the Blackpool Zones has decreased in the remaining Study Zones (Zones 4, 6 and 8). In Zone 4, the fall in the market share of the Blackpool Zones is primarily attributable to a shift in spending to destinations in Lytham St Annes. Residents in Zones 6 and 8 are increasingly undertaking their comparison goods shopping in Thornton-Cleveleys and Lancaster, respectively, rather than within the Blackpool Zones.

Table 4.12: Comparison Goods Spending Market Share of Blackpool Zones by Zone

Zone	2017 Total Comparison Expenditure £m	2017 Spending in Blackpool Borough £m	2017 Blackpool Borough Market Share* %	2010 Blackpool Zones Market Share %
1	25.2	21.4	85.0 (87.5)	(73.5)
2	43.7	39.2	89.7 (92.5)	(85.9)
3	85.8	71.6	83.5 (88.2)	(79.8)
4	68.8	51.6	75.0 (80.8)	(83.4)
5	48.5	39.6	81.8 (84.7)	(81.2)
6	66.9	43.9	65.7 (67.9)	(72.5)
7	243.1	95.7	39.4 (42.4)	(41.5)
8	42.5	13.3	31.3 (34.0)	(37.6)
9	145.8	60.6	41.6 (45.5)	(45.0)
10	114.0	41.0	36.0 (39.9)	(35.5)
Blackpool Zones Total	338.8	267.5	78.9 (82.7)	(79.8)
Study Area Total	884.3	478.1	54.1 (57.6)	(56.5)

Notes: 2017 Market Shares sourced from Tables 26 and 27 at Appendix 6. 2010 Market Share derived from Spreadsheet 6, Volume 2, 2011 Fylde Coast Retail Study. Insufficient data is available to enable us to calculate the overall 2010 market share for Blackpool Borough. *Blackpool Zones Market Share in brackets.

Categories of Comparison Goods Shopping

- 4.6.27 Tables 4.13 and 4.14 identify the market share and total expenditure secured by the main destinations for comparison goods shopping across the eight comparison goods sub-categories.
- 4.6.28 Table 4.14 shows that, of the Study Area resident's total £884.3m expenditure across all categories of comparison goods:
- Spending on clothing and footwear accounts for £260.6m (29%);
 - Spending on books/CDs/DVDs and stationery accounts for £42.1m (5%);
 - Spending on small household goods and personal effects accounts for £92.4m (10%);
 - Spending on recreational items accounts for £121.9m (14%);
 - Spending on chemist and health/beauty items accounts for £129.3m (15%);
 - Spending on electrical goods accounts for £112.5m (13%);
 - Spending on DIY and gardening products accounts for £49.6m (6%); and
 - Spending on furniture and carpets accounts for £75.6m (9%);

4.6.29 Table 4.13 shows that retail destinations within the Study Area secure a high retention rate for six of the eight categories of comparison goods, namely, Books, CDs and DVDs, Small Household, Recreation, Chemist, Electrical and DIY & Gardening. For these categories, the retention rate ranges from 81.5% for the Small Household category to 95.6% for Chemist items. The retention rate for the remaining two categories, Clothing & Footwear and Furniture, is slightly lower at 77.4% and 78.1% respectively, although we still consider these to be a reasonable level of expenditure retention.

Clothing & Footwear

4.6.30 Tables 4.13 and 4.14 show that Blackpool town centre is the most popular destination for Study Area residents' spending on clothing & footwear. Blackpool town centre claims £116.4m of the £260.6m expenditure retained within the Study Area, equating to a market share of 44.7%. Freeport Fleetwood Outlet Village is the next most popular destination for clothing and footwear, which attracts a market share of 9.6%, followed by Preston City Centre (8.2%) and Clifton Retail Park in Blackpool (6.6%).

4.6.31 Examination of the 2011 Fylde Coast Retail Study findings indicates that the market share of Blackpool town centre for spending on clothing and footwear has increased from 39.9% at 2010³⁰ to 44.7% at 2017. Blackpool town centre's market share of spending on clothing and footwear has therefore increased by a substantial 4.8 percentage points since 2010.

4.6.32 We consider that the Clothing & Footwear market share of Blackpool town centre remains relatively modest given its position in the retail hierarchy and role as a sub-regional centre. Consumers generally prefer a comprehensive choice when buying such items and, therefore, often make clothing and footwear purchases at higher order centres. We consider that Blackpool town centre could attract a higher proportion of residents' spending within this important comparison goods category. Clothing and footwear accounts for nearly a third of all comparison goods spending and is fundamental to a strong town centre comparison retail offer.

Books, CDs and DVDs

4.6.33 Tables 4.13 and 4.14 show that Blackpool town centre claims £16.7m of the Study Area residents' £42.4m expenditure on books, CDs and DVDs, equating to a market share of 39.4%. Lytham and St Annes town centres are collectively the next most popular destination for books, CDs and DVDs, which attract a market share of 9.5%, followed by Preston City

³⁰ Derived from Spreadsheet 10b of Volume 3 of the FCRS (market share adjusted to exclude Zones 11 and 15 and special forms of trading)

Centre (market share of 8.2%) and Clifton Retail Park in Blackpool (5.9%) and Cleveleys Town Centre (5.9%). We consider this a reasonable market share for Blackpool town centre.

Small Household Goods

- 4.6.34 Blackpool town centre attracts a market share of only 26.3% of resident's total £92.4m expenditure on small household goods, which we consider is relatively low. The next most popular destinations for small household goods are Blackpool Retail Park, which attracts a market share of 14.5%, Clifton Retail Park (6.6%) and Cleveleys town centre (5.6%).

Recreational Goods

- 4.6.35 Blackpool town centre attracts a market share of 31.1% of resident's expenditure on recreational goods, which we consider to be a relatively modest market share. The next most popular destinations are Cherry Tree Retail Park and Blackpool Retail Park, which attract a market share of 12.8% and 12.3% respectively, followed by Lytham/St Annes town centres (9.4%) and Cleveleys town centre (6.7%).

Chemist Goods

- 4.6.36 Blackpool town centre attracts a market share of 26.7% of resident's expenditure on chemist goods, which whilst a low market share, reflects that these types of products are typically purchase locally. The next most popular individual destinations are Lytham/St Annes, Cleveleys and Poulton-le-Fylde town centres, again reflecting that residents are able to purchase these types of product close to home.

Electrical Goods

- 4.6.37 Destinations in Blackpool Borough collectively attract 71.1% of the Study Area residents' expenditure on electrical goods, indicating that the retail provision in Blackpool Borough is serving a wide role in terms of shopping for electrical goods and draws in residents from across the Study Area.
- 4.6.38 The most popular destination for electrical goods amongst the Study Area residents is Blackpool Retail Park, which attracts a market share for these types of products of 45%. Blackpool town centre is the next most popular destination attracting a market share of 14.6%, followed by Cleveleys town centre (10.2%).
- 4.6.39 The retail sale of bulky electrical goods such as household appliances typically requires large amounts of low-cost floorspace that is not usually available in town centre locations.

Therefore, bulky goods retail provision in out-of-centre retail locations such as Blackpool Retail Park should generally be considered complementary to town centre retail offer. Nevertheless, we consider that Blackpool's market share in this category is relatively low.

DIY and Gardening

- 4.6.40 The most popular destination for DIY and gardening goods amongst the Study Area residents is by far the B&Q store at Whitehills Retail Park just outside of Blackpool Borough, which attracts a market share for these types of products of 51.7%. Only 20.1% of the Study Area residents' expenditure on DIY and decorating goods is spent in destinations in Blackpool Borough. However, this is not considered to be a particular issue given the bulky nature of DIY and gardening products, along with the proximity to the borough of the B&Q store, which serves a wide catchment encompassing Blackpool and the Fylde Coast.

Furniture

- 4.6.41 The most popular destination for furniture is Blackpool town centre, although it only attracts 21.3% of residents spending on this category of goods. The next most popular destinations are Blackpool retail park (12.8%), Lytham/St Annes town centres (9.7%) and Cleveleys town centre (7.2%) and Preston City Centre (7.0%). Whilst it is recognised that bulky furniture retailers are often focused in out-of-centre locations that complement the town centre retail offer, we nevertheless consider that the market share for Blackpool town centre is relatively modest.

Table 4.13: Main Destinations for Comparison Goods Shopping by Category of Goods – Market Share

Destination	Market Share of Study Area Residents' Expenditure								
	Clothing & Footwear	Books/CDs/DVDs	Small Household	Recreation	Chemist	Electrical	DIY & Gardening	Furniture	All Comparison
	%	%	%	%	%	%	%	%	%
Inside Study Area									
<i>Blackpool Borough</i>									
Blackpool Town Centre ¹	44.7	39.4	26.3	31.1	26.7	14.6	9.5	21.3	30.2
District Centres	0.9	1.3	3.7	1.9	6.9	2.7	2.5	4.0	2.8
Blackpool Retail Park	1.5	0.1	14.5	12.3	0.3	45.8	2.5	12.8	10.7
Clifton Retail Park	6.6	5.9	6.6	3.0	6.3	4.4	0.6	1.7	5.0
Cherry Tree Retail Park ²	2.2	4.5	4.2	12.8	1.9	2.1	0.6	2.8	3.9
Other Destinations	0.1	0.5	1.8	0.6	2.4	1.3	4.5	4.0	1.4
Sub-Total Blackpool Borough	56.0	51.8	57.0	61.6	44.4	71.1	20.1	46.6	54.1
<i>Elsewhere in Study Area</i>									
Cleveleys Town Centre	4.5	5.9	5.6	5.5	13.0	10.2	4.6	7.2	7.1
Lytham/St Annes Town Centres	3.3	9.5	4.7	7.7	15.3	2.6	2.9	9.7	6.5
Freeport Fleetwood Outlet Village	9.6	1.8	4.1	1.6	0.3	0.3	0.0	0.0	3.6
Fleetwood Town Centre	2.4	3.5	0.9	3.8	3.8	1.1	1.7	4.5	2.7
B&Q, Whitehills Retail Park	0.0	0.0	0.6	0.0	0.0	0.5	51.7	3.4	3.3
Poulton-le-Fylde Town Centre ³	0.2	2.0	2.8	0.9	7.3	0.4	3.1	0.8	1.9
Kirkham Town Centre	0.1	0.6	3.1	0.7	2.3	2.8	1.1	4.1	1.6
Other Destinations	1.3	6.7	2.7	1.0	8.1	3.2	7.3	1.7	3.3
Sub-Total Elsewhere in Study Area	21.4	30.0	24.4	21.3	50.1	21.1	72.5	31.5	30.0
Total Inside Study Area	77.4	81.8	81.4	82.9	94.5	92.2	92.6	78.1	84.1
Outside Study Area									
Preston City Centre ⁴	8.2	8.2	1.7	4.6	2.7	1.4	2.0	7.0	4.9
Manchester City Centre	2.7	3.5	4.2	1.5	0.2	1.0	0.0	0.0	1.8
Deepdale ⁵	2.1	0.0	0.3	4.2	0.9	0.2	0.1	2.0	1.5
Trafford Centre	2.3	1.9	1.9	1.0	0.1	0.4	0.0	0.4	1.2
Other Destinations	7.3	4.6	10.4	5.9	1.7	4.8	5.3	12.5	6.5
All Destinations Outside Study Area	22.6	18.2	18.6	17.1	5.5	7.8	7.4	21.9	15.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Notes: Sourced from Tables 10 to 27 of Appendix 6

Market share of study area residents' total expenditure on each category on comparison goods

¹ includes Houndshill Shopping Centre and Sainsburys. ² Includes Asda, Cherry Tree Road. ³ Includes Teanlowe Centre. ⁴ Includes Fishergate Shopping Centre. ⁵ Includes Morrisons, Deepdale.

Table 4.14: Main Destinations for Comparison Goods Expenditure by Category of Goods – Total Expenditure

Destination	Total Study Area Residents' Expenditure								
	Clothing & Footwear	Books/CDs/DVDs	Small Household	Recreation	Chemist	Electrical	DIY & Gardening	Furniture	All Comparison
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Inside Study Area									
Blackpool Borough									
Blackpool Town Centre ¹	116.4	16.7	24.3	37.9	34.6	16.4	4.7	16.1	267.1
District Centres	2.3	0.6	3.4	2.3	8.9	3.1	1.2	3.0	24.7
Blackpool Retail Park	3.8	0.0	13.4	15.0	0.4	51.5	1.3	9.7	95.1
Clifton Retail Park	17.3	2.5	6.1	3.7	8.1	5.0	0.3	1.3	44.2
Cherry Tree Retail Park ²	5.7	1.9	3.8	15.6	2.4	2.4	0.3	2.1	34.3
Other Destinations	0.4	0.2	1.6	0.7	3.0	1.5	2.2	3.1	12.8
Sub-Total Blackpool Borough	145.8	22.0	52.7	75.1	57.4	80.0	10.0	35.3	478.1
Elsewhere in Study Area									
Cleveleys Town Centre	11.8	2.5	5.2	6.7	16.9	11.5	2.3	5.5	62.3
Lytham/St Annes Town Centres	8.6	4.0	4.3	9.4	19.8	2.9	1.4	7.4	57.8
Freeport Fleetwood Outlet Village	24.9	0.8	3.7	1.9	0.4	0.3	0.0	0.0	32.1
Fleetwood Town Centre	6.2	1.5	0.9	4.6	4.9	1.2	0.9	3.4	23.6
B&Q, Whitehills Retail Park	0.0	0.0	0.5	0.0	0.0	0.6	25.6	2.6	29.4
Poulton-le-Fylde Town Centre ³	0.6	0.9	2.6	1.1	9.4	0.5	1.5	0.6	17.2
Kirkham Town Centre	0.3	0.3	2.8	0.9	3.0	3.1	0.6	3.1	14.1
Other Destinations	3.5	2.8	2.5	1.2	10.4	3.6	3.6	1.3	29.0
Sub-Total Elsewhere in Study Area	55.9	12.7	22.5	26.0	64.9	23.7	35.9	23.8	265.4
Total Inside Study Area	201.7	34.7	75.2	101.1	122.2	103.7	45.9	59.1	743.6
Outside Study Area									
Preston City Centre ⁴	21.3	3.5	1.6	5.6	3.4	1.5	1.0	5.3	43.2
Manchester City Centre	7.2	1.5	3.9	1.8	0.2	1.1	0.0	0.0	15.8
Deepdale ⁵	5.4	0.0	0.3	5.1	1.2	0.3	0.1	1.5	13.7
Trafford Centre	5.9	0.8	1.8	1.2	0.1	0.5	0.0	0.3	10.6
Other Destinations	19.1	1.9	9.7	7.1	2.2	5.3	2.6	9.5	57.5
All Destinations Outside Study Area	58.9	7.7	17.2	20.8	7.1	8.8	3.7	16.5	140.7
Total	260.6	42.4	92.4	121.9	129.3	112.5	49.6	75.6	884.3

Notes: Sourced from Tables 11 to 26 of Appendix 6

Market share of study area residents' total expenditure on each category on comparison goods

¹ includes Houndshill Shopping Centre and Sainsburys. ² Includes Asda, Cherry Tree Road. ³ Includes Teanlowe Centre. ⁴ Includes Fishergate Shopping Centre. ⁵ Includes Morrisons, Deepdale.

Comparison Goods Shopping Patterns Summary and Conclusions

Study Area Residents' Comparison Goods Expenditure in Blackpool Town Centre

- Blackpool town centre is the main destination amongst the Study Area residents for

comparison goods shopping overall. Nevertheless, Blackpool town centre attracts less than a third of the Study Area residents' total spending on comparison goods, which we consider to be low for a sub-regional centre.

- Competition from out-of-centre retail destinations in Blackpool is substantial. After Blackpool Town Centre, the most significant destinations for comparison goods shopping within Blackpool Borough are Blackpool Retail Park, Clifton Retail Park and Cherry Tree Retail Park. These three out-of-centre destinations collectively attract around a fifth of the Study Area residents' spending on comparison goods, amounting to around two-thirds of that spent in Blackpool town centre.
- The overall comparison goods market share of Blackpool town centre has fallen by a substantial 8.8 percentage points since 2010, whereas the popularity of Blackpool's three main retail parks has increased. We consider that this shift reflects the diversification of the comparison retail offer and increase in the overall quantity of out-of-centre comparison retail floorspace in Blackpool Borough, as well as the decrease in comparison retail floorspace within Blackpool town centre since 2007.
- Whilst the overall comparison goods market share of Blackpool town centre has declined since 2010, Blackpool town centre's market share of spending within the clothing and footwear category has increased from 39.9% at 2010 to 44.7% at 2017, a substantial 4.8 percentage point increase. This increase in Blackpool town centre's clothing and footwear market share is an important achievement given that the clothing and footwear comparison goods category is fundamental to a strong town centre comparison retail offer.
- Whilst we recognise the important complementary role of out-of-centre bulky goods retailing in providing a complementary offer to the town centre, we nevertheless consider that Blackpool town centre's market shares across many other categories of comparison goods is relatively modest.

Study Area Residents' Comparison Goods Expenditure Retention within the Study Area

- Of the Study Area residents' total expenditure on comparison goods, 80.3% is spent in destinations within the Study Area, which we consider to be a high retention rate given the proximity of the Study Area to the higher order settlement of Preston. The retention rate has increased by 3.8 percentage points since 2010 meaning that more residents are now undertaking their comparison goods shopping locally. This increase has outstripped expectations for a moderate increase in the retention rate scenario tested in the 2011 Fylde Coast Retail Study by 0.8 percentage points.

- However, much of this increase in the retention rate across the Study Area is attributable to an increase in local shopping by residents in those parts of the Study Area within the Fylde and Wyre local authority area, with Cleveleys, Poulton and Kirkham all increasing their market shares since 2010. Whilst the overall market share of destinations in the Blackpool Zones (Zones 1 to 6, which broadly correspond to Blackpool Borough) has increased slightly since 2010, this is primarily due to the substantial increase in the market share of Blackpool Retail Park, the borough's main out-of-centre retail destination.

Study Area Residents' Comparison Goods Expenditure in Blackpool Borough by Zone

- The residents of south, central and eastern parts of Blackpool Borough (Zones 1 to 5) complete a high proportion of their comparison goods shopping at destinations within Blackpool Borough. In the north of the borough (Zone 6), Blackpool Borough's comparison goods market share is more modest, with around a third of residents' comparison goods expenditure spent in destinations outside of the borough. Many residents in the north of the borough (Zone 6) undertake their comparison goods shopping in Cleveleys town centre, which is located just outside of Blackpool Borough and within easy reach of residents in the north of Blackpool Borough (Zone 6).
- Whilst Blackpool Borough's market share is much lower in those parts of the Study Area outside of Blackpool Borough (Zones 7 to 10), these parts of the Study Area primarily encompasses parts of the Fylde and Wyre local authority areas and residents in this area are therefore located outside of Blackpool Borough. Residents in each of Zones 7 to 10 undertake much of their comparison goods spending in defined centres and other local destinations within Zones 7 to 10. Residents in Zones 7 to 10 are also in proximity to competition from outside of the Study Area, most notably Preston city centre and facilities such as Deepdale. Destinations outside the Study Area attract between around a tenth and a third of residents' spending on comparison goods in each of Zones 7 to 10.

Scope to Further Improve Market Share of Blackpool Borough

- We therefore consider that the scope to further improve the market share of Blackpool Borough is limited. The retention of comparison goods expenditure amongst the borough's residents is already high across most of Blackpool Borough (Zones 1 to 5). Whilst a substantial proportion of the comparison goods expenditure of residents in the north of Blackpool Borough (Zone 6) flows to destinations within the Wyre local authority area, this largely reflects the proximity of Cleveleys town centre to Blackpool

Borough and its important role in serving residents in the north of Blackpool Borough.

- In those parts of the Study Area outside of Blackpool Borough (Zones 7 to 10), the retention of residents' expenditure within the Study Area has already increased significantly since 2010. Leakage to destinations outside of the Study Area now accounts for less than a fifth of Zone 7 to 10 residents' total spending on comparison goods. We consider that the potential to clawback further expenditure leaked to destinations outside the Study Area is therefore limited.

Scope to Further Improve Market Share of Blackpool Town Centre

- Nevertheless, given Blackpool town centre's position in the retail hierarchy and role as the sub-regional centre, we consider that Blackpool town centre should be attracting a higher proportion of spending on comparison goods from residents across the Study Area. Whilst the increase in Blackpool town centre's market share of spending on clothing and footwear since 2010 points to a strengthened town centre clothing and footwear offer, this boost is undermined by a substantial decline in Blackpool town centre's overall comparison goods market share.
- We consider that there is potential for Blackpool town centre to attract a higher proportion of the comparison goods expenditure of residents within the borough across many of the categories of comparison goods, as well as from its wider Fylde Coast catchment. However, this would require the delivery of a step change in the quality of Blackpool town centre's offer to attract more residents to the town centre and enable the centre to better compete with destinations within the borough, both in and outside of the Study Area. The planned investment at the Leisure Quarter Site, along with other investment schemes within the town centre (Winter Gardens, Talbot Gateway) could act as this catalyst to draw spending back into the town centre away from out of centre destinations, adjusting the patterns of spending within the Borough as a whole (whilst ensuring that the strategy set out in the Core Strategy relating to the retention rate is retained). It will be important to ensure that the retail offer is complementary to the existing town centre offer.

4.7 Customer Behaviour

- 4.7.1 The results of the household survey are useful in understanding customer behaviour in terms of how people undertake their convenience and comparison goods shopping. When respondents to the household survey were asked to provide the principal reason they choose to undertake their main food shopping at a particular store, the most popular response

(provided by 32.7% of respondents) was that their chosen store was near to home. The next popular answer was that the store offered lower prices (identified by 15.0% of respondents), 9.9% stated it was due to the choice of food goods and 8.9% stated that it was due to it being value for money.

- 4.7.2 The majority of household survey respondents (54.7%) do their main food shopping at least once a week, with 17.3% undertaking main food shopping at least twice a week, and 14.7% doing such shopping at least once a fortnight. The most popular time to undertake main food shopping is on weekdays during the day (48.3%). Only 11.7% of respondents undertake their main food shopping on a Saturday and 8.6% undertake their shop on weekdays during the evening. These proportions of main food shops accord with findings of other recent comparable studies across the North West region and the wider UK.
- 4.7.3 In terms of linked trips, the household survey results have been analysed in order to identify those respondents who link main food shopping trips to town centre stores with other activities. We have specifically identified those linked trips that derived from main food shopping trips to The Sainsbury's at Talbot Gateway. The results are set out in Table 4.15 below. A total of 35.0% of shoppers who stated that the Sainsbury's was their choice of store for main food shopping responded stating that they linked their trip to the store with another function in the town centre. Of those 35.0%, 11.1% stated that they link their trip with other food shopping, 9.0% stated that they link their trip with non-food shopping and 5.6% said they link their trip with a journey to or from work.
- 4.7.4 Respondents were asked if they ever visit Blackpool town centre and the five defined district centres. 75.3% of all of the respondents stated that they visit Blackpool town centre. Of the district centres, 21.9% stated that they visit Bispham district centre, 21.2% visit South Shore district centre, 19.7% visit Whitegate, 15.1% visit Highfield and 10.1% visit Layton. 17.7% do not visit any of the centres.

Table 4.15: Proportion of Town Centre Main Food Shopping Trips Linked with Other Activities

Response	Sainsbury's Talbot Gateway
Yes – non-food shopping	9.0%
Yes – other-food shopping	11.1%
Yes – visiting services such as banks and other financial institutions	2.8%
Yes – leisure activity	1.2%
Yes – travelling to / from work	5.6%
Yes – travelling to / from school / college / university	0.0%
Yes – getting petrol	0.0%
Yes – visiting café / pub / restaurant	5.3%
Yes – visiting family / friends	0.0%
Yes – visiting health service such as doctor, dentist, hospital	0.0%
Yes – visiting other service such as laundrette, hairdresser, recycling	0.0%
Yes – other activity	0.0%
Total	35.0%

Source: NEMS Household Survey, Question 11

- 4.7.5 Of those respondents who visit a centre, the main reason for visiting it is the choice and range of shops (29.8%), followed by the centre's proximity to the respondent's home (17.5%). A total of 61.7% of respondents typically travel to the centre by car and 13.9% by bus. Asking respondents why they do not visit each of the centres, 13.0% said they do not visit Blackpool because of the lack of choice of shops.
- 4.7.6 Respondents were asked whether they undertake shopping via electronic means i.e. home, mobile or TV shopping. The majority of respondents (57.0%) stated that they shop via home internet, 26.0% shop via portable internet devices (mobile phone, tablets etc) and 2.5% shop via the TV. When asked which goods their household purchases via electronic shopping, the highest positive response was for clothes (50.6%), followed by books (36.2%) and CDs, DVDs and music (28.2%). Overall, 9.0% of respondents said that they shop via internet for food.

4.8 In Street Surveys

- 4.8.1 In street surveys were undertaken by NEMS Market Research in Blackpool town centre in September 2017. The purpose of the surveys is to provide an insight into the views and behaviours of customers, residents and visitors in relation to their visits to the two town centres.

4.8.2 The surveys were undertaken at various locations across the centre, to ensure that a range of respondents were questioned. In total, 100 surveys were undertaken in Blackpool town centre. A copy of the in-street survey results is included at Appendix 3.

Reason for visiting the centres

4.8.3 Respondents were asked why they chose to visit Blackpool. 17.0% of all respondents stated that they visit Blackpool to 'browse' and 16.0% stated that they visit Blackpool to go clothes and shoe shopping.

Table 4.16: Main Reason for Choosing to Shop/Visit the Town centre

	1st		2nd		3rd		4th	
Blackpool	Browsing	17.0%	Clothes and Shoe Shopping	16.0%	Work/School / College	11.0%	Sainsbury's, Talbot	10.0%

Source: NEMS In Street Survey, Question 9

Food Shopping

4.8.4 Respondents to the in street survey were also questioned in respect of how often they visited Blackpool town centre to undertake their main food shop. Of the respondents, 24.0% stated indicated that they visit the centre once a week to undertake their main food shop and 19.0% responded that they visit once a fortnight. A total of 38.0% of respondents said that they never visit Blackpool town centre to undertake main food shopping.

Table 4.17: Frequency of Visit to Town Centre to Undertake Main Food Shopping

Centre	Every day	2-3 times a week	Once a week	Once a fortnight	Once a month	Less than once a month	Never
Blackpool	2.0%	9.0%	24.0%	19.0%	2.0%	1.0%	38.0%

Source: NEMS In Street Survey, Question 14

Non-Food Shopping

4.8.5 Turning to non-food shopping and the frequency of respondents' visits, 23.0% stated that they visit the centre 2-3 times a week, followed by 20.0% stating that they visit once a fortnight. A total of 7.0% of the respondents stated that they visit daily and 9.0% stated that they visit less than once a month.

Table 4.18: Frequency of Visit to Town centre for Non-Food Shopping

Town	Every day	2-3 times a week	Once a week	Once a fortnight	Once a month	Less than once a month
Blackpool	7.0%	23.0%	19.0%	20.0%	6.0%	9.0%

Source: NEMS In Street Survey, Question 13



Types of Shops and Services Desired by Respondents

4.8.6 Respondents were also asked what types of shops or services they would like to see more of in Blackpool. The highest proportion of respondents stated that they would like to see more footwear shops (19.0%), followed by clothing and department stores (15.0%) and more independent shops (13.0%). Overall, respondents were clearly keen to see more retailers offering a wider range of goods in the town centre.

Table 4.19: Types of Shops and Services Desired

Town	1st		2nd		3rd		4th	
Blackpool	Footwear Stores	19.0%	Clothing Stores	15.0%	Department Stores	15.0%	Independent shops	13.0%

Source: NEMS In Street Survey, Question 22

Types of Leisure Facilities Desired

4.8.7 Turning to leisure facilities, the respondents were asked what types of additional leisure facilities they would like to see in the town centre. Responses were divided wide across the options, with 10.0% stating they would like to see another swimming pool, 9.0% saying entertainment and activities for young people and 8.0% more museums. 64.0% of the respondents stated that they did not wish to see any additional leisure facilities in the town centre, perhaps demonstrating the relatively strong offer at present.

Table 4.20: Types of Leisure Facilities Desired

Town	1st		2nd		3rd		4th	
Blackpool	Swimming Pool	10.0%	Entertainment / Activities for young people	9.0%	Museums	8.0%	Parks / Gardens	8.0%

Source: NEMS In Street Survey, Question 23

Measures to Improve the Centre

4.8.8 Respondents were asked what measures they would suggest would improve the town centre. The highest proportion of responses (34.0%) stated that they suggested that filling the empty shops would improve the town centre, followed by 28.0% said that giving it a general face lift would also assist. A total of 40.0% (20.0% for each answer) said that having fewer low quality shops and improving the quality of shops would help to improve the town centre. Overall, there is a general perception from respondents that improving both the level of empty shops and quality of existing retailers would improve the town centre.



Table 4.21: Most Popular Suggested Measures to Improve the Town Centre

Town	1st		2nd		3rd		4th	
Blackpool	Fill the empty shops	34.0%	Give it a general face lift	28.0%	Fewer low quality shops	20.0%	Improve quality of shops	20.0%

Source: NEMS In Street Survey, Question 24

Biggest Weakness of the Town Centres

4.8.9 In addition to seeking views on how respondents envisaged the town centre could be improved, they were also asked what the biggest weakness of the town centre is. The most popular answer was the anti-social behaviour from 36.0% of the respondents, followed by the level of empty shops (29.0%). The third most popular answer was that the choice/range of non-food shops was a weakness of the centre (18.0%), followed by a lack of public amenities (13.0%). 25.0% of the respondents did not provide an answer.

Table 4.22: Biggest Identified Weaknesses of the Town Centre

Town	1st		2nd		3rd		4th	
Blackpool	Anti-social behaviour	36.0%	Empty shops	29.0%	Choice/rang of non-food shops	18.0%	Lack of public amenities	13.0%

Source: NEMS In Street Survey, Question 25

Night Time Economy

4.8.10 Part of a centre’s overall attraction is the level of provision of facilities supporting the night time economy. This can include restaurants, bars, pubs and clubs, along with theatres, cinemas and bowling facilities. A total of 58.0% of the respondents stated that they never visit Blackpool town centre in the evening, which is a high percentage of respondents. Only 1.0% responded stating they visit every day in the evening and a total of 4.0% visit once a week.

Table 4.23: Frequency of Evening Visit to the Town Centre

Town	Every day	Once a week	Less than once a week	Less than once a fortnight	Less than once a month	Never
Blackpool	1.0%	4.0%	2.0%	8.0%	21.0%	58.0%

Source: NEMS In Street Survey, Question 15

4.8.11 In terms of the main reason why those who visit the town centre in the evening, 25.0% responded that they visit to eat in a café or restaurant, followed by 22.2% who responded stating they were attending a concert or gig. The third most popular answers each attracting 8.3% of the responses is to visit a bar, pub or to go to work. A total of 5.6% of the respondents stated that they go to the cinema.

Table 4.24: Main Reason for Visiting in the Evening

Town	1st		2nd		Joint 3rd		4th	
Blackpool	Eat in a café or restaurant	44.4%	Go to a concert/gig	22.2%	Visit a bar / Visit a pub / work/school	8.3%	Go to the cinema	5.6%

Source: NEMS In Street Survey, Question 16

Markets

4.8.12 Blackpool is home to two markets which offer different functions at different locations in Blackpool town centre. Respondents were asked a series of questions relating to the markets, including how often they visit them, what they like about the markets and what they dislike about the markets.

Table 4.25: Frequency of Visit to Market

Market	Daily	Once a week or more	Less than once a week	Less than once a fortnight	Less than once a month	First time today	Never
Bonny Street	0.0%	2.0%	6.0%	9.0%	25.0%	0.0%	47.0%
Abingdon Street	0.0%	13.0%	13.0%	20.0%	22.0%	2.0%	21.0%

Source: NEMS In Street Survey, Question 27

4.8.13 Out of the two markets, a higher proportion of respondents stated that they visit the Abingdon Market more frequently, with 13.0% stating they visit once a week, 13.0% stating they visit less than once a week and 20.0% stating they visit less than once a fortnight. In terms of the Bonny Street Market, 2.0% state they visit once a week or more, 6.0% less than once a week and 9.0% visit less than once a fortnight. A total of 47.0% of the respondents state that they never visit Bonny Street Market and 21.0% state they never visit Abingdon Street Market.

Table 4.26: Frequency of Visit to Market

Market	Daily	Once a week or more	Less than once a week	Less than once a fortnight	Less than once a month	First time today	Never
Bonny Street	0.0%	2.0%	6.0%	9.0%	25.0%	0.0%	47.0%
Abingdon Street	0.0%	13.0%	13.0%	20.0%	22.0%	2.0%	21.0%

Source: NEMS In Street Survey, Question 27

4.8.14 When asked what the main reason was why the respondents liked the markets, the most popular answer for both was that they are all on one level.



Table 4.27: Main thing Liked about the Markets

Market	1st		2nd		3rd		4th	
Bonny Street	All on one level	20.0%	Easy to get to	4.0%	Value for money / Compact	3.0%	Quality of food	2.0%
Abingdon Street	All on one level	29.0%	Range of food	12.0%	Compact	8.0%	Freshness of food / Friendly atmosphere	7.0%

Source: NEMS In Street Survey, Questions 28 and 30

5.0 Health Check Assessments

5.1.1 The NPPF identifies a number of factors which will be of relevance in delivering sustainable development, with one such factor being the need to ensure the vitality and viability of town centres. Paragraph 23 of the NPPF indicates that local authorities should promote competitive town centre environments and set out policies for the management and growth of centres over the plan period. Paragraph 23 also requires local planning authorities to recognise that town centres are at the heart of their communities and to pursue policies that support their viability and vitality. It also states that competitive town centre environments should be promoted in order to enhance customer choice, provide a diverse retail offer and to reflect the individuality of town centres.

5.1.2 The criteria by which the health of a centre can be judged is set out in the Government's Ensuring the Vitality of Town Centres Planning Practice Guidance of March 2014. Indicators which should be monitored on a regular basis in order to judge the health of a centre and its performance over time include the following.

- **Diversity of uses**– Data on the diversity of uses in the centres was collated during our surveys in September 2017.
- **Proportion of vacant street level property**– Vacant properties were identified during the undertaking of the surveys.
- **Retailer representation** – Information on the performance of centres and the current strength of retailer representation has been derived from Venuescore's 2016-17 UK Shopping Venue Rankings.
- **Pedestrian flows**–General footfall and pedestrian flows were observed during the undertaking of the centre surveys.
- **Accessibility**–Consideration of access to and around each centre is informed by our site visits to each centre.
- **State of town centre environmental quality**–Consideration of the quality of the buildings and public realm in each of the centres has also been informed by our observations when undertaking field work.

5.1.3 We set out below a summary of our analysis of Blackpool town centre and the defined district centres in respect of the above indicators. We provide a full, detailed assessment of the health of these centres at Appendix 4 (Blackpool) and Appendix 5 (District Centres).

- 5.1.4 We commence our assessment by considering the role of Blackpool's centres in the sub-regional shopping hierarchy as identified Venuescore's 2016-2017 UK Shopping Venue Rankings.

5.2 Defining Types of Sub-Regional Retail Hierarchy

- 5.2.1 Table 5.1 illustrates the position of the sub-region's principal centres based on Venuescore's Rankings. Further analysis is also provided to encompass all centres included within the rankings for Blackpool, along with surrounding Fylde and Wyre districts in order to provide a more localised picture of the wider retail hierarchy. Venuescore's index ranks 2,705 retail venues within the UK (including city, town district and local centres, stand-alone malls, retail warehouse parks and factory outlet centres), based on the strength of their current retail and food and drink provision. Towns and major shopping centres are rated using a scoring system which takes account of the presence in each location of multiple retailers – including anchor stores, fashion operators and non-fashion multiples.
- 5.2.2 Venuescore allocates each centre to a tier, reflecting its role and function. The eight tiers comprise (highest to lowest): 'Major City', 'Major Regional', 'Regional', 'Sub-Regional', 'Major District', 'District', 'Minor District' and 'Local'. The rankings in the table represent the position of Blackpool's centres as identified by the 2016-17 Rankings, as well as competing surrounding shopping venues. Blackpool town centre is assigned a Venuescore of 212, currently ranking 68th in the Venuescore centre hierarchy and designated as a 'Regional' destination, indicating that it has significance across the wider area. It is the 7th highest ranked retail venue in the North-West Region behind Manchester, Liverpool, The Trafford Centre, Chester, Preston and Warrington and is the second highest ranked centre in the Lancashire sub-region behind Preston.
- 5.2.3 Blackpool's Rank has increased six places from 74 to 68 since the 2015/16 Venuescore rankings. Indeed, the Venuescore 2017 Executive Summary notes Blackpool as the 9th highest climber within the top 100 UK venues. However, this should be treated with a degree of caution as Blackpool's Venuescore has in fact fallen two points from 214 to 212. Whilst we consider this to be a negligible decrease, a rise in overall rankings coupled with the Venuescore itself declining, simply suggests that Blackpool has suffered from lower levels of decline than competing centres. Whilst the Venuescore rankings are a useful indicator of a centre's position within a national hierarchy, Blackpool's rise in the rankings is clearly not as positive as it may initially appear. Furthermore, Venuescore's methodology does not necessarily account for all of the factors that impact on the vitality and viability of a town

centre. For example, Venuescore only considers national multiple operators and does not take account of independent businesses. As such, a degree of caution should be applied when considering the Venuescore rankings, which should be considered in conjunction with the other healthcheck indicators provided in this report.

Table 5.1: Sub-Regional Shopping Hierarchy

Venue	Score 2016/17	Classification 2016/17	Rank		Change in rank between 2015/16 and 2016/17
			2015/16	2016/17	
Preston, Centre	228	Regional	56	58	- 2
Blackpool, Centre	212	Regional	74	68	+ 6
Blackburn, Centre	156	Regional	147	143	+ 4
Lancaster, Centre	154	Regional	144	145	- 1
Burnley, Centre	106	Sub-Regional	242	236	+ 6
Accrington, Centre	103	Sub-Regional	230	244	- 14
Chorley, Centre	96	Sub-Regional	278	270	+ 8
Preston, Deepdale R P	69	Major District	480	408	+ 72
Ormskirk, Centre	65	Major District	429	438	- 9
Cleveleys, Centre	60	Major District	503	492	+11
St Annes, Centre	54	Major District	590	558	+32
Fleetwood, Freeport Village F O	39	District	779	799	-20
Lytham, Centre	36	District	918	879	+39
Fleetwood, Centre	33	District	943	968	-25
Blackpool, South Shore	27	Minor District	1232	1187	+45
Blackpool, Blackpool R P	24	Minor District	1548	1325	+223
Blackpool, Clifton R P	21	Minor District	1486	1481	+5
Blackpool, Cherry Tree R P	19	Local	1618	1625	-7
Preston, Kirkham	17	Local	1789	1775	+14
Poulton Le Fylde, Centre	17	Local	1618	1775	-157
Preston, Garstang	17	Local	1789	1775	+14
Lancaster, Lancaster North M S A	15	Local	1789	2021	-232
Blackpool, Central Dr	13	Local	2394	2377	+17
Blackpool, Queenstown	13	Local	2394	2377	+17
Blackpool, Whitegate Dr	13	Local	2034	2377	-343
Blackpool, Red Bank Rd	12	Local	2577	2566	+11
Blackpool, Amy Johnson Way/Squires Gate Ln	11	Local	2827	2815	+12
Thornton Cleveleys, Amounderness Way	11	Local	2827	2815	+12
Blackpool, Layton Rd	10	Local	2827	3133	-306

Source: Venuescore 2016-17/2015-16 UK Shopping Venue Rankings (Javelin Group)

- 5.2.4 In terms of Blackpool's lower tier centres, table 5.1 goes on to outline the position of those included within Venuescore's rankings against those in the neighbouring Fylde and Wyre districts. We feel it is appropriate to assess these centres in the context of the Fylde Coast rather than the entire Lancashire sub-region given the localised nature of the provision.
- 5.2.5 There are nine lower tier centres included within the Borough of Blackpool. On the most part, these centres have increased in ranking since the 2015/16 data, excluding the Cherry Tree Retail Park and Whitegate Drive district centre. Waterloo Road district centre (South Shore) and the Blackpool Retail Park (Squires Gate) are the two highest ranked lower tier centres and are the top centres on the Fylde Coast beyond the principal towns (Cleveleys, St Anne's, Lytham and Fleetwood) and the Fleetwood Freeport Retail Park, which indicates that Blackpool has relatively strong lower tier centres on the Fylde Coast in the context of the Venuescore methodology.
- 5.2.6 Given that lower tier centres often comprise a predominantly independent retail and service offer which is not considered by the Venuescore methodology, the presence of a limited number of national multiple retailers can result in a centre being ranked considerably higher than a similar performing centre with less national multiples. For example, national multiples such as Tesco, Iceland, KFC and Subway have resulted in the South Shore (Waterloo Road) district centre ranking higher than other comparable district centres, which could be perceived to be performing at the same level when considering a range of healthcheck indicators. It should also be noted with regard to centres such as Whitegate Drive which appear to have fallen considerably in the rankings, that these centres are in line with a considerable number of retail venues nationally. Therefore, if a few multiple retailers/cateters close then the Venuescore would fall. It is not unusual for a small change to result in a centre climbing or slipping significantly below other comparable locations.

5.3 Blackpool Town Centre

- 5.3.1 We have undertaken a full health check analysis for Blackpool town centre which can be found at Appendix 4. This section provides a summary of the health check, along with key findings and recommendations.
- 5.3.2 Blackpool town centre is the principal retail, commercial and administrative centre and provides the main hub of retail and service uses in the Borough. The Blackpool Local Plan Part 1: Core Strategy 2012-2027 (January 2016) identifies the town centre and associated Resort Core as the borough's main focus, directing future growth, development and investment towards this part of the borough. Chapter 7 of the Core Strategy sets out a

Blackpool Retail, Leisure and Hotel Study

number of policies which seek to assist with facilitating the Council's regeneration aspirations for the town centre and associated resort core.

- 5.3.3 The focus of retail activity in Blackpool town centre is within the defined Principal Retail Core, comprising the Houndshill Shopping Centre, Church Street, Victoria Street, and Bank Hey Street. The town centre boundary was recently amended through the adoption of the Core Strategy which expanded it to accommodate two strategic sites: the Central Business District; and the Leisure Quarter. The Winter Gardens was also designated as a strategic site. These areas are specifically identified for growth and investment within the town centre and are subject to specific policies within Chapter 7 of the Core Strategy.

Diversity of Use and National Multiple Retailers

- 5.3.4 The Council provided WYG with data identifying the diversity of retail and service uses in Blackpool town centre which was recorded in August 2017. WYG also undertook a subsequent diversity of use survey in September 2017 to establish whether there had been any material changes. We can confirm that no significant changes were identified and therefore the Council's dataset forms the basis of this analysis.
- 5.3.5 The August 2017 survey of the town centre boundary identified 621 retail and service units with a gross floorspace of 157,226 sq.m. Table 5.2 below sets out the composition of uses identified in accordance with the Goad categorisation system:

Table 5.2: Diversity of Use, August 2017

	Blackpool Town Centre - August 2017					
	No of Units	%	UK	Floorspace	%	UK
Convenience	36	5.8%	8.7%	19,788	12.6%	15.2%
Comparison	183	29.5%	31.3%	47,660	30.3%	35.1%
Retail Service	40	6.4%	14.4%	3,892	2.5%	6.8%
Leisure Service	193	31.1%	23.8%	59,544	37.9%	24.9%
Financial and Business Service	44	7.1%	10.4%	6,932	4.4%	7.8%
Vacant	125	20.1%	11.2%	19,410	12.3%	9.6%
Total	621	100%	100%	157,226	100%	100%

Source: Blackpool Borough Council Survey, August 2017 (Verified by WYG, September 2017)

* Recategorised by WYG in accordance with Experian Goad Main Town Centre Uses

*UK Average Figure, Experian Goad, August 2017

- 5.3.6 In summary, the provision of convenience goods floorspace is below the national averages in terms of both the number of units and proportion of floorspace. This offer has however been bolstered by the Sainsbury's supermarket which opened as part of Phase 1 of the Talbot Gateway Scheme in 2014, but still falls below the national average even when taking account of this additional floorspace. The comparison goods offer also falls below the national averages in terms of both the number of units and the proportion of floorspace.

- 5.3.7 It is emphasised, however, that the diversity of uses analysis presented in Table 5.2 should be viewed within Blackpool's wider context as a popular seaside destination that attracted 18 million tourism visits in 2016³¹. In accordance with Blackpool's role as a leisure destination, leisure uses account for a substantially higher proportion of the town centre offer than the UK average. Adjusting for the high proportion of leisure uses in Blackpool town centre, the provision of convenience and comparison retail uses in Blackpool town centre is broadly in accordance with the UK averages.
- 5.3.8 Experian Goad produces a list of 28 top comparison goods retailers (such as House of Fraser Boots and Vodafone) which acts as one measure of the vitality and viability of a centre. Blackpool town centre contained 24 of the 28 top comparison goods retailers in August 2017, with the only operators not present being Monsoon/Accessorize, Burton, House of Fraser and John Lewis. Blackpool town centre therefore benefits from good representation of the top comparison goods retailers demonstrating a level of resilience to wider structural changes in the retail market.
- 5.3.9 Within the Principal Retail Core, national multiple comparison goods retailers are predominately located within the Houndshill Shopping Centre which comprises 71.7% comparison goods retailers in terms of the number of units and 93.2% in terms of the proportion of floorspace. This demonstrates that Houndshill is a well performing shopping destination and key retailers present include Debenhams, Next, H&M, River Island, Primark and Boots. However, the success of Houndshill appears to have resulted in detriment to other areas within the Principal Retail Core. It is notable that 13 of the 24 top comparison good retailers present in Blackpool are located within Houndshill Shopping Centre, a number of which relocated to the shopping centre from elsewhere in the Principal Retail Core following its extension in 2008.
- 5.3.10 The remaining top comparison retailers – which include Marks and Spencer, TK Maxx, WHSmiths and Waterstones – are located elsewhere within the Principal Retail Core, predominantly on Victoria Street and the southern part of Bank Hey Street. Notwithstanding the presence of these top retailers outside of Houndshill Shopping Centre, there is a prevalence of discount retailers elsewhere within the retail core. Bank Hey Street in particular now comprises a number of discount and value stores such as Poundland, B&M Bargains, Heron Foods and the Liquidation Stock Clearance. There are also a number of charity shops throughout the town centre.

³¹ Marketing Lancashire STEAM Tourism Economic Impacts 2016

- 5.3.11 In terms of leisure services, Blackpool has a significant and in some respects unique offer, with this leisure service sector playing a significant role in the composition of the town centre. For example, in terms of the proportion of units, there are 31.1% occupied by leisure operators compared to the national average of 23.8%. This demonstrates the importance of providing a leisure offer to residents and tourists within Blackpool town centre, albeit the quality of the provision is of varying degrees, with a general requirement to improve the qualitative offer within the centre as a whole. Blackpool's leisure service offer clearly has a function and draw beyond that of the provision of a town centre which serves just its residents, rather than the added tourist offer too. For example, Blackpool Tower, the Winter Gardens, Madame Tussauds and the Sea Life Centre are key examples of the town's unique offer as a tourist destination.
- 5.3.12 The provision of both retail services and financial and business services are below the national average figures in terms of both the number of units and the proportion of floorspace, even after adjusting for the high proportion of leisure uses in the town centre.

Vacancies

- 5.3.13 The vacancy level is high in terms of the number of units and the proportion of floorspace, both exceeding national averages. This issue is prevalent within both parts of the Principal Retail Core and peripheral parts of the town centre where there are considerable vacancies in both circumstances. In recent years, following the extension of the Houndshell Shopping Centre in 2008, a number of retailers have relocated from elsewhere within the Principal Retail Core into the shopping centre, resulting in vacancy levels increasing outside of the shopping centre. This, along with the prevalence of poor retail stock outside of Houndshell which doesn't meet current operator requirements, the general image and attraction of the centre, along with inherent difficulties in the commercial market and retailers generally being cautious to open new stores, particularly outside of the major cities, all factor into the long term vacancy rates within the town centre.
- 5.3.14 There have also been a number of recent departures within the Principal Retail Core including the closure of BHS and the consolidation of Argos into the Sainsbury's supermarket. These decisions however relate to national circumstances and are not wholly reflective of Blackpool's performance as a town centre, albeit we acknowledge that certain commercial decisions will be on the basis of a centre's performance.
- 5.3.15 The town centre Vacancy Plan presented at Appendix 4 shows vacancies in the centre are most concentrated in secondary parts of the town centre away from the Principal Retail Core

and Promenade. However, these are still significant vacancies in parts of the Principal Retail Core, within concentrations focused on the older stock on Bank Hey Street and Church Street.

- 5.3.16 Other notable vacancies include a number of purpose built retail units associated with the Talbot Gateway development. It is our understanding that a number of these units have never been let, remaining vacant since the scheme opened in 2014. This suggests that there has been little market interest for these units which presents some cause for concern given that they are high quality purpose-built units, suitable to accommodate national multiples. However, the apparent lack of demand can possibly be attributed to their secondary location within the town centre, outside of the Principal Retail Core.
- 5.3.17 We further note the long-term nature of the vacancy issues in the town centre. A review of the Experian Goad data on the diversity of uses in Blackpool town centre from 2007 suggests that a number of units on Bank Hey Street and Talbot Road in particular have remained vacant for over a decade.

Pedestrian Flows

- 5.3.18 As would be expected, the Houndshell Shopping Centre, along with Church Street, Victoria Street and Bank Hey Street (comprising the Principal Retail Core) were subject to high levels of pedestrian footfall and in particular the Houndshell Shopping Centre. The Promenade was also subject to consistently high levels of pedestrian footfall which can be attributed to the concentration of leisure services and indeed tourist attractions, with visitors to Blackpool appearing to be most active in this part of the town centre. In contrast, although not surprisingly, peripheral parts of the town centre such as the areas to the east of Church Street and around King Street, Counce Street and Cookson Street were observed to have lower levels of pedestrian activity.

Accessibility

- 5.3.19 Our health check analysis found Blackpool town centre to be well connected with the national strategic road network, well served by public transport and currently has a sufficient level of car parking to sustain visitors for both retail and tourism purposes (excluding major events). However, we understand that the Council is currently reviewing the car parking capacity in the town centre in response to the significant regeneration initiatives which will involve not only the loss of car parks, but an increase in demand from the new development. The centre is also accessible for cyclists, pedestrians and less able users.

Perception of Safety

- 5.3.20 Our visit identified few visual signs that crime is a particular issue in Blackpool town centre. However, the in-street survey results found that 36.0% of respondents identified anti-social behaviour as the biggest weakness of Blackpool town centre, followed by 29.0% of respondents stating the number of vacant units and a further 20% of respondents stating that improved security/CCTV would help to improve Blackpool and make it more attractive. This suggests that crime is a greater issue in the town centre than its physical appearance suggests and we note that much of the anti-social behaviour occurs during the evening/night time hours and is alcohol related. However, after being axed in 2013 due to government cuts, the Council's live surveillance system was reinstated in November 2015 and it is reported that crime in the town centre has reduced since the reintroduction of the system. Crime statistics published by the Police (www.police.uk) reported 299 incidents of crime in August 2017, the figure falling to 247 in November 2017 having also reduced in the two months in between. This suggests that efforts to reduce crime in Blackpool are having a positive effect although this identified reduction could also be related to the winter season.

Environmental Quality

- 5.3.21 We found varying environmental quality in Blackpool. It was clear that the Principal Retail Core has benefitted from investment in recent years in terms of public realm. St Johns Square and Church Street benefitted from investment in 2009 to improve the public realm and we found this area to be continuing to benefit from a high environmental quality. We also found Victoria Street to benefit from a reasonable environmental quality which assists in improving connectivity between the Promenade and the Winter Gardens, and creating an attractive shopping environment. The Houndshell Shopping Centre provides high quality retail stock which is suitable to accommodate modern operators. In contrast, there is a prevalence of poor quality retail stock within parts of the town centre, for example Bank Hey Street which detracts from the overall environmental quality.
- 5.3.22 The environmental quality also decreases in peripheral parts of the town centre, particularly to the east along Cookson Street and the surrounding area where there is a prevalence of poor quality retail units. The visual appearance of the north-east of the town centre has benefitted significantly from the first phase of the Talbot Gateway scheme which has delivered a Sainsbury's supermarket and B1(a) office building that is occupied by the Council. As part of the 'Quality Corridors' scheme that from February 2018 a £1m cash pot for shopfront improvements has been made available for traders located on Topping Street, Deansgate, Edward Street and parts of Church Street and Talbot Road, which provides

traders with an opportunity to apply for grants to undertake improvements to their shopfronts. The funding is available to 2020 and it is anticipated it will assist in addressing some of the qualitative issues associated with the retail stock.

Summary

- 5.3.23 Blackpool town centre, whilst being the principal retail, commercial and administrative centre in Blackpool Borough is also a regional and national tourist destination. Key attractions such as the Blackpool Tower, Madame Tussauds and Pleasure Beach (located to the south of the town) help to attract visitors to the town centre and wider resort core. The Venuescore retail rankings place Blackpool as the seventh highest ranked retail destination in the North-West region and second in the Lancashire sub-region behind Preston. Blackpool's overall ranking in the national context has also increased in the 2016/17 period against the 2015/16 period by six places which appears to reflect positively on the town centre. However, we have established that this is simply attributed to other competing centres suffering from greater levels of decline in the context of the Venuescore methodology.
- 5.3.24 The Blackpool Core Strategy was adopted in January 2016 and Chapter 7 addresses regenerating Blackpool town centre and the wider resort core. We consider this to set out a robust strategy for Blackpool, identifying the locations for future growth and investment (Winter Gardens, Talbot Gateway and Leisure Quarter), promoting leisure and business tourism and acknowledging the current issues associated with low quality holiday accommodation on the edge of the town centre.
- 5.3.25 It is important to acknowledge that the role of leisure services in Blackpool is considerably greater than that in many towns of a comparable size due to the nature of Blackpool's draw as a regional and national tourist destination. As such, the overall provision of leisure services is considerably greater than the national average figures in terms of both the number of units and proportion of floorspace and this is evident when visiting the centre. Nevertheless, we have found the Council's strategy in relation to the town centre to be robust in that comparison goods retail uses are generally concentrated within the Principal Retail Core, with leisure services intensifying in the wider town centre boundary which accords with national guidance.
- 5.3.26 Within the Principal Retail Core, Houndshell Shopping Centre is functioning effectively and accommodates a range of modern retailers. However, we have found that Houndshell dominates the Principal Retail Core and a number of retailers have relocated there from elsewhere in the town centre in recent years. This has had a detrimental impact on other

parts of the Principal Retail Core, in particular along Bank Hey Street which is subject to a number of prolonged vacancies in the northern area and the prevalence of discounter retailers elsewhere.

- 5.3.27 There are also significant vacancy issues at Bickerstaffe Square where a number of retail and service units remain vacant since being developed in 2014, although it is hoped that the second phase of the scheme will help to generate market interest in this location. We consider that the location of the units outside of the Principal Retail Core will have had some impact on the take-up rates, along with the current market dynamics and wider attraction of Blackpool town centre to potential new tenants.
- 5.3.28 There is a lack of modern format retail stock outside of the Houndshell Shopping Centre and more generally across the Principal Retail Core, and a high proportion of poor quality units are located around the periphery of the centre.
- 5.3.29 Speaking to agents involved in the Blackpool commercial market, there is an overall indication that the existing stock outside of Houndshell does not meet national multiples' modern requirements. In any event, opportunities to attract new operators in the current market will be limited other than at the discounter end, which Blackpool is well served by. In terms of the national multiple leisure market, it is considered to be fragile, although Blackpool's restaurant offer is noted to be below what might be expected for a town of its' size and given its regional leisure draw.
- 5.3.30 Throughout these peripheral areas, we have also found that there are also associated issues with public realm and the overall environmental quality, particularly given the lack of green infrastructure and attractive street furniture. These areas substantially detract from the overall health of the centre, with poor frontages and overall aesthetic quality in the most part. These weaknesses were well documented in the 2013 Town Centre Strategy and brought forward into the 2016 Core Strategy guidance.
- 5.3.31 In any event, leisure will continue to play a key role in the future strategy for Blackpool town centre but the Council should remain cautious to ensure that a balance is struck between retaining upper market comparison goods retailers within the Principal Retail Core and encouraging additional leisure uses to assist in reducing vacancies.

5.4 District Centres

5.4.1 As part of our instruction we have considered the current performance of Blackpool’s currently defined district centres. Generally, the district centres meet more day-to-day retail and service needs which typically arise locally. Figure 13 associated with Policy CS4 (Retail and other Main Town Centre Uses) of the Core Strategy defines the Retail Hierarchy for Blackpool and designates the following five district centres:

- South Shore/Waterloo Road;
- Bispham/Red Bank Road;
- Highfield Road;
- Layton; and
- Whitegate Drive

5.4.2 A full health check for each district centre is provided at Appendix 5. These provide a more detailed account of our findings.

Highfield Road

5.4.3 Highfield Road district centre is located approximately 4 km south of Blackpool town centre. We undertook a site visit on Wednesday the 27th September 2017 to inform this health check assessment, ensuring that the most up-to-date diversity of use and floorspace figures were available. Our survey identified 98 retail and service units within the centre, comprising a total gross floorspace of 11,662 sq.m.

Table 5.3: Highfield Road’s Diversity of Use for Commercial Units

	Highfield Road District Centre - September 2017					
	No of Units	%	UK	Floorspace	%	UK
Convenience	11	11.2%	8.7%	1,073	9.2%	15.2%
Comparison	24	24.5%	31.3%	2,403	20.6%	35.1%
Retail Service	19	19.4%	14.4%	1,895	16.2%	6.8%
Leisure Service	24	24.5%	23.8%	3,403	29.2%	24.9%
Financial and Business Service	13	13.3%	10.4%	2,098	18.0%	7.8%
Vacant	7	7.1%	11.2%	790	6.8%	9.6%
Total	98	100%	100%	11,662	100%	100%

Source: WYG Survey, September 2017

* Categorised in accordance with Experian Goad Main Town Centre Uses

*UK Average Figure, Experian Goad, August 2017

The centre is not supported by a retail anchor as such, although key national multiple retailers include Tesco Express and B&M Bargains. Highfield Road was found to have a particularly strong service offer, with provisions across all three of the sub-categories greater than the national averages in terms of both the number of units and proportion of floorspace. Vacancies are below national averages which reflects positively on the health of the centre.

Blackpool Retail, Leisure and Hotel Study

- 5.4.4 Key national multiple retailers within Highfield Road comprise Tesco Express and B&M Bargains, along with a range of other convenience operators including a bakery, butcher and grocer. There is a relatively poor comparison offer and a number of charity shops and second-hand stores. There is a strong financial and business service offer within the centre, predominantly comprising estate agents.
- 5.4.5 Pedestrian activity was observed to be moderate with the greatest levels of footfall observed around Tesco Express. The environmental quality was relatively good with well-maintained shopfronts and low levels of litter.
- 5.4.6 The centre is well served by bus services connecting it with Blackpool town centre and pillar mounted CCTV conveyed a perception of safety and security.
- 5.4.7 Whilst Highfield Road does not benefit from a particularly diverse mix of retail uses, the number of vacant units and proportion of floorspace is below the national average and the centre was observed to be adequately functioning within the parameters of its designation as a district centre. It should also be noted that Highfield Road has a relatively strong evening/night time economy due to the good selection of restaurants and bars.

South Shore/Waterloo Road

- 5.4.8 Waterloo Road district centre is located approximately 2.1 km south of Blackpool town centre. A site visit was undertaken by WYG on Thursday the 28th September 2017 to inform this health check assessment, ensuring that the most up-to-date diversity of use and floorspace figures were available. Our survey identified 79 retail and service units within the centre, comprising a total gross floorspace of 12,201 sq.m.

Table 5.4: Waterloo Road's Diversity of Use for Commercial Units

	Waterloo Road District Centre - August 2017					
	No of Units	%	UK	Floorspace	%	UK
Convenience	10	9.3%	8.7%	4,921	26.4%	15.2%
Comparison	33	30.8%	31.3%	5,413	29.0%	35.1%
Retail Service	10	9.3%	14.4%	739	4.0%	6.8%
Leisure Service	21	19.6%	23.8%	3,746	20.1%	24.9%
Financial and Business Service	8	7.5%	10.4%	1,544	8.3%	7.8%
Vacant	25	23.4%	11.2%	2,291	12.3%	9.6%
Total	107	100%	100%	18,654	100%	100%

Source: WYG Survey, September 2017

* Categorized in accordance with Experian Goad Main Town Centre Uses

*UK Average Figure, Experian Goad, August 2017

- 5.4.9 The largest unit in the centre is the 'New Market' which comprises 2,782 sq.m gross floorspace (ground floor). This has been categorised as convenience floorspace in accordance with the Goad categorisation system although there are a number of comparison

stalls located within the unit. The high proportion of convenience goods floorspace when assessed against the national average can be attributed to the designation of the market. Other notable convenience goods units include a Tesco Express, Iceland and Premier.

- 5.4.10 The provision of comparison goods is slightly below the national averages in terms of both the number of units and proportion of floorspace although this is not unusual for a district centre which typically functions to meet the day to day convenience and service needs of residents. Indeed, Waterloo Road accommodates the second highest number of comparison goods units of all the district centres (after Red Bank Road) although the offer predominantly comprises low order independent retailers and there is also a prevalence of charity shops and second-hand stores. The provision of services also falls below national averages, excluding financial and business service floorspace.
- 5.4.11 Conversely, there is a high proportion of vacant units, which account for 23.4% of the centre's stock and 12.3% of floorspace. The majority of vacancies are located on Bond Street, which we consider functions as a secondary area to the main stretch of Waterloo Road. It is recommended that the district centre boundary is consolidated to remove Bond Street and further justification is set out within the healthcheck.
- 5.4.12 Footfall was high on Waterloo Road, particularly in the eastern part of the centre. The environmental quality was moderate, with investment in public realm clearly having taken place but a number of poor quality retail fascias detracting from the overall quality, particularly on Bond Street. There was pole mounted CCTV present in the centre and there were no signs that the central stretch of Waterloo Road has been subject to adverse impacts from crime. There were however signs of vandalism in peripheral areas. The centre is well served by bus services connecting it with Blackpool town centre.
- 5.4.13 Waterloo Road appears to have a relatively strong comparison goods offer in terms of the number of units when comparing against the national average and considering in the context of the other district centres. However, there is a prevalence of low order retailers such as charity shops (6) and discount stores (3). It is possible that both the low order nature of the comparison goods offer and the low provision of retail services are linked to the high levels of deprivation within the local catchment (as per the Core Strategy which identifies the Waterloo and Bloomfield wards as being within the top 10% most deprived wards in the country). Nevertheless, we consider the centre to be performing its designated role as a district centre in terms of meeting the needs of local residents within the catchment by providing facilities for convenience shopping and service uses (hairdressers, health and

beauty salons and so on). Further work to enhance the fascias and public realm within the centre could assist in improving the overall vitality of the district centre.

Whitegate Drive

- 5.4.14 Whitegate Drive district centre is located less than 1 km to the east of Blackpool town centre. A site visit was undertaken by WYG on Thursday the 28th September 2017 to inform this health check assessment, ensuring that the most up-to-date diversity of use and floorspace figures were available. Our survey identified 81 retail and service units within the centre, comprising a total gross floorspace of 9,921 sq.m.

Table 5.5: Whitegate Drive’s Diversity of Use for Commercial Units

	Whitegate Drive District Centre - September 2017					
	No of Units	%	UK	Floorspace	%	UK
Convenience	9	11.1%	8.7%	1,304	13.1%	15.2%
Comparison	12	14.8%	31.3%	1,285	13.0%	35.1%
Retail Service	18	22.2%	14.4%	1,335	13.5%	6.8%
Leisure Service	17	21.0%	23.8%	3,396	34.2%	24.9%
Financial and Business Service	13	16.0%	10.4%	1,640	16.5%	7.8%
Vacant	12	14.8%	11.2%	961	9.7%	9.6%
Total	81	100%	100%	9,921	100%	100%

Source: WYG Survey, September 2017

* Categorized in accordance with Experian Goad Main Town Centre Uses

*UK Average Figure, Experian Goad, August 2017

- 5.4.15 Key national multiple retailers include Sainsbury’s Local and Tesco Express which provide a key convenience goods service for residents. The provision of comparison goods is low although this is not unusual within a district centre which provides a more localised service for residents. Whitegate Drive has a particularly strong financial and business services offer which predominantly comprises estate agents. Vacancies are slightly above average although the units are interspersed throughout the centre and there are no clusters of vacant units which reduces the impact.
- 5.4.16 Pedestrian activity was moderate, with footfall peaking in the central parts areas, close to the Sainsbury’s and Tesco stores. The centre was found to have a reasonable environmental quality and there was little evidence of graffiti or litter. There was no visible evidence of crime and anti-social behaviour being prevalent in the centre. A pole mounted CCTV camera is located on the pavement near the Belle Vue pub. The centre is well served by local bus services.
- 5.4.17 We are of the view that Whitegate Drive is currently performing its designated function as a district centre. The presence of both Sainsbury’s and Tesco provide a key convenience service for residents.

Layton

5.4.18 Layton district centre is located approximately 2 km to the north-east of Blackpool town centre. A site visit was undertaken by WYG on Thursday the 28th September 2017 to inform this health check assessment, ensuring that the most up-to-date diversity of use and floorspace figures were available. Our survey identified 47 retail and service units within the centre, comprising a total gross floorspace of 5,553 sq.m.

Table 5.6: Layton’s Diversity of Use for Commercial Units

	Layton District Centre - September 2017					
	No of Units	%	UK	Floorspace	%	UK
Convenience	8	17.0%	8.7%	1,165	21.0%	15.2%
Comparison	8	17.0%	31.3%	909	16.4%	35.1%
Retail Service	9	19.1%	14.4%	725	13.1%	6.8%
Leisure Service	17	36.2%	23.8%	2,221	40.0%	24.9%
Financial and Business Service	2	4.3%	10.4%	261	4.7%	7.8%
Vacant	3	6.4%	11.2%	272	4.9%	9.6%
Total	47	100%	100%	5,553	100%	100%

Source: WYG Survey, September 2017

* Categorised in accordance with Experian Goad Main Town Centre Uses

*UK Average Figure, Experian Goad, August 2017

5.4.19 Notable convenience uses include the Co-operative Food, McColl’s and Best One convenience stores. The provision of comparison goods is low although this is not unusual within a district centre which provides a more localised service for residents and traditionally meets the day-to-day convenience and service requirements of local residents. The centre is well served by retail and leisure services whilst there is a low provision of financial and business services. The centre has a low level of vacancies which reflects positively on the health of the centre.

5.4.20 Layton was observed to have reasonable levels of footfall and have a high environmental quality whilst appearing to be safe and secure. It is a pedestrian friendly centre with wide pavements and a pedestrianised strip running between the vehicle lanes which accommodates public seating and planters. Layton is well served by local bus services.

5.4.21 We are of the view that Layton is currently performing its designated function as a district centre. The provision of retail and services is consistent with what would usually be expected in a district centre.

Bispham Village & Red Bank Road

5.4.22 Bispham is located approximately 5 km north of Blackpool town centre. The Core Strategy designates Bispham Village and Red Bank Road as one district centre, referred to as ‘Bispham’. The two centres are however located approximately 0.5 km apart and whilst they do have a relationship with one and other, we consider them to function separately.

Therefore, for the purposes of the health check assessment we have reviewed them as separate centres.

Red Bank Road

- 5.4.23 A site visit was undertaken by WYG on Thursday the 28th September 2017 to inform this health check assessment, ensuring that the most up-to-date diversity of use and floorspace figures were available. Our survey identified 79 retail and service units within the centre, comprising a total gross floorspace of 12,201 sq.m.

Table 5.7: Red Bank Road's Diversity of Use for Commercial Units

	Red Bank Road District Centre - September 2017					
	No of Units	%	UK	Floorspace	%	UK
Convenience	5	6.3%	8.7%	3,288	26.9%	15.2%
Comparison	26	32.9%	31.3%	2,794	22.9%	35.1%
Retail Service	17	21.5%	14.4%	1,481	12.1%	6.8%
Leisure Service	24	30.4%	23.8%	3,821	31.3%	24.9%
Financial and Business Service	5	6.3%	10.4%	591	4.8%	7.8%
Vacant	2	2.5%	11.2%	226	1.9%	9.6%
Total	79	100%	100%	12,201	100%	100%

Source: WYG Survey, September 2017

* Categorised in accordance with Experian Goad Main Town Centre Uses

*UK Average Figure, Experian Goad, August 2017

- 5.4.24 Red Bank Road is anchored by a Sainsbury's supermarket and it is the only district centre in Blackpool to accommodate a large-format foodstore. The results show that the convenience goods floorspace accounts for a large proportion of the total floorspace (26.9%). Red Bank Road also has a relatively strong provision of comparison goods retailers, all of which are local businesses. There is a strong provision of retail and leisure services but there are few financial and business services. There are only two vacant units which reflects positively on the health of the centre, indicating a low turnover of retail and service units, with businesses appearing to be well established and viable.
- 5.4.25 Pedestrian footfall was observed to be relatively high, and consistent throughout the centre at the time of our visit and there was no visible evidence of crime being a prevalent issue within and around the centre. Retail fascias were generally of a good quality, excluding one of the two vacant units in which the fascia had been ripped out. Public seating is provided in parts of the centre, along with seasonal planters.
- 5.4.26 The centre is not located within reasonable walking distance of Blackpool town centre but is well served by a number of bus services which can be accessed from bus stops within the centre or just beyond the western boundary from Queens Promenade, the latter also providing access to the tram network.

5.4.27 We are of the view that Red Bank Road is currently performing its designated function as a district centre. The provision of retail and services is consistent with what would usually be expected in a district centre.

Bispham Village

5.4.28 A site visit was undertaken by WYG on Thursday the 28th September 2017 to inform this health check assessment, ensuring that the most up-to-date diversity of use and floorspace figures were available. Our survey identified 32 retail and service units within the centre, comprising a total gross floorspace of 4,006 sq.m.

Table 5.8: Bispham Village's Diversity of Use for Commercial Units

	Bispham District Centre - September 2017					
	No of Units	%	UK	Floorspace	%	UK
Convenience	7	21.9%	8.7%	1,342	33.5%	15.2%
Comparison	6	18.8%	31.3%	568	14.2%	35.1%
Retail Service	9	28.1%	14.4%	586	14.6%	6.8%
Leisure Service	8	25.0%	23.8%	1,299	32.4%	24.9%
Financial and Business Service	1	3.1%	10.4%	44	1.1%	7.8%
Vacant	1	3.1%	11.2%	167	4.2%	9.6%
Total	32	100%	100%	4,006	100%	100%

Source: WYG Survey, September 2017

* Categorised in accordance with Experian Goad Main Town Centre Uses

*UK Average Figure, Experian Goad, August 2017

5.4.29 Bispham Village also has a strong convenience goods offer including a Tesco Express, Co-Operative Food and the Bispham Market. However, the level of comparison goods is substantially lower than the UK average in terms of both the number of units and floorspace. A more limited comparison retail offer is not unusual or a typically cause for concern in a district centre, which often fulfil a localised retail and service function that meets the day-to-day shopping and service needs of nearby residents, and the offer is therefore usually focused on convenience retail and service provision. There is a strong provision of retail and leisure services, but there are few financial and business services. There is a distinct lack of a retail bank although the centre is served by ATM's. There is only one vacant unit which reflects positively on the health of the centre, indicating a low turnover of retail and service units, with businesses appearing to be well established and viable.

5.4.30 Pedestrian footfall was high at the time of our visit. The majority of pedestrians were observed to be accessing the centre by private vehicle, using the village car park provided in front of the central retail parade. There are two bus stops located within the centre which provide access to Blackpool town centre and Cleveleys.



- 5.4.31 The environmental quality in the centre was observed to be relatively good at the time of our visit. The retail fascias along the central parade have been recently upgraded which has positively improved the visual appearance of the centre. There was no visible evidence of crime being a prevalent issue within and around the Bispham district centre.
- 5.4.32 We found Bispham to be a relatively vibrant and healthy centre which provides key services to local residents within the immediate vicinity. However, when assessing alongside the other designated district centres, the provision of retail and service units is considerably lower than that present elsewhere. Furthermore, whilst the centre is located in close proximity to the Red Bank Road district centre, we consider it to function separately as a centre in its own right. Red Bank Road has a provision of services that is consistent with what we would usually expect to find within a district centre and we are of the view that there is little merit in the designation of two district centres in such close proximity to each other.

6.0 Population and Expenditure

6.1 Introduction

6.1.1 This section of the report considers the population and available expenditure (for both convenience and comparison goods expenditure) across the Study Area.

6.2 Study Area Population

6.2.1 The population within each Study Area zone at the base year of 2017 and at each of the subsequent forecast years was sourced from Experian Micromarketer G3 2016 data (which was issued in December 2017). Experian data provides 2016 based population estimates that accord with the findings of the 2011 Census release and population projections from 2016. Experian's methodology is based on a 'demographic component model' that takes into consideration current age and gender estimates and the Government's population projections. Future population projections reflect assumed birth and death rates, and net migration.

6.2.2 Table 6.1 below sets out Experian's population projections for each zone in the Study Area for the 2017 base year and reporting years 2022, 2027 and 2032.

Table 6.1: Study Area Population by Survey Zone (2017 to 2032)

Zone	2017 (Persons)	2022 (Persons)	2027 (Persons)	2032 (Persons)
1	12,817	12,861	12,856	12,983
2	21,006	20,967	20,958	21,021
3	32,500	32,649	32,888	33,133
4	26,739	26,644	26,650	26,701
5	18,094	18,028	18,048	18,065
6	24,338	24,095	23,952	23,931
7	85,003	86,067	87,076	87,903
8	13,289	13,509	13,698	13,829
9	44,914	45,676	46,318	46,793
10	33,196	34,134	34,983	35,660
Sub-Total (Zones 1-6)	135,494	135,244	135,352	135,834
Total Study Area	311,896	314,630	317,427	320,019

Source: Experian Micromarketer G3 2016 Data

6.2.3 Table 6.1 above shows that Experian forecasts that the resident population across Zones 1 to 6 of the Study Area, which broadly conforms to the Blackpool administrative area, is

forecast to increase from 135,494 persons at the 2017 base year, to around 135,834 persons in 2032. This equates to a total population increase of approximately 340 persons, or 0.3 per cent, over the entire study period from 2017 to 2032.

- 6.2.4 Experian forecasts that the overall Study Area population will increase from 311,896 at 2017 to 320,019 at 2032. This equates to an estimated population increase of 8,123 persons, or 2.6%, over the 15-year period or an increase of 542 persons per annum.

6.3 Retail Expenditure

Growth in Spending on Comparison and Convenience Goods

- 6.3.1 In order to calculate per capita convenience and comparison goods expenditure, we have again utilised Experian Micromarketer G3 data which provides detailed information on local consumer expenditure which takes into consideration the socio-economic characteristics of the local population. Experian is a widely accepted source of expenditure and population data and is regularly used by retail planning consultants in calculating retail capacity.
- 6.3.2 The base year for the Experian expenditure data is 2016 (the latest available). Per capita annual expenditure growth forecasts are sourced from Experian's Retail Planner Briefing Note 15 (published in December 2017). Figure 6 of Appendix 3 of the Retail Planner Briefing Note identifies the following annual growth forecasts for convenience and comparison goods which inform our assessment and are reproduced in Table 6.2 below.
- 6.3.3 The latest growth forecasts suggest that Brexit has influenced per capita expenditure growth in 2017 and that retail spending will remain on a slower growth trajectory over 2018 and 2019. Experian expects the squeeze on household incomes to continue through 2018 but in the medium term (2020-2024), retail sales volumes are expected to return to a stronger footing as the Brexit-related uncertainty unwinds and economic conditions improve.
- 6.3.4 For convenience goods, Experian forecasts negative or static per capita expenditure growth between 2017 and 2032 (in the range -0.7% to 0.2%). The forecast position therefore suggests that sales will generally remain relatively static over the longer term.
- 6.3.5 In contrast, whilst Experian forecasts that Brexit will result in comparison goods per capita expenditure growth decreasing from 5.0% at 2016, to 2.4% at 2017, and then to 0.8% at 2018, the position in the medium to long term is significantly more positive. Comparison goods per capita expenditure growth is forecast to increase to 2.1% at 2019, to 2.9% at 2020, and then to 3.3% at 2021. Experian forecasts that the annual growth rate will remain above at or above 3.0% in the period from 2022 to 2032.



Table 6.2: Annual Per Capita Expenditure Growth Forecasts

Year	Convenience (%)	Comparison (%)
2016	1.0	5.0
2017	0.1	2.4
2018	-0.7	0.8
2019	-0.2	2.1
2020	0.2	2.9
2021	0.2	3.3
2022	0.1	3.4
2023	-0.1	3.4
2024	0.1	3.3
2025	0.1	3.2
2026	0.1	3.2
2027	0.1	3.1
2028	0.1	3.0
2029	0.0	3.1
2030	0.0	3.2
2031	0.2	3.4
2032	0.1	3.3

Source: Figure 6 of Appendix 3, Retail Planner Briefing Note 15 (December 2017)

- 6.3.6 However, it should be noted that growth in expenditure forecasting in the longer term (beyond the next ten years) should be treated with caution given the inherent uncertainties in predicting the economy’s performance over time. Assessments of this nature should therefore be reviewed on a regular basis in order to ensure that forecasts over the medium and long term are reflective of any changes to relevant available data.
- 6.3.7 Table 6.3 below compares the forecast expenditure growth rates adopted in the 2011 Fylde Coast Retail Study with the most recent estimates and forecasts provided by Experian in its Retail Planner Briefing Note 15. Table 6.3 highlights that the total growth in per capita convenience goods expenditure over the period 2010 to 2017 was much lower than that forecast in 2010.
- 6.3.8 Table 6.3 shows that the 2011 Fylde Coast Retail Study assumed a total forecast growth rate for per capita spending on convenience goods of 4.3% whereas the most recent estimate provided by Experian indicates that there was negative growth over this period of -4.7%. At the time of the 2011 Fylde Coast Retail Study, the UK was in the midst of recovery from the late 2008 and 2009 recession and forecasters anticipated a return to positive growth in convenience goods spending as early as 2012, whereas spending on convenience goods continued to contract up to 2016. The impact of Brexit, which was not foreseen at the time

of the 2010 forecasts, means that growth in convenience goods spending is expected to remain static over the period 2017 to 2026.

- 6.3.9 However, growth in per capita spending on comparison goods between 2010 and 2017, which Experian estimate as 25.9%, was only slightly below the 2010 forecast of 26.9% adopted in the 2011 Fylde Coast Retail Study. However, the anticipated impact of Brexit on consumer spending over the next few years means that forecast growth in comparison goods spending over the period 2017 and 2026 is expected to be 3.5 percentage points below the 2010 forecast adopted in the Fylde Coast Retail Study.

Table 6.3: Changes to Expenditure Growth Forecasts and Estimates since the 2011 Fylde Coast Retail Study

Year	Total Per Capita Expenditure Growth			
	Convenience		Comparison	
	2010 Forecast %	2017 Estimate/ Forecast %	2010 Forecast %	2017 Estimate/ Forecast %
2010-2017	4.3	-4.7	26.9	25.9
2017-2026	8.3	-0.1	35.2	31.8
2010-2026	12.2	-4.9	66.1	62.1

Source: 2010 Forecast: as adopted in the 2011 Fylde Coast Retail Study and sourced Table 6.1 and 6.2 of the 2011 Fylde Coast Retail Study. 2017 Estimate / Forecast sourced from Figure 6 of Appendix 3 of Experian's Retail Planner Briefing Note 15 (December 2017).

Growth in Spending on SFT

- 6.3.10 Experian Retail Planner Briefing Note 15 also provides forecasts in respect of the proportion of expenditure which will be committed through special forms of trading (comprising 'non-store retailing', such as internet sales, TV shopping and so on) over the reporting period. We have 'stripped out' any expenditure which survey respondents indicated was committed via special forms of trading and instead have made an allowance derived from Experian's recommendation.
- 6.3.11 In considering special forms of trading, it should be noted that many products which are ordered online are actually sourced from a physical store's shelves or stockroom (particularly in the case of convenience goods). As such, expenditure committed in this manner acts to support stores and should be considered 'available' to tangible retail destinations.
- 6.3.12 Accordingly, in order not to overstate the influence of expenditure committed via special forms of trading, our approach is based on Experian's 'adjusted' figure for special forms of trading (provided at Figure 5 of Appendix 3 of its Retail Planner Briefing Note 15) which makes an allowance for internet sales which are sourced from stores.

- 6.3.13 The proportion of expenditure committed through special forms of trading cited below at Table 6.4 is 'stripped out' of the identified expenditure as it is not available to stores within the Study Area.

Table 6.4: Special Forms of Trading Forecasts

Year	Convenience (%)	Comparison (%)
2017	3.2	14.8
2022	4.1	17.2
2027	4.7	17.6
2032	5.1	17.8

Source: Figure 5 of Appendix 3, Experian Retail Planner Briefing Note 15 (December 2017)

- 6.3.14 Based on the above growth rates and special forms of trading allowances, it is possible to produce expenditure estimates for each survey zone at 2017, 2022, 2027 and 2032. In doing so, our assessment takes into account both per capita retail expenditure growth and population change.

6.4 Convenience Goods Expenditure

- 6.4.1 Taking into consideration the above changes in population and per capita expenditure, it is estimated that, at 2017, the resident population of the Study Area generates £656.8m of convenience goods expenditure³². The Table 6.5 below indicates that available convenience goods expenditure is then forecast to decrease to £653.7m by 2022 and then increase to £656.5m by 2027 and to £661.3m by 2032. The overall increase of £4.5m between 2017 and 2032 represents an increase of 0.7%.
- 6.4.2 It is notable that, due to the negative or static convenience goods expenditure growth forecasts up to 2020, a small reduction in available study area convenience goods expenditure (of -£3.5m) is forecast between 2017 and 2022. The continued relatively static growth forecast over the longer term means that convenience goods expenditure will not recover to 2017 levels until after 2027.

Table 6.5: Total Available Study Area Convenience Goods Expenditure

2017 (£m)	2022 (£m)	2027 (£m)	2032 (£m)
656.8	653.7	656.5	661.3

Source: Table 2a of Appendix 6

³² Expressed in 2016 prices, as is every subsequent monetary value

Table 6.6: Growth in Available Study Area Convenience Goods Expenditure

Growth 2017-2022 (£m)	Growth 2017-2027 (£m)	Growth 2017-2032 (£m)
-3.1	-0.3	4.5

Source: Table 2a of Appendix 6

- 6.4.3 The proportion of convenience goods expenditure that is spent during 'main food' shopping trips and through 'top-up' shopping trips was estimated with reference to respondents' answers to Question 18 and Question 25A of the household survey, which ask respondents to estimate their weekly main food shopping expenditure and weekly top-up shopping expenditure respectively. We analysed the responses to these questions to derive an estimate of the split between main and top-up expenditure on a zonal basis as shown in Table 6.7 below.

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

Zone	Main Food (%)	Top-Up (%)
1	82.4%	17.6%
2	82.1%	17.9%
3	80.7%	19.3%
4	77.2%	22.8%
5	74.3%	25.7%
6	78.2%	21.8%
7	78.5%	21.5%
8	82.1%	17.9%
9	82.1%	17.9%
10	73.7%	26.3%

- 6.4.4 By applying these estimates to the total convenience goods expenditure for each zone at 2017, we estimate (by adding together our estimates of the monetary split between main and top up shopping expenditure within each zone) that across the Study Area as a whole, £517.9m of convenience goods expenditure will be spent during main food shopping trips and £138.9m during top up shopping trips.
- 6.4.5 The proportion of the study area residents' convenience goods expenditure spent during main food shopping trips therefore equates to 78.9% of their overall convenience shopping expenditure. The remaining 21.1% of expenditure (which will typically be spent on regular purchases such as milk, bread and so on) is therefore attributed to the respondents' top-up convenience shopping destination.

6.5 Comparison Goods Expenditure

6.5.1 For comparison goods, Table 6.8 sets out our estimation that the resident population of the Study Area will generate £884.3m of comparison goods expenditure at 2017. Available comparison goods expenditure is then forecast to increase to £980.9m at 2022, £1,156.1m at 2027 and £1,363.7m at 2032. As identified by Table 6.9, this represents an increase of £479.4m, or 55%, between 2017 and 2032.

6.5.2 Whilst the identified expenditure increase is clearly significant, the rate of forecast growth is more modest than that which has been previously achieved. This is as a consequence of forecast growth being more modest than that which has historically been secured and also a consequence of further increases in expenditure committed through special forms of trading (most particularly, internet shopping).

Table 6.8: Total Available Study Area Comparison Goods Expenditure

2017 (£m)	2022 (£m)	2027 (£m)	2032 (£m)
884.3	980.9	1,156.1	1,363.7

Source: Table 10 of Appendix 6

Table 6.9: Growth in Available Study Area Comparison Goods Expenditure

Growth 2017-2022 (£m)	Growth 2017-2027 (£m)	Growth 2017-2032 (£m)
96.6	271.9	479.4

6.5.3 For the purpose of this study, comparison goods expenditure has been divided into eight sub-categories: 'DIY', 'Electrical' and 'Furniture' (these three categories collectively being referred to as bulky goods); and, 'Clothing & Footwear', 'CDs, DVDs and Books', 'Small Household Goods', 'Toys, Games, Bicycles and Recreational Goods' and 'Health and Beauty/Chemist Goods' (collectively referred to as non-bulky goods). The proportion of expenditure directed to each sub-category is estimated by Experian on a zonal basis.

6.5.4 In considering the above, it should be noted that if an excess of expenditure manifests itself within the Study Area, this does not necessarily translate directly into a requirement for additional floorspace. In assessing quantitative need, it is also necessary to take account of:

- Existing development proposals;
- Expected changes in shopping patterns; and

- The future efficiency of retail floorspace.

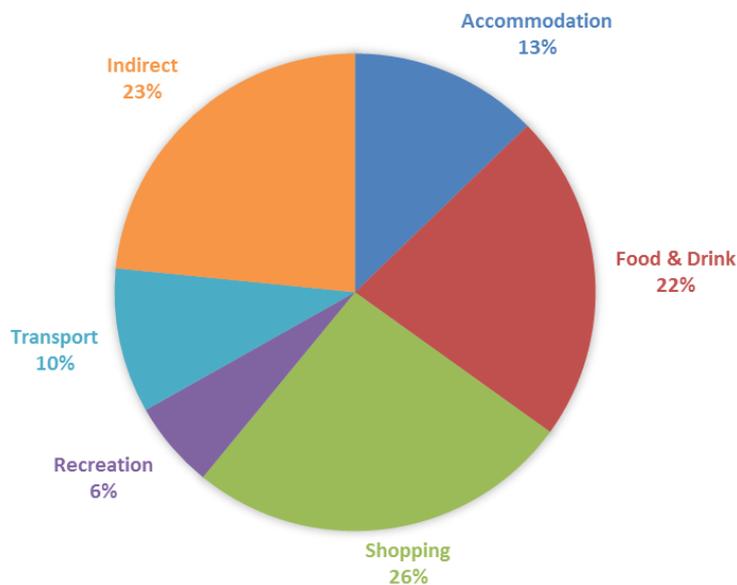
6.6 Inflow of Expenditure

6.6.1 The inflow of expenditure from tourist spending on convenience and comparison retail goods was estimated based on 2016 STEAM Tourism Economic Impacts data, which was undertaken for Marketing Lancashire by Global Tourism Solutions (UK) Ltd. The STEAM data outputs incorporate visitor profile and expenditure data provided by the Lancashire Visitor Survey 2016.

6.6.2 The STEAM data identifies that in 2016, tourism in Blackpool generated a total of £1,496.4m of expenditure within the local economy, of which £491.9m (32.9%) is generated by day visitors and £1,004.5m (67.2%) is generated by staying visitors.

6.6.3 The total expenditure comprises the expenditure of visitors on a variety of categories of goods and services, including 'food and drink' and 'shopping', as well as indirect and induced economic effects of local businesses and residents spending tourism revenues locally. A breakdown of the composition of the total economic impact of tourism in Blackpool by type of expenditure is shown in Figure 6.1 below.

Figure 6.1: Composition of Total Economic Impact of Tourism in Blackpool



Source: STEAM data provided by Marketing Lancashire

6.6.4 We note that Blackpool will also benefit from inflow of expenditure from residents outside of the Study Area due to work or other non-tourism purposes. However, there is no available data on non-tourism visitor spending in Blackpool. Nevertheless, we anticipate that non-

tourist inflow of expenditure on convenience and comparison retail goods in Blackpool Borough is likely to be small in comparison to inflow from tourism expenditure.

- 6.6.5 The 2016 STEAM Tourism Economic Impacts data identifies that there was a total of 18 million tourism visits to Blackpool in 2016, including both day visitor and staying visitors. In comparison, the Office for National Statistics data on the labour market in Blackpool Borough identifies that Blackpool accommodates a total of 70,000 jobs at 2016³³, of which the 2011 Census work place data suggests that in the region of 10% (7,000 people) of people working in Blackpool are likely to live outside of the Study Area³⁴. Work related visits to Blackpool are also likely to generate a much lower retail spend compared to tourism visits, as workers are less likely to spend their time shopping for convenience or comparison goods. We therefore consider that our estimate of inflow from tourism spend provides a reasonable proxy for all inflow in the absence of data on non-tourism related visitor spending on convenience and comparison retail goods.

Tourism Spending on Convenience Goods

- 6.6.6 As shown in Figure 6.1, the STEAM data identifies that 22% of the total economic impact of tourism in Blackpool arises from direct visitor spending on food and drink. Applying this to the total £1,496.4m economic impact within the Blackpool local economy arising from tourism suggests that £332.7m comprises visitor spending on food and drink, encompassing spending on eating and drinking at restaurants, cafes and other venues, takeaway food, snacks and groceries.
- 6.6.7 To estimate the visitor spending on groceries and other food and snacks bought in shops only, we then make a deduction for spending on eating and drinking at restaurants, cafes and other venues based on data sourced from VisitBritain. VisitBritain provides further detail on the breakdown of domestic tourism expenditure at a national level and identifies that 41% of total day visitor expenditure³⁵ across Great Britain is spent on eating and drinking, of which 88% is spent on eating/drinking out in cafes and restaurants etc. and 12% is spent in food bought in shops/takeaways.
- 6.6.8 For overnight visitors, VisitBritain identifies that 21% of total overnight tourism expenditure across Great Britain³⁶ is spent on eating and drinking. However, a breakdown of the proportion spent on eating/drinking out in cafes and restaurants and on food bought in

³³ Sourced from Blackpool Local Authority Area Labour Market Profile, Nomis

³⁴ 2011 Census data sourced from Nomis identifies that 52,525 UK residents work in the Blackpool Local Authority area of which 32,638 are resident in Blackpool, 5,167 are resident in Fylde and 10,119 are residents in Wyre.

³⁵ 'The GB Day Visitor: Statistics 2015', VisitScotland, VisitWales and VisitEngland, April 2015 (Table 2.32.1)

³⁶ 'The GB Tourist: Statistics 2015', VisitScotland, VisitWales and VisitEngland, August 2016

shops is not provided for overnight visitors. We have therefore assumed that, of the total overnight tourism expenditure on eating and drinking, 88% (the percentage identified for day visitor expenditure) is spent on eating and drinking out in cafes and restaurants.

6.6.9 Assuming that, as is the case for the total economic impact, 32.9% of the total direct spending in Blackpool is generated by day visitors and 67.2% is generated by staying visitors, total direct spending in Blackpool generated by day and staying visitors amounts to £376.8m and £769.5m, respectively.

6.6.10 Applying the estimates derived from VisitBritain suggests that a total of £277.5m direct visitor spending on eating and drinking out in cafes and restaurants, comprising £135.6m generated by day visitors and £141.9m generated by staying visitors. Deducting this from the total £332.7m visitor spending on food and drink suggests that some £55.2m is spent on groceries and other food and drink in shops and takeaways.

6.6.11 Therefore, we assume that the total inflow of convenience goods expenditure into Blackpool generated by tourism spending is £55.2m at 2017.

Tourism Spending on Comparison Goods

6.6.12 As shown in Figure 6.1, the STEAM data identifies that 26% of the total economic impact of tourism across Blackpool arises from direct expenditure on shopping for comparison goods including items such as clothing / jewellery household items, music / films / games, gifts and smaller items, books and maps, plant and garden items. Applying this to the total £1,496.4m economic impact within the Blackpool local economy arising from tourism in 2016 suggests that £388.3m comprises visitor spending on comparison goods.

7.0 Retail Capacity in Blackpool Borough

7.1 Introduction

- 7.1.1 In this section we set out our assessment of the quantitative capacity for additional convenience and comparison goods floorspace in Blackpool Borough over the study period from 2017 to 2032, and at five-year reporting periods (i.e. at 2017, 2022, 2027 and 2032).
- 7.1.2 At the outset, it is important to note that a quantitative assessment of capacity over the long term should be viewed with caution, due to the obvious difficulties inherent in predicting the performance of the economy and shopping habits over time. In any event, any identified capacity should not necessarily be viewed as justification of new retail floorspace outside of the town centre as this could prejudice the implementation of the Blackpool Town Centre Strategy and the development of more central sites that may be currently available or that could become available over time.
- 7.1.3 Appendix 6 provides a complete series of quantitative capacity tables that provide further detail in terms of the step-by-step application of our quantitative assessment methodology.
- 7.1.4 Following our quantitative capacity assessment, we assess the qualitative need for additional convenience and comparison retail floorspace in the borough. We do this by considering whether there are any deficiencies or gaps in terms of the location and quality of the existing provision, along with factors including consumer choice and competition, and over-trading at existing stores.

7.2 Capacity Formula

- 7.2.1 For all types of capacity assessment, the conceptual approach is identical, although the data sources and assumptions may differ. The key relationship is Expenditure (£m) (allowing for population change and retail growth) less Turnover (£m) (allowing for improved 'productivity') equals Surplus or Deficit (£m).
- 7.2.2 **Expenditure (£m)** – The expenditure element of the above equation is calculated by taking the population within the defined catchment and then multiplying this figure by the average annual expenditure levels for various forms of retail spending per annum. The expenditure is estimated with reference to a number of factors, namely:
- Growth in population;
 - Growth in expenditure per person per annum; and

- Special Forms of Trading (e.g. the internet, catalogue shopping and so on).

7.2.3 **Turnover (£m)** – The turnover figure relates to the annual turnover generated by existing retail facilities within the Study Area. The turnover of existing facilities is calculated using Mintel Retail Rankings and Verdict UK Grocery Retailers reports – independent analysis that lists the sales densities for all major multiple retailers.

7.2.4 **Surplus/Deficit (£m)** – This represents the difference between the expenditure and turnover figures outlined above. A surplus figure represents an effective under provision of retail facilities within the Study Area (which, all things being equal, would suggest that additional floorspace could be supported), whereas a deficit would suggest a quantitative overprovision of retail facilities.

7.2.5 Although a surplus figure is presented in monetary terms, it is possible to convert this figure to provide an indication of the quantity of floorspace that may be required. The level of floorspace will vary dependent on the type of retailer proposed and the type of goods traded. For example, in the case of comparison goods, non-bulky goods retailers tend to achieve higher sales densities than bulky goods retailers. However, within the bulky goods sector itself there is significant variation, with electrical retailers tending to have a much higher sales density than those selling DIY or furniture goods.

7.3 Future Capacity for Convenience Goods Floorspace

7.3.1 In order to appraise the need for additional convenience goods retail floorspace, we first consider the performance of the current provision. Next, we assess how the performance of stores will be affected by future growth in expenditure. We then set out the anticipated increases in expenditure that will be available to the borough's convenience goods retail facilities.

7.3.2 Following these exercises, we then take account of any new convenience goods floorspace that has been implemented subsequent to the date of the household survey and consider the effect that extant planning commitments will have in addressing any identified convenience goods shopping needs.

Trading Performance of Existing Convenience Provision

7.3.3 We assess the individual performance of each of the main convenience goods facilities in Blackpool Borough by comparing the survey-derived turnover of each food retail destination to its 'benchmark' turnover. The 'benchmark' turnover indicates the level of turnover that the store would generally be expected to attract, based on company average trading levels. A

judgement can then be made on the trading performance of existing facilities by comparing the survey-derived turnover with the expected 'benchmark' turnover of existing provision.

- 7.3.4 The 'benchmark' turnover differs for each operator based on its average turnover per square metre throughout the country. Although robust up-to-date information is available in terms of the convenience goods floorspace provided by large foodstores and average turnover per square metre (from nationally published trading information from Mintel and Verdict), it can be more difficult to quantify the extent and performance of local convenience provision as there is no single comprehensive database to rely upon. Where we have been unable to verify the exact quantity or performance of floorspace provided by existing smaller-scale convenience goods stores (such as 'corner shops' located within defined centres), we have assumed that stores are trading 'at equilibrium' (i.e. the survey-derived turnover equates to the expected level of turnover). Accordingly, in assessing the quantitative capacity for additional convenience goods floorspace in Blackpool Borough, we make an adjustment for under or over-trading at existing convenience retail stores in Blackpool Borough in the 2017 base year³⁷.
- 7.3.5 Our assessment is based upon a 'goods based' approach, which disaggregates expenditure by category type, and it is important to recognise that major foodstore operators generally sell an element of non-food goods such as books, compact discs, clothing and household goods. To account for this, the typical ratio between convenience/comparison goods provision for each operator³⁸ has been applied to the estimated net floorspace of each foodstore. This provides an indication of the likely sales area dedicated to the sale of convenience goods at each store.
- 7.3.6 Whilst survey results are commonly accepted as a means by which to identify existing shopping patterns, their findings should be treated with a 'note of caution' as they can have a bias towards national multiple retailers and, as a consequence, may overstate the role and performance of larger national multiple stores whilst understating that of smaller stores and independent retailers. To minimise the potential for such bias, our household survey asked shoppers where they last undertook particular types of shopping rather than where they most frequently shop, which is more likely to record infrequent purchases that are typically made at smaller centres and stores.

³⁷ Excluding any under or over-trading at smaller-scale stores for which we were unable to verify the performance of the floorspace.

³⁸ Generally derived from Verdict's 2017 estimates of the typical floorspace split for major convenience goods retailers. Where Verdict data is not available or is considered not to appropriately reflect how a store trades in practice, we have applied professional judgement in the manner set out in the notes to Table 5 of Appendix 6.

Blackpool Retail, Leisure and Hotel Study

- 7.3.7 Whilst the individual performance of each convenience goods facilities in the borough is identified at Table 6 of Appendix 6, it is emphasised that this does not take account of the additional uplift in turnover provided by inflow from outside of the Study Area. Convenience goods retailers within the Blackpool administrative area will benefit from considerable trade arising from visitors from outside of the Study Area. The large majority of this spending is likely to be generated by tourism, but will also be generated by other types of visits to Blackpool from residents outside of the Study Area for work or other purposes.
- 7.3.8 In Section 6.6 we identified that the total inflow of convenience goods expenditure into Blackpool Borough generated by tourism spending is £55.2m which represents a reasonable proxy for the convenience goods expenditure generated by all visitors to Blackpool in the absence of data on non-tourism related visitor spending. Accordingly, Blackpool's convenience goods shopping destinations will benefit from an additional uplift to their survey-derived turnover to account for turnover drawn from the spending of residents outside of the Study Area, which we take account of in assessing the overall trading performance of foodstores across Blackpool Borough as a whole.
- 7.3.9 Nevertheless, the trading position of many stores on an individual basis could be higher than suggested by our assessment in Table 6 at Appendix 6, particularly for destinations in Blackpool town centre, which we consider are likely to attract the most custom from outside the Study Area. These stores are most likely to benefit from a significant uplift in turnover from the additional £55.2m of convenience goods expenditure in Blackpool Borough generated by tourism. Whilst supermarkets and superstores across Blackpool may also attract some tourist spending, we expect smaller convenience goods retailers located in district and local centres will generally cater for local needs and attract little tourism spend.
- 7.3.10 A summary of our benchmark assessment showing the current overall trading position of convenience goods floorspace in Blackpool Borough including inflow compared against the expected 'benchmark' turnover is provided in Table 7.1 below.

Table 7.1: Overall Trading Performance of Foodstores in Blackpool Borough at 2017

	Survey Derived Turnover				Over- or Under-trading (D-A) £m
	Benchmark Turnover	Survey Turnover	Tourism Inflow	Total	
	(A) £m	(B) £m	(C) £m	(D=B+C) £m	
Total Blackpool Borough	313.3	264.3	55.2	319.5	6.2

Source: Table 6 at Appendix 6

- 7.3.11 Our assessment identifies that taking all convenience goods retail facilities in Blackpool Borough together, the expected turnover of provision is £313.3m per annum at 2017, which is £49.0m less than the £264.3m turnover identified to be drawn from the Study Area residents. However, once the £55.2m allowance for tourism inflow is taken into account, the total convenience turnover of all convenience goods destinations in Blackpool Borough is estimated to be £319.5m. This suggests that existing convenience goods provision in the borough is collectively marginally 'overtrading' by £6.2m when compared to its expected turnover.
- 7.3.12 We therefore consider that the overall £6.2m of over-trading identified in Blackpool Borough, as set out in Table 7.1, can be regarded as surplus expenditure capacity available to support additional convenience floorspace. In assessing the quantitative capacity for convenience goods floorspace in the borough we therefore make an allowance for this over-trading to be added to the capacity.

Surplus Expenditure Available for Additional Convenience Goods Floorspace

- 7.3.13 Table 7.2 below sets out the surplus convenience expenditure available to support additional convenience goods retail floorspace in Blackpool Borough. The surplus expenditure assessment takes account of the current convenience goods trading position compared against the 'benchmark' (or anticipated) turnover of existing convenience goods floorspace and identifies the position prior to taking account of planning commitments for new convenience goods floorspace.

Table 7.2: Surplus Expenditure Available for Additional Convenience Goods Floorspace in Blackpool Borough

Year	Benchmark Turnover of Existing Stores	Available Expenditure			Surplus Expenditure
	(A)	Expenditure Drawn from Study Area	Inflow from Outside Study Area	Total	
	£m	(B) £m	(C) £m	(D=B+C) £m	
2017	313.3	264.3	55.2	319.5	6.2
2022	312.3	263.0	54.9	317.9	5.6
2027	313.3	264.2	55.1	319.3	6.0
2032	314.8	266.1	55.5	321.7	6.8

Source: Table 8a of Appendix 6

- 7.3.14 Accordingly, Table 7.2 sets out the benchmark turnover of existing convenience retail facilities in Blackpool Borough in the 2017 base year and projects this forward to 2032 assuming that the benchmark turnover of existing floorspace will increase through

improvements in floorspace efficiency at the rates set out in Experian Retail Planner Briefing Note 15.

- 7.3.15 The £264.3m of convenience goods expenditure generated by residents of the Study Area and spent in destinations within Blackpool Borough at 2017 equates to a market share of 40.2% (the proportion of the Study Area residents' expenditure on convenience goods which is spent in Blackpool Borough). Given the geography of the borough and its strong retention of convenience goods expenditure across Zones 1 to 6, which broadly correspond to the Blackpool administrative area, our assessment assumes that the current market share of facilities in Blackpool Borough is maintained over the study period to 2032.
- 7.3.16 After increases in population are considered against the forecast changes in floorspace productivity³⁹ and expenditure per capita, we estimate that the total available convenience goods expenditure in Blackpool Borough drawn from residents of the study area will be £263.0m at 2022, increasing to £264.2m at 2027 and £266.1m at 2032.
- 7.3.17 Table 7.2 includes an allowance for inflow of expenditure from outside the Study Area from tourism expenditure, which we estimated to provide an additional £55.2m of available expenditure in Blackpool Borough at 2017. The allowance for inflow is projected forward to 2032 assuming that the proportion of the total available expenditure in Blackpool Borough derived through the inflow is maintained over the study period. This allows for some 'background growth' in inflow in proportion to the expenditure growth identified within the Study Area.
- 7.3.18 Table 7.2 shows that a convenience goods expenditure surplus of £6.2m is identified in Blackpool Borough at 2017, which corresponds to the current level of over-trading at existing foodstores in Blackpool Borough as identified in Table 7.1 above. We estimate that the expenditure surplus will be £5.6m at 2022, £6.0m at 2027 and £6.8 at 2032.

Commitments for New Convenience Goods Floorspace

- 7.3.19 The next stage is to make an allowance for planning commitments for new convenience goods floorspace, comprising floorspace implemented subsequent to the household survey in October 2017 and extant planning permissions. There are a number of such commitments

³⁹ Account has been made for the turnover efficiency of existing convenience goods floorspace to change in accordance with the projections set out in Table 4a of Experian Retail Planner Briefing Note 15 (these being -0.1% at 2018, -0.2% per annum at 2019, 0.0% per annum between 2020 and 2024, and +0.1% between 2025 and 2032). Operators have historically been able to make their existing floorspace more productive over time. However, these negative turnover efficiency growth rates reflect current forecasts for convenience goods floorspace productivity to fall or remain static over the study period.

Blackpool Retail, Leisure and Hotel Study

that are expected to draw on the convenience goods expenditure available in Blackpool Borough as scheduled in Table 7 at Appendix 6.

7.3.20 The most notable are the new supermarket and frozen food store in Thornton-Cleveleys proposed as part of the Norcross scheme (application ref. 18/00065/LMAJ) and the new Lidl store at Squires Gate (application ref. 16/0317), which opened at the end of October 2017 just after the completion of the household survey. Both of these schemes are located just outside of Blackpool Borough in Wyre and Fylde, respectively.

7.3.21 As summarised in Table 7.3 below, we estimate that retail planning commitments that are expected to draw on the available comparison goods expenditure in Blackpool Borough together provide an estimated 3,963 sq.m of comparison goods sales floorspace⁴⁰. Overall, we estimate that these commitments would have a combined turnover of £37.7m if operational in the 2017 base year.

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

Convenience Sales Area Floorspace	Estimated Convenience Turnover	Convenience Turnover Drawn from Expenditure in Blackpool Borough
sq.m	£m	£m
3,512	29.6	18.5

Source: Table 7 at Appendix 6

7.3.22 We have assumed that all of the estimated convenience turnover of the commitments within Blackpool Borough will be drawn from the available expenditure within the borough. For those commitments outside of the borough, we have assumed that only some of the estimated comparison turnover will be diverted from Blackpool Borough based on our professional judgement, taking account of existing shopping patterns and the scale, type and location of the floorspace proposed.

7.3.23 Overall, we estimate that £18.5m of the total turnover of the commitments would be drawn from the available expenditure within Blackpool Borough if operational in the 2017 base year.

7.3.24 Full details of the assumptions made in estimating the turnover of commitments are provided in the notes which accompany Table 7 of Appendix 6.

⁴⁰ Only commitments providing a total gross retail floorspace of greater than 200 sq.m have been included in our assessment as it is not considered that proposals of a lesser scale will have a tangible effect on shopping patterns.

Residual Quantitative Need for Additional Convenience Goods Floorspace

7.3.25 Table 7.4 below sets out the residual convenience expenditure capacity in Blackpool Borough taking into account the turnover requirements of the commitments for new convenience retail floorspace. The estimated turnover of the commitments is deducted from the surplus expenditure capacity figures identified in Table 7.2 above.

Table 7.4: Residual Quantitative Need for Additional Convenience Goods Floorspace in Blackpool Borough after Implementation of Commitments

Year	Surplus Convenience Goods Expenditure	Turnover of Commitments	Residual Convenience Goods Expenditure (C=A-B)	Floorspace Requirement	
	(A) £m			(B) £m	Min (C/£12,542 per sq.m) sq.m
2017	6.2	18.4	-12.2	-1,000	-1,500
2022	5.6	18.4	-12.8	-1,000	-1,600
2027	6.0	18.4	-12.4	-1,000	-1,600
2032	6.8	18.5	-11.7	-900	-1,500

Source: Table 8c at Appendix 6

7.3.26 The residual expenditure identified when taking account of the turnover of commitments is then converted into floorspace requirements using average sales densities of £12,542 per sq.m and £8,000 per sq.m, dependent on the nature of the convenience operator. The lower sales density is more typical for retailers such as Lidl and Iceland, and the higher sales density is an average of the 'top four' convenience operators (Tesco, Asda, Sainsbury's and Morrisons). Using two sales density figures gives an idea as to how any identified quantitative needs could be met in practice.

7.3.27 The expenditure surplus reduces to a residual deficit of –£12.2m at 2017 once the turnover requirements of planning commitments are taken into account. Even after increases in population are considered against the changes in expenditure and floorspace productivity, the residual convenience expenditure capacity will remain in deficit over the entire study period to 2032, albeit decreasing to –£11.7m at 2032.

7.3.28 Accordingly, such is the quantity of convenience goods floorspace already implemented and committed in Blackpool Borough that there is no quantitative requirement for any additional convenience goods floorspace within the borough over the entire 15-year study period to 2032. However, given the inherent uncertainties in predicting the economy's performance

over time, we recommend that the longer term (beyond ten years) estimates are viewed with some caution.

7.4 Future Capacity for Comparison Goods Floorspace

- 7.4.1 Turning to comparison goods capacity, it is important to note that our methodology deviates from that in respect of convenience goods for two principal reasons. Firstly, it can be extremely difficult to attribute an appropriate benchmark turnover to existing comparison goods provision. Secondly, there tends to be greater disparity between the trading performance of apparently similar comparison goods provision depending on its location, the character of the area and the nature of the catchment.
- 7.4.2 As a consequence, we do not consider it appropriate to calculate a benchmark trading performance for comparison goods floorspace based on an assumed sales density. Instead, we adopt the approach that comparison goods floorspace is trading 'at equilibrium' at 2017 (i.e. our survey derived turnover estimate effectively acts as benchmark). Accordingly, in assessing the quantitative capacity for additional comparison goods floorspace in Blackpool Borough, we make no adjustments for under or over-trading at existing comparison retail stores in Blackpool Borough in the 2017 base year.
- 7.4.3 Therefore, in assessing the future capacity for new comparison goods floorspace in Blackpool Borough, we first identify the total comparison goods expenditure generated by the residents of the study area and spent in destinations within Blackpool Borough assuming that the future performance of Blackpool's facilities will be commensurate with its current market share. We then include an allowance for inflow of expenditure from outside the study area, which is projected forward assuming that the proportion of the total available expenditure in Blackpool Borough derived through inflow is maintained over the study period. This allows for some 'background growth' in inflow in proportion to the total expenditure growth identified within the Study Area. Next, we set out the total increases in expenditure which will be available to the borough's comparison goods retail facilities.
- 7.4.4 We then identify the comparison goods turnover of existing stores assuming that the turnover of existing comparison goods floorspace at 2017 equals the total available expenditure within Blackpool Borough in the 2017 base year. We allow for the turnover of existing stores to increase over the study period to allow for year on year increases in the productivity of existing floorspace.

7.4.5 Following this exercise, we then take account of any new comparison goods floorspace that has been implemented subsequent to the household survey and consider the effect that extant planning commitments for additional comparison retail floorspace will have in addressing any identified comparison goods shopping needs.

Surplus Expenditure Available for Additional Comparison Goods Floorspace

7.4.6 The £478.3m of comparison goods expenditure generated by residents of the Study Area and spent in destinations within Blackpool Borough at 2017 equates to a market share of 54.1%. Again, it is assumed that the future performance of Blackpool Borough's facilities will be commensurate with its current market share. Our assessment therefore 'rolls forward' this market share to examine the likely level of comparison goods floorspace required to maintain the role and function of Blackpool's retail facilities.

7.4.7 Comparison goods retailers within the Blackpool administrative area will benefit from considerable trade arising from visitors from outside of the Study Area. We estimated in Section 6.6 that inflow of comparison goods expenditure into Blackpool Borough generated by tourism spending amounts to £388.3m. Taking this inflow allowance into account increases the total available comparison goods expenditure in Blackpool Borough from £478.3m to £866.6m at 2017 (inflow therefore representing 44.8% of the total available expenditure).

7.4.8 Assuming that the current market share and proportion of the total available expenditure derived from inflow from outside the Study Area is maintained over the study period, we estimate that the total available comparison goods expenditure in Blackpool Borough will increase from £866.6m at 2017 to £1,336.4m at 2032.

7.4.9 Assuming that the existing comparison retail facilities in Blackpool Borough are trading 'at equilibrium', we estimate that existing stores attract a total of £866.6m of comparison goods expenditure at 2017. We therefore assume that there is no surplus expenditure and no quantitative need for any additional floorspace across the borough at 2017. We then estimate the future turnover requirements of existing stores taking account of the forecast increases in the sales efficiency of existing comparison goods floorspace as set out in Experian Retail Planner Briefing Note 15⁴¹.

7.4.10 After accounting for forecast increases in population and comparison goods expenditure, and allowing for year on year increases in the productivity of existing floorspace, we estimate

⁴¹ Table 4b of the Experian Retail Planner Briefing Note 15 identifies improvements in comparison goods floorspace sales efficiency of +0.9% at 2018, +1.8% at 2019, +2.3% per annum between 2020 and 2024, and +2.2% per annum between 2025 and 2032).

that there will be a small expenditure surplus available to support additional comparison goods floorspace within Blackpool Borough of £8.3m at 2022, increasing to a more substantial £68.4m at 2027 and £149.5m at 2032. The surplus expenditure available to support additional comparison goods floorspace is summarised in Table 7.5.

Table 7.5: Surplus Expenditure Available for Additional Comparison Goods Floorspace in Blackpool Borough

Year	Available Expenditure			Turnover of Existing Stores (D) £m	Surplus Expenditure (C-D) £m
	Expenditure Drawn from Study Area (A) £m	Inflow from Outside Study Area (B) £m	Total (C=A+B) £m		
	2017	478.3	388.3		
2022	530.5	430.7	961.3	953.0	8.3
2027	625.3	507.7	1,133.0	1,064.6	68.4
2032	737.6	598.8	1,336.4	1,186.9	149.5

Source: Table 30a of Appendix 6

Commitments for New Comparison Goods Floorspace

- 7.4.11 The next stage is to make an allowance for planning commitments for new comparison goods floorspace, comprising floorspace implemented subsequent to the household survey in October 2017 and extant planning permissions. There are a number of such commitments that are expected to draw on the comparison goods expenditure available in Blackpool Borough as scheduled⁴² in Table 29 at Appendix 6. The most notable of which are the bulky goods retail unit proposed at Whitehills Business Park at Junction 4 of the M55 in Fylde (application ref 14/0822) and the new Wilko store proposed as part of the Houndshill Shopping Centre extension in Blackpool town centre (application ref. 17/0453).
- 7.4.12 It is emphasised, however, that the Wilko store is relocating from its existing location on Talbot Road in Blackpool. It is proposed that Wilko’s existing store will be redeveloped for a tram terminal and hotel uses, along with a five small retail units, as part of the second phase of the Talbot Gateway development (application ref. 17/0276). The relocated new Wilko store proposed as part of the Houndshill Shopping Centre redevelopment and the five new retail units proposed at Talbot Road will be smaller than Wilko’s existing store and the two schemes therefore provide no net uplift in retail floorspace. Indeed, the proposed developments will result in an overall reduction in retail floorspace. Note that we have not

⁴² Only commitments providing a total gross retail floorspace of greater than 200 sq.m have been included in our assessment as it is considered that proposals of a lesser scale will not have a tangible effect on shopping patterns.

made an allowance for planning commitments associated with a loss of retail floorspace as such floorspace is typically vacant or underperforming.

7.4.13 As summarised in Table 7.6 below, we estimate that retail planning commitments that are expected to draw on the available comparison goods expenditure in Blackpool Borough together provide an estimated 13,042 sq.m of comparison goods sales floorspace⁴³. Overall, we estimate that these commitments would have a combined turnover of £44.6m if operational in the 2017 base year.

Table 7.6: Allowance for Planning Commitments for New Comparison Goods Floorspace

Comparison Sales Area Floorspace	Estimated Comparison Turnover	Comparison Turnover Drawn from Expenditure in Blackpool Borough
sq.m	£m	£m
13,042	44.6	17.7

Source: Table 29 of Appendix 6

7.4.14 We have assumed that all of the estimated comparison turnover of the commitments within Blackpool Borough will be drawn from the available expenditure within the borough. For those commitments outside of the borough, we have assumed that only some of the estimated comparison turnover will be diverted from Blackpool Borough (40% for the proposed bulky goods unit at Whitehills Business Park, 10% for the new retail units at Freeport Fleetwood Outlet Village, 35% for the new retail units at Norcross and 90% for the new Lidl store at Squires Gate).

7.4.15 Overall, we estimate that £17.7m of the total turnover of the commitments would be drawn from the available expenditure within Blackpool Borough if operational in the 2017 base year.

7.4.16 We note that South Ribble Council resolved to approve the proposed Cuerden Strategic Site development in Preston (application ref 07/2017/0211/ORM) subject to a Section 106 Agreement. The development of the Cuerden Strategic Site includes a new Ikea store together with an M&S, Next and Primark and is expected to function as a new regional destination drawing trade from across a Lancashire. We anticipate that the Cuerden scheme will attract some spending from residents of Blackpool Borough, particularly within the furniture and homewares category, and this will need to be identified through a new household survey once the development is constructed and open.

⁴³ Only commitments providing a total gross retail floorspace of greater than 200 sq.m have been included in our assessment as it is not considered that proposals of a lesser scale will have a tangible effect on shopping patterns.

7.4.17 Full details of the assumptions made in estimating the turnover of commitments are provided in the notes which accompany Table 29 of Appendix 6.

Residual Quantitative Need for Additional Comparison Goods Floorspace

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

7.4.19 A residual comparison goods expenditure deficit of –£14.6m at 2017 is identified once the turnover requirements of planning commitments are taken into account. Extant planning permissions – most notably the Whitehills Business Park scheme – are expected to absorb all of the surplus expenditure capacity in Blackpool Borough in the short-term period up to 2022. However, even accounting for the existing commitments, the population growth and growth in spending on comparison goods forecast over the study period will still generate a substantial expenditure residual to support additional comparison retail provision in Blackpool Borough over the longer term, of £50.4m at 2027 and £129.4m at 2032.

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

Year	Surplus Comparison Goods Expenditure	Turnover of Commitments	Residual Comparison Goods Expenditure	Floorspace Requirement	
	(A)		(C=A-B)	Min	Max
	£m		£m	(C/£5,000 per sq.m)	(C/£3,000 per sq.m)
2017	0.0	17.4	-17.4	-3,500	-5,800
2022	8.3	19.2	-10.9	-2,000	-3,300
2027	68.4	21.4	47.0	7,700	12,800
2032	149.5	23.9	125.6	18,300	30,600

Source: Table 30c at Appendix 6

7.4.20 Table 7.7 then translates the identified residual expenditure figures into floorspace requirements, using a maximum average sales density of £5,000 per sq.m and a minimum of £3,000 per sq.m. The maximum average sales density is based on the identified need being met through the delivery of high street floorspace and the minimum figure relates to need being met by bulky goods retailers or independent retailers (which both generally achieve lesser sales densities).

7.4.21 As discussed, we do not estimate that there will be a comparison goods floorspace requirement until 2027, when an additional 7,700 sq.m to 12,800 sq.m of comparison retail

floorspace will be needed, rising to between 18,300 sq.m and 30,600 sq.m at 2032, depending on the format of the floorspace.

- 7.4.22 Whilst these longer-term forecasts should be treated with caution, the figures do demonstrate that over the longer term there is potentially substantial capacity for additional comparison goods floorspace within Blackpool Borough.
- 7.4.23 Given the high levels of vacant and underused property in Blackpool town centre, it is emphasised that some of the residual expenditure capacity for new floorspace should be directed to support the reuse of existing vacant floorspace in the town centre. This will help to reduce vacancy levels and contribute to improving the vitality and viability of Blackpool town centre.

7.5 Qualitative Need

- 7.5.1 Paragraph 158 of the NPPF makes clear that local planning authorities should ensure that the Local Plan is based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area.
- 7.5.2 Paragraph 161 of the NPPF goes on to state that LPAs should use this evidence base to assess:

'...the needs for land or floorspace for economic development, including both the quantitative and qualitative needs for all foreseeable types of economic activity over the plan period, including for retail and leisure development'.

- 7.5.3 Deficiencies and gaps in existing retail provision can be considered on a borough wide basis or in terms of the borough's individual centres. As set out within Section 4 of this report, we consider that the Study Area secures a reasonably good market share of convenience and comparison goods expenditure.

Convenience Goods Floorspace

- 7.5.4 In assessing the potential qualitative need for additional retail provision, whilst this is a more subjective matter, there are important factors to consider when reviewing the existing provision within the administrative area. Issues such as 'gaps' in existing provision, ensuring that communities have easy access to retail facilities and that there is a range of operators to provide choice to residents, along with location specific needs such as higher levels of deprivation, all need to be taken account of when assessing the qualitative need.

Blackpool Retail, Leisure and Hotel Study

- 7.5.5 As set out in detail above, we have not identified any quantitative capacity for additional convenience floorspace across the Borough, once committed convenience floorspace has been taken into account.
- 7.5.6 When reviewing the existing convenience provision across the Borough as a whole, there is representation of all of the 'big four' supermarket operators (i.e. Tesco, Asda, Sainsbury's and Morrisons) and discounters (i.e. Aldi and Lidl) either within or just outside of the Borough.
- 7.5.7 The 2011 Fylde Coast Retail Study identified both a quantitative and qualitative gap in the convenience goods provision in Blackpool town centre, and that this should be the first priority for a qualitative improvement in the Fylde Coast's convenience offer – specifically, a gap in the access to a large supermarket providing a wider and choice range of goods. The 2011 Study stated that the proposed foodstore at Talbot Gateway could seek to meet the qualitative gap.
- 7.5.8 The 2011 Fylde Coast Study also specifically identified that the retention levels within Zones 1, 2 and 3 were particularly low and that there was a 'gap' in the market for a new foodstore when considering the ease of accessibility for residents within these zones (which was particularly important given that these were less affluent areas with low car ownership). As such, it was the intention that the Sainsbury's supermarket would provide a 'main food' shopping destination for residents within the town centre and also for shoppers, tourists and workers travelling to the town centre for other reasons.
- 7.5.9 However, the shopping patterns established by the latest household survey, demonstrate that only 34.6% of residents residing in Zone 1 undertake their main food shop in Zone 1, and instead, 30.1% are travelling to Zone 5 (principally Aldi and Asda). Furthermore, residents in Zone 2 are also travelling to convenience destinations in Zones 4 and 5 (24.6% and 45.2% respectively) to meet their main food shopping needs. In both cases, there is still a considerable level of travel by these residents to alternative foodstores outside of Zones 1 and 2, demonstrating that whilst the Sainsbury's at Talbot Gateway has gone some way to meeting that deficiency within the central area of Blackpool, residents are still choosing to travel to alternative operators to meet their needs.
- 7.5.10 Analysing the shopping patterns further, we can also establish why shoppers choose to undertake their main food shops at the specified locations. Looking firstly at those who stated that the Sainsbury's was their last destination for main food shopping, 40.4% stated the reason was because it was close to home, followed by 11.9% which stated it is near to

their place of work and 11.8% because of the choice of goods available. However, for the Aldi at Park Road (a popular destination for residents in Zone 1), 41.7% of respondents stated that the reason for choosing the destination was due to lower prices and 20.1% stated it was because of 'value for money'. This further analysis demonstrates that residents often choose a main food destination such as Aldi (i.e. a discounter), due to the low priced goods and those retailers that provide value for money.

- 7.5.11 Our assessment of convenience goods shopping patterns in Section 4 and summarised above, suggests that the choice of main food shopping destinations (i.e. those above 1,000 sq.m net in particular) in the central and central-northern parts of the Borough (Zones 1, 2, 3 and 6) is more limited than in the south of the Borough, particularly considering that this area encompasses Blackpool town centre. The area within and directly to the north of the town centre, i.e. the area between the northern extent of the town centre boundary, Bispham district centre and the administrative boundary of the Borough to the east, has very limited provision by way of choices of operators. Indeed, this urban area is served principally by two large format Sainsbury's foodstores, one in the northern extent of the town centre boundary at Talbot Gateway and the second on Red Bank Road in Bispham.
- 7.5.12 There are other small format convenience operators within Zone 1 consisting of an Iceland (450 sq.m net) the M&S foodhall (1,186 sq.m net), two Co-op stores (both measuring less than 400 sq.m net) and within Zone 2 access to the Lidl at Bloomfield Road (1,068 sq.m net) and the Farmfoods. The largest of these other operators in the town centre is the M&S foodhall, which sells own brand/ready to eat products which do not typically meet the requirements of the more deprived communities, or those wishing to undertake their weekly 'main food' shops. Indeed, representation of the four main supermarkets operators (Tesco, Sainsbury's, Asda and Morrisons) in this area, excepting small convenience stores such as Tesco Express, is therefore limited to Sainsbury's. It follows that additional representation from one of the 'top' convenience retailers could meet a current deficiency from a qualitative point of view.
- 7.5.13 We therefore consider that overall, the choice of supermarket destinations in the area as described above (i.e. the town centre and the urban area northwards to Bispham and eastwards to the edge of the administrative area), to be limited. As detailed in the Blackpool Core Strategy and as was identified in the RTP Fylde Coast Study, Blackpool suffers from severe levels of highly concentrated deprivation, particularly in the inner areas in and surrounding Blackpool town centre. Access to a choice range of foodstore provision is especially important in areas of high deprivation and low levels of car ownership, which make it more difficult for residents to travel to foodstore provision further afield, and can

improve access to fresh and healthier food. Despite this low level of car ownership, as stated above, residents still travel outside of Zone 1 and even Zone 2 to meet their main food shopping requirements, demonstrating that the provision within Zones 1 and 2 do not meet their requirements, potentially down to the range of goods or the prices of the goods on offer. Such an issue may arise when the only foodstores on offer within walking distance are retailers at the higher-end of the price spectrum such as M&S or even to a lesser extent, Sainsbury's.

- 7.5.14 It is this qualitative deficiency which WYG has identified through the analysis of the results of the study, which could be addressed through the delivery of an alternative fascia choice in this part of the Borough, focussing on providing affordable goods for the more deprived communities. Any potential new convenience floorspace needs to be qualitatively different to the offer already present in the town centre, focussing on lower priced goods to meet the clear deficiency.
- 7.5.15 Based on the findings above, we are of the view that there could be the potential to provide an additional foodstore towards the northern periphery of Blackpool town centre should a site within or on the edge of the centre become available. We envisage that the scale of foodstore appropriate would fit within the 1,500 to 2,500 sq.m (gross) bracket, ensuring that the turnover of which would not untenably impact on the existing Sainsbury's foodstore at Talbot Gateway. Any additional floorspace would need to ensure that it complements, rather than competes with the substantial investment made at Talbot Gateway in the delivery of the Sainsbury's, whilst seeking to attract shoppers and residents of Zone 1 back into the town centre, instead of travelling to other foodstores in Zone 5 to meet their shopping needs. As such, in order to claw the expenditure back into the town centre, any retailer would need to provide an offer different to that which is already provided, and which seeks to meet the current deficiency in terms of providing lower priced goods. It is important to note that providing another large foodstore or 'superstore' (i.e. over 2,500 sq.m) would not meet this same objective and would instead compete directly with the existing Sainsbury's.
- 7.5.16 In any event, as part of the summary of strengths and opportunities within the 2013 Town Centre Strategy, the Council identifies that key development sites within the town centre present opportunities to enhance convenience and comparison retail and service provision and complement qualitative improvements to the existing retail stock. The Strategy also recognises that it will be important to ensure that new provision does not undermine the existing town centre offer. WYG considers that this analysis is still reflective of the qualitative convenience position as identified in the latest Study.

- 7.5.17 Taking this one step further, it is important that any potential development site would ideally be located within the town centre boundary, and whilst it would need to meet both the sequential and impact tests, it would be necessary to consider the wider benefits a new foodstore could provide to the town centre in terms of choice, increased turnover and encouraging linked-trips with the existing uses. For example, a store of between 1,500 sq.m and 2,500 sq.m would require a site of approximately 0.6ha to provide the required floorspace and associated car parking (dependent on its location), demonstrating its relatively small scale.
- 7.5.18 Given the potential location within the town centre boundary, this would serve the underprovided area to the north of the town centre and to the south of Bispham, and would also serve the areas of deprivation within and surrounding the town centre. As such, any sites outside of the town centre boundary for new convenience floorspace should be resisted, given the lack of quantitative need and the potential impacts such a proposal could have on existing operators within the defined centres. As stated above, the announcement of the merger between Asda and Sainsbury's will also need to be monitored closely to establish precisely how the existing portfolio of stores will be dealt with and if there is any potential for the fascias (i.e. the Sainsbury's at Talbot Gateway or Bispham) to swap to an Asda. This could have an impact on shopping patterns within the central zones.

Comparison Goods Floorspace

- 7.5.19 Turning to the qualitative need for comparison goods, we focus primarily on Blackpool town centre, which – as the largest centre on the Fylde Coast – is most likely centre to attract interest from retail operators and developers. Major retail development would not be appropriate in the smaller district and local centres in Blackpool. The 2011 RTP Study identified a requirement to strengthen the clothing and footwear offer within the town centre, to draw shoppers back in and claw back expenditure. This strategy was then taken forward into the Town Centre Strategy and the Blackpool Core Strategy, which seeks to improve the 'fashion' offer in the town centre.
- 7.5.20 Table 7.8 below compares the composition of comparison goods units in Blackpool town centre based on Experian's latest Goad survey for Blackpool town centre undertaken in May 2017 with the Goad UK average at September 2017. Table 7.8 reveals that the proportion of department and variety stores in Blackpool town centre is broadly in accordance with the UK average in terms of the number of outlets and above the UK average in terms of floorspace. Large department and variety stores, which in Blackpool comprise Debenhams, Marks & Spencer and Wilko, provide important attractors to a centre.

- 7.5.21 Clothing and footwear provision also plays an important role in attracting visitors to a centre. In Blackpool, whilst representation in the children's and general clothing sub-categories is below the UK average, representation in the other clothing, footwear and accessories sub-categories is high. The overall proportion of clothing, footwear and accessories provision is broadly in accordance with the UK average in terms of both the number of outlets and floorspace.
- 7.5.22 The centre benefits from representation from almost all of the mainstream high street clothing and footwear retailers, including H&M, New Look, Next, Primark, River Island, Topman and Topshop and TK Maxx. However, whilst there are many lower and middle market retailers, there are few higher quality fashion multiples such as Ted Baker or French Connection. This is likely to reflect the wider trend for these types of operators to focus their trading in the higher order centres and locations such as Manchester and Liverpool along with the high levels of deprivation across the borough.
- 7.5.23 The town centre also contains a wide variety of other national multiple comparison goods retailers, including Boots, Clintons, HMV, Superdrug, TK Maxx, Waterstones and WHSmith. Indeed, our health check assessment of Blackpool town centre found that 24 out of the 28 top high street comparison goods retailers are represented in Blackpool town centre. Blackpool town centre also provides a varied independent retail offer. Whilst the Goad top retailer list is just one of many indicators adopted in assessing the health of a centre, it does provide an indication of the overall offer and enables a comparison against other centres.
- 7.5.24 Modern format retail units have come forward within Houndshill, but as we demonstrate in detail as part of the healthcheck analysis for Blackpool town centre, whilst this has been a positive investment within the centre, there are areas outside of Houndshill which have declined further since the previous study was undertaken in 2011. This, in part, has been because of retailers relocating to Houndshill. It has also been identified that the clothing and footwear offer within the town centre has not improved since the previous Study. It has to be noted however, that this is in part a response to current market trends and the hesitance of retailers to open new stores during uncertain economic times. The retention of retailers such as Marks and Spencer is also a positive sign for Blackpool, when other centres are witnessing the closure of this key anchor.
- 7.5.25 Blackpool also contains a substantial level of low-order retailers which occupy a substantial proportion of the floorspace within the centre. Retailers such as Poundland, Poundstretcher, Poundworld, Pound Store, Pound Zone and footwear retailers such as Shoe Zone and Shoemarket dominate some frontages outside of Houndshill. This level of low end

comparison offer does not add to the overall quality of comparison retailers across the town centre, albeit we note that such retailers provide important shopping facilities given the high levels of deprivation within the borough.

- 7.5.26 As such, from a comparison perspective, there may be opportunities outside of Houndshell to redevelop and regenerate key areas which are currently in decline and have high vacancy rates or are taken up by substantial proportions of lower-end retailers to create refurbished bigger units to better meet comparison operators' requirements. Specific areas such as Bank Hey Street, which is a key route through the town centre and forms an important part of the Principal Retail Core, requires substantial investment and regeneration, particularly given its location in proximity to the frontage and the level of footfall it could achieve as a result. This regeneration and requirement to enhance the overall environment of the centre was established throughout the 2013 Town Centre Strategy and in the 2016 Core Strategy. There may be instances where the creation of new modern units and opportunities for retailers may result in the shifting of end users from one part of the centre, to another should new retailers not be attracted to the centre. However, this could also create new opportunities for other parts of the centre (where retailers relocate from), to bring forward mixed-used schemes with a more diverse range of uses (including residential and leisure uses).
- 7.5.27 Furthermore, Table 7.8 below reveals that there are significant gaps in the town centre retail offer, with little or no representation in a number of comparison goods sub-categories, most notably within the DIY and gardening, furniture, electrical and recreational goods categories of comparison goods. The chemist/health and beauty offer is also below the UK average. The more limited offer in these categories is reflected in our analysis of shopping patterns presented in Section 4, which identified particularly low market shares for Blackpool town centre across these categories. Retail provision of bulky items such as furniture and large electrical products is typically focused outside of town centres, reflecting the large floorspace requirements for these types of products. Nevertheless, the UK averages presented in Table 7.8 reflect town centre locations and Blackpool town centre's offer across these categories is particularly low.
- 7.5.28 Overall, we conclude that whilst Blackpool town centre is meeting residents' comparison goods shopping needs in terms of its traditional high street offer, residents are likely to need to travel to other destinations to purchase many types of comparison goods, most notably furniture, electrical items and recreational goods. As such, there may be opportunities to bring forward larger retail schemes within the town centre but towards the periphery on

available and suitable sites, to deliver units suitable to accommodate operators who sell furniture, electrical items and recreational goods.

Table 7.8: Composition of Comparison Goods Units in Blackpool Town Centre at May 2017

Classification	Units				Floorspace			
	Blackpool Units	Blackpool %	UK %	Index	Blackpool sq.m	Blackpool %	UK %	Index
Antique Shops	1	0.14	0.39	35	750	0.41	0.21	195
Art & Art Dealers	4	0.55	0.63	88	500	0.27	0.36	76
Booksellers	5	0.69	0.49	141	800	0.44	0.42	104
Carpets & Flooring	1	0.14	0.54	26	50	0.03	0.52	5
Catalogue Showrooms	1	0.14	0.13	106	770	0.42	0.5	84
Charity Shops	15	2.07	2.71	77	2,500	1.36	1.83	74
Chemist & Drugstores	3	0.41	1.14	36	1,180	0.64	1.54	42
Childrens & Infants Wear	1	0.14	0.4	35	40	0.02	0.29	8
Clothing General	9	1.24	1.67	75	5,030	2.74	3.27	84
Crafts, Gifts, China & Glass	9	1.24	1.62	77	970	0.53	0.81	65
Cycles & Accessories	0	0.00	0.24	0	0	0.00	0.19	0
Department & Variety Stores	3	0.41	0.4	104	11,070	6.04	4.71	128
DIY & Home Improvement	0	0.00	0.69	0	0	0.00	1.06	0
Electrical & Other Durable Goods	4	0.55	1.23	45	700	0.38	0.97	39
Florists	1	0.14	0.66	21	20	0.01	0.24	5
Footwear	8	1.11	0.98	113	2,250	1.23	0.84	146
Furniture Fitted	0	0.00	0.4	0	0	0.00	0.35	0
Furniture General	6	0.83	0.84	99	1,480	0.81	1.37	59
Gardens & Equipment	0	0.00	0.05	0	0	0.00	0.06	0
Greeting Cards	5	0.69	0.71	97	630	0.34	0.5	69
Hardware & Household Goods	12	1.66	1.39	119	6,450	3.52	3.18	111
Jewellery, Watches & Silver	14	1.94	1.62	120	1,390	0.76	0.74	102
Ladies & Mens Wear & Acc.	15	2.07	1.64	127	4,310	2.35	2.23	105
Ladies Wear & Accessories	18	2.49	2.05	121	2,700	1.47	1.66	89
Leather & Travel Goods	0	0.00	0.15	0	0	0.00	0.09	0
Mens Wear & Accessories	8	1.11	0.72	154	1,290	0.70	0.61	115
Music & Musical Instruments	0	0.00	0.14	0	0	0.00	0.09	0
Music & Video Recordings	2	0.28	0.17	163	640	0.35	0.16	218
Newsagents & Stationers	0	0.00	1.09	0	0	0.00	0.84	0
Office Supplies	0	0.00	0.02	0	0	0.00	0.03	0
Other Comparison Goods	9	1.24	0.84	148	1,180	0.64	0.59	109
Photographic & Optical	0	0.00	0.11	0	0	0.00	0.05	0
Secondhand Goods, Books, etc.	4	0.55	0.31	178	340	0.19	0.16	116
Sports, Camping & Leisure Goods	3	0.41	0.68	61	1,730	0.94	1	94
Telephones & Accessories	16	2.21	1.37	162	1,320	0.72	0.68	106
Textiles & Soft Furnishings	5	0.69	0.64	108	660	0.36	0.46	78
Toiletries, Cosmetics & Beauty Products	6	0.83	0.99	84	1,090	0.59	0.91	65
Toys, Games & Hobbies	8	1.11	0.77	144	1,320	0.72	0.68	106
Vehicle & Motorcycle Sales	0	0.00	0.26	0	0	0.00	0.49	0
Vehicle Accessories	0	0.00	0.16	0	0	0.00	0.2	0
Comparison Goods Total	196	27.11	31.02	87	53,160	28.98	34.89	83

8.0 Commercial Leisure Needs

8.1 Introduction

- 8.1.1 Our approach to the assessment of commercial leisure needs departs from our retail methodology for a number of reasons, including the fragmentation of the market and the limited availability of accurate expenditure data. However, the household survey questioned respondents about their use of commercial leisure facilities and, through reference to market share, we are therefore able to form a view as to how facilities currently meet the needs of the Borough's population in relation to the bingo, cinema, ten-pin bowling and health and leisure centre sectors. In considering commercial leisure needs, it is important to note that facilities elsewhere on the Fylde Coast (within the boroughs of Fylde and Wyre) help meet needs which originate in Blackpool and the assessment which follows is undertaken on this basis.
- 8.1.2 We utilise national statistics in respect of the typical level of provision of specific types of facilities to assist our judgement in respect of the likely future need for additional facilities in the administrative area. By reference to estimated increases in the Study Area population, this 'benchmarking' exercise provides an indication of the likely future need for additional commercial leisure facilities in Blackpool Borough.
- 8.1.3 The assessment of current participation rates and proportion of visits to existing commercial leisure destinations is based on the findings from the household survey, which included residents within the adopted Study Area. The capacity figures provided below for each commercial facility is based on the expected population growth in the Study Area only, and does not include the potential increase in requirements as a result of tourism visits to Blackpool too. However, we provide further commentary on this point below, given the potential for these additional visitors to the Borough and particularly the town centre, to generate additional commercial leisure requirements.
- 8.1.4 For each leisure sector, we consider the current broad patterns of existing use, before then assessing the quantitative need for additional facilities.

8.2 Participation Rates

- 8.2.1 The Household Survey asked respondents which leisure activities they participate in. Across the Study Area as a whole, the most popular leisure activity mentioned by respondents was

visiting restaurants (which 60.7% of respondents visit), followed by pubs/bars (47.7%) and then the cinema (41.4%). Just 9.1% of respondents stated that they visit ten pin bowling facilities and 7.4% of respondents stated that they visit nightclubs. The lowest participation rate was recorded for bingo trips, which was 6.0%. The popularity of residents participating in visits to restaurants, pubs and the cinema reflect national trends, along with the low participation rates for visiting bingo halls, which as we discuss in more detail below, has reduced considerably in popularity over the past decade. We do note however, that Blackpool’s leisure destinations have their own attraction from tourists who are seeking to experience a range of activities when visiting the town.

Table 8.1: Participation Rates

Leisure Activity	Participation Rate
Restaurant	60.7%
Pub/Bars	47.7%
Cinema	41.4%
Theatre/concert hall	35.2%
Health & fitness	23.7%
Museum/art galleries	15.1%
Leisure Centre Activities	14.3%
Ten pin bowling	9.1%
Social club	8.0%
Nightclub	7.4%
Bingo	6.0%

Question 46 of Household Survey, Appendix 2

8.2.2 When the respondents of the household survey were asked which leisure facilities they would like to see more of in their area, 4.2% stated a swimming pool, 3.5% responded saying they would like to see more sports facilities and 2.5% responded stating they would like to see more children’s facilities/activities. A total of 71.1% of the respondents stated that there were not any leisure facilities which they would like to see more of in their area. As such, these results indicate that the majority of residents are satisfied with the overall leisure provision within the Borough.

8.3 Bingo

8.3.1 Blackpool Borough accommodates two formal bingo halls, and there is an additional bingo hall within the survey area in Fleetwood. The most popular destination for bingo trips is the Mecca Bingo on Talbot Road in Blackpool, which attracts 88.5% of all trips across the Study Area.



Table 8.2: Market Share of Facilities for Bingo Hall Visits (%)

Zone	Address	Total
1	Mecca Bingo, Talbot Road, Blackpool	88.5%
OSA	Club 3000 Preston NHL, New Hall Lane, Preston	5.8%
5	Empire Bingo, Hawes Side Lane, Blackpool	4.4%
8	Other, Zone 8	1.3%

Source: Question 52 of Household Survey, Appendix 2
 Note: 'OSA' relates to facilities outside of the Study Area

- 8.3.2 The Study Area has a total estimated population of 308,092 at 2017, increasing to 317,725 at 2032. Mintel reports⁴⁴ that there were 353 bingo halls in the UK at March 2017, which applying the Office for National Statistics' estimated population of the UK of 66.2 million (for June 2017)⁴⁵, suggests that each hall is supported by a catchment of 187,535 persons or thereabouts. Accordingly, as we set out below at Table 8.3, we estimate that the population of the Study Area (and Blackpool Borough, in particular) could support 1.7 bingo clubs across the reporting period to 2032.
- 8.3.3 It should also be noted that the bingo market has been significantly affected by the 2007 ban on smoking in enclosed public places, an increase in the proliferation of fixed odd gaming machines, and an increase in online gambling. Recent reports indicate that the industry has begun to stabilise, supported by the Government halving Bingo Duty from July 2014 and a shift towards a refreshed and younger customer base. As a consequence, Mintel⁴⁶ anticipates that there will be very modest year on year market growth of around 1.5% in the short term, with consumer expenditure forecast to increase from £732m at 2016 to £794m at 2021. The 2019 forecast has increased from £728m as reported by Mintel in 2015, to £767m which suggests that growth has occurred at a slightly faster rate than previously anticipated which further supports the indications that the industry has begun to stabilise.
- 8.3.4 Nevertheless, as a consequence of the generally stagnant market, new bingo hall openings are few and far between. Indeed, the 2017 report indicates a loss of 1 bingo hall since 2015. There is a lack of commercial desire to open new bingo halls and from a qualitative point of view, given the commercial realities of the tourism industry, the offer within Blackpool is sufficient to meet the participation rates identified in the household survey alone. However, the figures provided in the tables do not take account of additional visits from tourists. Given

⁴⁴ 'Casinos and Bingo', Mintel, March 2017

⁴⁵ 'Population Estimates for UK, England and Wales, Scotland and Northern Ireland: Mid-2015', Office for National Statistics, June 2016

⁴⁶ 'Casinos and Bingo', Mintel, March 2017

the demographics of visitors to Blackpool, there is likely to be a relatively high level of additional visits from tourists to the existing bingo hall (and particularly the Mecca Bingo on Talbot Road, given its central location), which could support the requirement for additional provision in the town centre should an operator be forthcoming in this market. If a new facility were to come forward, it would be important to offer a qualitatively different format to that which is already provided by Mecca in a suitable and sustainable location.

- 8.3.5 In any event, should any proposals for such development be forthcoming, we recommend that they are judged on their own merit in accordance with relevant town centre planning policy at the time of the application’s submission.

Table 8.3: Bingo Hall Requirement in Study Area and Blackpool

Year	Study Area Population	Typical Population Required to Support Hall	Potential Number of Clubs Supported by Study Area	Blackpool Population	Potential Number of Clubs Supported in Blackpool
2017	308,092	187,535	1.6	141,123	0.8
2022	311,598	187,535	1.7	141,374	0.8
2027	314,843	187,535	1.7	141,776	0.8
2032	317,725	187,535	1.7	142,380	0.8

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

8.4 Cinema

- 8.4.1 As set out below at Table 8.4, the results of the household survey indicate that the Odeon Cinema on Rigby Road in Blackpool attracts the highest proportion of such trips which originate within the Study Area. This cinema attracts 40.7% of all cinema trips. The second most popular facility is the Vue Cinema on North Promenade which is situated in Zone 7 of the Study Area, which attracts 39.5% of cinema trips.

Table 8.4: Study Area Market Share for Cinema Visits (%)

Zone	Address	Total
2	Odeon Cinema, Rigby Road, Blackpool	40.7%
7	Vue Cinema, North Promenade, Thornton-Cleveleys	39.5%
9	The Island Cinema, South Promenade, Lytham	11.6%
OSA	Odeon Cinema, Riversway, Preston	6.1%

Source: Question 48 of Household Survey, Appendix 2
 Note: 'OSA' relates to facilities outside of the Study Area
 Includes total responses over 1.0%

- 8.4.2 The cinema sector has generally struggled over the last eight years with falling admissions. Total admissions of 158 million in 2014 represented a decline of 8% from the level recorded in 2011⁴⁷. The market was expected to return to growth and admissions for 2015 were estimated to be 173 million, with Mintel⁴⁸ forecasting an increase in admissions to 175 million in 2020. This forecast is maintained in the most recent Mintel⁴⁹ report which goes on to forecast a further increase of admissions to 178 million in 2022.
- 8.4.3 In terms of facilities, the number of cinemas in the UK experienced gradual decline between 2010 and 2014 during the economic downturn. However, 2015 saw a moderate increase in the total number of UK cinema sites, which increased from 743 at the close of 2014 to 771 at the close of 2015. Growth continued to occur in 2016, Mintel reporting that the number of sites in the UK increased again by the end of the year to 788.
- 8.4.4 Once again, we estimate that the Study Area has a total estimated population of 308,092 at 2017, increasing to 317,725 by 2032. Mintel estimates that the UK population on average visits a cinema 2.7 times per annum and that each cinema screen attracts around 42,927 separate admissions.
- 8.4.5 Based on the above, Table 8.5a below calculates that the population in the study area could support 19.4 screens at 2017, rising to 20.0 screens by 2032. Table 8.5b then provides a calculation as to the level of screens which could be supported by the population in the Borough alone. Based on the calculations above, the level of screens which could be supported by the population in the Borough only is 8.9 at 2017, increasing to 9.0 by 2032.
- 8.4.6 The Odeon Cinema in Blackpool, located approximately 700 metres to the south of Blackpool town centre, has a total of 10 screens including the option to view films in 3D. Based on the calculations in Table 8.5b below, we identify that in Blackpool Borough, there is a capacity for 8.9 screens at 2017, rising to 9.0 screens by 2032. In the wider Study Area, we identify the requirement for 19.4 screens at 2017, rising to 20.0 screens by 2032. However, whilst the identified capacity within Blackpool borough exceeds the current and committed number of cinema screens, the population figures provided below which are the basis for the assessment of capacity for additional cinema screens, do not include the additional inflow of potential visits to the existing (and committed) cinemas from tourists, which could add to the capacity for additional screens.

⁴⁷ 'Cinemas', Mintel, November 2014

⁴⁸ 'Cinemas', Mintel, November 2015

⁴⁹ 'Cinemas', Mintel, November 2017

8.4.7 On this basis, we are aware of the proposed Light Cinema as part of the Houndshill extension, which will accommodate nine additional cinema screens within the Principal Retail Core of Blackpool town centre, including an IMAX movie theatre. This scheme will help to draw leisure spend back into the ‘heart’ of the centre, which should help to encourage wider linked-trips with existing and proposed retailing and leisure uses, and encourage wider tourism spend and encourage longer stays within the town centre from tourists. The proposed cinema will also improve on the qualitative offer within Blackpool, providing modern facilities within an area which is easily accessible to both residents and tourists alike.

Table 8.5a: Cinema Screen Requirement in Study Area

Year	Study Area Population	Number of Cinema Visits Per Person	Attendance	Number of Admissions Required to Support Screen	Screens Supported
2017	308,092	2.7	831,848	42,927	19.4
2022	311,598	2.7	841,315	42,927	19.6
2027	314,843	2.7	850,076	42,927	19.8
2032	317,725	2.7	857,858	42,927	20.0

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

Table 8.5b: Cinema Screen Requirement in Blackpool

Year	Blackpool Population	Number of Cinema Visits Per Person	Attendance	Number of Admissions Required to Support Screen	Screens Supported
2017	141,123	2.7	381,032	42,927	8.9
2022	141,374	2.7	381,710	42,927	8.9
2027	141,776	2.7	382,795	42,927	8.9
2032	142,380	2.7	384,426	42,927	9.0

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

8.5 Ten Pin Bowling

8.5.1 The most popular ten pin bowling facility in the Study Area is the MFA Bowl on Market Street in Zone 1 which attracts 46.3% of all trips, followed by the YMCA on Victoria Road East which attracts 30.9% of all trips.



Table 8.6: Study Area Market Share for Ten Pin Bowling Visits (%)

Zone	Address	Total
1	MFA Bowl, Market Street, Blackpool	46.3%
7	YMCA, Victoria Road East, Thornton-Cleveleys	30.9%
OSA	MFA Bowl, Greenback Street, Preston	7.3%
OSA	Lancaster	3.9%

Source: Question 51 of Household Survey, Appendix 2. Includes all responses located within Study Area and those receiving more than 2.0% of total market share of trips outside Study Area

Note: 'OSA' relates to facilities outside of the Study Area. The YMCA in Fleetwood was cited by 7.4% of respondents, but we have excluded this response from the table as there is no ten pin bowling facility in this location.

8.5.2 The ten pin bowling sector in general has experienced decline over the last ten years, with a gradual reduction in the number of facilities. However, in very recent times, the market has shown positive signs, with Mintel⁵⁰ forecasting modest market growth equivalent to approximately 6% per annum between 2016 and 2020, slowing in 2020 to approximately 3% growth. An alternative business model has recently developed for in-centre 'boutique' bowling facilities, with a greater focus on food and beverage as a fashionable alternative to the traditional family orientated bowling experience. This business model has potential to support the evening economy within towns and cities as an alternative use for struggling nightclub venues, where the market has been found to have contracted in recent years. Participation in ten pin bowling is found to have remained relatively popular amongst both young adults and families. Mintel identifies that 54% of 16 to 34 year olds visited a bowling alley within the last year, with this reducing to 41% of those aged between 35 to 44, and 13% of those aged 45+.

8.5.3 In terms of the expected benchmark level of provision in the Study Area, we note that the Mintel Tenpin Bowling report of May 2017 identified that there were 5,242 bowling lanes across the UK in 2017. This represents a decrease from the reported figure of 5,617 in 2014. Given that the UK population at 2017 is approximately 66.2 million⁵¹, this equates to one lane for every 12,630 persons. Based on the estimated population within the Study Area, our assessment indicates that 24.4 lanes could be supported at 2017, increasing to 25.2 lanes at 2032. Within Blackpool, the identified need equates to 11.2 lanes at 2017, increasing to 11.3 lanes at 2032. The MFA Bowl in Blackpool has over 20 lanes and therefore meets the demand in the Borough alone. In fact, the MFA Bowl meets a high proportion of the wider demand across the Study Area as a whole.

⁵⁰ 'Tenpin Bowling', Mintel, May 2017

⁵¹ 'Population Estimates for UK, England and Wales, Scotland and Northern Ireland: Mid-2014', Office for National Statistics, June 2015

- 8.5.4 Again, this capacity figure and calculation of potential number of ten pin bowling lanes which could be supported over the plan period, does not take account of the additional potential level of increased number of visits from tourists. This is particularly the case for the MFA Bowl which is located on the Promenade and therefore is likely to attract proportions of tourist visits. Destinations such as ten pin bowling alleys can act as a popular for tourists, particularly staying periods longer periods of time who are looking for wider commercial activities to fill holiday time with. Again, these types of activities are often linked with other leisure activities such as eating and drinking out.
- 8.5.5 Furthermore, from a qualitative perspective, the overall offer within Blackpool is relatively poor and does not offer a range of consumer choice to residents or visitors alike. There may be opportunities to promote additional ten pin bowling facilities should the commercial market dictate a requirement for an additional facility, and again, any such application should be assessed on its own merits.

Table 8.7: Ten Pin Bowling Requirement in Study Area and Blackpool

Year	Study Area Population	Typical Population Required to Support One Ten Pin Lane	Potential Number of Ten Pin Lanes Supported in Study Area	Blackpool Population	Potential Number of Ten Pin Lanes Supported in Blackpool
2017	308,092	12,630	24.4	141,123	11.2
2022	311,598	12,630	24.7	141,374	11.2
2027	314,843	12,630	24.9	141,776	11.2
2032	317,725	12,630	25.2	142,380	11.3

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

8.6 Health and Fitness Centres

- 8.6.1 In the health and fitness sector, the number of local authority owned leisure centres and swimming pools has generally increased in the past few years, although, with reductions to their sport and leisure funding budgets, local authorities are increasingly being required to adopt more commercial approaches. Mintel⁵² records that, at September 2017, 32% of adults were found to use a local authority owned health centre or swimming pool. This is a minor reduction from the figure of 33% recorded in 2015 and a further reduction from the figure of 40% recorded in 2013, although operator data suggests that admissions have remained resilient overall, pointing to losses being concentrated around more casual users

⁵² 'Leisure Centres and Swimming Pools', Mintel, September 2017

(who visit less often). The replacement of aging facilities to allow local authority health and fitness centres to compete with private facilities remains a key challenge.

- 8.6.2 Mintel⁵³ forecasts indicate that the private health and fitness sector had a market value of approximately £2.9 billion in July 2016. This is forecast to continue to grow substantially by approximately £200 million per year, reaching 3.9 billion in 2022. Mintel also notes that, whilst only 12% of adults currently use a private health and fitness club, the potential for a further expansion of the market remains strong. Perhaps unsurprisingly, the 16 to 24 and 25 to 34 age groups have the highest participation rates, with 19% and 18% respectively of the population within these age groups visiting private health clubs, with participation dropping off quickly within older age groups.
- 8.6.3 The composition of the private health and fitness sector has experienced great change in recent years with the rise of budget gym operators presenting a challenge to the more established key players. Mintel indicates that the market has expanded significantly with a shift towards budget operators bringing possibilities for more convenient access and affordability for the customers. Budget operator Pure Gym has expanded to become the market leader both in terms of number of members (930,000) and clubs (176). It should be noted that Pure Gym has continued to rapidly expand year on year in terms of the number of members and sites, which were previously reported by Mintel as being 520,000 (members) and 99 (sites) in 2015. At the same time, Pure Gym's main competitor, The Gym, has also greatly increased its membership since 2015 from 350,000 to 535,000 members and 63 to 100 clubs, albeit more modestly. Nuffield has emerged as the largest 'full service' health club chain with 476,000 members and 112 sites, overtaking David Lloyd Leisure (407,095 members, 83 sites) and Virgin Active Group (251,000 members, 61 sites) who were the largest in 2015. Mintel has predicted 25% growth for the private sector health and fitness market up to 2022, to reach a value of £3.9 billion.
- 8.6.4 The most popular health and fitness facility in the Study Area is the YMCA on Victoria Road East in Thornton-Cleveleys, followed by the Moor Park Health and Leisure Centre which attracts 8.9% of all trips from residents in the Study Area, which is a local authority leisure centre located in Bispham.

⁵³ 'Health and Fitness Clubs', Mintel, July 2017

Table 8.8: Study Area Market Share of Trips to Health and Fitness Centres (%)

Zone	Address	Total
7	YMCA, Victoria Road East, Thornton-Cleveleys	11.0%
6	Moor Park Health and Leisure Centre, Bristol Avenue, Blackpool	8.9%
3	Blackpool Sports Centre, West Park Drive, Blackpool	7.2%
3	Village Gym, East Park Drive, Blackpool	7.2%
2	Bannatyne Health Club, Rigby Road, Blackpool	5.6%
9	Other, Lytham St Annes	5.5%
7	YMCA, Breck Road, Poulton-le-Fylde	5.4%
7	YMCA, The Esplanade, Fleetwood	4.5%
9	YMCA, Mythop Road, Lytham	4.5%
7	Other, Poulton-le-Fylde	4.3%
10	Ribby Hall Village, Ribby Road, Wrea Green	4.1%

Source: Question 48 of Household Survey, Appendix 2. Includes all responses located within Study Area and those receiving more than 4.0% of total market share of trips outside Study Area

Note: 'OSA' relates to facilities outside of the Study Area

- 8.6.5 Blackpool is served by a range of public and private health and fitness facilities including the Living Well Health Club at the Hilton, the Reform Health Club on Milbourne Street and The Gym on Cookson Street at Talbot Gateway in the town centre. There are a number of national gym names missing in Blackpool, including Virgin Active, Pure Gym and David Lloyd. However, the offer of YMCA facilities across the Fylde and Wyre coasts is good and provides an affordable health and fitness centres in partnership with Wyre and Fylde Councils and the local NHS.
- 8.6.6 From an audit of available facilities, it appears that provision is appropriately distributed throughout Blackpool’s key settlements and, as such, Blackpool appears to be relatively well provided for in terms of indoor health and fitness facilities.
- 8.6.7 Accordingly, whilst there does not appear to be a pressing need to allocate additional land for such leisure uses, it is considered that proposals for new indoor sports, health and fitness provision should be considered positively, provided that they are in accordance with the provisions of the development plan and national planning policy.
- 8.6.8 Our assessment of the health and fitness sector indicates that Blackpool appears to be well served by a range of public and private leisure facilities which are distributed throughout the area and we did not identify any immediate requirement to further increase this offer. However, there may be opportunities for further private sector fitness clubs to be brought forward throughout the Borough and in the town centre in particular, serving both local

needs but also the needs of office workers within the town centre. New proposals for gyms and health and fitness centres should be judged on their own merits and in accordance with local and national policy, with a town centre first approach where suitable sites are available. It may be that any such uses would come forward as part of a wider mixed-use scheme.

8.7 Food and Drink

- 8.7.1 Consumer spending on eating out through visits to restaurants and takeaways is recognised as a sector which has performed well during the economic downturn. Mintel⁵⁴ identifies that the eating out market grew by around 14% between 2012 and 2016, to an estimated £66bn, and predicts that the market will continue to experience growth, forecast to be around 11% in the period up to 2022 to reach a value of £75 billion. The emergence into the restaurant market of multiple new specialist operators, many with significant plans for expansion, has increased opportunities for landlords to provide a diverse and distinct food offer.
- 8.7.2 A recent report by Savills⁵⁵ entitled 'Casual Dining in the UK' has found that casual dining brands in the UK, which operate from under 25 sites, such as Wahaca and Cau, have grown by 39% over the past three years. The report identifies that such dining brands, in combination, have opened 489 new outlets across the UK. This emphasises the popularity and growth of smaller chains, a trend which has led to increased diversity and consumer choice across the sector. During the same time period brands providing a larger number of outlets such as Pizza Express, Prezzo and Nandos, have grown by 13%. In terms of the casual dining market as a whole, Savills identifies that 80% is made up of brands with fewer than 25 restaurants. The Savills report also identifies that there has been growth in different cuisines, with North American, Caribbean and Thai cuisines increasing in popularity.
- 8.7.3 Despite significant pub closures in recent years, there is reason for optimism within the licensed premises sector. The Cask Report⁵⁶ reporting that six fewer pubs are closing a week in 2017 than in 2016. Visitor numbers have been found to be stable, with the industry expected to experience modest growth in the period to 2019. Mintel identifies that some 79% of adults visited a pub or bar in 2016/17 for a drink, with the 18 to 24 age group found to be most likely to drink in pubs or bars on a weekly basis. The cask ale market in particular is reported to have grown by 6.3% in the last 5 years⁵⁷. Nevertheless, a quality food offer

⁵⁴ 'Eating Out Review', Mintel, Sep 2017

⁵⁵ Casual Dining in the UK, Savills, June 2016

⁵⁶ 'Pub Visiting' Mintel, May 2017

⁵⁷ 'The Cask Report 2015-16', Cask Matters, September 2015

has become increasingly important within the sector, as the contribution which food sales make to pub revenues has increased steadily over a prolonged period.

- 8.7.4 In terms of the existing food and drink provision within Blackpool's defined centres, the most popular destination for restaurant use is Blackpool town centre which attracts 19.6% of trips, followed by Lytham St Annes which attracts 14.3% of all trips.
- 8.7.5 The new cinema proposed as an extension to Houndshell Shopping Centre will bring forward a high-quality leisure scheme, with a new retail and restaurant unit on the ground floor. The scheme, whilst not identified as a quantitative requirement purely based on historic visitation trends, is a substantial sign of positive investor confidence in the town centre, particularly given the commitment from a cinema operator to occupy the space. This scheme, along with the associated restaurant and retail units, will significantly enhance this part of the town centre adjacent to Houndshell, and seek to bring more people into the town centre to visit the cinema, with the opportunity to extend their stay by visiting other retail and leisure uses surrounding the scheme. The proposed development is likely to shift the patterns of attendance from the out-of-centre Odeon cinema, to the town centre, with spin-off trade likely to take place to existing uses in the centre.
- 8.7.6 Looking at the current facilities within the town centre and the responses from the in-street surveys, there is a requirement for additional restaurant facilities within the Borough and particularly within Blackpool town centre, to meet both residents and tourists' requirements. The existing offer within the town centre is generally at the lower end and focused more on cafes and pubs, although there are a series of middle tier national multiple restaurant operators such as Pizza Express, Las Iguanas and Bella Italia. Such uses would typically complement cinemas, encouraging visitors to link their trips to the cinema with a trip to a restaurant.
- 8.7.7 However, it is important to note that over recent months, the national multiple restaurant sector has seen a significant shift with many operators now seeking to contract their operations and dispose of unprofitable branches, due to economic factors and increased operating costs because of the minimum wage, national living wage and costs of imports. As such, whilst we had seen a general increase in national multiple restaurant confidence in town centres, this is now slowing down somewhat.
- 8.7.8 There are signs that the independent restaurant sector remains relatively positive, and as such, there are opportunities to expand and build on the existing offer particularly within Blackpool town centre to serve both visitors and residents. There are operators within the

North West, who are seeking to expand their portfolio and as we discuss in more detail in the strategy section below, discussions with operators directly would be beneficial to establishing future requirements in Blackpool subject to the right scheme and provision of suitable units. Such uses can increase 'dwell time' within the centre and a diverse restaurant offer can encourage a wider range of users to visit Blackpool town centre. We note that a new restaurant will be delivered as part of the Houndshill cinema scheme, although the addition of just one new unit is unlikely to materially alter the attraction of the centre from a leisure perspective. The delivery of the cinema, particularly of the size proposed adjacent to Houndshill, is likely to generate sufficient trading conditions to enable additional restaurant/bar operators to trade successfully, over and above the one which is proposed as part of the scheme.

- 8.7.9 Furthermore, new leisure facilities will be delivered as part of the Leisure Quarter development which again, could have significant benefits to Blackpool town centre. Whilst definitive timescales are yet to be established regarding the delivery of the scheme, proposed commercial uses on the site will likely draw in additional visitors to the town centre, potentially from a wider catchment, which will have knock-on benefits to the existing town centre uses. As we discuss in more detail below, it will be imperative to ensure that the proposed scheme on the Leisure Quarter site encourages visitors to also visit the existing town centre as part of their trip.

8.8 Other Leisure Uses

- 8.8.1 In recent years, the presence of leisure facilities such as trampolining centres, climbing walls and soft-play centres have increased substantially across the UK.
- 8.8.2 In an increasingly competitive retail environment, centres are seeking more adventurous and exciting leisure operators to provide differentiation and draw consumers in. For example, indoor soft play facilities such as Jungle Jims at the Blackpool Tower, Planet Kaos in Marton and Bounce Play in Bispham.
- 8.8.3 Trampoline parks for example, offer a broad range of activities, from children's parties, fitness classes, corporate team building activities, to teen and adult club nights, whilst most also have onsite cafés. The same can be said for climbing walls and soft-play centres, where a wide range of activities are present alongside the main leisure facilities.
- 8.8.4 In terms of trampolining facilities, Ascent Trampoline Park on Cornford Road is an extensive indoor facility and includes a climbing wall, game zone, ninja assault course and ancillary



café facilities. The facility is situated in a large commercial shed outside of Blackpool town centre.

- 8.8.5 As is the case in Blackpool, these facilities generally occupy relatively large (500 sq.m to 2,500 sq.m) units with high ceiling heights and are often found in former employment or retail premises on business parks and retail parks. As such, applications to change the use of the premises to allow the use by Class D2 operators if the units are located outside of the defined town centre, will need to be assessed against the relevant main town centre use planning policies of the sequential and impact tests.

9.0 Hotel Needs Assessment

9.1 Introduction

9.1.1 The purpose of this section of the Study is to provide an assessment of the potential future capacity for additional bedrooms within 3*, 4* and 5* accredited hotels within the Borough. The assessment does not consider all of the non-accredited hotels and guesthouses, of which there are a substantial quantity within the Borough.

9.1.2 The last study which included a review of existing hotels in Blackpool was provided in the Visitor Accommodation Study for the Fylde Coast Sub-Region, published by Humberts Leisure in August 2009. The 2009 Study was a comprehensive review of the quality, quantity and location of visitor accommodation within the Fylde Coast Sub-Region, compared to 2009 demand levels and an appraisal of future need for visitor accommodation under certain set scenarios based on visitor numbers. In 2009, the growth in the hotel market was forecast to be concentrated on the budget / limited service sector. The 2009 Study classified hotels as all properties offering in excess of 30 bedrooms, usually fully staffed and serviced 24/7 including branded and independent properties. The Study referred back to the 2007 Blackpool Task Force which also focused on the requirement for the resort to attract more affluent tourists as well as addressing seasonality and transport infrastructure issues. Referring specifically to Blackpool, the 2009 Study concluded that:

- The number of visitors to Blackpool had declined significantly and that there is a considerable degree of seasonality associated with the resort's tourism industry;
- Approximately 93% of serviced accommodation provided in Blackpool had no recognisable or current quality grading, reflecting the difficulties in contacting some of the smaller establishments. HLL estimated there were 1,657 serviced accommodation businesses (including hotels, guest houses, B&Bs and Inns), and therefore, only 116 of all of the serviced accommodation had a grading; and
- The lack of quality in Blackpool's serviced accommodation had created a market opportunity for a guaranteed standard of accommodation such as that offered by major branded budget hotel operators such as Travelodge.

9.1.3 Following the above, a Blackpool Holiday Accommodation SPD Review 2016/2017 was published in November 2017. The Review assesses the change in holiday bed spaces since the previous study was undertaken in 2009 and analyses how well the policy approach to managing the reduction of holiday bed spaces to achieve an economically viable level of

holiday accommodation had been achieved. The key aims of the SPD are to define specific areas of holiday accommodation, support an improvement in the quality and reduction in the amount of holiday accommodation, to maintain the promenade as the 'shop window' to the resort, to provide support to high quality holiday accommodation and to encourage mixed neighbourhoods outside of the main HAA's.

- 9.1.4 Policy CS21 of the Core Strategy relates to leisure and business tourism and guides the future regeneration of Blackpool's resort core and town centre by focussing on the strengthening of the resort's appeal to attract new audiences all year round. The Policy goes on to state that this will be achieved by focussing new high quality tourism attractions to the town centre, including new visitor accommodation. Paragraph 7.34 also recognises that conferences, events and festivals are vital to Blackpool's visitor economy and year round appeal, which will in turn support future hotel bedspace growth. Furthermore, 7.43 then recognises the importance of good quality holiday accommodation to be focused in areas which are well-related to resort facilities and key transport routes; meeting the needs of modern visitors looking for quality accommodation. This is a key aspect of the Council's ambitions for the town centre, and the basis to this chapter of the Study in assessing the need for additional high quality hotel bedspaces.
- 9.1.5 As part of the background research to inform this element of the study, a Hotel Managers Survey was conducted by electronic questionnaire. This was emailed to the 20 3* and above hotels in the Blackpool Borough administrative area in October 2017. A copy of the questionnaire is provided at Appendix 8. The purpose of the questionnaire was to gather information about the existing supply of hotels in the area, and in particular to assess their nature, size and understand what facilities they offer.

9.2 Economic and Tourist Bodies / Stakeholders Influencing the Hotel Market in the Council Area

- 9.2.1 There is a clear growth agenda for Blackpool particularly to secure branded hotels as part of the wider leisure strategy. The growth of branded hotel operators in the Borough will help to support business and leisure tourism, thus attracting further visitors and investment into the area. Blackpool is planning to see levels of substantial growth through the key enterprise projects and key employment projects, along with infrastructure projects which will improve access to Blackpool. In the Blackpool Council Plan 2015-2020, the Council acknowledges that the tourist economy is their 'lifeblood' and the one thing which makes the Borough stand out. The Plan states that by focussing on developing the tourist offer, there will be

Blackpool Retail, Leisure and Hotel Study

opportunities to improve the town for everyone, of which one element is improving the quality of hotels.

9.2.2 Key factors that may influence the supply of hotel accommodation in Blackpool includes:

- Increase in levels of tourism through better marketing and an increase in demand for higher quality accommodation;
- The improvement and creation of new tourism development, including the refurbishment of the Winter Gardens and creation of the Leisure Quarter;
- Increase in overall employment offer within and surrounding Blackpool, thus increasing the level of overnight visitors into the Borough; and
- The construction of new higher quality hotels to increase the availability of quality bedspaces in the resort.

9.3 Marketing Lancashire

9.3.1 Marketing Lancashire, formerly Lancashire and Blackpool Tourist Board, was established in April 2012. As the destination management organisation (DMO) for Lancashire they work closely with VisitEngland and a wide range of public and private sector agencies. Their activities in marketing and communications, commercial membership and place marketing are all designed to grow the visitor economy and develop the destination as an attractive and important place to visit, work and invest.

9.3.2 Information has been sourced from Marketing Lancashire in respect of tourism inflow in expenditure, tourism overnight stays and details in respect of the existing hotel supply. We have then used this data to appraise and analyse potential future growth opportunities for hotel accommodation within the Borough. The data from Blackpool Council and Marketing Lancashire provides a useful breakdown of the number of visitors to Blackpool year on year, and the associated economic impact as a direct result of these visitors to the Borough. The STEAM data shows that overall in 2015, the number of visitors was estimated to be 17.1 million, rising to 18.0 million in 2016.

Table 9.1: Volume and Value of Staying Visitors to Blackpool

Year	Day Visitors (Millions)	Staying Visitors (Millions)	Economic Impact (Billions)
2015	13.7	3.4	1.4
2016	14.6	3.5	1.4
% Change 2015-2016	+6.6%	+2.9%	-

Source: Blackpool Council STEAM Data

9.4 Current Hotel Supply

9.4.1 Blackpool’s existing hotel supply was compiled as a joint process between the Council and WYG, using local sources and online databases. As the survey is focused on accredited 3*, 4* and 5* hotels only, the list of existing hotels is limited to 20. A plan showing the existing hotel provision is provided at Appendix 9.

9.4.2 Table 9.2 below provides the total number of rooms across the 20 hotels surveyed, broken down into the defined 3*, 4* and 5* hotels. The 2009 Humberts Study identified all of the serviced accommodation within Blackpool and which of those were graded. The breakdown (Figure 6.3 of the 2009 Study) included all guest houses, hotels and inns so is not fully comparable to the list of hotels included in this Study.

9.4.3 In total, 16 out of the 20 hotels are 3*, with a total number of rooms of 1,910. A substantial proportion of the rooms of 3* hotels are within the Norbreck Castle Hotel (487), which is situated to the north of Bispham district centre.

Table 9.2: Number of 3, 4 and 5* Hotels and Total Number of Rooms

Standard	No. of Hotels	No. of Rooms
3*	16	1,910
4*	4	715
5*	0	0
Total	20	2,625

9.4.4 The hotels are principally located along the Promenade in Blackpool and North Shore, with the Norbreck Castle to the north of Bispham and Briardene towards the northern boundary of the Borough, close to Cleveleys. The overall nature of the hotels across the Borough is relatively diverse, although there are four Premier Inn Hotels which accounts for 20% of the overall supply.

9.4.5 Table 9.3 then sets out the number of hotels by the number of rooms across the Borough. The Table demonstrates that the highest proportion (11) of hotels in the Borough have over 101 rooms, followed by three which have over 81 rooms. The remaining nine have 80 rooms or less, with the smallest hotel being the 3* Briar Dene Hotel with 16 rooms.

Table 9.3: Proportion of Hotels by Number of Rooms

Hotel Size	No. of Hotels
Up to 20 rooms	1
21-40 rooms	2
41-60 rooms	1
61-80 rooms	2
81-100 rooms	3
101 or more rooms	11
TOTAL	20

9.5 Pipeline Hotels

- 9.5.1 In addition to the existing hotel stock in the Borough, it is important to look at the potential for further change.
- 9.5.2 The Council has provided WYG with details of all of the hotel planning permissions and investment intentions across the Borough. The details provided by the Council have been supplemented by additional information from the Council's Public Access System, recent press releases and information from the developers setting out intended timescales for construction works to start and be completed. There are a number of schemes which are at the very infancy of being realised, or which have been permitted and not yet brought forward. These have been included in the table for completeness but the information should be read with caution, taking account of the potential for the schemes to not progress subject to market demands and financial viability issues.
- 9.5.3 The details of the proposed hotel developments are set out in Table 9.4 below.

Table 9.4: Pipeline Hotel Developments

Scheme	Address	Proposal	Permission/Development Status
Hampton by Hilton South Shore (Create)	595-601 New South Promenade FY4 1NG	Demolition of existing hotel accommodation (2 Wimbourne Place, 595-601 New South Promenade). Construction of new 4* hotel (130 rooms) and car parking on site of 603-609 New South Promenade	Planning permission reference 15/0271 – Approved: 19th August 2015 Under construction, anticipated opening May 2018.
Holiday Inn	Talbot Road, Blackpool	New hotel development (142 bedrooms) + retail units on the ground floor (698m ²)	Part of Talbot Gateway Phase 2, Planning permission reference. 17/0276 – Approved: 5th July 2017. Works not yet commenced.
Post Office 26-30 Abingdon Street Blackpool FY1 1DA	Abingdon Street, Blackpool FY1 1BB	New 4* Hotel + Retail (50 bedrooms)	Planning permission references. 16/0428 & 16/0429 (Full/LBC) Applications approved on 23rd November 2016. However, planning permission references. 17/0503 & 17/0504 (Full / LBC) approved on 24th November 2017 are for a revised proposal which omits the 50 bed hotel from description and does not include Use Class C1 in the permitted uses
South Shore Hotel (Pleasure Beach)	Star Pub, Adjacent to Pleasure Beach	New 120 bed hotel	Planning permission reference 17/0871 – Approved 5 th April 2018
Winter Gardens Hotel Development	Leopold Grove, Blackpool	Demolition of existing hotels. Construction of new 4* hotel (205 bedrooms)	Planning permission reference 16/0553 - Approved: 23rd November 2016
Sands Hotel	Palatine Buildings Promenade Blackpool FY1 4TQ	Redevelopment of existing Sands buildings on the promenade and development of new hotel complex. (96 Bedrooms)	Planning permission reference 15/0523 (Outline) - Approved: 7th April 2016 Planning permission reference 16/0674 (Reserved Matters) - Approved: 18th Jan 2017 Construction expected to begin Jan 2018 with completion Spring 2019.
Tudor Rose Hotel (Land at 429 Promenade)	429 Promenade FY1 6BQ	Redevelopment of the site for hotel / holiday flats.	Planning permission reference 16/0845 - Approved: 3rd April 2017 permits ground floor commercial with 15 no. self-contained flats on upper floors. No hotel in this latest proposal/permission.
Yate's Hotel Development	Talbot Road Blackpool, FY1 1JD	Hotel development (150 bedrooms)	Planning permission reference 15/0494 - Approved: 30th October 2015. Conditions have been discharged but no further work undertaken to date. Permission expires in October 2018

9.5.4 The table above demonstrates that there are a range of schemes permitted across Blackpool. The new hotel planned as part of the Winter Gardens conference centre will be a key catalyst within the heart of Blackpool town centre, and it is reported that the Hampton by Hilton will be completed on site by May 2018.

9.6 Origins of Hotels Guests / Demand for Rooms

- 9.6.1 The Great Britain Tourism Survey is published by VisitBritain and identifies the number of domestic overnight trips taken by residents in Great Britain. A summary of the most recent figures for the local authority area is provided below, taken as an average of three years to avoid fluctuations.
- 9.6.2 In the 2009 Study, Humberts acknowledged that the Council, in partnership with Stay Blackpool and Lancashire & Blackpool Tourist Board, was keen to increase the quality and number of establishments that were nationally accredited, aiming to have approximately 90 additional establishments per annum on its books.
- 9.6.3 Table 9.5 below demonstrates that in respect of total nights, Blackpool attracted an average of 4.0 million a year in the period of 2013 to 2015, dropping to 3.5 million a year between 2014 and 2016. The average number of holiday nights a year between 2013 and 2015 was recorded to be 3.3 million, dropping to an average of 3.0 million a year between 2014 and 2016. In terms of Fylde and Wyre, the number of overnight stays remained broadly consistent over the three years, with a small drop in Wyre. This overall reduction in overnight stays is reflective of other destinations across the UK and indicates the wider trends in holidaying but also indicates the high level of overnight visitors in Blackpool when compared to other destinations. Whilst the level is decreasing, Blackpool is still an important tourist destination for the UK.

Table 9.5: Overnight Visitors

Location	Holiday Nights (Millions)		Average No. Holiday Nights (Millions) 2006-16	Total Nights (Millions)		Average No. Total Nights (Millions) 2006-16
	2013-15	2014-16		2013-15	2014-16	
Fylde Coast						
Blackpool	3.3	3.0	3.5	4.0	3.5	4.2
Fylde	0.4	0.3	0.3	0.5	0.5	0.4
Wyre	0.2	0.2	0.2	0.5	0.4	0.3

9.7 Hotel Performance / Capacity

- 9.7.1 In looking at hotel performance in the area, we have utilised the information from VisitBritain and Marketing Lancashire, along with the data from the 2017 Hotel Managers Survey. The latest accommodation room occupancy figures from VisitEngland for England from October 2017 demonstrated that for large towns, the room occupancy decreased by 1 percentage point to 81%. However, at seaside resorts, the room occupancy increased by 1 percentage

point to 79%. The North West region saw the largest shift in room occupancy with a 2 percentage point decrease and all other regions remained relatively unchanged. The overall results for England also show an increase in overall room supply to 2017 (from 1.5% in 2016 to 2.2% in 2017).

9.8 Occupancy Levels

- 9.8.1 All hotels identified in the survey were asked for average occupancy rates for mid-week (Monday to Thursday), Friday, Saturday and Sunday and sought additional comments with regard to any seasonal changes to occupancy levels.
- 9.8.2 Of those hotels which responded, the average mid-week occupancy rate is 69%, with Fridays at 90%, Saturdays at 98% and Sunday at 63%. These results demonstrate that the occupancy rates are typically higher at the weekends for those hotels which provided occupancy rates within their responses. This is not surprising given the strong tourist attraction of Blackpool.
- 9.8.3 Looking in more detail at the mid-week occupancy rates, the lowest and highest rates were from 3* hotels. The 2009 Humberts Study provided professional judgements based on discussions with hoteliers in respect of occupancy rates at Figure 11.1. Humberts estimated that the occupancy levels for hotels (which included all hotels both accredited and non-accredited) to be between 35% and 68% on the low base scenario for hotels between 30 and 200* rooms, and between 37% and 72% on the high base scenario.

9.9 Seasonal Comments on Occupancy

- 9.9.1 The hotels were asked whether there was any seasonal variation in their occupancy levels. All confirmed that demand was higher in summer and school holidays and all responded stating that there was a higher demand during the Blackpool Illuminations. 50% also stated that there is a higher demand during the Christmas period.
- 9.9.2 This seasonal increase in occupancy again is not unusual but may indicate the importance of seeking to increase the attraction of Blackpool as a tourist destination throughout the year, rather than at seasonal and key attraction periods. This may be achieved through the delivery of large tourist and leisure schemes within Blackpool such as the conference facility attached to the Winter Gardens and the Leisure Quarter site.

9.10 Denials

- 9.10.1 When hotels turn away business because they are already fully booked, this is known as 'denied' trade. Evidence of denied trade indicates that demand for rooms exceeds supply and again is likely to vary dependent on the seasons or during popular events within Blackpool. There will be a link between denials and occupancy levels.
- 9.10.2 The majority of hotels which provided an answer responded that they deny between 1 and 10 nights on a weekly basis due to being fully booked, and one stated that they deny between 20 and 50 on a weekly basis. This is a national branded hotel and is considered to be more common due to the low price and familiar offer, and likely to benefit from regular business trips due to the offer of business accounts.
- 9.10.3 The hotels were also asked when they typically denied rooms more often. Similarly to occupancy rates, the majority of responses confirmed that the denial rate was higher in summer and school holidays and during the Blackpool Illuminations.

9.11 Purposes of Visitors Stays

- 9.11.1 Of the responses received from the WYG hotel managers survey, the highest proportion of guests to the hotels were visiting for leisure purposes (over 50% in all cases). Other guests were typically visiting on business or for a conference or were 'travelling through'. The high proportion of visitors staying for leisure purposes (as high as 80% in some cases), demonstrates again the importance of tourism in Blackpool in supporting the local economy.

9.12 Length of Stay

- 9.12.1 Turning to the average number of nights visitors stayed at the hotels, the answers varied from hotel to hotel. The majority responded by stating that the highest proportion of guests stay one night, although one hotel responded by stating that the highest proportion of guests stay two nights. A very limited proportion of respondents stated that guests stayed more than 7 nights. These averages are not unusual, and typically demonstrate the tourist nature of Blackpool and the desire to stay shorter periods.

9.13 Wedding and Conference Facilities

- 9.13.1 Of the responses from hotels, under 50% of the hotels offer facilities to cater for weddings and conferences. This lower proportion is due to the fact that four of the hotels surveyed are national budget operators which do not typically provide conferencing facilities.
- 9.13.2 Three of the hotels who provided details in respect of their wedding and conference facilities are able to accommodate over 200 people, one can cater for between 50 and 75 and the fifth can cater for between 100 and 150 guests. On average, three hotels typically received between one and five bookings a month, one receives between six and ten bookings and the fifth receives over 11 bookings.
- 9.13.3 In light of the above, there may be opportunities in new hotel developments to include wedding and conferencing facilities to meet the demand. However, this has to be considered alongside the existing wedding and conference facilities elsewhere in the town centre (including the proposed conference centre as part of the Winter Gardens), which can otherwise meet the demand in the town centre.

9.14 Future Plans

- 9.14.1 As part of the hotel manager's survey, a question was posed to managers regarding their intentions for further investment into their establishments. 50% of respondents to the survey anticipated an increase in demand for rooms over the next two year period, with the remaining suggesting a 'plateauing' in demand.
- 9.14.2 Four hotels responded stating that they have intentions to refurbish, enhance or increase the number of rooms within their hotels. Of these, four hotels responded stating that they would be seeking to refurbish their facilities in the next two years and two responded stating that they would be enhancing facilities in the next two years. None of the managers suggested that they were seeking to increase the number of rooms (although one hotel did confirm that it had recently increased in size). This suggests that it is considered there is some 'slack in the system' to improve existing occupancy rates further without increasing the supply of rooms and may demonstrate the hotels' recognition that there is no requirement to increase in size given the lack of any increase in tourism trips but also the committed hotel schemes across the Borough.

9.15 Key Attractors

9.15.1 The key attractors as listed in Table 9.6 below, are part of the key drivers of tourism and overnight accommodation requirements. The destinations are not only attractions throughout the year on an informal basis, they also hold annual (or more regular) events which draw in visitors in a more concentrated form at certain times of the year. A key event in Blackpool which influences overnight visitors is the Blackpool Illuminations which runs from late August until early November. Typically, this period of the year would be relatively quiet for seaside resorts, being the time immediately following the summer period. However, in Blackpool, the illuminations help to draw in tourists beyond the summer months.

Table 9.6: Key Attractions in Blackpool

Attraction	Events
Blackpool Pleasure Beach	Hot Ice (July-September) Late Night Riding & Fireworks (June – November) Walk the Big One (Feb-Oct) Slimefest (October)
Sandcastle Waterpark	-
Blackpool Tower	Revival Festival (March) Blackpool Tower Circus (Various dates throughout the year)
Sea Life Blackpool	-
Madame Tussauds Blackpool	-
Grand Theatre	Various shows throughout the year
Blackpool Dungeon	-
Blackpool town centre	Showzam/Circus 250
Blackpool Zoo	-
Blackpool Beach/Headlands	Blackpool Air Show (August) Blackpool Illuminations International Firework Festival Blackpool Festival (July)
Blackpool Trams	-
Winter Gardens	Pigeon Weekend (January) Blackpool Magicians Convention (February) Blackpool Dance Festival (May) Rebellion Festival (August) Various shows and concerts throughout the year

9.15.2 The events and attractions identified above are diverse. The new conference centre attached to the Winter Gardens will also substantially increase the capacity of the facility, with bookings already being made for the new facility. Blackpool is fortunate in that events such as the illuminations still draw substantial levels of tourism from far afield.

9.15.3 There are plans to create a new conference centre at the Winter Gardens, and recent press articles confirm that a new Museum ('Amuseum') will be situated in the Palatine Building on the promenade. These new attractions could increase the level of visitors to the centre and

increase the overnight demand. A new rollercoaster at the Pleasure Beach and the potential to create a new mixed-use development within the strategic leisure site identified in the Local Plan, would also both substantially increase the overall attraction of Blackpool, and have the potential increase the number of trips of existing visitors.

9.16 Hotel Demand

- 9.16.1 When hotel occupancy levels of 70% or greater are consistently recorded in an area, this is an indicator that the demand for hotel rooms is such that the market can quantitatively accommodate further provision without significant effect.
- 9.16.2 In Blackpool, the average occupancy rate from Monday to Saturday is at or above 70%, and the average occupancy rate on a Sunday is above 60%. This lower occupancy rate for Sunday is not unusual due to the off-peak timing. The occupancy rates overall vary from hotel to hotel, with the lowest recorded at 20% on a Sunday and the highest recorded at 90% on a Sunday. There is likely to be a substantial difference between the two due to the nature of Blackpool's tourism and the overall attraction of the centre to a range of ages and types of groups.
- 9.16.3 It is recommended that any proposals to significantly enhance the Borough to tourists through new attractions should take account of existing and planned hotel provision. New developments or attractions often act as a catalyst for further investment in related businesses. Furthermore, enhancements to the economy generally is likely to result in an uplift in demand for hotel bedrooms. However, account should be taken of the significant planned increase in hotel bedroom supply in the short to medium term.
- 9.16.4 The PWC UK Hotels Forecast for 2018 (September 2017) noted an average occupancy growth in the six months to June 2017 by 1.2%. PWC indicates that most regions outside of London will expand economically at or below the UK average of 1.5% but that the UK will continue to feel the effects of Brexit-related uncertainty. In fact, PWC forecasts just a 0.2% increase in occupancy between 2016 and 2017 and 0.3% increase in occupancy between 2017 and 2018. Overall, PWC reports that occupancy rates remain a crucial benchmark for profitability for the hotel sector. Regional occupancies have climbed back to over 70% since 2011 and have been creeping up since then, hitting 76% since 2015. Indeed, PWC reports that the trend is driven partly by a continuing structural supply shift towards a greater proportion of budget rooms which traditionally operate at high occupancy levels.

Blackpool Retail, Leisure and Hotel Study

- 9.16.5 An assessment of when additional visitors may be attracted should be compared to the occupancy rates for hotels. Whilst occupancy rates in the area are high overall, there is clearly still capacity to increase occupancy levels to be on par with other areas of the County and region. There are obvious peaks in occupancy levels due to demand which relate to events or periods of the week where there is less opportunity to meet demand.
- 9.16.6 Qualitatively, provision in Blackpool is assessed to be good in the budget and middle order (3* and 4*). However, there appears to be gaps at the top and bottom of the market, with no 5* provision or hostel/super budget provision. There are existing good quality 4* hotels in the town which have capacity, as such given the maturing hotel market in the town, there may not be a need for 5* representation at this point given the extant permission at the Sands for a high quality, 5* hotel. A small or boutique independent high quality offer may have some appeal, particularly if linked with a high quality attraction or food offer.
- 9.16.7 Quantitatively, the need for additional hotels in the future will be greatly influenced by the economic fortunes of the area and whether there is any significant 'step change' in terms of attractions/features. Any projections for increases in room numbers should therefore be treated with caution. The growth agenda for Blackpool generally will increase demand for hotel rooms simply by increasing the level of economic activity and the number of residents in the urban area. Development of a flagship attraction or destination would increase demand in its own right. Where such an attraction/destination draws visitors from further afield, it has the potential to create significant demand for overnight accommodation. A year round attraction provides less fluctuation in demand for room numbers and as such would provide greater certainty to hotel investors/developers. The planned strategic redevelopment of the Leisure Quarter site could act as the necessary catalyst to further increase hotel demand and the desire from hotel operators to open additional formats within the town centre and wider resort core.
- 9.16.8 Figure 10.10 below takes the existing room numbers in Blackpool and projects hotel room number growth based on the historic average for the regions excluding London (1995-2015) of 1.5% growth per annum for the plan period. This is purely an exercise in estimating potential growth simply using historic trends. It does not take account of the recent growth in the area, particularly Blackpool, nor the impact of increased levels of activity or new attractions in the area.
- 9.16.9 Table 9.5 above identifies that there is the potential for Blackpool to increase its hotel room supply by over 720 rooms in the period (based on extant planning permissions alone). Whilst we consider there is the potential for certain schemes to not progress, the number of hotel



rooms permitted falls above the identified projected hotel room growth over the plan period to 2032, based on a historic growth rate of 1.5%. It is important to recognise that more recent trends in occupancy rates also indicate that growth rates will slow down in the short to medium term.

Table 9.7: Future Hotel Demand in Blackpool

Location	Projected Hotel Room Growth over the Plan Period Based on Annual Growth of 1.5%				Total before Commitments	Total after Commitments
	2017	2022	2027	2032	2032	2032
Blackpool	2,625	2,828	3,046	3,282	657	0

9.16.10 However, overall demand for additional hotel rooms will be largely dependent on future tourism, retail and leisure schemes which come forward in Blackpool, new events which could draw in larger crowds and whether extant schemes for additional hotel rooms are implemented. We do consider there to be the opportunity to substantially increase the level of tourists attracted to Blackpool town centre through the delivery of the Leisure Quarter. Whilst some of these visitors’ stays will be absorbed by existing capacity in some of the larger hotels (and other visitor accommodation), we do consider that the delivery of a substantial scheme of this nature could increase the requirement for additional hotel rooms. We envisage this would be in the longer term and as such, consider the existing and proposed supply of hotel rooms to sufficiently cover the potential growth over the plan period.

9.16.11 We note in particular that the adopted development plan supports the provision of hotel accommodation within the Leisure Quarter area (Policy CS20), which is likely to be sustained by the increase in visitor numbers expected from the wider development (which is intended to include substantial leisure, retail and tourism floorspace). The application for development is likely to have to provide a hotel assessment to ensure that the proposed hotel element of the wider leisure scheme provides a complementary offer to the existing holiday accommodation in the resort.

10.0 Key Findings and Policy Recommendations

10.1 Introduction

- 10.1.1 This Retail, Leisure and Hotel Study has been undertaken to establish current provision and future needs in the retail, commercial leisure and accredited 3*, 4* and 5* hotels sectors within the Borough but particularly within Blackpool town centre over the plan period. The commission is a key piece of evidence to guide the emerging Blackpool Local Plan Part 2: Site Allocations and Development Management Policies document, and the delivery of the vision, objectives and policies set out in the Blackpool Local Plan Part 1: Core Strategy. In addition, this Study provides additional recommendations in respect of other potential policy guidance required to help support the future growth, improvement and regeneration of the town centre.
- 10.1.2 Unlike many local authorities, Blackpool Council does already have a series of policies and strategic guidance to help realise the overall aspirations to improve Blackpool town centre significant positive interventions made by the Council within the town centre. In particular, the Council's 2013 Town Centre Strategy sets out a clear vision for the town centre, with a series of priorities for intervention focussing on making the centre a better place to live, shop, work and visit for leisure purposes, both for residents of Blackpool and visitors from further afield. It is important to acknowledge from the outset that the strategy and policies currently set out by the 2013 Town Centre Strategy and the 2016 Core Strategy are the basis upon which this Study and particularly this section of the Study is formed upon.
- 10.1.3 As such, it is not a case of a lack of strategic thought or action which has led to the further decline of Blackpool town centre (which is explained in full at Section 5 above and which we summarise below), but instead, other external factors such as the high levels of deprivation, general decline in the commercial market, the decline in new retail and leisure openings and the ever-increasing offer and attraction of out-of-centre destinations. These issues have contributed to the lack of increase in the retention of expenditure within Blackpool town centre since the publication of the 2011 RTP FCRS (albeit we note that there has been an increase in retention of comparison expenditure across the Borough as a whole).
- 10.1.4 Adopted Core Strategy Policy CS4 sets out the current retail strategy for Blackpool, seeking to strengthen Blackpool town centre as the sub-regional centre for the Fylde Coast and restricting future retail development in edge and out of centre locations unless a series of set criteria can be met. Policy CS17 then provides further, more detailed policy guidance

following Policy CS4, setting out how the Council will seek to deliver investment within Blackpool town centre and wider economic improvements. It is not the purpose of this Study to rework the policies contained within the adopted Core Strategy, but instead, confirming that the policy framework in the Core Strategy remains appropriate in providing guidance for policies in Part 2 of the Local Plan. This will help to guide key policies within the Local Plan Part 2 to seek to protect Blackpool from further decline, and look positively into the future in terms of how the ambitious vision and objectives for Blackpool can be realised on the ground.

- 10.1.5 The purpose of this section therefore, is to set out the key findings from each of the elements of the study, from both a quantitative and qualitative need perspective, and provide recommendations on appropriate policy responses for Part 2 of the Local Plan to address the key issues raised in the research.
- 10.1.6 We start this section by assessing the key findings in respect of retail need within the Borough, having regard to the current market share claimed by destinations in the Borough but also specifically within the town centre. We then turn to consider how Blackpool should plan for any future growth in convenience and comparison floorspace. The second part of this section sets out WYG's recommendations in terms of policy objectives to help guide future town centre policies and how these will assist in shaping Blackpool town centre in the future, as a destination to meet both residents' and tourists' needs.
- 10.1.7 It is useful to set out at this juncture the national policy guidance in respect of ensuring the vitality of town centres. Paragraph 23 of the NPPF indicates that local planning authorities 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 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 and 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 retail, leisure, commercial, office, tourism, cultural, community and residential development needed in town centres. It is important that needs for retail, leisure, office and other main town centre uses are met in full and are not compromised by limited site availability. Local planning authorities should therefore undertake an assessment of the need to expand town centres to ensure a sufficient supply of suitable sites;
- allocate appropriate edge of centre sites for main town centre uses that are well connected to the town centre where suitable and viable town centre sites are not available. If sufficient edge of centre sites cannot be identified, set policies for meeting the identified needs in other accessible locations that are well connected to the town centre;
- 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 set out policies to encourage residential development on appropriate sites; and
- where town centres are in decline, local planning authorities should plan positively for their future to encourage economic activity.

10.1.8 The national policy position has informed the Study and its requirements which, where relevant, are considered in relation to Blackpool Borough below.

10.2 The Existing Strategy and Improvements Since the 2011 Study

10.2.1 The Council published the Blackpool Town Centre Strategy in March 2013, which was based in part on the findings of the 2011 RTP FCRS. The 2013 Strategy sets out an overall strategic vision and six objectives to support this. Whilst all six of the objectives are important in terms of delivering the ambitious vision set by the Council of relevance to this study are those relating to retail and leisure uses. Objective 1 seeks to re-establish the town centre as the first-choice shopping destination for Fylde Coast residents; and Objective 2 seeks to strengthen the town centre as a vibrant leisure, entertainment, cultural and business destination.

10.2.2 Since the 2013 Strategy was produced, there has been substantial progress made in respect of key sites within the town centre, the allocations and specific guidance of which are also set out in the strategic town centre policies in the 2016 Core Strategy. Such development and progress includes (but is not exhaustive):

- The delivery of Phase 1 of the Talbot Gateway redevelopment scheme, bringing the Sainsbury's foodstore, Council offices, additional commercial units and wider substantial public realm works;
- The granting of permission for the first phase of Phase 2 of Talbot Gateway, to bring forward a new 4* hotel and tram terminus alongside future opportunities for other additional uses;
- The granting of permission for the Winter Gardens Extension, to include new conference and exhibition spaces and associated public realm, landscaping and servicing arrangements. The proposal will also include the selective demolition, refurbishment and replacement of elements of the existing Winter Gardens complex to facilitate the connection to the new building;
- The granting of permission for Phase II of Houndshell, seeking to deliver a new Wilko store, restaurant unit and high-quality nine-screen cinema within the town centre;
- Progress made about the extended tramway connecting the sea front to the Blackpool north railway station; and
- The introduction of the Quality Corridors project to give some of Blackpool's key roads a facelift and to make streets more welcoming and shops more vibrant. The Council has secured a £6.6m grant from LEP and a further £0.7m is being contributed by the Council.

10.2.3 The 2013 Town Centre Strategy and the adopted Core Strategy (2016) also recognises the importance of regenerating Blackpool town centre to help drive economic growth, strengthen its vitality and viability and enable sites to integrate more closely with the town centre.

10.2.4 However, whilst there are strategic visions and objectives in place, along with adopted planning policy as we have identified in this Study, the town centre is still struggling to compete effectively with other destinations both within the Borough (i.e. out of centre retail parks) and outside of the Borough (Preston, Lancaster and Manchester in particular). There is a clear desire by the Council to support the regeneration of the town centre, and an

acknowledgement that an improved commercial and leisure destination needs to be delivered for visitors. However, there are overarching national issues in terms of the retail and commercial market as discussed in Section 2.0 which are beyond the Council's control, but need to be considered and planned for in the future, along with the ever increasing threat of competition from out of centre retail and leisure destinations both within the Borough, and further afield in Preston, Lancaster and even Manchester.

10.3 Summary and Key Findings: Retail Shopping Patterns and Need

Market Share

- 10.3.1 Blackpool Borough's role across the wider region is strongly influenced by the large urban centres of Preston to the east, Lancaster to the north east and further afield by Manchester to the south west (including the Trafford Centre). However, on a local basis, Blackpool town centre's role is being influenced by the settlement's existing out-of-centre retail provision. We comment on these two key issues in more detail in the future strategy section below.
- 10.3.2 The household survey, undertaken in October 2017, identified that Blackpool Borough claims a market share of 39.1% of available convenience goods expenditure, and 54.1% of available comparison goods expenditure which originates within the Study Area. The town centre however, claims a market share of 5.6% of available convenience goods expenditure and 30.2% of available comparison goods expenditure. This emphasises the strong level of draw of the destinations which lie within the Borough but which are located outside of the town centre.
- 10.3.3 The role of Blackpool town centre as a convenience retail destination for Study Area residents has remained broadly static since 2010 when Blackpool town centre achieved a market share of 5.6% (compared to 5.7% at 2017). However, we would have expected the new Sainsbury's supermarket that opened in the town centre at Talbot Road in 2014 to have increased the attraction and market share of Blackpool town centre for convenience retail shopping amongst the Study Area residents. This was a key prediction made by RTP in preparing the 2011 FCRS.
- 10.3.4 However, new food stores that have also opened elsewhere in the Borough since 2010 (namely, the Aldi at Park Road), appears to have acted to cancel out any potential positive shift in spending to Blackpool town centre, along with an increase in popularity of discounters such as Aldi and Lidl given the reduction in available convenience expenditure. In short, whilst the new Sainsbury's has diverted trade to the town centre as evidenced by

the shopping patterns in certain zones, the Aldi stores have also diverted trade from the town centre. In particular, the second most popular store for residents in Zone 1 is the Aldi at Park Road which attracts 11% of all main food shopping trips. These shopping trips demonstrate the attraction of certain operators (or 'brand loyalty') but also the desire of shoppers to meet their convenience shopping needs at the lowest priced stores.

- 10.3.5 Blackpool town centre is the main comparison shopping destination for the Study Area residents. Blackpool town centre attracts just under a third (30.2%) of all spending on comparison goods amongst residents of the Study Area, equating to some £267.1m. Nevertheless, we consider the market share of Blackpool town centre to be relatively low given that Blackpool is a sub-regional centre. Collectively, Blackpool's three main out-of-centre comparison goods destinations attract some £173.6m, or 19.6%, of the Study Area residents' spending on comparison goods, amounting to around two thirds of that spent in Blackpool town centre. Competition from out-of-centre retail destinations in Blackpool is therefore substantial, and an issue which is evidently affecting the performance and offer of the town centre. We discuss this in detail below, referring to the future wider town centre strategy.

10.4 Quantitative Need

- 10.4.1 Section 7.0 of the Study sets out the full assessment of the quantitative capacity for additional floorspace in the Borough across the study period. This assessment provides floorspace capacity figures based on a series of assumptions and estimated forecasts over the short, medium and long term. As we have set out in the Study, longer term growth rates and capacity estimates should be treated with caution given the inherent uncertainties of predicting the economy in the future. For example, spending on convenience goods on a yearly basis has decreased per person in recent years, with a similar trend set to continue over the next ten years or so. On average following the recession, households chose to cut back on convenience goods spending, and at the same time increasing spending on comparison goods. This is partly explained by the fact that prices of convenience goods have continuously risen, while those of comparison goods saw little growth and therefore by consuming fewer convenience goods, some households had more money available to spend on comparison goods. Furthermore, the squeeze on household incomes continues, along with inflation remaining above wage growth, resulting in retail spending remaining on a slower growth trajectory.

- 10.4.2 Based on the current retention rates within the Borough, we do not identify a quantitative requirement for any additional convenience goods floorspace within Blackpool's catchment up to 2032 once existing commitments are considered. In terms of comparison goods floorspace requirements, again based on a constant market share across the Borough, we identify that by 2027, there will be between 7,700 sq.m and 12,800 sq.m of comparison goods floorspace required, increasing to between 18,300 sq.m and 30,600 sq.m by 2032.
- 10.4.3 The 2011 RTP Fylde Coast Retail Study did not identify any case to alter the retention rate for convenience goods spending due to the retention level being as expected. RTP identified a low residual expenditure up to 2026, which they stated would be sufficient to support just one medium sized foodstore by 2026, given the low forecast rate of expenditure growth in the convenience goods sector.
- 10.4.4 Since the 2011 Study, the Blackpool area has benefited from the delivery of the Aldi at Blackpool Retail Park, the Aldi at Park Road and within Blackpool town centre, the Sainsbury's at Talbot Gateway (albeit this was included in the commitments in the RTP Study). As such, any minimal identified capacity in 2011 has since been more than absorbed from a quantitative perspective by the delivery of these foodstores. Furthermore, the latest forecast growth rates for convenience sales are now negative year on year across the plan period, compared to the growth rates identified by Experian at the time of the 2011 Study. This lack of growth in convenience expenditure has an impact in respect of identifying potential capacity for additional floorspace, in that forecasted capacity figures are now substantially less across the board. This is compounded by the fact that Blackpool is already well served by a range of larger format convenience operators (both within Blackpool's administrative boundary and just outside the boundary in Wyre and Fylde).
- 10.4.5 We note that the RTP 2011 Fylde Coast Retail Study assessed the quantitative need in the comparison goods sector based on three retention scenarios; static, moderate increase and significant increase, with varying floorspace requirements identified as a result of the three scenarios. All three scenarios identified a positive residual requirement for additional comparison floorspace up to 2021. However, RTP considered that planning for 'static' retention would not be sensible given the identified need to make improvements in Blackpool town centre, and opted for the 'moderate increase in retention scenario', given the constraints on the delivery of retail floorspace as of 2011.
- 10.4.6 It is important to note that the market has further altered since the RTP Study was published in 2011, and we are seeing a marked increase in store closures and liquidations, and a further decrease in confidence in the retail market to open new stores (with the exception

being at the discount end of the market). As such, to plan for any increase in retention across the Borough, above and beyond that which is identified in the Core Strategy, as part of the current capacity study would be unrealistic and would not reflect the current or indeed, forecasted trends in the market.

- 10.4.7 The overarching retail strategy contained in the adopted Core Strategy (based on the findings from the 2011 RTP Study) is to plan for the moderate increase in retention within the Borough, concentrating principally on clawing back expenditure to the town centre through the improvement of the comparison offer particularly focussing on improving the offer of fashion retailing. We have identified that this moderate retention rate has indeed already been achieved across the Borough as a whole, albeit this has been due to an increase in attraction of the out of centre destinations, rather than Blackpool town centre. The market share attracted by the town centre however, has reduced.
- 10.4.8 As such, in line with the assumptions and overall objectives contained within the Core Strategy, we consider it is important for the Council to continue to plan for the improvement of the level of market share attracted by the town centre, through the increase in comparison provision within developments such as the Leisure Quarter Site, and the improvement this, and other schemes (Winter Gardens, Houndshill Phase II and a possible Phase III for example) will have on the overall aesthetics across the town centre as a whole. This will rebalance the expenditure across the Borough, bringing shoppers back into the town centre from the out of centre destinations.
- 10.4.9 Our advice is therefore based on a robust scenario in terms of retention rate for the Borough as a whole, which is what the capacity figures are based on. However, this does not mean that WYG is not recommending that there are opportunities to draw some of the market share lost to out-of-centre stores back into the town centre, and we comment on these matters in more detail below.

10.5 Qualitative Need

- 10.5.1 We have not identified any quantitative capacity for additional convenience floorspace across the Borough, once committed convenience floorspace has been taken into account. When reviewing the existing convenience provision across the Borough as a whole, there is representation of all of the 'big four' supermarket operators (i.e. Tesco, Asda, Sainsbury's and Morrisons) and discounters (i.e. Aldi and Lidl) either within or just outside of the Borough.

- 10.5.2 The 2011 Fylde Coast Retail Study identified both a quantitative and qualitative gap in the convenience goods provision in Blackpool town centre, and that this should be the first priority for a qualitative improvement in the Fylde Coast's convenience offer – specifically, a gap in the access to a large supermarket providing a wider and choice range of goods. The 2011 Study stated that the proposed foodstore at Talbot Gateway could seek to meet the qualitative gap.
- 10.5.3 Our assessment of convenience goods shopping patterns in Section 4 suggests that the choice of main food shopping destinations (i.e. those above 1,000 sq.m net in particular) in the central and central-northern parts of the Borough (Zones 1, 2, 3 and 6) is more limited than in the south of the Borough, particularly considering that this area encompasses Blackpool town centre. The area within and directly to the north of the town centre, i.e. the area between the northern extent of the town centre boundary, Bispham district centre and the administrative boundary of the Borough to the east, has very limited provision by way of choices of operators. Indeed, this urban area is served principally by two large format Sainsbury's foodstores, one in the northern extent of the town centre boundary at Talbot Gateway and the second on Red Bank Road in Bispham.
- 10.5.4 As detailed in the Blackpool Core Strategy and as was identified in the RTP Fylde Coast Study, Blackpool suffers from severe levels of highly concentrated deprivation, particularly in the inner areas in and surrounding Blackpool town centre. Access to a choice range of foodstore provision is especially important in areas of high deprivation and low levels of car ownership, which make it more difficult for residents to travel to foodstore provision further afield, and can improve access to fresh and healthier food. Despite this low level of car ownership, as stated above, residents still travel outside of Zone 1 and even Zone 2 to meet their main food shopping requirements, demonstrating that the provision within Zones 1 and 2 do not meet their requirements, potentially down to the range of goods or the prices of the goods on offer. Such an issue may arise when the only foodstores on offer within walking distance are retailers at the higher-end of the price spectrum such as M&S or even to a lesser extent, Sainsbury's.
- 10.5.5 It is this qualitative deficiency which WYG has identified through the analysis of the results of the study, which could be addressed through the delivery of an alternative fascia choice in this part of the Borough, focussing on providing affordable goods for the more deprived communities. Any potential new convenience floorspace needs to be qualitatively different to the offer already present in the town centre, focussing on lower priced goods to meet the clear deficiency.

- 10.5.6 Based on the findings above, we are of the view that there could be the potential to provide an additional foodstore towards the northern periphery of Blackpool town centre should a site within or on the edge of the centre become available. We envisage that the scale of foodstore appropriate would fit within the 1,500 to 2,500 sq.m (gross) bracket, ensuring that the turnover of which would not untenably impact on the existing Sainsbury's foodstore at Talbot Gateway. Any additional floorspace would need to ensure that it complements, rather than competes with the substantial investment made at Talbot Gateway in the delivery of the Sainsbury's, whilst seeking to attract shoppers and residents of Zone 1 back into the town centre, instead of travelling to other foodstores in Zone 5 to meet their shopping needs. As such, in order to claw the expenditure back into the town centre, any retailer would need to provide an offer different to that which is already provided, and which seeks to meet the current deficiency in terms of providing lower priced goods. It is important to note that providing another large foodstore or 'superstore' (i.e. over 2,500 sq.m) would not meet this same objective and would instead compete directly with the existing Sainsbury's.
- 10.5.7 In any event, as part of the summary of strengths and opportunities within the 2013 Town Centre Strategy, the Council identifies that key development sites within the town centre present opportunities to enhance convenience and comparison retail and service provision and complement qualitative improvements to the existing retail stock. The Strategy also recognises that it will be important to ensure that new provision does not undermine the existing town centre offer. WYG considers that this analysis is still reflective of the qualitative convenience position as identified in the latest Study.
- 10.5.8 Taking this one step further, it is important that any potential development site would ideally be located within the town centre boundary, and whilst it would need to meet both the sequential and impact tests, it would be necessary to consider the wider benefits a new foodstore could provide to the town centre in terms of choice, increased turnover and encouraging linked-trips with the existing uses. For example, a store of between 1,500 sq.m and 2,500 sq.m would require a site of approximately 0.6ha to provide the required floorspace and associated car parking (dependent on its location), demonstrating its relatively small scale.
- 10.5.9 Given the potential location within the town centre boundary, this would serve the underprovided area to the north of the town centre and to the south of Bispham, and would also serve the areas of deprivation within and surrounding the town centre. As such, any sites outside of the town centre boundary for new convenience floorspace should be

resisted, given the lack of quantitative need and the potential impacts such a proposal could have on existing operators within the defined centres.

- 10.5.10 Turning to the qualitative need for comparison goods, whilst we do not identify any immediate capacity from a quantitative perspective, we do consider that there is a requirement to improve the town centre overall offer in terms of large, modern format units to provide optimum space for national multiples to avoid either the relocation of operators to retail parks (both within and outside of the Borough), or the decision of new operators to locate to out of centre destinations in the first instance.
- 10.5.11 Modern format retail units have come forward within Houndshell, but as we demonstrate in detail as part of the healthcheck analysis for Blackpool town centre, whilst this has been a positive investment within the centre which has increased footfall and spending, there are areas outside of Houndshell which have declined further since the previous study was undertaken in 2011. This, in part, has been because of retailers relocating in to Houndshell.
- 10.5.12 As such, from a comparison perspective, there may be opportunities outside of Houndshell to redevelop and regenerate key areas, which are currently in decline and have high vacancy rates, to create refurbished bigger units to better meet comparison operators' requirements. Specific areas such as Bank Hey Street, which is a key route through the town centre and forms an important part of the Principal Retail Core, requires substantial investment and regeneration, particularly given its location in proximity to the Promenade and the level of footfall it could achieve as a result. Other potential opportunity areas within the centre include the older stock adjoining Houndshell along Adelaide Street West and future phases of the Talbot Gateway development, the scale of which could both accommodate larger format units to seek to provide key operators in the centre to claw back expenditure from out of centre destinations. There may be instances where the creation of new modern units and opportunities for retailers may result in the shifting of end users from one part of the centre to another should new retailers not be attracted to the centre. However, this could also create new opportunities for other parts of the centre (where retailers relocate from), to bring forward mixed-used schemes with a more diverse range of uses (including residential and leisure uses).

10.6 Key Findings: The Health of Blackpool Town Centre

- 10.6.1 As part of the Study, WYG undertook a healthcheck of Blackpool town centre and the district centres within the Borough. The healthchecks include an assessment of the diversity of use, the level of footfall, retailer representation, accessibility and general environmental quality.

- 10.6.2 In terms of Blackpool town centre, the Houndshill Shopping Centre is functioning effectively and accommodates a range of modern retailers which are key retailers and 'anchors' within the town centre, attracting shoppers in. However, Houndshill is just one small part of the wider Blackpool town centre, and it is the improvement of the areas outside of Houndshill which the Council is seeking to address through the Local Plan and any future town centre planning guidance documents.
- 10.6.3 There are significant issues with vacancies and poor-quality retail stock in other parts of the Principal Retail Core. This is also true in more peripheral locations, including at Bickerstaffe Square where many retail and service units remain vacant since being developed in 2014, although it is hoped that the second phase of the scheme will help to generate market interest in this location. Leisure will continue to play a key role in the future strategy for Blackpool town centre but the Council should remain cautious to ensure that a balance is struck between retaining upper market comparison goods retailers within the Principal Retail Core and encouraging additional leisure uses to assist in reducing vacancies, ensuring that there is still a good mix of uses within the centre, and that comparison retailing is still the dominant use across the centre as a whole, given its role in drawing shoppers into the town centre. There are clear areas of high vacancy rates and poor overall environmental quality, and it is this lack of consistency across the centre in terms of overall aesthetics and offer which needs to be addressed.
- 10.6.4 We set out below a summary of our 'SWOT' analysis which we identified as part of the wider healthcheck, which usefully summarises the key findings in respect of the overall vitality and viability of the centre.

Blackpool Town Centre – Weaknesses and Threats

- Attraction of Houndshill Shopping Centre to national multiple retailers causing detriment elsewhere within the Principal Retail Core, particularly along Bank Hey Street and Church Street which have vacancies due to operators departing for Houndshill.
- Prevalence of discount stores and charity shops outside of the Houndshill Shopping Centre;

- Despite the high proportion of leisure services across the centre, there is a lack of quality dining experiences and family orientated national chains;
- Concerns with anti-social behaviour identified by the on-street survey with the potential to impact the social demographics visiting the town centre.;
- Qualitative deficiency in the quality and format of the retail stock located within the Principal Retail Core outside of the Houndshell Shopping Centre, particularly along Bank Hey Street;
- High level of vacant retail units in peripheral parts of the town centre, particularly to the east of King Street; and
- Out-of-centre retail destinations diverting trade from the town centre.

Blackpool Town Centre – Strengths and Opportunities

- Landmark tourist attractions such as the Blackpool Tower, the Winter Gardens and Madame Tussauds attracting footfall in the town centre. The Blackpool Tower and Winter Gardens are both within the Council's ownership and considerable investment has been delivered to preserve the future of both facilities;
- Further planned investment from Muse developments with the second phase of the Talbot Gateway Scheme, the proposed Conference Centre in the Winter Gardens and the substantial development planned at the Leisure Quarter site, to bring forward a unique attraction to the resort, including both leisure and retail floorspace. These schemes have the potential to substantially increase the level of visitors in Blackpool town centre, therefore the knock-on benefits from additional expenditure needs to be harnessed (and retained in the centre in the first instance);
- The Council has put forward the Quality Corridors project to provide funding to improve the entrance roads and shop frontages in the town centre. The programme will work alongside other improvements happening in the town centre, which can create a more cohesive town centre from a public realm perspective. There are opportunities through this programme to bring together local businesses and increase their dedication to improve Blackpool town centre as a place to run their businesses;

- The Houndshill Shopping Centre provides a purpose-built retail destination with a high proportion of national multiple comparison goods retailers. Further opportunities lie with the extension to Houndshill through the attraction of the new cinema and associated uses, in bringing additional visitors to the centre, linking their visits with trips to the existing commercial uses; and
- Over the last ten years has benefitted from significant regeneration within the Principal Retail Core, the Central Business District (Talbot Gateway) and the Promenade which has helped to modernise the town centre.

10.7 Key Findings: Commercial Leisure

- 10.7.1 The findings from the Study regarding commercial leisure uses has demonstrated that overall, there is a limited requirement for additional facilities beyond those which are committed. Our assessment has indicated that the existing facilities within the Borough and the town centre, are sufficient from a purely quantitative perspective to meet the requirements of existing residents.
- 10.7.2 However, it is important to note that the quantitative assessment has not taken account of existing commercial leisure requirements which may arise because of the inflow from tourist visits and spending. On this basis, we have identified that from a qualitative perspective, particularly given the current nature and quality of some of the existing commercial leisure facilities (for example, the ten-pin bowling facility on the Promenade), that there may be opportunities to enhance the existing commercial leisure provision within the town centre. Whilst the market is relatively weak in terms of bringing forward new commercial leisure provision (beyond gyms and larger-format indoor recreation centres such as soft play and trampolining parks), it should be acknowledged that improved facilities could have the knock-on benefits of encouraging more visitors and residents into the town centre, and again increasing the duration of stay for these visitors. There may be opportunities for a joined-up approach between the public and private sector to improve on the qualitative provision of such uses within the town centre, which form an integral part to the overall offer for residents and tourists.
- 10.7.3 The new cinema proposed as an extension to Houndshill Shopping Centre will bring forward a high-quality leisure scheme, with a new retail and restaurant unit on the ground floor. The scheme, whilst not identified as a quantitative requirement purely based on historic visitation trends, is a substantial sign of positive investor confidence in the town centre, particularly

given the commitment from a cinema operator to occupy the space. This scheme, along with the associated restaurant and retail units, will significantly enhance this part of the town centre adjacent to Houndshill, and seek to bring more people into the town centre to visit the cinema, with the opportunity to extend their stay by visiting other retail and leisure uses surrounding the scheme. The proposed development is likely to shift the patterns of attendance from the out-of-centre Odeon cinema, to the town centre, with spin-off trade likely to take place to existing uses in the centre.

- 10.7.4 Looking at the current facilities within the town centre and the responses from the in-street surveys, there is a requirement for additional restaurant facilities within the Borough and particularly within Blackpool town centre. The existing offer within the town centre is generally at the lower end and focussed more on cafes and pubs, although there are a series of middle tier national multiple restaurant operators such as Nandos and Pizza Express. Such uses would typically complement cinemas, encouraging visitors to link their trips to the cinema with a trip to a restaurant.
- 10.7.5 However, it is important to note that over recent months, the national multiple restaurant sector has seen a significant shift with many operators now seeking to contract their operations and dispose of unprofitable branches, due to economic factors and increased operating costs because of the minimum wage, national living wage and costs of imports. As such, whilst we had seen a general increase in national multiple restaurant confidence in town centres, this is now slowing down somewhat.
- 10.7.6 There are signs that the independent restaurant sector remains relatively positive, and as such, there are opportunities to expand and build on the existing offer particularly within Blackpool town centre to serve both visitors and residents. There are operators within the North West, who are seeking to expand their portfolio and as we discuss in more detail in the strategy section below, discussions with operators directly would be beneficial to establishing future requirements in Blackpool subject to the right scheme and provision of suitable units. Such uses can increase 'dwell time' within the centre and a diverse restaurant offer can encourage a wider range of users to visit Blackpool town centre. We note that a new restaurant will be delivered as part of the Houndshill cinema scheme, although the addition of just one new unit is unlikely to materially alter the attraction of the centre from a leisure perspective. The delivery of the cinema, particularly of the size proposed adjacent to Houndshill, is likely to generate sufficient trading conditions to enable additional restaurant/bar operators to trade successfully, over and above the one which is proposed as part of the scheme.

- 10.7.7 Furthermore, new leisure facilities will be delivered as part of the Leisure Quarter development which again, could have significant benefits to Blackpool town centre. Whilst definitive timescales are yet to be established regarding the delivery of the scheme, proposed commercial uses on the site will likely draw in additional visitors to the town centre, potentially from a wider catchment, which will have knock-on benefits to the existing town centre uses. As we discuss in more detail below, it will be imperative to ensure that the proposed scheme on the Leisure Quarter site encourages visitors to also visit the existing town centre as part of their trip.
- 10.7.8 Our assessment of the health and fitness sector indicates that Blackpool appears to be well served by a range of public and private leisure facilities which are distributed throughout the area and we did not identify any immediate requirement to further increase this offer. However, there may be opportunities for further private sector fitness clubs to be brought forward throughout the Borough and in the town centre in particular, serving both local needs but also the needs of office workers within the town centre. New proposals for gyms and health and fitness centres should be judged on their own merits and in accordance with local and national policy, with a town centre first approach where suitable sites are available. It may be that any such uses would come forward as part of a wider mixed-use scheme.

10.8 Key Findings: Hotels

- 10.8.1 As part of the Study, an assessment of the existing provision of accredited 3*, 4* and 5* hotels was undertaken to appraise the quantitative and qualitative requirements for additional accredited hotel provision across the Borough. The previous studies undertaken on behalf of the Council (most notably the 2009 Humberts Study), identified that the Borough needed to increase the provision of higher quality hotels and improve its overall offer in order to attract a range of demographics to the centre.
- 10.8.2 The Council has an adopted planning policy approach to directing and guiding changes in the use of properties in Blackpool's holiday accommodation areas, seeking to support an improvement in the quality and reduction in the quantum of holiday accommodation and maintaining the Promenade as the 'shop window' to the resort. The overall aim is to substantially reduce the existing level of holiday accommodation provision, which is brought through the Core Strategy in Policy CS 21, which seeks to reduce the poorer quality accommodation stock and increase the provision of higher-quality hotel stock within the key areas of the town centre, resort core and holiday accommodation areas.

- 10.8.3 The Core Strategy also specifically identifies the requirement to improve the hotel provision within the town centre and resort core in particular, and identifies opportunities in the Winter Gardens, Central Business District and Leisure Quarter regeneration schemes to bring forward additional hotels. It is important to note that the Council has already proactively supported planning applications for new hotels within the town centre, including the new Holiday Inn at Talbot Gateway and 4* hotel as part of the Winter Gardens extension scheme, both as allocated and identified in the Core Strategy. A series of additional hotel schemes have also been approved across the centre and resort core, which are in the most part, now under construction or shortly due to be.
- 10.8.4 The list of Blackpool's existing hotel supply was compiled as a joint process between the Council and WYG, using local sources and online databases. Qualitatively, provision in Blackpool is assessed to be good in the budget and middle order (3* and 4*), particularly having regard to the extant schemes for new hotels across the centre which are focussed principally on additional 3* and 4* facilities. The questionnaire was issued to 20 hotels in total, with a response rate of over 60%. Overall, the existing accredited hotel supply comprises of over 2,600 rooms, with none of the existing hotels in the 5* bracket, four in the 4* and 16 of which are 3*.
- 10.8.5 Based on national hotel growth trends, we calculate that the existing and proposed hotel room offer is sufficient to meet the requirements of overnight visitors and the extant hotel supply which is being delivered, or planned to be delivered across the centre will exceed the required estimated level of growth in hotel bedroom supply. There are a number of proposed new hotels across the town centre which will be of good/high quality and meet the potential deficiency in Blackpool. As such, we have not identified any quantitative or qualitative requirement for additional hotels in Blackpool beyond those already committed within the town centre, and which will offer a wide range and price of hotel rooms across the centre.
- 10.8.6 An ongoing monitoring of the provision and demand within Blackpool town centre will be important, particularly following the delivery of the Winter Gardens extension and Leisure Quarter scheme, which both have the potential to draw in additional tourists and visitors to those already identified. Furthermore, hotels often form part of wider mixed-use developments, and on this basis, should be supported on appropriate in and edge of centre sites to encourage further investment and development, and raise standards elsewhere in the town, particularly within holiday accommodation areas.

10.9 The Proposed Retail and Town Centre Strategy

- 10.9.1 The 2013 Blackpool Town Centre Strategy sets out the Council's latest strategy for Blackpool town centre, which was further supported by the adopted policies contained within the 2016 Core Strategy. In 2013, the Town Centre Strategy recognised the pivotal role that the town centre has in driving the local economy and providing residents with a thriving sub-regional centre to meet their needs in terms of retail, business, social and cultural activities. The Strategy as of 2013 was to provide a clear direction for the town centre to help deliver positive change and provide a catalyst for further investment, recognising the benefits in terms of footfall and added spending as a result of the Houndshill development. There was a clear concern in the 2013 Strategy, which again has been brought forward into the 2016 Core Strategy, that unless the town centre offer was made more attractive, retail expenditure from the catchment would continue to be captured by competing destinations, undermining regeneration efforts in the town centre.
- 10.9.2 Since the 2013 Strategy and indeed the 2016 Core Strategy, there have been further applications permitted in the town centre for substantial redevelopment schemes, demonstrating the positive progress made to date in bringing forward an enhanced town centre, with an improved commercial offer. However, whilst the granting of consents is certainly a positive step to realising the overarching strategy to improve the centre, delivering these schemes will be key to substantially increasing the attraction of the centre as a whole.
- 10.9.3 There are inherent difficulties with amalgamating a series of separate developments together under one town centre 'umbrella', and this appears to be the case in Blackpool town centre. A series of development schemes in terms of new floorspace and public realm improvements have come forward in a piecemeal fashion, which has resulted in a somewhat disjointed town centre, which is lacking a cohesive approach.
- 10.9.4 As the latest Town Centre Strategy dates back to 2013, there appears to be an opportunity to create a new Strategy which ties together the progress made to date in the town centre, and takes it a step forward in creating one overall visionary masterplan, based perhaps on relevant agency advice as well as town planning principles. It is this agency advice which could prove invaluable to the Council in determining a way forward for Blackpool beyond the strategic schemes already identified in the Core Strategy. Improving the public realm and opening up certain areas of the town centre, particularly to provide views to and from the sea frontage into the retail core is key to encouraging visitors into the retail core, an objective set out within the 2013 Strategy and which has in part been achieved. This

objective needs to be further considered moving forward. It is key that the town centre creates a safe and welcoming place to be in, with simple steps (again all of which were identified in the Town Centre Strategy) such as improving lighting, paving, street furniture, public squares and signage all proven to help attract shoppers, but also encourage them to visit again. These steps need to be expanded further into the wider town centre, to create a cohesive environment and the objectives as set out in the Town Centre Strategy should be brought forward to further enhance the environment of Blackpool. It is true that first impressions last, and therefore key gateways into the town centre, along with pedestrian routes from these gateways need to be enhanced, and current work to improve these should be continued to be fully supported and advertised by the Council.

- 10.9.5 As we have identified, the continued growth of Blackpool's out-of-centre/retail parks represent a threat to the future vitality and viability of the defined centres in the Borough. The findings of the household survey and the identified shopping patterns within the Study Area, but particularly within the Borough (Zones 1-6), demonstrate that the overall retention rate attributed to the destinations within the Borough from residents in the Study Area has increased since the 2011 RTP Study. However, the market share attracted by retail destinations within Blackpool town centre has decreased (by approximately 9 percentage points), indicating that the out-of-centre destinations have increased in popularity since the previous Study which in turn has drawn expenditure away from Blackpool town centre.
- 10.9.6 It is this shift in shopping patterns and preference to shop at out-of-centre destinations (along with the increased offer at the retail parks) which needs to be continued to be redressed to ensure no further material degradation of the town centre's market share takes place. In short, there needs to be a shift in shopping patterns back to the town centre from out of centre destinations. There are opportunities to achieve this through the redevelopment of key opportunity sites within the centre to provide modern format units to retain retailers within the centre, along with the key schemes such as the Winter Gardens refurbishment and extension, the future phases of Talbot Gateway and the delivery of the Leisure Quarter site which has the potential to drive substantial economic development and draw shoppers and visitors back into the town centre. The requirement to provide retail units which meet modern occupier requirements was set out in detail in the 2013 Strategy and brought forward into the Core Strategy. This is still a key requirement for the town centre to enable it to successfully compete with other town and city centres, but also with the extensive out-of-centre provision, and promoting the redevelopment of areas within the centre to provide these units needs to be a top priority for the Council moving forward.

- 10.9.7 On a smaller scale, this can also be achieved by providing a town centre environment which offers everything that a shopper wants, including accessible and cheap car parking which is in good supply and a mix of commercial leisure uses which increase the attraction and provide something qualitatively different to the typical leisure use offered at retail park destinations (i.e. going beyond typical national multiple operators who benefit from occupying standalone 'pod' units on retail parks). The leisure offer within the town centre is, in the most part, qualitatively different to the offer at retail parks (i.e. that it provides an offer for tourists or to meet visitors' and residents' requirements in the evening), but it is not always the case that the leisure offer in the town centre is high quality and would assist in diverting shoppers from visiting out of centre destinations instead of the town centre. Our analysis of the town centre and discussions with commercial agents identified the relatively weak offer of national multiple restaurant operators, which has been further affected by the recent closure of Prezzo. Whilst it has to be acknowledged that the market for new restaurant operators is relatively stagnant, there are operators who, given the correct unit in the correct location, could occupy a unit within Blackpool town centre.
- 10.9.8 It has to be acknowledged that one of the key attractors of out of centre retailing is the free and easily accessible car parking, which the town centre has to compete with. Whilst we note that car parking is a key revenue for local authorities, expensive car parking can often put shoppers off visiting centres without wider incentives. This, along with ease of accessibility, locations of retailers and the wider offer of a centre all contribute to why shoppers choose to visit certain destinations to meet their retailing and leisure requirements.
- 10.9.9 In addition, town Centre events, food and drink markets and small festivals attracting a variety of ages and demographics can all assist in drawing shoppers back into the town centre. Improvements to the offer of the town centre markets may also go some way to providing an offer which out of centre destinations cannot. The 2013 Strategy clearly sets out an aspiration to develop specialist markets at St. Johns Square to broaden the retail offer, and this could assist in adding a further dimension to providing a qualitatively different offer to that which is provided at the retail parks within the Borough. The Strategy further aspires to encourage further opportunities for outdoor events and festivals, an objective which should be continued into future strategies for the town centre.
- 10.9.10 To protect the vitality and viability of centres, it is important therefore that the Council is not just controlling the expansion/change of use of out-of-centre development as has been the approach to date, but also plans positively for town centre/edge-of-centre development opportunities. We note that the Council has had inherent difficulties in restricting the

incremental increase in out-of-centre floorspace through adhoc planning applications by landowners and retailers. The difficulty lies with the ability to apply for relatively small increases in floorspace over multiple applications, and diluting existing planning controls through variations to conditions. On their own, such applications can demonstrate compliance with the relevant policy tests, but when conjoined, these would clearly come up against substantial resistance due to the potential impact on defined centres.

- 10.9.11 We also note that there can be pressure from retailers to 'jump ship' and relocate to purpose-built out of centre units and floorspace, often due to cheaper rents and readily accessible locations with adjacent surface level parking. In these circumstances, it will be important to firstly establish whether there are any opportunities to provide operators with prime sites within or on the edge of Blackpool town centre in line with the sequential test, providing the nature and scale of floorspace in an accessible location and at a competitive price.
- 10.9.12 Methods to resist future out of centre development includes the imposition of tighter planning controls through planning policy documents (both through the adopted development plan but also standalone guidance documents). We note that both Fylde and Wyre Councils have standalone impact threshold guidance notes, which provide locally set threshold guidance to control retail and leisure developments outside of defined centres. The advice provided to Wyre and Fylde Councils accords with our advice as part of this Study, that due to the significant pressure for large-scale out of centre retail development and the number of such schemes which fall below the default threshold of 2,500 sq.m set by the NPPF, there is a need to consider lower local floorspace thresholds. Applicant's retail impact assessments must also be robustly appraised as part of the application process, ensuring that the details submitted adopt a robust methodology in assessing impacts, based on up-to-date evidence with regard to shopping patterns and performance of specific retailers. We provide further recommendations below in respect of future controls on new retail floorspace.
- 10.9.13 Tourism, makes an important contribution to Blackpool town centre (and surrounding centres in Fylde in particular). Blackpool is positively harnessing the economic benefits of the hotel sector, by ensuring that the supply of hotel bed spaces are in areas which support the continued drive for growth, including within the Resort Core and Holiday Accommodation Areas and supports the vitality of designated centres. We are seeing the confidence from the hotel and development sector in bringing forward better-quality accommodation to Blackpool town centre, which will have the added benefit of drawing in different demographics to the

town centre. The 2016 Core Strategy directs the provision of new hotels specifically to the town centre and resort core, but also specifies the provision of additional hotels within the strategic town centre allocations of the Winter Gardens (Policy CS18), Central Business District (Policy CS19) and the Leisure Quarter (Policy CS20). Hotels are permitted at the Winter Gardens and Central Business District, along with a range of other sites across the town centre, and as such, we note that the level and quality of hotel provision is likely to grow substantially over short and medium term. This provision could also grow further in line with the guidance and objectives as set out by the adopted policies in the Core Strategy, within the Leisure Quarter site in particular.

- 10.9.14 There has been an aspiration to substantially improve on the quality of hotels within Blackpool Borough but the town centre in particular, which was also identified in the 2009 Humberts Study and brought forward throughout recent strategies and adopted policies for the town centre. The knock-on effect of improving the hotel supply in terms of attracting more affluent tourists could substantially benefit the town centre through an increase in available expenditure and increase in level of trips to both retail and leisure destinations in and surrounding the town centre and reducing the number of poorer quality, less viable hotels outside of holiday accommodation areas, which are not benefitting the Borough in terms of overall stock, attracting visitors or enhancing the viability of defined centres. The Council is already planning positively for this increase in better quality hotels and we are seeing the implementation of hotel schemes already within the town centre. It will therefore be important to monitor the knock-on effects of these schemes, not only from a resident and tourist perspective but also through an increase in investor confidence from private sector developers. The occupancy rates of the new hotels should be monitored over the short and medium term, to establish the take-up rates of these new rooms and the added benefit these have in terms of visitor numbers into the town centre. However, whilst new hotels may bring in different demographics to the centre, there also has to be the wider qualitative improvements to the retail and leisure offer within the centre which will ensure that visitors remain in the centre for the duration of their stay (or at least substantial periods).
- 10.9.15 Due to the high level of inflow of expenditure from tourists, retaining the spend will be a key factor in securing the future of the centre, and therefore, enhancing not only the retail and leisure offer but also the tourism offer will be important to securing Blackpool's success. The 2013 Town Centre Strategy also recognised the importance of bringing forward new and improved leisure attractions to ensure that the town can continue to compete with alternative retail and leisure attractions and the increasing influence of these centres and attractions outside of the Borough and even the Fylde Coast. Key objectives such as re-

establishing the Winter Gardens complex as a multi-purpose, year round entertainment and conference venue as identified in the Strategy are being realised, and the continued support to prioritise this significant development will be vital to its success, along with ensuring that the areas surrounding the Winter Gardens are also substantially improved to encourage dwell time within the town centre. The Leisure Quarter development which has been identified in the 2013 Town Centre Strategy and allocated in the 2016 Core Strategy will continue to be one of the Council's top priorities for regeneration and revitalisation of the town centre and again, it has to be acknowledged that a scheme of the scale envisaged on this site would be a 'game changer' for the town centre with substantial cross-benefits for the wider offer of the centre. The proactive nature of the Council, along with support from stakeholders will ensure that this site is realised.

- 10.9.16 Whilst there are inherent difficulties in planning for the improvement of town centres in the current commercial climate and the associated lack of funding and confidence from landowners to bring forward larger scale investment schemes (which is the case across the UK but particularly in town centres), there may be opportunities to enhance and redevelop smaller parcels within the town centre, and particularly areas towards the periphery of the centre.
- 10.9.17 We also recommend support for the re-use and regeneration of existing vacant floorspace in the town centre in the first instance, in accordance with national policy guidance which encourages the sustainable use of vacant stock. Our survey of Blackpool town centre identified 19,410 sq.m gross vacant floorspace (5,317 sq.m within the Principal Retail Core). A proportion of this vacant floorspace relates to vacancies in new developments, such as those within the newly created units at Talbot Gateway and some smaller scale units within Houndshill. We envisage that further interest in the letting of units at Talbot Gateway will come about as a result of the redevelopment of the Wilko's store, which in turn will deliver the new tram station and better connect Blackpool North and the existing Talbot Gateway development with the rest of the town centre. Any scheme for the re-use and redevelopment of such vacant floorspace for comparison goods uses, should be supported where in accordance with other policies of the Development Plan. We note that the Council is promoting its Quality Corridors project which will enhance some of the poorer quality units in the centre but there will be additional requirements for the Council (with support from market experts) to speak directly to landowners to establish what it is that can be done to assist in improving these areas. Indeed, seeking to set principles of communication with the owners of longstanding vacant units elsewhere in the centre will help to understand why

such units are not being filled, and provide further opportunities to seek to address these issues, armed with relevant information.

- 10.9.18 A key purpose of the 2013 town centre strategy and any future strategy is to seek to extend 'dwell time' and spend of both residents and visitors to the town centre, which in turn will help to enhance the overall vitality and viability of the centre. We consider it imperative that early engagement takes place with commercial agents to better understand supply and demand within Blackpool town centre. Separate, standalone advice is required to assess the current commercial requirements for Blackpool and the realistic prospects of attracting additional operators into the centre. This advice would also be useful to understand whether operators are seeking to improve their offer in the centre by relocating to modern floorspace. As the Council is aware, there is often a preference to locate to out of centre destinations given viability matters, but if a site can be offered within the town centre for both convenience and comparison operators, then this needs to be explored further. Such sites will ideally consist of cleared or vacant regularly-shaped land, with good transport links and highways access and opportunities for on-site level parking. Undertaking a review of larger Council-owned sites within and around the edge of Blackpool town centre would be beneficial in the overall future marketing and strategy for the town centre.

10.10 Policy Recommendations: Defined Centre Boundaries

- 10.10.1 A series of recommendations are provided in respect of appropriate boundaries for the centres at Appendix 4 (Blackpool town centre) and 5 (the district centres). These recommendations are summarised below.

Blackpool Town Centre

- 10.10.2 The healthcheck acknowledged that many of the retail units located on the land bounded by Cookson Street and King Street are making a poor contribution to the town centre and suggested that consideration could be given to consolidating the town centre boundary to omit this area, with a view to promoting alternative land uses that are not main town centre uses. However, we acknowledge that amendments have recently been made to the town centre boundary through the adoption of the Core Strategy, and whilst the area is considered to be a poor contributor at present, this could change in the future. As such, we recommend that consideration is given to regenerating the area through dialogue with businesses and landowners with a view to establishing the most viable future uses for the area. A targeted masterplan could be developed in order to set out the strategy for

regenerating the area, including the potential for the town centre to support future office growth (guided by market specific appraisals) and additional car parking to support future growth in visitor numbers, and the loss of car parking elsewhere in the town as a result of new developments.

10.10.3 We are of the view that the adopted town centre boundary is robust, as is the principal retail core and we do not recommend any amendments to either. Additionally, the three strategic designations of the Winter Gardens, Central Business District and Leisure Quarter reflect the Council's ambitious strategy for regenerating the town centre and proposals are currently progressing on each site, with the first phase of Talbot Gateway (Central Business District) already completed. In summary, we do not recommend any amendments to the current designations and allocations set by the Core Strategy which we consider to wholly comply with guidance set out in the NPPF.

10.10.4 For consistency, however, the title of the principal retail core could be amended to 'primary shopping area' in order to reflect the definitions set out in Annex 2 of the NPPF which defines a primary shopping area as a '**Defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are adjoining and closely related to the primary shopping frontage)**'. Following on from this, in accordance with the NPPF we have recommended the designation of primary and secondary shopping frontages which are generally contained within the primary shopping area. The NPPF defines primary and secondary frontages as follows:

- Primary frontages are likely to include a high proportion of retail uses which may include food, drinks, clothing and household goods.
- Secondary frontages provide greater opportunities for a diversity of uses such as restaurants, cinemas and businesses. Our recommended frontages are shown on the Recommended Primary & Secondary Frontages Plan which supports the healthcheck report and is located at Appendix 4.

10.10.5 The recommended primary frontages comprise the Houndshill Shopping Centre, Victoria Street and some units on Bank Hey Street. We recommend however, that the majority of Bank Hey Street is designated within the secondary frontages in order to increase opportunities for a greater diversity of uses and help to address the vacancy issue.

10.10.6 We have also reviewed all of the designations saved from the former Local Plan. These comprise the Houndshill Shopping Centre, a retail/café zone, a leisure zone, a mixed-use zone and a leisure zone. We have concluded that these designations do not remain relevant

in accordance with the NPPF and we recommended that, through the adoption of Part 2 (Site Allocations and Development Management Policies) of the Local Plan these are removed from the proposals map.

District Centres

- 10.10.7 Whilst undertaking the healthcheck appraisals we have reviewed all the existing district centre boundaries as defined by Saved Policy BH13 (District Centres) of the Blackpool Local Plan (2001 – 2016).
- 10.10.8 On the most part, we consider these designations to remain robust. However, we have two recommendations in relation to Waterloo Road district centre and Bispham Village district centre:
- Waterloo Road – Given its peripheral function and the long-term nature of the vacancy problems, we recommend that the boundary could be consolidated to remove Bond Street from the district centre and direct retail towards vacant units on Waterloo Road whilst exploring the possibility of securing alternative uses on Bond Street for example, residential uses.
 - Bispham Village – It is recommended that Bispham district centre is re-designated as a local centre. However, we do not recommend any amendments to the existing boundary, as defined by Saved Policy BH13 of the Local Plan.
- 10.10.9 Further justification regarding these recommendations are contained within the district centre healthcheck reports which are located at Appendix 5.

10.11 Recommended Local Impact Threshold

- 10.11.1 In accordance with the requirements of paragraph 26 of the NPPF, it is appropriate to identify thresholds for the scale of edge of centre and out of centre retail, leisure and office development which should be the subject of an impact assessment. Any such threshold policy applies only to the impact test (all planning applications for main town centre uses that are not in an existing centre and not in accordance with an up-to-date development plan should be subjected to the sequential test⁵⁸).

⁵⁸ With the exception (in accordance with paragraph 25 of the NPPF) of small scale rural office proposals and other small scale rural development.

10.11.2 Based on the findings of the Study and the recommendations provided above with regard to protecting Blackpool town centre from trade diversion and further shifts in shopping patterns to out of centre floorspace, we are of the view that a lower threshold should be applied to Blackpool town centre. Given the nature of the district centres, we are also of the view that thresholds should also apply to these centres too in order to protect their role. WYG has not reviewed the local centres as part of this Study, but based on the methodology set out below, it is envisaged that the Council will adopt a similar approach to setting a local threshold for the lowest tier centres in the hierarchy.

10.11.3 Paragraph 26 of the NPPF states that:

'When assessing applications for retail, leisure and office development outside of town centre, which are not in accordance with an up-to-date Local Plan, local planning authorities should require an impact assessment if development is over a proportionate, locally set floorspace threshold (if there is no locally set threshold, the default threshold is 2,500 sq.m).'

10.11.4 The Ensuring the Vitality of Town Centres Planning Practice Guidance provides further clarification in respect of the impact test and the setting of local thresholds. Paragraph 13 of the Practice Guidance states that:

'The purpose of the test is to ensure that the impact over time (up to five years (ten for major schemes)) of certain out of centre and edge of centre proposals on existing town centres is not significantly adverse. The test relates to retail, office and leisure development (not all main town centre uses) which are not in accordance with an up to date Local Plan and outside of existing town centres. It is important that the impact is assessed in relation to all town centres that may be affected, which are not necessarily just those closest to the proposal and may be in neighbouring authority areas.'

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

'The impact test only applies to proposals exceeding 2,500 square metres gross of floorspace unless a different locally appropriate threshold is set by the local

planning authority. In setting a locally appropriate threshold it will be important to consider the:

- **Scale of proposals relative to town centres**
- **The existing viability and vitality of town centres**
- **Cumulative effects of recent developments**
- **Whether local town centres are vulnerable**
- **Likely effects of development on any town centre strategy**
- **Impact on any other planned investment.'**

10.11.6 We do not consider that the imposition of a blanket threshold will usually be appropriate across all types of centre within an administrative area. For example, a convenience store with a net sales area of 250 sq.m (which could be operated by, for example, Tesco Express or Sainsbury's Local) would have a significantly greater impact on a small centre than it would on a large town centre. Therefore, in implementing a local threshold policy, it is considered more appropriate to apply a range of thresholds in accordance with the type of centre the proposed development is proximate to. The thresholds should not only apply to new floorspace, but also to changes of use and variations of condition to remove or amend restrictions on how units operate in practice.

10.11.7 We note that there are a relatively limited number of units greater than 500 sq.m in Blackpool town centre (less than 8% of the total stock of commercial units have a greater floorspace than this) and we consider that a unit of such a scale could potentially accommodate an operator of importance to the future vitality and viability of the town centre.

10.11.8 Furthermore, we also note that the threshold applies to individual application proposals and that it could be possible for an applicant to 'circumnavigate' the requirements of the test through the submission of multiple, small-scale applications which together would provide for a larger development. As such, we recommend that the impact threshold of relevance to Blackpool town centre is set at 500 sq.m, for applications relating to both convenience and comparison retail floorspace, along with the wider Borough, if the proposal does not fall within the specific additional threshold requirements for district centres as set out below.

10.11.9 This recommendation is reflective of the town centre's vacancy rate (the proportion of vacant units is above national average), the reduction in its market share of comparison

goods expenditure since the undertaking of the previous Retail Study, and the potential for existing nearby out of centre retail destinations to become even stronger in the future at the expense of the centre.

10.11.10 For the district centres within Blackpool Borough, it is recommended that a lower testing threshold of 300 sq.m applies. This lower threshold is set at a level which ensures that the impacts arising from proposed convenience stores operated by 'main four' food retailers (which can have a substantial seven-figure turnover) can be appropriately considered. We are aware of recent appeals where Inspectors have found that such convenience stores can have a significant adverse impact on smaller centres⁵⁹. We believe that this type of development has the potential to divert expenditure and potential operators from the Borough's smaller centres and that the setting of lower thresholds is therefore justified.

10.11.11 We believe that the proposed lower threshold for district centres are appropriate because of their localised role and function, and the fact that the opening of a small format convenience store outside of these smaller centres is likely to directly compete with the type of local needs provision typically found within such centres. We therefore believe it is reasonable for applicants proposing developments of 300 sq.m gross for district centres to demonstrate that their proposal will not have a significant adverse impact on smaller centres sharing part of the same catchment.

10.11.12 The proposed thresholds at district centre level are considered to reflect the relatively small size of some of the centres at the lower end of the retail hierarchy and their consequent potential susceptibility to alternative 'out-of-centre' provision. Where an application proposal is above the respective stated impact threshold, we would recommend that the applicant discusses and agrees the scope of the retail impact assessment with the Council prior to submission.

10.11.13 We believe that it is appropriate to qualify the area to which each local impact threshold will apply. We recommend that the thresholds of relevance to the Borough's district centres (i.e. the lower threshold of 300 sq.m) would be applicable within 800 metres of the boundary of the relevant centre. The distance of 800 metres is broadly commensurate with the potential walk-in catchments of smaller centres and is identified by Guidelines for Providing for Journeys on Foot (The Institution of Highways & Transportation, 2000) as being the 'preferred maximum' acceptable walking distance to a centre. We consider it to be

⁵⁹ Such cases include the appeal against the refusal of planning permission for a Tesco Express at Luton (PINS reference APP/B0230/A/13/2203864) and the appeal against the refusal of planning permission for a Sainsbury's Local (PINS reference APP/e59000/A/14/2217680) at Tower Hamlets.

appropriate for the higher threshold of 500 sq.m to apply Borough-wide (beyond 800 metres of these centres), due to the lesser likelihood of significant adverse impacts arising from retail, leisure and office development.

10.11.14 Based on the above, we are of the view that an impact assessment will be necessary for proposals (including the formation of mezzanine floors) for/or which include retail, leisure and office developments which are not located within a defined centre where:

- The proposal provides a floorspace greater than 500 sq.m gross; or
- The proposal is located within 800 metres of the boundary of District Centre and is greater than 300 sq.m gross.

10.11.15 In our experience, it will only generally be development of a scale greater than these thresholds which could lead to a 'significant adverse' impact, which could merit the refusal of an application for town centre uses in accordance with the provisions of paragraph 27 of the NPPF.

Glossary of Terms

Capacity	Retail capacity in terms of this report refers to surplus/deficit of expenditure (£m) which represents the difference between the expenditure and turnover of the identified facilities.
Comparison Goods	Comparison goods relate to items not obtained on a frequent basis, these include clothing, footwear, household and recreational goods. A more detailed breakdown of comparison goods categories is provided below.
<i>Chemist Goods</i>	<i>All consumer retail expenditure on prescription and non-prescription drugs, adhesive and non-adhesive bandages, first-aid kits, hot-water bottles, toilet shops, sponges, and so on.</i>
<i>Clothing & Footwear</i>	<i>All consumer retail expenditure on shoes and other footwear, garments for men, women, children and infants either ready-to-wear or made-to-measure, underwear, ties, handkerchiefs, scarves, and so on.</i>
<i>DIY Goods</i>	<i>Includes all consumer expenditure on hardware, DIY, decorators' supplies and garden centre type goods. This category includes products such as hammers, saw, screwdrivers, wallpaper, plumbing items, floorboards, ceramic tiles, plants, pots, turf for lawns, and so on.</i>
<i>Electrical Goods</i>	<i>All consumer retail expenditure on domestic electrical and gas appliances, such as washing machines, dryers, dishwashers, ironing and press machines, cookers, freezers and fridge-freezers, coffee makers, radios, televisions, DVD players, and so on.</i>
<i>Furniture Goods</i>	<i>Includes all consumer expenditure on furniture, floor coverings and household textiles such as beds, sofas, tables, cupboards, bed linen, curtains, towels, lamps, mirrors, and so on.</i>
<i>Household Goods</i>	<i>Includes household textiles and soft furnishings, china, glassware, jewellery and other miscellaneous goods such as greeting cards, notebooks, pens, pencils, and so on.</i>
<i>Recreational Goods</i>	<i>All consumer retail expenditure on bicycles and tricycles (excluding toy bicycles), musical instruments, sports equipment, camping equipment, toys of all kinds including dolls, soft toys, and so on.</i>
Convenience Goods	Convenience goods relate to everyday essential items including confectionary, food, drinks, newspapers and magazines.
Borough centre	Borough centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library.
Expenditure Per Capita	The average spend of each person within the defined Study Area on a variety of retail goods.

Expenditure	Expenditure is calculated by taking the population within a defined area and then multiplying this figure by average annual expenditure levels for various forms of goods.
Expenditure Forecasts	This assessment has been undertaken using the 'goods based' approach as prescribed in the Planning for Town Centres Practice Guidance. Retail expenditure forecasts have been derived from Experian Retail Planner Briefing Note 15 (December 2017).
Experian (MMG3)	The database used to identify population, expenditure and socio-economic breakdown of the Study Area population.
Gross Floorspace	Represents the level of total floorspace or footprint of a specific development (i.e. sales area, storage, checkouts, café, display, and so on).
GOAD Plans	Provide accurate information on the composition of town centres, shopping areas, out-of-town retail parks and outlet villages in the UK. Identifies the fascia name, retail category, floorspace, and exact location of all retail outlets and vacant premises.
GOAD Reports	Provide a snap-shot of the retail status or demographic make-up of Goad surveyed town centres. Provides a comprehensive breakdown of floorspace and outlet count for all individual trade types in the Convenience, Comparison, Retail Service, Leisure, Financial/Business Services and Vacancy sectors.
Local Centre	Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, large villages may perform the role of a local centre.
Net Floorspace	Represents the level of internal area devoted to the sale of goods.
Market Share	Market shares derived from the household survey results, which are based on either the proportion of shopping trips or the proportion of expenditure attracted to a particular centre/facility.
National Multiple	This is defined as a retail or service operator which is or part of a network of nine or more outlets.
Price Base	The price base for the Study is 2017.
Rates of Productivity	This takes into account the potential for existing retail floorspace to improve their turnover productivity (e.g. smaller goods could be sold from a smaller area for more money, increased opening hours, etc.).
Sales Density	Retail capacity figures are expressed in term of floorspace, relying on the application of assumed sales density figures to the surplus expenditure identified. This is based on the typical turnover of a store by square metre/foot.



Special Forms of Trading	Defined by Experian as expenditure not directed to traditional floorspace such as the internet, mail order, party plan and vending machines and other non-store activity such as market and road-side stalls.
Study Area	This represents the household survey area, which is based on postal sectors.
Trade Draw	This refers to the level of trade attracted to a particular facility/centre from a particular area.
Turnover	The turnover figure relates to the annual turnover generated by existing retail facilities.
Town Centre	A towncentre will usually be the second level of centres after city centres and, in many cases, they will be the principal centre of centres in a local authority's area. In rural areas they are likely to be market towns and other centres of similar size and role which function as important service centres, providing a range of facilities and services for extensive rural catchment areas. In planning the future of town centres, local planning authorities should consider the function of different parts of the centre and how these contribute to its overall vitality and viability.