Executive Summary

Context

WYG Planning was commissioned by Tendring District Council in April 2015 to undertake an updated Retail Study for Tendring. The Study replaces the previous 2006 North Essex Authorities Retail Study and 2010 Retail Study Update and forms part of the evidence base informing the production of the new Tendring District Local Plan. The Study draws on new empirical research in the form of a telephone survey (May 2015) of 1,000 households covering Tendring and the surrounding Sub Region to assess shopping patterns within the district and the sub-region.

Vitality and Viability

The Study has evaluated the vitality and viability of seven town centres in Tendring district drawing on a number of key indicators.

Clacton Town Centre

Clacton Town Centre is the largest centre in Tendring located on the south eastern coastline of the district. The town centre has a leading role in the district, despite signs of vulnerability (decrease in convenience units, significant out-of-centre completion and raising concern of crime). The centre has a higher proportion of comparison goods retailers than the UK average. Clacton's retail offer is well represented by a range of national multiple comparison units which reflect the important role of the shopping centre in the town centre.

The town centre is accessible for pedestrians and the overall environmental quality is good. Overall, we consider that Clacton is a viable and vital town centre which fulfils its role of a 'major town centre' as identified in the adopted Local Plan.

Walton-on-the-Naze

Walton-on-the-Naze is the fifth largest town centre in Tendring district. The centre has a lower level of convenience units and a higher level of vacant units compared to the national average. A number of regeneration sites have been identified in the town centre including the Millennium Square car park and the former Town Hall at Mill Lane. If these sites are developed for commercial uses, it would potentially generate footfall and provide linkage to the High Street and encourage linked trips. Overall, it is considered that Walton-on-the-Naze is a healthy centre fulfilling its town centre role in providing essential shopping and services facilities for local residents.

Dovercourt Town Centre

Doverourt town centre is the third largest town centre in Tendring district. Dovercourt town centre is closely associated with Harwich and the International Port situated to the north of the town. The trading environment appears buoyant with the recorded vacancy rate lower than the national average and the level of comparison goods provision has increased in recent years.

Our assessment indicates that Dovercourt town centre is generally a vibrant and healthy centre. It has a good representation of retail, leisure and services offers. The centre is highly accessible by public transport and the other community facilities attract residents to visit the centre throughout the day and evening.

Frinton-on-Sea Town Centre

Frinton-on-Sea town centre is the second largest in the district. The centre has a strong representation of convenience goods and comparison goods provision with a moderate level of services units overall. The proportion of vacant units and floorspace is lower than the national average.

Frinton-on-Sea is performing well and the centre is demonstrating healthy and strong signs of vitality and viability. The recently opened Sainsbury's Local at Connaught Avenue demonstrates private sector confidence and investment in the town centre.

Harwich Town Centre

Harwich town centre is the smallest designated Town Centre in Tendring district in the adopted Local Plan. The retail, residential and leisure services within the town are fragmented and there are very limited retail services in the town centre with very limited convenience goods offer. The centre has a higher vacancy rate compared to the national average, indicating that the town centre is underperforming and experiences an acute vacancy problem. Harwich has significantly less pedestrian activity in the town centre. Nevertheless, there are a number of important historic buildings and with the Harwich Harbour located nearby, it attracts tourist visitors to the centre. Overall Harwich does not perform the full function of the town centre and should be reclassified as a district centre.

Manningtree town centre

Manningtree has traditionally claimed to be the smallest town in England. The town centre has a healthy range of convenience and service facilities, but a more limited comparison goods role. The centre has a low vacancy rate which indicates the strength of the centre. In the future, once the vacant Raliex site is re-developed for commercial use, it will improve the current status of the site and regenerate the western part of the town centre.

Brightlingsea town centre

Brightlingsea is the fourth largest town centre. The High Street and Victoria Place is in traditional linear form and consists of a range of retail and leisure services. The town centre is relatively healthy with the presence of a number of multiple retailers (mainly convenience). The centre has a good range of convenience, comparison and services. The centre is highly accessible and has good levels of footfall along the primary frontages

Available Expenditure

The Sub Region Study Area is made up of Zones 1-7 of which Zones 1- 4 broadly cover the Tendring district area (thereafter be referred to as Tendring Study Area).

The Sub Region Study Area has a resident population of approximately 308,736 in 2015, rising to 322,795 by 2020, to 336,337 by 2025 and to 353,637 by 2032. The Tendring Study Area (Zones 1-4) has a resident population of approximately 144,671 in 2015, rising to 164,510 by 2032. This represents a population growth of 19,839 (or 13.7%) between 2015 and 2032.

Using local expenditure data provided by Experian Micromarketer G3 and forecasts in Experian Retail Planner Briefing Note 13, it is estimated that, at 2015, the resident population of the Sub Region Study Area generates some £633.7m of convenience goods expenditure. This is forecast to increase to £739.3m by 2032. Within the Tendring Study Area, the resident population generates approximately £301.8m in 2015 and increase to £349.8m by 2032.

In 2015, the resident population within the Sub Region Study Area is identified as generating £879.5m of comparison goods expenditure. This is expected to increase to £1,698.0m by 2032. In the Tendring Study Area, the resident population generates approximately £399.1m in 2015 and increases to £765.5m by 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.

Market Share

Facilities in Tendring retain 39.0% of main food and 47.2% of top-up shopping trips that derive from the Tendring Study Area. The four most dominant stores within Tendring are Morrison’s, Centenary Way; Tesco, Brook Retail Park; Morrison’s, Waterglade Retail Park and, Morrisons, Iconfield Park. Compared to the last household survey result conducted in 2005, Tendring's market share of Sub Region Study Area convenience goods spending has increased significantly. The largest improvement occurred in Zone 4 where market share within Tendring has doubled (from 20% to 45.3%). Convenience shopping is mostly carried out closer to home. Zones 1 to 3 are more self sufficient (above 95% retention) while for Zone 4 more than half of the convenience shopping was undertaken at facilities in Colchester. Overall there is a total of £43.3m of Tendring convenience expenditure spent outside the Tendring Study Area which equals to 14.3% of the total available Tendring convenience expenditure.

In relation to comparison goods performance, Tendring facilities captured a total of £202.5m of Tendring Study Area's comparison expenditure (i.e. 50.7% of the total available comparison expenditure). This clearly shows a significant amount of expenditure leakage to other facilities outside Tendring. Clacton town centre claims the highest market share in the Tendring Study Area; however, within the Sub Region Study Area, Colchester town centre secures a market share of 37.5% which is significantly higher than the total market share of Tendring town centres of 16.4% (Clacton, Frinton-on-Sea, Harwich, Dovercourt, Brightlingsea, Manningtree and Walton-on-the-Naze town centres) altogether. Besides, retail park facilities such as Tollgate Retail Park and the Stanway Retail Park also have a significant trade draw of the comparison expenditure in the Sub Region Study Area and Tendring principal survey zones (1 to 4).

The comparison goods type analysis shows that Tendring facilities claim the highest level of market share on chemist goods (81.2%), followed by DIY (74.0%) and Electrical (67.0%) in the Tendring Study Area. DIY is the only category that the market share of out of centre facilities (38.0%) is higher than the total market share of the seven town centres in total (36.0%). Clothing market share is low at 37.5% which reflects the influence of higher order centres within and outside the Tendring Study Area and demonstrate a clear deficiency in this level of provision within the district.

Retail Capacity

Based on current shopping patterns, the performance of the town centre and retail commitments, we identify a quantitative requirement for additional convenience goods floorspace within Tendring district after 2020. After taking account of commitments, a deficit expenditure of -£17.7m is identified at 2020, shifting to a residual of +£12.8 by 2032. We convert the surplus expenditure to a potential floorspace capacity by adopting suitable average sales densities. Adopting this methodology, we conclude that there is potential capacity for new convenience goods floorspace in the District of between 980 sq m net and 1,850 sq m net by 2032.

A town by town analysis indicates that there is quantitative need for additional convenience floorspace in Clacton, Manningtree, Harwich/Dovercourt but not in Frinton-on-Sea, Brightlingsea and Walton-on-the-Naze.

In relation to comparison goods floorspace requirement, after taking account of commitments, a deficit expenditure of -£2.9m is identified at 2020, shifting to a residual expenditure of £25.6m at 2025 and £80.6m at 2032. There is potential capacity for new comparison goods floorspace in the District of between 11,880 sq.m net and 19,800 sq.m net by 2032.

A town by town analysis indicates that there is a quantitative need for additional comparison floorspace in all town centres except Walton-on-the-Naze.

Recommendations

Retail Hierarchy

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. Draft Policy PRO5 sets out the retail hierarchy in the district. We recommend retaining Clacton as 'major town centre' and Dovercourt, Walton-on-the-Naze, Frinton-on-Sea, Brightlingsea, Manningtree as 'town centres'. For Harwich, it is recommended to be designated as a 'district centre'.

Review of Potential Sites

Comparing the existing vacant floorspace in each town centre against the identified floorspace requirement, it is indicated that additional sites are likely to be required to accommodate the need in Clacton, Frinton-on-Sea and Harwich/Dovercourt town centres. For Clacton, we consider that Civic Quarter, Waterglade Retail Park, Jackson Road Site, Station Gateway, Atlanta Café should remain designated for appropriate main town centre uses. In Frinton-on-Sea, we recommend the Council to review the area immediately to the north of the Primary Shopping Frontage as it contains a vacant unit and a range of comparison and financial and business services that could seek to accommodate a modest natural expansion of the high street. For Dovercourt, the Starling Site could positively contribute to the convenience and comparison goods capacity identified for Dovercourt/Harwich and therefore should be actively pursued as an allocation over the course of the plan period.

Review of Primary and Secondary Frontage of Tendring's Town Centres

We also consider that a clarified Primary Shopping Area (PSA) for the town centre is needed as this provides an important tool to guard against the inappropriate number of non retail and service uses within the town centre but also provides a clear definition for edge and out of centre developments that may be promoted. For Clacton, we consider that as Waterglade Retail Park currently lies outside the primary and secondary shopping frontages, however, as part of a positive approach to economic development, WYG recommends that the site should be allocated for main town centre uses that are linked to the capacity identified in this Study to ensure that any future development does not necessarily have to satisfy the sequential site or impact test in compliance with the NPPF. For Dovercourt town centre, subject to Council's aspiration on the Starlings site which is located immediately outside the PSA, it may be appropriate to include the site in the PSA to encourage its future development. For Manningtree, the Railex site has been recently sold for commercial use and it is recommended that the town centre boundary to be realigned to exclude this site accordingly. For Frinton-on-Sea, the town centre boundary is tightly drawn and we recommend the area immediately to the north of Primary Shopping Frontage to be designated as Secondary Shopping Frontage. For Walton and Brightlingsea, we consider that the current designation is appropriate.

<u>Local Impact Threshold</u>

In accordance with national planning policy, it is appropriate to identify locally set thresholds for the scale of edge-of-centre and out of centre retail, office and leisure development which should be subject to the assessment of the impact criteria set out by paragraph 26 of the NPPF. We reviewed the size of anchor stores in each town centre and recommend a tiered approach for Impact Assessments. We consider development proposals providing greater than 929 sq.m gross floorspace for retail, leisure or office uses in an edge or out of centre location proximate to Clacton and Frinton-on-Sea town centres should be the subject of an impact assessment as they could draw trade from the centre that may have a significant adverse impact and it would be appropriate to be able to assess such impact to ensure that the vitality and viability of Clacton is retained. For the smaller centres of Dovercourt, Walton-on-the-Naze, Brightlingsea, Manningtree and Harwich, we recommend to adopt a local threshold of 250sq.m.

<u>Review of Local Plan Policies</u>

A review on the draft Local Plan policies has been undertaken and recommendations have been given on draft Policies PRO5, PRO5a and PRO6.

Draft Policy PRO5 - We consider that all the town centres in Tendring provide a town centre role as defined in the Annex 2 of the NPPF, with the exception of Harwich which we advised has a more district centre role given its service and convenience goods function and its limited scale, therefore we consider that this should be re-allocated as a district centre in the hierarchy accordingly.

Draft Policy PRO5a – we understand that the Council consider setting a threshold of no more than 30% of the total number of shop units along the Primary Shopping Frontage in non A1 use. We review the composition and the proportion of A1 use within the Primary Shopping Frontage of six town centres. Our analysis indicates Tendring town centres have a Primary Shopping Frontage of between 40.6%-62.5% of A1 use which indicates that the Primary Shopping Frontage contains a fair representation of convenience and comparison offers. We would recommend the Council to consider a threshold of 40% as it reflects the current performance of Tendring town centres.

Draft PRO6 - Policy PRO6 introduces a series of additional criteria through PRO6 a to PRO6 f, which requires any proposals for retail, leisure or office development outside of the defined centres in PRO5 to only be permitted under a number of circumstances. We consider that there is a need to re-draft and consolidate the current draft policy into a more comprehensive and simpler policy that follows the requirements of paragraphs 24, 26 and 27 of the NPPF.

Key issues and recommendations

The latest household survey indicates that Tendring retains 85.6% of the convenience goods expenditure, i.e. £43.3m of Tendring convenience expenditure spent outside the Tendring Study Area. Zone 4 experiences most leakage (£39.8m spent outside Tendring Study Area). There is a potential of providing another foodstore in Zone 4 to improve the convenience offers and claw back leakage currently spent elsewhere.

In relation to comparison shopping, £196.6m of comparison goods expenditure is spent outside Tendring Study Area (49.3%); whilst there is very limited inflow from the Sub Region Study Area. This clearly shows a significant amount of expenditure leakage to other facilities outside Tendring. We recommend the Council plan positively to improving the comparison goods offer in the district to address this leakage. A number of sites which are well connected to the existing town centres have been identified that could seek to meet the future capacity identified and further investigation into their delivery needs to be progressed.