

LONDON BOROUGH OF RICHMOND UPON THAMES

LOCAL PLAN INDEPENDENT EXAMINATION IN PUBLIC

WRITTEN STATEMENT

HEARING 6: ECONOMY AND EMPLOYMENT; BOROUGH CENTRES

WEDNESDAY 11 OCTOBER, MORNING

COUNCIL RESPONSES TO QUESTIONS 1-3, ON BOROUGH CENTRES

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Does the local plan provide the most appropriate and robust strategy towards the Borough centres with due regard to cross border issues? Is the approach evidenced adequately and consistent with national policy and in general conformity with the London Plan? Will the approach be effective?

The Council considers that its successful and long-standing strategy towards centres is both robust and appropriate due to the nature of the borough. It has yielded healthy, attractive and individual centres. It is a town centre first approach in line with national (in particular paragraph 23 of the NPPF) and regional policy (in particular policies 2.15 and 4.7) and guidance. Key considerations to justify the strategy are as follows:

a. Evidence of need for additional retail floorspace

- The Richmond Retail Study (SD-029) provides evidenced need for more retail floorspace over the plan period - the projection for all Class A1, A3 to A5 uses totalling 21,700sq.m gross by 2024. Forecasts are presented in more detail in Section 1 of Appendix 1. The Study outcomes are broadly in line with the GLA's strategic assessment which also forecasts a positive net floorspace requirement. This Study took into account cross-border issues in terms of co-operation and data sharing with neighbouring boroughs. Paragraph 3 of the NPPF places a duty on local authorities to plan to meet retail needs in full.

b. Healthy and buoyant centres

- Structural changes in the retail sector, such as the rise in the use of the internet shopping, have been taken into account in formulating the strategy and in the quantitative assessment of the Richmond Retail Study (SD-029). The Council aims to encourage buoyant, competitive and individual borough centres.
- A full assessment of the health of town centres is provided by the 2013 Town Centre Health Checks (SD-030) and updated in part in the audit of town centres included in the Richmond Retail Study (primarily Appendix 5), as well as through regular monitoring (see next bullet point).
- The Council undertakes regular monitoring of diversity of use in its centres via the annual Centre Land Use Survey (CLUS). Vacancy rates, considered a key indicator of health in town centres, are reported through Monitoring Reports (See SD-032 for full analysis of the 2016 data & Section 2 of Technical Appendix). In 2016 the borough vacancy rate fell to just 5.5%, half

the national average. Indeed only 6.1% of shops were vacant in 2016 (borough average).

- The CLUS also confirms that vacant units are quickly re-occupied following a vacancy (Section 3 of Appendix 1), and that there are relatively few long term vacant units (Section 4 of Appendix 1). In 2016 only 1.5% of units covered by the CLUS were long term vacancies (including 6 properties under refurbishment).
- The Council has compared centres in the borough against national indices, where possible, and Richmond in particular performs very well (Section 5 of Appendix 1).

c. Limited site availability

- Due to the nature of the borough, which is characterised by large swaths of parks and open spaces (many of which are protected by open land and/or historic designations) with the remaining areas being relatively dense low-medium rise centres, towns and villages, the capacity for large scale change is very limited. Several centres are designated wholly or in part as Conservation Areas. With the exception of the West End, Richmond centre has more Listed Buildings than any other centre in the capital. The borough does not have large areas of land in need of regeneration and for the most part there are few obvious opportunities for retail sites in borough centres. Please note site allocations in the Local Plan are sufficient to meet forecast need. Therefore it is important to retain an appropriate level of retail in borough centres to contribute to meeting need.
- Completions data indicate a considerable loss of A1 floorspace in retail (8,947m² April 2012 to April 2017) amounting to a net loss¹ of 8,430m² over the same period. Some of this loss results from a reduction in the size of the retail unit or partial change of use. Of the total 8,430m² lost, some 4,100m² relates to the net loss of the whole retail unit (see Section 6 of Appendix 1).

d. Demand for retail floorspace

- Over the years Zone A (prime) rents in Richmond centre have been consistently higher than in other neighbouring higher order centres (see SD-030, Tables 18 and 19). The GLA Town Centre Health Check Analysis Report (PS-086) confirms this, stating the highest town centre retail rents in outer

¹ Net figure includes gains in retail floorspace.

London in 2012 are found in Kingston (£3,229/sq.m), Richmond (£2,422/sq.m) and Croydon (£2,368/sq.m). Zone A rents have been rising in Richmond since 2010 (see SD-030, Table 18).

- Data on shop vacancy rates and the re-occupation of units in town centres also support the contention that demand for retail in borough centres exists.

1. Is the approach to retail provision within the Borough over the plan period robust (evidence relating to capacity/needs) and in line with the London Plan?

The Council commissioned consultants Nathaniel Lichfield and Partners (NLP) to produce a robust Retail Study (SD-029; see also Section 1 of Appendix 1) for the borough which included a quantitative assessment of need for floorspace over the Local Plan period. The Study used accepted methodology and included a 1,000 household telephone survey. It was produced in accordance with paragraph 23 of the NPPF, which requires local authorities to undertake an assessment of retail need when formulating Local Plans so that the need can be met in full.

In producing the Retail Study, NLP took account of the GLA's strategic retail needs assessment (PS-087) in accordance with London Plan Policy 2.15 D (a1) and Policy 4.7 C (a). The outcomes of the Retail Study are broadly in line with the regional assessment, which also forecasts a positive net floorspace requirement² if either the baseline or pipeline scenario are considered. The Retail Study also took account of changes to expenditure and customer behaviour, as well as structural changes to the retail sector including internet shopping (paragraph 3.24) in accordance with London Plan policy 2.15 D (a1).

London Plan policy 4.7 C (c) advocates a proactive partnership approach to identifying capacity. Appendix 5 of the Retail Study includes feedback from stakeholder involvement as the exercise included direct engagement with a range of relevant bodies, including retailers and business organisations.

Neighbouring boroughs were involved throughout the Study's preparation: they were invited to make comments on cross-border issues at each stage of its production; informed that the consultants had been commissioned; provided with the draft findings and the Final Report; and were involved and kept up-to-date through discussions at Duty to Co-operate Meetings during the plan-making stages.

Retail catchments in London are not contiguous with borough boundaries and taking into account inflow and outflow of expenditure from other areas is an important component of the quantitative assessment. The results of the household telephone survey to establish shopping patterns were essential to achieving this. In addition, NLP had completed a quantitative retail assessment for the London Borough of Wandsworth and were able to use their knowledge and data from this process to further inform cross boundary issues.

² Using the 1.9% efficiency percentage.

It is the responsibility of the London Mayor to co-ordinate the role of larger centres, taking into account cross-border impacts.

The Council considers that its centre strategy is appropriate for the reasons set out above, and demonstrates a good balance of uses within the borough's centres whilst meeting retail need.

2. a. What evidence supports Policy LP 25 and how will it be implemented effectively?

Policy LP 25 builds on the Council's established centre first approach in line with national and regional policy. It sets out the policy approach on the acceptability of proposals in terms of type of land use, location and scale; also providing guidance on the sequential and impact tests for applicants; and sets locally defined thresholds for assessments. It tailors advice for the 5 main centres (Section B) and the other centres in the hierarchy (Section C).

The spatial strategy is to steer the majority of higher density and larger scale development into the 5 main centres, allowing people to walk to centres and thereby reducing the need to travel. See the Council's Statement for Hearing 1 (particularly responses to question 8 and 9) in terms of how the vision, objectives and spatial strategy have been derived.

Development should be appropriate to the role and function of the centre in the hierarchy. The establishment of the hierarchy is therefore a key element of this policy and is dealt with specifically below. Dividing centres into 4 tiers allows for a fine-grained approach. It ensures that the type and scale of a proposal is appropriate to that category of centre.

The reference to out of centre development not being appropriate is long established policy and in line with the London Plan Policy 4.7 C (d). The Retail Study (SD-029) concluded that there are sufficient site allocations to meet forecast need and therefore need is expected to be met without requiring out of centre sites.

Policy LP 25 sets out the vision and approach for centres in the hierarchy derived from the Village Planning Guidance SPDs (PS-027 to PS-039, *inclusive*), which result from extensive consultation with the public. Please note that the SPDs for Hampton Wick and Teddington (PS-032) and Hampton Hill (PS-031) were adopted in June 2017 and the supporting text of LP 25 will be updated through a modification in due course.

Policy LP25, Section A (3) introduces a threshold requiring a Retail Impact Assessment for developments and extensions of over 500m². The Retail Study recommended this lower figure (see paragraphs 8.17 to 8.20) as being suitable for this borough, as a large development below the mandatory threshold could significantly exceed the projections for individual centres and therefore careful consideration of impact would be required.

This policy takes forward the policy approach from SD-014 and SD-015. It simplifies and combines adopted policies CP8, DMTC1 and DMTC3, which have been successfully implemented for many years. Policy LP 25 has been enhanced by setting out the vision and approach for centres, informed by the village planning process. The inclusion of thresholds

for the provision of the sequential test and impact assessments provides clarity for developers.

2. b. How has the centre hierarchy been defined?

The centre hierarchy was introduced as part of the Core Strategy (SD-015) and developed from three key research documents (SD-029, SD-030 & SD-031). The Analysis of Town Centres & Appendices (SD-031) sets out the basis for identifying where individual centres fit within the tiers of the hierarchy. A number of factors were taken into consideration including size and contribution to meeting retail need where identified, location and function (diversity of use – including growth/decline in types of uses) of the centre, transport accessibility, change in availability of key local services/shops, and whether the centre does or could be developed to fill a gap in retail provision (PS-088). Account was taken of whether a centre served an area of relative disadvantage. An assessment of the health of centres was carried out using land use data, footfall data, GOAD data (for comparisons) and rental data, where available. Tables 3 and 4 in SD-031 provide justification for the categorisation of each centre, which is summarised in Table 5.

The hierarchy was reviewed as part of the Local Plan process, focusing on changes to the retail provision in the centres. There have been no major completions which would affect the hierarchy. Data from the Council's CLUS assisted in identifying any failing centres, of which there were none. No changes to the hierarchy are therefore considered necessary other than minor name changes.

2. c. Is the 200m² threshold contained in criteria 2 justified?

The NPPF does not specifically prescribe a threshold for applying the sequential test to extension, however it is clear that the sequential test is a key element of the government's retail policy in delivering its "town centre first" policy.

The Council considers that a threshold is required for extensions in this borough due to the limited number of large retail applications coming forward. There have been a number of applications for extensions to existing facilities including extensions in out of centre sites (e.g. the J Sainsbury store at Hampton Hill, the J Sainsbury store at Manor Road, Richmond and at Currys/PC World, Manor Road, Richmond), where their enlargement can have a significant impact on existing centres. Policies LP 25 and LP 26 seek to support centres in

the borough's centre hierarchy. Even relatively modest extensions can have an impact on smaller centres. Including a threshold allows the Council to properly take extensions into consideration when determining planning applications. In addition, it provides clarity for developers.

3. a. Does the Plan take an evidence based approach to the identification of key and secondary retail frontages (LP 26) which is suitably robust? Are these recognised in the Policies Map?

The Council has undertaken a careful review of designated frontages to ensure sufficient retail floorspace is provided to meet need whilst allowing for change, flexibility and enhancement of offer in centres. The amount of designated frontage also relates to the position of the centre in the retail hierarchy, the establishment of which is considered above in question 2.b. The Council used several research reports and a range of data sources in combination to identify key and secondary frontages:

- The Retail Study (SD-029) provides forecasts of additional retail floorspace needed for each of the 5 main centres. Site allocations are sufficient to meet this need. However, it is important to ensure that there is sufficient designated frontage to retain existing provision, especially where vacant units will contribute towards meeting need.
- Town Centre Health Checks (SD-030, SD-029 & SD-031) are important in establishing the performance of a centre, which has implications for the amount and type of designated frontage needed. Pedestrian flowcounts for the larger centres are included in the 2013 Town Centre Health Checks (SD-030). Footfall data are useful in identifying the core and more tertiary parts of centres, and can assist in identifying areas where designations should be reviewed.
- Annual Land Use data (see SD-032 for the latest Monitoring Report), including mapping and assessment of the pattern of existing uses (for example to establish whether retail predominates in certain frontages); and use of vacancy rates to assist in establishing whether the current level of designation resulted in unacceptable numbers of vacant units in a particular stretch of frontage, and hence the need to adjust the type and/or length of designated frontage.
- Distribution of Convenience Provision in London Borough of Richmond upon Thames: Identifying Gaps in Provision (PS-088) – this exercise identified centres which are particularly important in meeting local need because they serve residents more than 400m away from existing provision. It was therefore important that sufficient frontage was designated to fulfil this need. This research also took into account centres that served areas identified as being more disadvantaged, such as Hampton Nursery Lands and Castelnau. Major new housing commitments were also considered so that the amount of frontage could reflect future need.

- Location of Site Allocations – the development of (or the prospect of a significant development) can shift the focus of a centre and impact on the designation of frontages adjacent to and elsewhere in the centre.
- Consultation responses, including from community and business groups.

Designations were considered as part of the Local Plan Review process using land use and completions data to ensure that they remain appropriate, bearing in mind structural changes to the retail sector and the need to avoid long term vacancies and the stagnation of centres, and encouraging change and renewal. It was concluded that the existing designations are suitably robust and no changes are required as part of this Local Plan Review.

Designated frontages appear on the Policies Map (SD-020). The specific addresses of designations are set out in Appendix 4 of the Plan.

3. b. Does the Plan take a positive and justified approach towards retail activity in the Borough centres and towards local shops and services? Will LP 26 (A) prove inflexible in practice?

The Plan's policies are supportive of town centre vitality and viability and provide for customer choice and a diverse retail offer in line with paragraph 23 of the NPPF. The Council's justification for its retail strategy is set out in response to question 1 above. A firm approach towards resisting the loss of retail *in key retail areas* is justified because of local circumstances – the need for additional retail floorspace, limited site availability, demand for retail and the buoyancy of existing centres.

It is a long-established aim of the Council to provide shopping facilities and services within 400m of peoples' homes, considered to be a reasonable walking distance. Policies LP 25 and LP 26 deliver this aim by taking a 'centre first approach' and setting out a hierarchy of centres, by ensuring the amount and type of designated frontage is appropriate for each centre and by application of policies which are appropriate to the borough's buoyant centres. Research on the distribution of convenience provision in the borough (PS-088) has shown that there is a good spread of convenience facilities across the borough. However, Policy LP 26 protects viable A uses *where alternative facilities are not available within 400m*.

Policy LP26 (A) should not be considered in isolation. Instead, key and secondary shopping frontages should be considered as working in tandem, and also in conjunction with policy for

non-designated frontages. In key shopping frontages (KSF), covering 46% of units³, loss of retail is to be resisted. Secondary shopping frontages (SSF) (31% of units), are often designated adjacent to KSF and are considered the most appropriate location for valued complementary uses and where an appropriate level of diversification is encouraged. In such locations a wide variety of uses are acceptable, the Local Plan policy having been revised to include a wider range of uses than included in adopted policy DMTC3 DMP (see SD-016). Outside of designated frontages (23% of units) there is still further scope for change as any commercial or community use is acceptable. Designated frontages are carefully defined to ensure that the balance of uses in each centre provides for a sustainable and viable retail offer as well as providing opportunities for centres to diversify and develop, whilst meeting retail need. In secondary and non-designated frontages there are opportunities for new forms of enterprise to enhance customer choice. The combined policy approach is considered to be in accordance with paragraph 23 of the NPPF.

In addition, LP 26 clarifies the position in terms of existing non-shop uses in designated frontages, where further scope for change of use exists. Less than half of units are located in KSF, and analysis of the 2016 CLUS data reveals that approaching a third of these units (31.4%) are occupied by an existing non-shop use. In fact, only 31.3% of units in borough centres are A1 occupiers in KSF. Therefore should an occupier require a key position in the most central areas, considerable scope remains to do so through the operation of this easily implementable policy.

In fact, there is only one centre in the borough hierarchy where there is no scope for change of use (unless material considerations justify an exception to policy), which is a parade of local importance at Hospital Bridge Road, where all of the 5 units are occupied by A1 retailers providing essential goods for residents. Hospital Bridge Road has been identified as being an important centre serving residential communities more than 400 metres from alternative provision (PS-088).

In all of the other 35 centres there is scope for change of use either within designated frontages where there are existing non-shop uses and/or within secondary or non-designated frontages. Section 7 of the Appendix 1 provides figures on a centre-by-centre basis. It is of note that it is generally the smaller centres which have a higher proportion of KSF, where providing local top up shopping opportunities is vital. There is a correlation between those centres with a high proportion of KSF and those identified as being important for meeting local need (PS-088).

³ using the 2016 CLUS data as a denominator

Another aim of KSF is to foster a compact retail core which facilitates comparison shopping and helps to maintain a critical mass of retailers.

Furthermore, the buoyancy of centres, and in particular recent vacancy data, suggest that the retail frontage policy, which remains essentially unchanged from the existing policies (SD-015 and SD-016) and has been successfully implemented for many years, has been the correct approach to create vital and viable centres. The Council considers that the KSF is not overly restrictive. Vacancy rates in designated shopping frontages are in fact *lower* than in non-designated frontages (SD-032). There are few long term vacancies and units are generally re-occupied quickly. In the last 5 years up to the 2016 CLUS, 75% of vacant units in KSF were re-occupied when resurveyed the following year (See Section 3 of the Appendix 1).

It should be noted that not all vacant units are shops. Approximately 40% of vacancies in the borough were non-shop uses in 2016.

3. c. What evidence supports the Plan's intentions with regard to 'over concentration' of uses? Is this consistent with national policy and the London Plan?

Policy LP 26 (C) takes forward adopted policy. The Council considers that this policy approach is based on local evidence and specific circumstances and in line with the London Plan. It is important to consider the impact resulting from agglomerations of certain uses. The Council's approach is in line with paragraph 23, bullet point 3 of the NPPF which relates to the identification of designated frontages and the formulation of policies which clarify what is acceptable within them. London Plan policy 4.8 B (g) requires local policies to manage clusters of uses with regard to their impact.

Areas where further restriction applies (included in the table under section C of LP 26) are taken forward from adopted DMP policies (see SD-016), which have been successfully implemented since the DMP's adoption in 2011. These relatively small areas were identified through a joint project in collaboration with colleagues in the Council's Licensing Section. Both Licensing data and the Council's CLUS data were mapped allowing for agglomerations to be distinguished. It should be noted that this element of policy applies to only a limited number of properties in only 4 centres and relates to the A3, A4 or A5 use class (or combinations of) specific to particular areas.

As part of the Local Plan review process, 2016 land use data were mapped in order to review these areas. No changes were warranted to existing designations.

3. d. Does LP 26 allow for banks/building societies to locate reasonably in retail frontages?

The Council's approach is in line with paragraph 23, bullet point 3 of the NPPF which relates to the identification of designated frontages and the formulation of policies which clarify what is acceptable within them. As set out above, there are opportunities to locate in good positions in centres where there is high footfall, not least in key shopping frontage (KSF) where the existing lawful use is a non-shop use or in a secondary shopping frontage / non-designated frontage. Policy LP 26 (A) should not be considered in isolation. Sections A, B and E of Policy LP 26 work in conjunction with one another and together the approach provides for a sustainable and viable retail offer as well as providing opportunities for centres to diversify and develop in accordance with paragraph 23 of the NPPF.

Banks are included in the A2 Use Class in the GPDO, not the A1 Use Class. Although there may be retail elements to some banks, it is considered that they are more appropriately located in secondary shopping frontages which are mostly located adjacent to KSFs.

An Article 4 Direction that restricts change of use from A1 to A2 (SD-033) came into force in April 2017. The Council undertook specific and robust research to justify its approach (PS-089), which has been accepted by the Secretary of State. The Article 4 Direction does not apply across the whole borough, rather only to very specific areas within a limited number of centres.

3. e. Is LP 26 criteria F (2 years of marketing) and Appendix 5 justified?

The Council considers that the 2 year marketing approach is justified and reasonable for this borough. The inclusion of this requirement in policy and in Appendix 5 provides helpful clarification for applicants and assists in speeding up the process of determining planning applications. This requirement has been successfully implemented informally for many years (with the exception that the need for 2 years marketing is included in Subsection C of adopted policy DMTC3, relating to shops selling essential goods/services and post offices, see SD-016).

Research shows that despite structural changes to the retail sector, centres in the borough are generally healthy and viable, with vacancy rates well below the national average, falling in recent years. Vacant units are re-occupied quickly. There is also a need to provide additional retail floorspace over the plan period and a shortage of available sites.

Bearing this in mind, a 2 year period is considered appropriate to avoid short term fluctuations in demand, linked to periods of recession and ensure that the market has been fully tested. The 2 year period is considered to prevent inappropriate conversions to the highest value use over short timescales, where the market has not been properly tested, especially as residential land values in the borough are exceptionally high. A duration of 2 years allows adequate time for an active, comprehensive marketing campaign, viewings and expressions of interest, negotiation of lease terms, and possible viability assessments addressing refurbishments or modernisation. It is therefore considered that a 2 year marketing requirement, in the context of this borough where there are few opportunities for development and available sites are generally very limited, is in accordance with NPPF paragraph 174 because it allows account to be taken of economic cycles whilst at the same time providing for some flexibility for changes of use without affecting the delivery of development.

Appendix 1 – Technical Appendix

1. Nathaniel Lichfield & Partners, Richmond Retail Study

The Retail Study (SD-029) is the key document for assessing retail need. The Council considers it to be a robust assessment covering all the necessary elements referred to in the London Plan (paragraphs 4.42B & 4.43). It has been produced using accepted methodology by experienced professionals. A full telephone survey was used to identify shopping patterns.

It identified a modest requirement for additional retail floorspace - the projection for all Class A1, A3 to A5 uses totalling 21,700 sq.m gross by 2024. The Local Plan's Spatial Strategy includes this projection on a centre by centre basis.

Global forecasts were produced as well as those for the 5 main centres. The Study analysed the potential of individual sites and considered the capacity of individual centres. It concluded that the site allocations in the Local Plan were sufficient to meet need.

The Study included an audit of the main centres, which can be found in Appendix 5.

Further detail on the methodology can be found in Appendix 1.

Forecasts:

Table 1: Summary of Floorspace Projections 2024 (sq.m gross)

| Centre | Convenience | Comparison | Class A3/A4/A5 | Total |
|---------------|--------------------|-------------------|-----------------------|---------------|
| Richmond TC | 1,488 | 5,531 | 2,884 | 9,903 |
| East Sheen | 670 | 278 | 509 | 1,457 |
| Teddington | -131 | 1,180 | 1,013 | 2,062 |
| Twickenham | 670 | 1,588 | 923 | 3,181 |
| Whitton | -107 | 791 | 170 | 854 |
| Other LBRuT | 1,102 | 2,141 | 1,012 | 4,255 |
| Total | 3,692 | 11,508 | 6,512 | 21,712 |

Source: Nathaniel Lichfield and Partners, Richmond Retail Study, Nov 2014, Table 7.1
Compiled from Appendix 2, 3 and 4

Table 2: Convenience Goods Retail Floorspace Projections Net Sales (Gross)

| Location | Additional Retail Floorspace Sq.M Net (Gross) | | |
|--------------|---|----------------------|----------------------|
| | 2014 - 2019 | 2019 - 2024 | Total 2014 - 2024 |
| Richmond | 500 (700) | 500 (750) | 1,000 (1,450) |
| Twickenham | 200 (300) | 300 (400) | 500 (700) |
| Teddington | 0 | 0 | 0 |
| East Sheen | 200 (300) | 300 (400) | 500 (700) |
| Whitton | 0 | 0 | 0 |
| Other LBRuT | 100 (150) | 600 (850) | 700 (1,000) |
| Total | 1,000 (1,450) | 1,700 (2,400) | 2,700 (3,850) |

Source: Nathaniel Lichfield and Partners, Richmond Retail Study, Nov 2014 , Table 8.1

Table 3: Comparison Goods Retail Floorspace Projections Net Sales (Gross)

| Location | Additional Retail Floorspace Sq.M Net (Gross) | | |
|--------------|---|----------------------|-----------------------|
| | 2014 - 2019 | 2019 - 2024 | Total 2014 - 2024 |
| Richmond | 1,600 (2,100) | 2,500 (3,400) | 4,100 (5,500) |
| Twickenham | 500 (700) | 700 (900) | 1,200 (1,600) |
| Teddington | 300 (400) | 600 (800) | 900 (1,200) |
| East Sheen | 100 (150) | 100 (150) | 200 (300) |
| Whitton | 300 (400) | 300 (400) | 600 (800) |
| Other LBRuT | 600 (800) | 1,000 (1,300) | 1,600 (2,100) |
| Total | 3,400 (4,550) | 5,200 (6,950) | 8,600 (11,500) |

Source: Nathaniel Lichfield and Partners, Richmond Retail Study, Nov 2014 , Table 8.2

Table 4: Food and Drink Class A3 to A5 Floorspace Projections (Gross)

| Location | Additional Retail Floorspace Sq.M Net (Gross) | | |
|--------------|---|--------------|----------------------|
| | 2014 - 2019 | 2019 - 2024 | Total 2014 - 2024 |
| Richmond | 1,500 | 1,400 | 2,900 |
| Twickenham | 500 | 400 | 900 |
| Teddington | 600 | 400 | 1,000 |
| East Sheen | 300 | 200 | 500 |
| Whitton | 100 | 100 | 200 |
| Other LBRuT | 500 | 500 | 1,000 |
| Total | 3,500 | 3,000 | 6,500 |

Source: Nathaniel Lichfield and Partners, Richmond Retail Study, Nov 2014 , Table 8.3

2. Monitoring Report on Vacancy Rates 2016

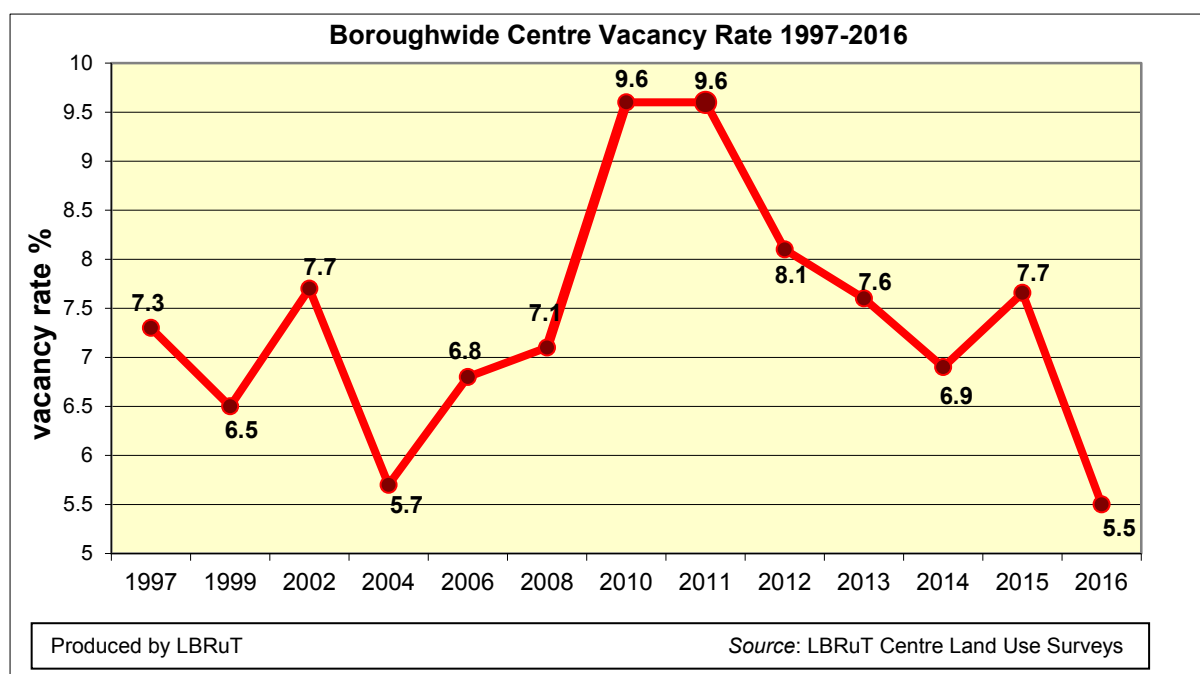
The Council undertakes a Centre Land Use Survey (CLUS) annually which is reported on via monitoring reports which form part of a series of documents making up the Authority's Monitoring Report (AMR). The CLUS covers c 2,500 properties and 38 centres. It has been undertaken since 1997. Analysis of this comprehensive data set, allows the Council to

assess change in the diversity of uses in centres, distinguishing between key, secondary and non-designated frontages. The monitoring reports concentrate on reporting on vacancy rates, considered a key indicator of centre health.

The key outcomes of the most recent Vacancy Report (2016) (SD- 032) are outlined below.

In terms of vacancy rates for all uses in all frontages:

- The overall number of vacant premises / outlets has fallen noticeably from the previous year. In total there were 133 vacant units borough-wide in 2016, compared to 186 in 2015, 168 in 2014, 183 in 2013, 195 in 2012 and 233 in 2011.
- At 5.5% the borough centre vacancy rate continues on a predominantly downward trend and remains very low compared to the national average of c.11.1%.
- 4.9% of units in designated frontages were vacant in 2016. Vacancy rates in designated shopping frontages are lower than in non-designated frontages.



The Survey also analyses data on shop vacancy rates (vacant A1 Use Class: retail, shops including retail services such as hairdressers and post offices as a proportion of all A1 occupiers). Key outcomes are as follows:

- There were 77 vacant shops recorded by the survey in 2016 in centres across the borough. Between 2015 and 2016 the number of vacant outlets has fallen by 36 from 113.
- In 2015, 8.8% of shops were vacant. The 2016 figures are significantly better than those for last year, with rates having fallen to just 6.1%.
- East Sheen and Twickenham have the largest actual numbers of vacant shops which reflects their size. While vacancies have risen marginally in East Sheen, the rate is in line with the average for this type of centre. Vacancies in both Richmond and Twickenham have fallen noticeably since 2015.

- Approximately 57.9% of all vacancies in the borough are vacant shops or retail services (within the A1 use class). Therefore a significant number of vacant units in the borough are not vacant shops, illustrating it is not only retailers who are operating in challenging conditions.

3. Re-occupation of vacant units

The CLUS data (2012-2016) were analysed to assess how quickly vacant units were re-occupied. Specifically, the percentage of vacant units which were re-occupied when re-surveyed the following year was calculated for selected larger centres. The CLUS is annual, and therefore units may be re-occupied at any time between surveys.

Overall, 69% of vacant units were re-occupied by the following year. There is some range in the data, but Richmond is notably high with 90% re-occupied when re-surveyed.

Table 5: Re-occupation of vacant units in selected centres

| Location | % of all vacancies in centre re-occupied by the following year |
|------------------------------------|--|
| Richmond | 90 |
| Teddington | 83 |
| East Twickenham | 69 |
| Whitton | 63 |
| St Margarets | 60 |
| East Sheen | 58 |
| Hampton Village | 50 |
| Twickenham | 49 |
| Average of selected centres | 69 |

Source: LBRuT Centre Land Use Surveys

4. Long-term vacancies

Long term vacancies are considered to be those units which are vacant for 2 years or more. In 2016, 18 of the 38 centres covered by the CLUS do not have any long term vacancies. Across the borough there were 37 long term vacancies, 6 of which were under refurbishment when surveyed. Only 1.5% of units covered by the CLUS are long-term vacancies.

Most centres have one vacant unit, if any. Of note are Twickenham Green and Hampton Hill, which both had 5 long term vacancies. Of these, 7 of the 10 were located in non-designated frontage.

Of all the long term vacancies, 20 – just over half – were shops, only 7 of which were located in a key shopping frontage.

Key shopping policy, which has been implemented for many years, has not resulted in a significant level of long term vacancies. Numbers of long term vacancies in KSF are in fact extremely small.

Table 6: Long term vacancies in borough centres

| Location | Units vacant for 2 years or more | % of units in centre |
|-----------------------|---|-----------------------------|
| Barnes | 1 | 0.79 |
| Teddington | 2 | 1.03 |
| Twickenham | 4 | 1.35 |
| St Margarets | 1 | 1.47 |
| Whitton | 2 | 1.50 |
| White Hart Lane | 1 | 1.79 |
| Richmond | 7 | 1.97 |
| Kew Gardens | 1 | 2.04 |
| Hampton Wick | 1 | 2.22 |
| Stanley Road | 1 | 2.22 |
| Sandycombe Road | 1 | 2.56 |
| Hampton Hill | 5 | 3.85 |
| Hampton Road | 1 | 4.55 |
| Ham Street/ Back Lane | 1* | 5.56 |
| Waldegrave Road | 1* | 6.67 |
| Nelson Road | 1* | 9.09 |
| St Margarets Road | 1* | 9.09 |
| Twickenham Green | 5 | 11.36 |
| Total | 37 | |

Source: LBRuT 2016 Centre Land Use Survey

Note: * identifies centres with less than 20 units, where the proportion may appear artificially high because of the size of the denominator

5. Benchmarking of town centres

Please see Sections 2.3, 3.3, 4.3 and 5.3 of SD-030 for more information on benchmarking.

a) Javelin Group's Venuescore

Venuescore is an annual ranking of the UK's retail venues. It evaluates each venue in terms of its provision of multiple retailers, including retail anchors, fashion operators and non-fashion multiples.

Richmond is ranked 9th out of all Outer London centres, and is the only 'major' centre as defined in the Mayor's Town Centre Network which is in the top 10 for Outer London boroughs. With the exception of the Kings Road, it has a higher Venuescore than any major centre in Inner London. This suggests that it competes well with higher order centres.

Table 7: Venuescores for selected centres 2017

| | Venuescore 2017 | National rank |
|------------------|-----------------|---------------|
| Richmond | 184 | 98 |
| Clapham Junction | 167 | 130 |
| Putney | 156 | 144 |
| Wandsworth | 139 | 170 |
| Hammersmith | 167 | 130 |

Source: Javelin Group. The higher the score, the more "successful" the centre.

Note: The higher the score, the more 'successful' the centre.

b) Harper, Dennis & Hobbs Vitality Index

This Vitality Index ranks all retail centres in Britain by quantifying the 'retail health' of each centre. Vitality is measured through: a combination of the proportion of up-market shops; the proportion of value-led shops; the vacancy rate, and the proportion of 'undesirable' shops – such as pawnbrokers, money lenders, and bookmakers. In addition, these variables are also compared to the demographic composition of the centre's catchment area and a greater score is given to areas whose retail mix is optimally adapted to the local community.

Richmond is ranked 7th in the whole of the UK. This particular index concentrates on ranking quality rather than quantity.

6. A1 floorspace completions

Table 8: Net loss or gain of A1 floorspace (GEA m2).

| Type of frontage | Net loss/gain (GEA m2) | | | | | |
|-----------------------------|------------------------|--------------|--------------|--------------|-------------|--------------|
| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | Total |
| Key Shopping Frontage | -518 | -595 | -706 | -616 | -81 | -2516 |
| Non-Designated Frontage | -938 | -550 | -707 | -541 | -425 | -3161 |
| Secondary Shopping Frontage | -952 | -520 | -398 | -425 | -458 | -2753 |
| Total | -2408 | -1665 | -1811 | -1582 | -964 | -8430 |

Source: LBRuT Decisions Analysis System

Table 9: Net loss or gain (GEA m2) – proposal resulting in loss of whole retail unit

| Type of frontage | Net loss/gain (GEA m2) |
|-----------------------------|--------------------------------------|
| | financial years 2012/13 to 2016/2017 |
| Key Shopping Frontage | -947 |
| Non-Designated Frontage | -1356 |
| Secondary Shopping Frontage | -1797 |
| Total | -4100 |

Source: LBRuT Decisions Analysis System

7. Capacity for change of use in centres, 2016

Table 10: Capacity for change of use in centres

| | % of units designated as key or secondary shopping frontage | % of units designated as KSF ⁴ | % of non-shop uses in KSF | % of non-shop uses in designated frontages (KSF & SSF) | % of non-shop uses all frontages (including non-designated frontages) | Important role in meeting local need ⁵ |
|------------------------------------|---|---|---------------------------|--|---|---|
| Richmond | 92.7 | 65.2 | 26.7 | 36.4 | 39.6 | |
| East Sheen | 71.8 | 26.1 | 57.9 | 48.3 | 45.4 | |
| Teddington | 89.7 | 60.0 | 32.5 | 39.4 | 42.1 | |
| Twickenham | 82.8 | 44.3 | 14.5 | 25.7 | 35.1 | |
| Whitton | 78.9 | 42.9 | 22.8 | 36.2 | 42.1 | |
| Barnes | 80.3 | 59.8 | 30.3 | 36.3 | 42.5 | |
| East Twickenham | 93.2 | 24.7 | 33.3 | 36.8 | 37.0 | |
| Hampton Hill | 58.5 | 22.3 | 37.9 | 17.1 | 13.8 | |
| Hampton Village | 57.0 | 34.2 | 29.6 | 42.2 | 41.8 | |
| Ham Parade | 79.1 | 69.8 | 36.7 | 38.2 | 41.9 | Yes |
| Kew Gardens | 79.6 | 46.9 | 34.8 | 38.5 | 42.9 | |
| St Margarets | 92.6 | 45.6 | 32.3 | 42.9 | 42.6 | |
| Castelnau | 92.0 | 92.0 | 56.5 | 56.5 | 56.0 | Yes |
| Friars Stile Road | 84.2 | 84.2 | 56.3 | 56.3 | 57.9 | Yes |
| Hampton Wick | 17.8 | 17.8 | 37.5 | 37.5 | 60.0 | Yes |
| Heathside (Powder Mill Lane) | 84.8 | 45.5 | 33.3 | 39.3 | 39.4 | Yes |
| Sheen Road | 34.8 | 19.6 | 33.3 | 25.0 | 52.2 | |
| Kingston Road, Teddington | 100.0 | 83.3 | 33.3 | 38.9 | 38.9 | Yes |
| Stanley Road, Teddington | 60.0 | 46.7 | 23.8 | 33.3 | 33.3 | |
| White Hart Lane (Barnes/ Mortlake) | 69.6 | 32.1 | 38.9 | 41.0 | 41.1 | |
| Ashburnham Road | 100.0 | 100.0 | 37.5 | 37.5 | 50.0 | Yes |
| Fulwell | 75.0 | 75.0 | 44.4 | 44.4 | 33.3 | |
| Ham Street / Back Lane | 94.4 | 72.2 | 38.5 | 41.2 | 38.9 | Yes |
| Hampton Nursery Lands | 36.4 | 36.4 | 50.0 | 50.0 | 36.4 | Yes |
| Hospital Bridge Road | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | Yes |
| Kew Green | 42.1 | 42.1 | 12.5 | 12.5 | 47.4 | |
| Kew Road | 85.7 | 0.0 | | 66.7 | 60.0 | |
| Lower Mortlake Road | 58.3 | 54.2 | 15.4 | 14.3 | 41.7 | |
| Nelson Road * | 100.0 | 100.0 | 27.3 | 27.3 | 27.3 | Yes |
| Sandycombe Road | 30.8 | 15.4 | 33.3 | 41.7 | 59.0 | |
| Strawberry Hill (north of A316) | 100.0 | 100.0 | 42.9 | 42.9 | 42.9 | |
| Twickenham Green | 40.9 | 40.9 | 38.9 | 38.9 | 45.5 | |
| Waldegrave Road | 93.3 | 66.7 | 30.0 | 42.9 | 46.7 | |
| St Margarets Road (north of A316) | 63.6 | 0.0 | | 42.9 | 36.4 | Yes |
| Whitton Road | 42.9 | 42.9 | 50.0 | 50.0 | 78.6 | |
| Average | 76.6 | 45.6 | 31.4 | 37.1 | 40.8 | |

Source: LBRuT, 2016 Centre Land Use Survey

Note- incorrectly called Kneller Road in PS-088.

⁴ KSF – Key Shopping Frontage as set out in policy LP 26

⁵ As identified in research to establish gaps in provision (PS-088).