# Hinckley & Bosworth Town and District Centres Study

Volume 1 — Main Report February 2017


on behalf of

Hinckley & Bosworth Borough Council

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# CONTENTS



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**For and on behalf of GVA Grimley Ltd**

# Executive Summary

## Introduction

GVA has been instructed by Hinckley & Bosworth Borough Council ('the Council') to undertake a 'Town and District Centres Study' for the Borough. The study will form part of the evidence base which will underpin the production of the Council's new Local Plan which will, upon adoption, set out a vision for and guide development in the Borough over the period to 2036. The Town and District Centres Study will be used to inform the retail and town centres policies in the new Local Plan, and assist in the determination of planning applications for new retail and commercial leisure development in the Borough.

The outputs of the study provide the Council with a clear strategy for its network of town and district centres to ensure that they remain attractive, vibrant centres over the course of the Plan period, fully able to meet local residents' shopping, leisure, services and cultural needs. Our study provides a robust evidence base which is fully compliant with the National Planning Policy Framework (NPPF), which the Council will be able to use to inform policy development and land use allocations.

## Policy context

In addition to being prepared in full compliance with the NPPF, the Study also has regard to key HBBC development plan documents. The Development Plan for Hinckley & Bosworth Borough Council covers the period 2006 – 2026, and consists of a series of documents setting out detailed policies and specific proposals for guiding development and land use within the Borough up to 2026. The Development Plan documents relevant to this study comprise:

- the Core Strategy (2009);
- the Hinckley Town Centre Area Action Plan (2011);
- the Earl Shilton and Barwell Area Action Plan (2014); and
- Site Allocations and Development Management Policies DPD (2016)

## Study context

The study has been prepared at a time when the retail and leisure sector is undergoing a period of substantial change, and trends which were in their relative infancy at the time of the Council's previous study (in 2007) such as online shopping are now an established part of many people's shopping patterns. The 'traditional' high street continues to face a number of challenges stemming from the impacts of the economic downturn, the tightening of retail spending in recent years, and continued significant changes in consumer shopping behaviour. There has been a return in confidence to consumer spending in recent years, which offers potential for strongly-performing town centres to capitalise on, although the most recent guidance from Experian suggests that this recent return to confidence is now being challenged by the uncertainty arising from the EU referendum vote in June 2016 — as well as other changes in the retail sector which we discuss below.

Many retailers are now concentrating their activities in larger, 'higher order' centres. This 'polarisation' of retailing is enabling larger dominant centres to continue to attract key flagship formats but can pose a particular challenge to smaller and medium-sized centres, where there are higher order centres in close proximity. Hinckley's proximity to higher-order shopping destinations such as Leicester, Fosse Park and (albeit to a lesser extent) Coventry and Birmingham is a good example of this.

The growth in online shopping, including multi-channel retailing, continues to act as tough competition for the high street, but also presents an opportunity for the high street to capitalise, by maximising the opportunities arising from services like 'click & collect', and retailers moving towards a seamless transition between store-based and virtual shopping experiences. The 'Click & Collect' market is the largest on-line growth sector in the UK at the current time.

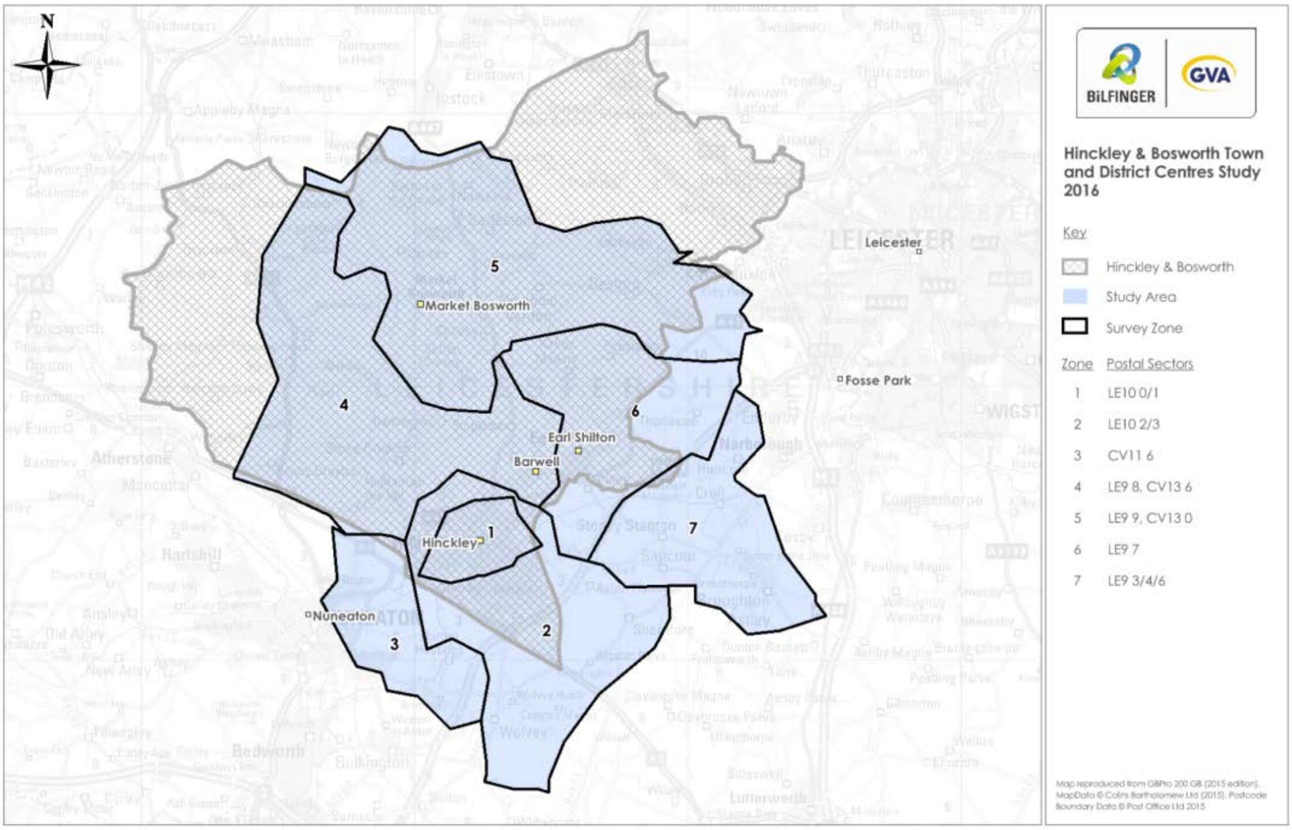
Town centre strategies which support the continued evolution of the high street are therefore considered ever more vital. This may involve providing a high quality shopping 'experience', maximising the benefits of tourist trade, and improving the mix of retail and non-retail outlets to increase length of stay and spend. Initiatives such as 'digitising' the high street – offering free Wi-Fi, click and collect hubs, and so on, are also important, as already identified by Hinckley's BID. Improvement of commercial leisure provision (both in terms of daytime uses such as cafes and evening uses such as cinemas, bars and restaurants) is a major opportunity which many town centres have embraced, as it increases dwell time, promotes 'linked trips' spending, and can increase the 'trading hours' of the town centre beyond those typically associated with retailers. The recent opening of the Cineworld in The Crescent supports this trend therefore, although the study identifies that there is a need for a broader range of supporting commercial leisure facilities such as cafes and restaurants, to further develop the evening economy.

Town centres should, therefore, seek to promote unique selling points which help to differentiate their offer from other centres, rather than trying to directly compete with larger / higher-order centres. These unique selling points may include, for example, leisure, heritage or tourism assets — Market Bosworth is an example of a centre which already is fulfilling this role well. Hinckley & Bosworth Borough Council have recently submitted a Townscape Heritage Initiative bid which seeks to enhance Hinckley town centre along these lines, with a first-round application submitted to the Heritage Lottery Fund in August 2016. It will also be important for robust place marketing strategies to be put in place to ensure such assets are fully capitalised on, and the Council should work with other groups such as Business Improvement Districts, Leicestershire County Council, Go Leicestershire and similar organisations to help promote the centres in the Borough.

## The sub-regional context

The Borough is surrounded by a number of 'higher-order' retail destinations which mean that loss of expenditure, particularly in terms of comparison (non-food) goods spending, is inevitable. Patterns of retail and leisure visits are not 'closed' systems, and residents are often prepared to travel longer distances, particularly for comparison goods shopping and leisure visits. It is therefore natural to expect a degree of expenditure loss to the network of centres surrounding the Borough; this is simply part of the retail hierarchy of an area. In order to establish where residents in the Borough are currently undertaking their shopping and leisure visits, a household telephone survey of shopping patterns was undertaken in support of this study, covering the area shown in **Figure A.**

***Figure A: Survey Area and Survey Zones for Town & District Centres Survey***

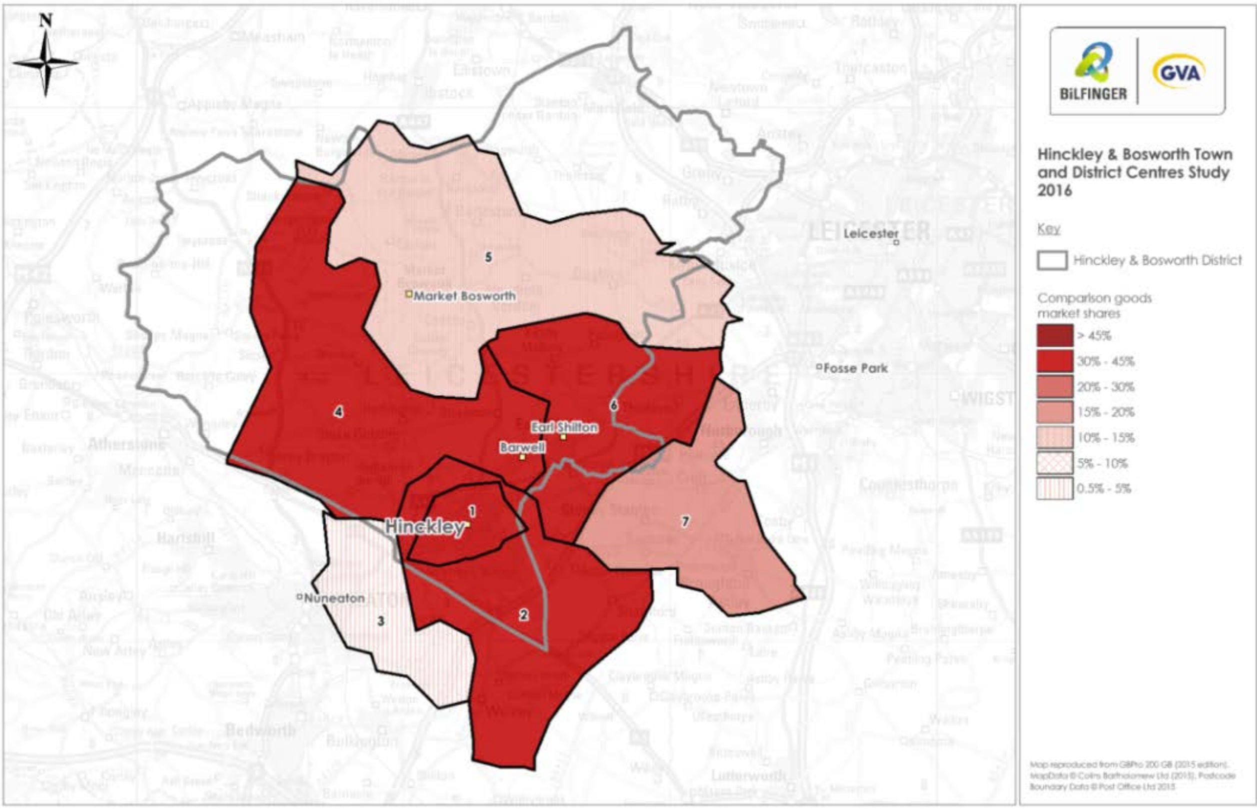



Hinckley town centre draws £114.5m of comparison goods spending from the survey area which we have used as the basis of our assessment, as shown above. The survey area is split into seven zones to allow an analysis of shopping and leisure patterns at a more localised level. This figure of £114.5m is equivalent to 26.0% of total available comparison goods expenditure. Retail warehousing in Hinckley (including non-food floorspace in foodstores) accounts for a further £39.3m of comparison goods spending from the survey area.

The comparison goods catchment area of Hinckley town centre is shown in **Figure B**, overleaf. This shows that Hinckley town centre draws a market share of 38.9% from its 'local' zone, zone 1. This is considered to be a reasonable performance, but one which could potentially be improved further if an improved retail offer were to be attracted to The Crescent (we discuss this further below). Hinckley town centre also draws a market share of 41.5% from zone 2 (which surrounds Hinckley to the north and south), plus a market share of 34.3% from zone 6, and a market share of 27.6% from zone 4. We would consider these four zones to represent Hinckley's 'primary catchment area'. Hinckley town centre also draws a market share of 18.2% from zone 7 and 10.4% from zone 5, and these areas can be considered to be Hinckley's secondary catchment area. In these areas, residents principally look to Leicester city centre and Fosse Park for their comparison goods shopping, but Hinckley town centre nevertheless picks up a limited market share.

The household survey results show that Hinckley town centre's market share has decreased slightly relative to the position at the time of the Council's previous retail study, in 2007, largely on account of the increased attractiveness of Leicester city centre as a shopping destination following the opening of Highcross in 2008. However, the recent opening of The Crescent is a positive development and ensures that the centre will be well-placed to withstand any further challenges to its market share over the course of the new Local Plan period.

***Figure B: Hinckley town centre comparison goods catchment***




*Source: household survey results*

Leicester City Centre draws £66.7m of comparison goods spend from the survey area; as noted above its attractiveness as a shopping destination has been enhanced since the 2007 Study on account of the opening of the Highcross development, which opened in 2008 and has introduced a number of high-profile comparison goods retailers to the city, such as John Lewis, Apple and Zara, alongside a new cinema and a strong restaurant offer. The leisure offer of the city centre has also been enhanced since the 2007 Study, with the aforementioned cinema/restaurants in Highcross being complemented by new theatre and independent cinema facilities in the Cultural Quarter. As a 'destination', Leicester city centre's appeal can therefore be considered to be significantly strengthened and this explains its enhanced attractiveness relative to the position at the time of the Council's previous study.

Fosse Park has also strengthened its influence over the survey area as a shopping destination, aided by the ease of access to the development via the M69. The recent opening of footfall-drawing attractors such as Primark at Fosse Park, plus its potential further expansion via the proposed Castle Acres development will consolidate and possibly further strengthen its influence over shopping patterns over residents in the survey area.

## The network of centres

To inform the findings and recommendations of the study we have undertaken 'health check' assessments of the four highest-order centres in Hinckley & Bosworth Borough — Hinckley town centre, and the smaller centres of Earl Shilton, Barwell and Market Bosworth. The scope of the centres in the Borough to be assessed were agreed with the Council at the inception of the project.

Our assessment of each centre is based on the 'vitality and viability' indicators for assessing the 'health' of a town centre as set out in the National Planning Practice Guidance (NPPG), and is based on a combination of our own assessments of the centre based on site visits undertaken in summer 2016, and secondary data sources such as Experian Goad, who produce 'Category Reports' showing the diversity of uses and vacancy rates in centres, CoStar Focus Commercial Property Database, and IGD, as well as information provided by HBBC and other sources such as Hinckley's Business Improvement District (BID) team.

For **Hinckley town centre** we draw the following key conclusions in terms of its current performance:

- The centre is for the most part performing well against the NPPG 'vitality and viability' indicators, although there are definite areas for improvement in the performance of the centre. The centre has a balanced retail mix, including representation from over 250 independent retailers.
- Castle Street continues, as was the case at time of the 2007 study, to form the heart of retail offer of the town centre, Castle Street benefits from particularly good levels of vitality and viability, particularly at its southern end, with a good operator mix and a low vacancy rate.
- The closure of the Co-Op department store at the top of Castle Street in early 2016 appears to have negatively impacted on footfall at the northern end of the Street, but positively the closure of this store presents an opportunity for new comparison goods floorspace to come forward.
- The Britannia Centre continues to form the focus of the retail offer on Castle Street but is dated and in need of redevelopment. As was identified in the 2007 Study, there is a need for investment in / upgrades of the Centre, and the Council should engage with the owners of the Centre to discuss their aspirations and opportunities for investment. Local planning authorities are also increasingly acquiring assets such as shopping centres in order to help shape the future development of their town centres.
- The opening of The Crescent is a positive step for the town, providing the town centre with modern floorspace and two strong 'anchor' operators in the form of a large Sainsbury's and Cineworld cinema. There is a need for further quality tenants to be attracted to the scheme: as the current offer is mostly orientated towards the discount / value end of the market, it tends to duplicate that which is already trading elsewhere in the town centre. Over time it would be beneficial to the wider vitality and viability of the town centre if a better quality of tenant were attracted, in particular a comparison goods 'anchor' store.
- Integration between The Crescent and the 'historic' town centre could be improved, and a more joined-up approach is necessary if the vitality and viability of the whole centre is to benefit from this development. There is a particular need to improve linkages to The Crescent from the Regent Street / George Street approach.
- The commercial leisure offer of Hinckley has been enhanced through the opening of Cineworld in The Crescent. A number of new restaurants have opened to complement this but there is scope for further improvement in the offer of the centre in this respect in order to increase the town centre's appeal as an evening economy destination.
- Operator demand is limited but there is demand from a number of foodstore operators (these are not necessarily town centre-specific requirements). The provision of further well-located modern comparison goods floorspace over the course of the Plan period may assist in increasing demand.

For **Earl Shilton** we draw the following key conclusions:

- Earl Shilton displays mostly positive signs of vitality and viability. The centre is anchored by a good-sized Co-Op store and there are a range of shopping and retail services which enable day-to-day local needs to be met.
- The majority of the offer in the centre comprises of independent operators.
- Most users of the centre visit the centre for food shopping, based on the findings of the household telephone survey.
- Earl Shilton has historically suffered from a high vacancy rate which has been above the UK average. However in the last couple of years it would appear the vacancy rate in the centre has decreased, which could possibly be a reflection of the fact that the average prime retail rents in the centre have also reduced in this time. The current vacancy rate is below the UK average.
- The environmental quality of the centre is for the most part reasonable, although the eastern end of the High Street has a noticeably weaker environmental quality than the rest of the centre and would benefit from investment / enhancement.

For **Barwell** we draw the following key conclusions:

- Barwell is a much smaller centre than Earl Shilton but nevertheless offers a range of day-to-day shopping and services. It is clear that the offer in the centre only caters for local needs.

- Much of the offer in the centre is given over to retail services such as hair and beauty salons, as well as convenience goods. The principal store serving the centre is a Co-Op foodstore on Stapleton Lane, and this store acts as the 'anchor' store to the centre.
- There are two opportunity sites in the centre – Barwell Constitutional Club and the Top Range Motors site – which are well located within the centre and offer opportunity for intensification/redevelopment. We have undertaken consultation with a number of foodstore operators with an identified requirement for representation in the Borough but they have identified these sites are not suitable for their current operational needs.
- The vacancy rate in Barwell is the highest of any centre in the Borough (at 13.8%, above the UK average) and this indicator needs to be closely monitored by the Council.
- The environmental quality of the centre is for the most part satisfactory, but there is potential for improvements to a number of shopfronts, particularly to the north of the High Street.

For **Market Bosworth** we draw the following key conclusions:

- We consider Market Bosworth to be displaying generally good levels of vitality and viability when assessed and the PPG indicators.
- It is apparent that the centre's performance is largely underpinned by a strong (for the size of the centre) pub / restaurant offer, capitalising on the centre's proximity to Bosworth Battlefield. The overall vitality and viability of the centre is likely to be underpinned by tourism to a greater extent than any other centre in the Borough.
- This popularity does appear to be causing some issues in terms of parking availability.
- The centre benefits from a good environmental quality and has just two vacant units at the time of our visit, which we understand have subsequently been let.
- Again reflecting its dual offer as a centre for meeting local needs much of the comparison goods offer is given over to specialist retailers, but there are facilities such as pharmacies also present in the centre.

## Comparison goods 'need'

The report assesses the 'need' for new comparison and convenience goods floorspace at the years of 2021, 2026, 2031 and 2036. In assessing the capacity for future comparison goods floorspace, it is important to note that forecasts becoming increasingly open to margins of error over time, and accordingly should be refreshed throughout the Council's new Local Plan period. Accordingly, the capacity figures identified for the period beyond 2026 should be considered indicative only.

***Table A: Comparison goods floorspace capacity, Hinckley & Bosworth Borough***

| | 2021 | 2026 | *2031** | *2036** |
|---|---|---|---|---|
| Comparison goods 'need' (sq.m net) – Hinckley & Bosworth Borough | 1,400 | 4,600 | *10,000* | *14,500* |

*Source: Table 8, Appendix I*
**Indicative only, subject to review. Figures are cumulative*

**Table A** shows that the Council will need to plan for up to **4,600 sq.m net additional comparison goods floorspace in the period to 2026, increasing to indicatively up to 14,500 sq.m net by 2036.** These forecasts are based on 'constant market shares', i.e. assuming that the current comparison goods shopping patterns will remain unchanged over the duration of the Plan period. Given the recent investment in Hinckley town centre, and coupled with the opportunity sites available in the town centre, we believe the Borough is in a strong position to retain comparison goods market share moving forward. However, it is recommended that a further refresh of the Borough's comparison goods 'need' is undertaken following opening of Castle Acres[1], if the planning permission is implemented, to fully assess the influence it has over the Borough's patterns of shopping and therefore the 'need' for new comparison goods floorspace the Borough needs to plan for.

[1] Any update should allow for trading patterns to the new Castle Acres development to become fully established before new survey works takes place. We would therefore recommend that a survey takes place at least one year after the full opening of the development. Even if this development does not proceed, it is advised that the Council update their capacity forecasts at frequent intervals throughout the new Local Plan period.

## Convenience goods 'need'

The Borough is served by a network of foodstores, and convenience goods shopping in the Hinckley urban area is mostly self-contained. The most popular foodstore in the Borough in terms of the turnover attracted from the survey area is the Asda store at Barwell Lane, Hinckley which attracts a convenience goods turnover of £36.4m. This is followed by Morrisons in Hinckley (convenience goods turnover of £30.9m), Aldi in Hinckley (£19.9m) and Tesco in Hinckley (£19.7m). Each of the stores are in an out-of-centre location in sequential terms. These four stores are all trading at around or slightly above company average levels, with the exception of the Aldi store which is trading at over double company average levels.

Based on a 'constant market share' (i.e. assuming that current patterns of convenience goods shopping remain unchanged), **Table B** shows that there is a **quantitative 'need' for an additional 3,400 sq.m net convenience goods floorspace for the period to 2026, increasing to 4,200 sq.m net (indicatively) by 2036.** This is a Borough-wide requirement; whilst expenditure growth in the convenience goods sector is forecast to be relatively limited, the fact that the majority of food shopping continues to be undertaken in 'bricks and mortar' foodstores, and as a consequence many of the foodstores in the Borough are currently over-trading, there is a positive requirement for additional convenience goods floorspace.

***Table B: Convenience goods floorspace capacity, Hinckley & Bosworth Borough (constant market share)***

| | 2021 | 2026 | *2031** | *2036** |
|---|---|---|---|---|
| Convenience goods 'need' (sq.m net) – Hinckley & Bosworth Borough | 3,200 | 3,400 | *3,700* | *4,200* |

*Source: Table 8, Appendix II*
**Indicative only, subject to review. Figures are cumulative*

## Commercial leisure assessment

Our study establishes that commercial leisure uses are playing an increasingly important role in the vitality and viability of centres by providing complementary uses that strengthen both the daytime and evening economies of a centre.

**Patterns of commercial leisure visits**

The most popular type of commercial leisure activity for residents in the survey area is visiting restaurants, with just under two-thirds of respondents (65.0%) stating they undertake this activity. When compared to similar studies we have undertaken elsewhere we note this to be a slightly low figure; typically between 70-80% of respondents state that they visit restaurants. This is likely to reflect that much of the survey area is largely rural in nature, meaning that some residents will have to travel some distance to visit these (and indeed many other) leisure facilities.

Just under half (48.8%) of residents visit the cinema. The Borough's provision has been significantly enhanced in respect of cinema provision since the opening of the Cineworld cinema as one of two anchors (the other being Sainsbury's) to The Crescent. The opening of this facility means that residents in Hinckley no longer need to travel to Leicester, Nuneaton or Coventry to visit the cinema. The new Cineworld now accounts for 50.8% of all cinema trips in the survey area, rising to 83.5% for residents in the Hinckley urban area (zone 1).

The Cineworld faces competition from some of the more rural parts of the Borough with the Vue cinema on the outskirts of Leicester at Meridian Leisure Park. This facility benefits from a ten-pin bowling facility, a number of restaurants, easy road access and free parking and is therefore strong competition to Hinckley town centre. We consider there is potential, however, for the Cineworld to increase its market share from these rural zones if aligned to a strengthened complementary town centre commercial leisure offer — particularly a better choice of family dining restaurants — to help enhance the overall appeal of Hinckley town centre as a commercial leisure destination. The Council may wish to consider measures such as free evening/off-peak car parking to act as a further stimulus to the creation of an 'evening economy' in the town centre.

The range of arts and cultural venues in the Borough is quite limited, but the Concordia is an important asset and almost one-quarter of all residents in the survey area state they visit this facility, increasing to almost 50% for the Hinckley urban area (zone 1). Aside from visiting the Concordia, residents in the survey area generally look towards Leicester city centre for their cultural visits, reflecting Leicester's role as a regional-scale cultural destination with a wide range of facilities.

**Expenditure growth in the commercial leisure sector**

By applying the Experian population projections (used as the basis of our retail capacity forecasts) to the most up-to-date per capita expenditure data on leisure spending (Experian, 2014), we can obtain an indication of the likely growth in leisure expenditure available to residents of the survey area. The amount of expenditure growth which is expected to come forward in the commercial leisure sectors of 'cultural services' (spending on cinema, theatre, museums, live music/entertainment and so on); 'recreation and sporting services' (admission to spectator sports such as watching football matches, for example) and 'restaurants and cafes' (spending in both restaurants and cafes, and spending on 'alcoholic drinks consumed outside the home' (i.e. in pubs and bars) and on take-aways) is summarised in **Table C.** It shows that the majority of commercial leisure growth will come forward in the restaurant and café sector, where growth in expenditure of £68.6m in the survey area is forecast between 2016 and 2036.

*Table C: Expenditure growth in key commercial leisure sectors, 2016-36*

| | 2016 (£m) | 2021 (£m) | 2026 (£m) | 2031 (£m) | 2036 (£m) | Change, 2016-36 (£m) |
|---|---|---|---|---|---|---|
| Cultural services | 42.7 | 46.4 | 51,1 | 56,2 | 62.6 | **+19.9** |
| Recreation & sporting services | 15.9 | 17.2 | 19.0 | 20.9 | 29.2 | **+7.4** |
| Restaurants & cafes | 147.3 | 159.9 | 176.1 | 193.9 | 215.9 | **+68.6** |

*Source: Experian Micromarketer. Figures for survey area.*

**Commercial leisure gap analysis**

As part of our commercial leisure assessment, we have undertaken a gap analysis of key commercial leisure facilities. We do not consider there to be a qualitative need for any further cinema provision in the Borough following the opening of the Cineworld facility. However virtually the entirety of the Borough falls outside the catchment area of existing 'family entertainment' facilities (such as ten-pin bowling, ice skating and so on), with the nearest facilities of this nature located in Nuneaton, Coventry and at Fosse Park, Leicester. This would point to a qualitative gap in provision and may present an opportunity for the Borough in terms of enhancing and diversifying its leisure offer.

## Borough-wide recommendations

Based on the findings set out above we make the following Borough-wide recommendations:

- **HB1** — The Council should ensure that the core retail functions of the town and district centres in the Borough are protected and, where possible, enhanced. Active uses on ground floor frontages should be encouraged throughout primary and secondary locations, ensuring that contiguous frontages are provided, and avoiding changes of use which break up the run of facades.
- **HB2** — The Council should plan for the below Borough-wide new comparison and convenience goods floorspace over the medium term period to 2026, and longer-term period to 2036:

**Comparison goods:** 4,600 sq.m net additional comparison goods floorspace by 2026, increasing to (indicatively) 14,500 sq.m by 2036.

**Convenience goods:** 3,400 sq.m net additional convenience goods floorspace by 2026, increasing to (indicatively) 4,200 sq.m net by 2036.

- **HB3** — The above floorspace figures should be reviewed at regular intervals throughout the Council's new Local Plan period, because economic circumstances and retailing trends can change, often over a short space of time. It is also recommended that a refresh of the comparison goods capacity is undertaken following the opening of

Castle Acres, if this permission is implemented, to establish the effect this has had on shopping patterns and therefore the 'need' for new floorspace[2].

- **HB4** — It is recommended that figures towards the end of the Local Plan period (i.e. beyond 2026) are considered indicative, and should be subject to review and updating throughout the Plan period. Key inputs into the quantitative 'need' assessment (such as population, expenditure growth rates, and levels of 'special forms of trading' such as online shopping) will invariably change according to economic fluctuations. In parallel, patterns of shopping and leisure visits will also continue to evolve as new development is brought forward across the wider sub-region in competing centres.
- **HB5** — Ensure a sufficient supply of suitable sites to meet the full extent of the quantitative 'need' outlined in Recommendation HB2. The 'need' for new floorspace should not be compromised by limited site availability. Floorspace should not be allocated to out-of-centre locations, in order to protect the vitality and viability of the network of town and district centres.
- **HB6** — The identification of sites to meet the retail (and commercial leisure) floorspace 'need' should be subject to the sequential test, and, in accordance with the approach set out in the NPPF and Council's adopted Core Strategy, be directed towards town and district centres in the first instance, followed by appropriate and well-connected edge-of-centre sites.
- **HB7** — Applications which seek to strengthen, diversify and enhance the commercial leisure offer of the network of centres in the Borough should be supported in principle but directed towards Hinckley town centre in the first instance as the highest order centre in the Borough.
- **HB8** — We do not consider there to be a qualitative need to plan for any additional cinema provision in the Borough over the course of the Plan period. Should any proposals for new development of this nature come forward, they should be directed towards Hinckley town centre in the first instance as the highest order centre in the Borough, and to support the wider vitality and viability of the centre.
- **HB9** — There is a qualitative absence of 'family entertainment' facilities in the Borough at present and the Council should consider applications which seek to deliver uses of this natures supportively in principle. Should any proposals for new development of this nature come forward, they should be directed towards Hinckley town centre in the first instance as the highest order centre in the Borough, and to support the wider vitality and viability of the town centre.
- **HB10** — In order to protect the vitality and viability of the Council's network of town and district centres, an impact assessment threshold of 500 sq.m (gross) should be adopted for all applications for retail and other 'main town centre' uses. This will help protect the network of town and district centres from inappropriate edge and out-of-centre retail development, ensuring that the local authority retains the greatest level of control during the decision-making process.
- **HB11** — Our performance assessment has demonstrated that the existing network of town and neighbourhood centres in the Borough are currently performing a role which is generally consistent with their Core Strategy classifications – that is to say, Hinckley as the highest-order 'town centre' with Earl Shilton, Barwell and Market Bosworth performing more localised functions. However, reflecting the fact that Earl Shilton is a larger centre than both Barwell and Market Bosworth (reflected in its greater comparison goods turnover, presence of a larger foodstore etc) there may be, aligned to the Council's regeneration aspirations for the centre, merit in introducing an additional hierarchy tier, as follows:

  - **Town centre**: Hinckley
  - **Large district centre**: Earl Shilton
  - **District centre**: Barwell
  - **Key rural centre**: Market Bosworth (subject to review)

  Such an approach would enable Earl Shilton becomes the principal centre serving the day-to-day shopping needs of the existing and new residential communities in the area, with Barwell retaining a more local shopping focus. It is recommended that Market Bosworth be retained as a 'key rural centre' but if an additional appropriately-scaled supermarket comes forward over the course of the Local Plan period there may be scope for Market Bosworth to be upgraded to a district centre.

[2] It is recommended that if the Council are minded to undertake a refresh of their capacity forecasts following the opening of Castle Acres, this is done after one year (or more) after the new development has commenced trading to enable shopping patterns to become fully established.

It should be noted that this hierarchy only includes the four centres which have been assessed as part of this study and the council will need to review the role and function of its remaining network of centres as part of its Local Plan or review process.

## Hinckley town centre recommendations

Our recommendations for Hinckley town centre are as follows:

- **HTC1** — Continue to support and facilitate appropriate growth on sites in Hinckley town centre in order to support and enhance its role and function as the highest order centre in the Borough and improve the attractiveness of the retail and commercial leisure offer. This is necessary to ensure that Hinckley town centre consolidates and potentially strengthens its market share against the offer of the competing centres in its catchment area, and will also deliver other benefits such as increasing 'dwell time' of users in the centre, and more 'linked trips' spending.
- **HTC2** — The core function of Hinckley town centre as a comparison goods shopping destination should be protected and enhanced. This should be achieved through development and implementation of robust frontage policies, which define the primary and secondary shopping frontages in Hinckley town centre. These policies will assist in ensuring that a 'critical mass' of retail floorspace, which is key to driving footfall and visitor numbers, is retained. Such an approach will also ensure the centre is as best placed as possible to withstand the potential increased attractiveness of nearby locations which compete for market share.
- **HTC3** — Hinckley town centre should continue to be the focus of the identified comparison goods capacity requirements of 4,600 sq.m net additional floorspace by 2026. This is consistent with the role and function of Hinckley town centre as the sole highest order centre in the Borough, and the need for continued investment and development in the centre to support and enhance its long term vitality and viability.
- **HTC4** — The Council should consider favourably proposals which seek to provide new comparison goods floorspace in Hinckley town centre. This could include modernisation/ amalgamation of existing units within the primary shopping frontage to provide larger-format floorspace which may be more attractive to higher profile operators.
- **HTC5** — Sub-division of existing units within the primary shopping frontage should be resisted, in order to meet the needs of multiple retailers and provide a critical mass of comparison goods retailing in order to drive footfall[3].
- **HTC6** — There is sufficient commercial leisure expenditure growth to support the development of additional new café/restaurant and other commercial leisure uses in Hinckley town centre, building on the recent openings which have taken place at The Crescent. Where possible these uses should be supported and encouraged across town centre (within secondary shopping frontages, but not in primary shopping frontages) to help facilitate the development of a vibrant evening economy.
- **HTC7** — More generally, applications which seek to enhance the range of complementary 'main town centre uses' in secondary shopping frontages and the wider town centre area should be supported in principle, particularly where they help to further diversity the offer/mix in the centre.
- **HTC8** — Applications for new retail development outside primary shopping frontage will need to have regard to the sequential and impact tests, as set out at paragraphs 24 and 26 of the NPPF. Applications for other 'main town centre uses' which are not within a defined town centre boundary will need to have regard to the sequential test.
- **HTC9** — We do not consider to be a need to plan for the development of a significant quantum of additional convenience goods floorspace in Hinckley town centre, following the opening of the Sainsbury's store at The Crescent. However there may be scope for a smaller-format convenience store (indicatively up to 500 sq.m net) in the Castle Street area, to replace the Co-Op food store which ceased trading and to address the fact that current convenience goods provision is all located at the southern periphery of the town centre.
- **HTC10** — The Council should seek to progress the redevelopment/reconfiguration of the Britannia Centre in the short to medium term, in order to assist in meeting the identified quantitative comparison goods 'need' for the Borough summarised in recommendation HB2. Any redevelopment should provide large-format, modern retail units and introduce a contemporary shopping environment.
- **HTC11** — Having acquired the site, the Council should seek to progress the redevelopment of the former Co-Op Department Store on Castle Street as a further opportunity to introduce modern large-format comparison goods

[3] We consistently recommend retaining larger units in a primary shopping frontage, particularly if there a low vacancy rate in the primary shopping frontage and opportunities for smaller/independent retailers to be accommodated elsewhere in the town centre. However, it is recommended that this recommendation is reviewed as part of any future refresh of the Council's retail and town centre evidence base, and if a concerning number of long-term vacancies begin to arise in the primary shopping area then an alternative approach could be considered.

floorspace into the primary shopping area. The existing buildings on the site suffer from a poor, dated experience and should, if possible, be replaced.

- **HTC12** — The Council should continue to invest and support the market in Hinckley town centre, as this provides an important complementary shopping role and footfall attractor.
- **HTC13** — The Council should seek to develop and implement a co-ordinated approach to public realm and wayfinding across Hinckley town centre to help unify the centre and enhance linkages between Castle Street and The Crescent, as well as to other facilities such as the new leisure centre and Council Offices. The wayfinding which has been introduced at The Crescent is of good quality and could be extended throughout the rest of the town centre. Better directional signage is also required between the railway station and bus station/rest of the town centre.
- **HTC14** — The Council should continue to invest in and seek to build on recent positive initiatives to make Hinckley a 'digital town centre' in order to help drive footfall and broaden the centre's customer base. Initiatives such as 'click and collect' points may provide future opportunities in this respect.
- **HTC15** — Allied to recommendation HTC11, a co-ordinated approach to place marketing and the promotion of special events in the town centre should be undertaken in conjunction with key stakeholders in the town centre, including the Hinckley BID, the Council, and the owners of The Crescent and Britannia Centre.
- **HTC16** – The council should consider amendments to the defined primary and secondary shopping frontages in Hinckley town centre, to reflect the opening of The Crescent, in line with the recommendations set out in Section 9 of this study. The council will also need to amend the Town Centre boundary of Hinckley town centre to reflect the opening of this development.

## Earl Shilton, Barwell and Market Bosworth recommendations

We make the following recommendations for Earl Shilton and Barwell:

- **ESB1** — The role and function of Barwell and Earl Shilton as district centres should be protected and enhanced over the course of the Council's new Local Plan period.
- **ESB2** — Allied to recommendation HB11, it is recommended that the Council consider classifying Earl Shilton as a 'major district' centre, as it performs an elevated role and function compared to that of Barwell (and also Market Bosworth).
- **ESB3** — The Council should not plan for the development of a significant quantum of additional comparison goods retail floorspace in the centres of Earl Shilton and Barwell. Development of significant additional floorspace would result in the centres' undertaking a role and function not in keeping with their classification as district centres.
- **ESB4** — The Council should seek to provide an additional convenience goods foodstore (indicatively, 1,500 – 2,000 sq.m net, i.e. of suitable size for meeting local residents daily and weekly shopping needs) in the Earl Shilton / Barwell area in the short-to-medium term, in order to assist in meeting the convenience shopping needs of the new residential communities, improve consumer choice and promote more sustainable shopping patterns. Reflecting Recommendation HB6, applications for new development which are not within a defined primary shopping frontage will need to demonstrate compliance with the sequential and impact 'tests'.
- **ESB5** — Applications which seek to enhance existing provision, or provide new retail floorspace appropriate in scale to the role and function of the centre should be supported in principle. Applications for the development of other 'main town centre' uses should also be supported in principle where they will make a positive contribution to the vitality and viability of the centre, providing they are of a scale appropriate to the role and function of the centre.
- **ESB6** — The Council should seek to ensure that Earl Shilton and Barwell district centres continue to meet a broad a range of day-to-day shopping needs as possible, and therefore applications which would result in a reduction in the number of units in the centre (and therefore a reduction in the diversity of uses) should generally be resisted.
- **ESB7** — The Council should develop and implement robust frontage policies, defining primary and secondary shopping areas in both centres. These policies will assist in ensuring that a 'critical mass' of retail floorspace — which is key to driving footfall — is retained in each centre.
- **ESB8** — Applications which seek to enhance the range of complementary 'main town centre uses' in secondary shopping frontages and the wider town centre area should be supported in principle, particularly where they help to further diversity the offer/mix in the centre.
- **ESB9** — The Council should continue to invest in enhancing the public realm and visual appearance of Earl Shilton and Barwell centres, in order to support their wider vitality and viability.

- **ESB10** — The Council should ensure that new residential communities which are expected to come forward on the edge of the Barwell / Earl Shilton should have satisfactory access to a range of day-to-day convenience and comparison goods shopping facilities within the new developments, in the form of a local centre/neighbourhood parades. It is recommended that a proportion of the identified comparison and convenience goods capacity requirements for the Borough are 'ring-fenced' to support these local shopping needs.

We make the following recommendations for Market Bosworth:

- **MB1** — The council should classify Market Bosworth as a 'key rural centre' in any future review of its hierarchy of centres. The role and function of Market Bosworth as a key rural centre should be protected and enhanced over the course of the Council's new Local Plan period. However, if additional convenience goods provision comes forward (see recommendation MB3) there may be scope to review the classification of Market Bosworth in the Borough's retail hierarchy.
- **MB2** — It is considered that the Council should not plan for the development of a significant quantum of additional comparison goods retail floorspace in Market Bosworth over the course of the new Local Plan period. Development of significant additional floorspace would result in the Market Bosworth undertaking a role and function not in keeping with its current classification as a 'key rural centre'.
- **MB3** — The Council should seek to provide an additional convenience goods foodstore (indicatively, 500 – 1,000 sq.m net) in Market Bosworth in the short-to-medium term, in order to promote more sustainable shopping patterns. Reflecting Recommendation HB6, applications for new development which are not within the defined primary shopping frontage will need to demonstrate compliance with the sequential and impact 'tests'.
- **MB4** — Applications which seek to enhance existing provision, or provide new retail floorspace appropriate in scale to the role and function of the centre should be supported in principle.
- **MB5** — Applications for the development of other 'main town centre uses', particularly commercial leisure uses such as cafes, restaurants and pubs, should also be supported in principle, as our assessment has confirmed these make a positive contribution to the vitality and viability of the centre. Applications for new development should only be supported where they are of a scale appropriate to the role and function of the centre.
- **MB6** — The Council should seek to ensure that Market Bosworth continues to meet a broad a range of day-to-day shopping needs as possible, and therefore applications which would result in a reduction in the number of units in the centre (and therefore a reduction on the diversity of uses) should generally be resisted.
- **MB7** — The Council should develop and implement robust frontage policies, defining primary and secondary shopping areas.
- **MB8** — Whilst Market Bosworth generally benefits from a strong environmental quality, continued investment should be made in enhancing this over the course of the Local Plan period in order to support its continued vitality and viability.
- **MB9** — Our assessment has identified that tourism plays an important role in the vitality and viability of Market Bosworth; as the centre benefits from close proximity to one of the area's key attractors, Bosworth Battlefield, support should be given to place-marketing and tourism strategies that co-promote the two locations.

## Monitoring and next steps

Our study has identified that the four centres in the Borough which this study has considered generally benefit from good levels of vitality and viability, although all four have areas where improvements or enhancements to provision are required in the short to medium term.

Prior to this study, the Council's previous retail capacity evidence base study was completed in 2007, almost a decade ago, and it is recommended that, moving forward, the Council updates its evidence base at more frequent intervals — particularly if developments come forward either within or surrounding the Borough which are likely to impact on comparison goods market share and therefore expenditure retention rates (such as the approved Castle Acres scheme for example). Other key data inputs into the capacity forecasts, such as expenditure growth rates and 'special forms of trading' rates (e.g. online shopping) are also frequently published, confirming the need for the Council to maintain an up-to-date retail evidence base.

# Main Report

# 1 INTRODUCTION

1.1 GVA has been instructed by Hinckley & Bosworth Borough Council ('the Council') to undertake a 'Town and District Centres Study' for the Borough. The study will form part of the evidence base which will underpin the production of the Council's new Local Plan which will, upon adoption, set out a vision for and guide development in the Borough over the period to 2036. The Town and District Centres Study will be used to inform the retail and town centres policies in the new Local Plan, and assist in the determination of planning applications for new retail and commercial leisure development in the Borough.

1.2 This study provides:

- A review of **relevant national and local planning policy i**n relation to retail and town centre development;
- An assessment of c**urrent and future market trends in the retail and leisure sectors,** including the influence of online shopping and other sectoral trends;
- An assessment of **existing retail and commercial leisure provision** (including 'evening economy' uses) in the network of town and district centres in the Borough (the scope of our information relates solely to reviewing the role and function of the centres of Hinckley, Earl Shilton, Barwell and Market Bosworth);
- A broad overview of the retail and commercial leisure offer and planned new developments in **key competing centres** such as Leicester (including Fosse Park), Nuneaton and Coventry;
- An updated **household telephone survey of shopping patterns** of residents in Hinckley & Bosworth Borough and surrounding areas, which also identifies patterns of leisure trips, and attitudinal responses in terms of likes and dislikes about the centres in the Borough which they use;
- An assessment of the effect which **the opening of The Crescent**, a major new retail / commercial leisure scheme in Hinckley town centre, has had on shopping patterns;
- Estimates on the growth in **comparison (non-food), convenience (food) and commercial leisure expenditure** over the period to 2036;
- Estimates of the **quantitative 'need' for new comparison and convenience goods floorspace** with the Council should plan for over the period to 2036, having regard to the NPPF requirement that local planning authorities must identify sufficient sites to meet identified needs in full;
- A high-level **consideration of opportunity sites** which could potentially accommodate the identified needs; and
- A series of **strategic recommendations** to help guide the formulation of retail policies in the Council's new Local Plan.

1.3 The outputs of the study provide the Council with a clear strategy for its network of town and district centres to ensure that they remain attractive, vibrant centres over the course of the Plan period, fully able to meet local residents' shopping, leisure, services and cultural needs. Our study provides a robust evidence base which is fully compliant with the National Planning Policy Framework (NPPF), which the Council will be able to use to inform policy development and land use allocations.

1.4 Our study has been informed by on-site and desk-based information-gathering, including site visits to each of the four centres which we have been instructed to assess. As noted above, further evidence is provided by way of an updated household telephone survey of shopping and leisure patterns across the Borough, and adjacent surrounding areas in which residents may look towards facilities in the Borough to meet their shopping and leisure needs ('the survey area'). The results of the household telephone survey can also be used to understand the extent to which centres surrounding the Borough are competing for spending with the network of centres within the Borough.

1.5 The extent of the survey area was agreed with the Council at the initial stage of preparation of this study, and reflects that which was used in the Council's previous retail capacity evidence base study (Hinckley & Bosworth Retail Capacity Study, Roger Tym & Partners, 2007). A plan of the survey area is provided at Plan I of Volume 2 (and is also set out at Figure 6.1 of this report). This study updates the findings of the Council's previous evidence base study (referred to as the '2007 Retail Capacity Study') in full.

## Structure of report

1.6 Our report is split into three volumes. This report forms Volume 1 to the study; Volume 2 sets out supporting plans and appendices and also a summary of responses received as part of an operator demand assessment undertaken alongside this main study; Volume 3 provides the household telephone survey data (prepared by NEMS Market Research). The remainder of this report (Volume 1) is structured as follows:

- **Section 2** sets out our review of national, strategic and local planning policies relevant to retail and leisure planning;
- **Section 3** considers national trends in the retail sector, and in particular the implications of recent economic growth and technological advances which are impacting on shopping habits;
- **Section 4** considers the wider study context, identifying the most popular shopping destinations for residents in the survey area, the key competing centres surrounding the Borough, and the extent to which these centres influence the shopping patterns of residents;
- **Section 5** reviews the composition, role and function of current shopping and commercial leisure provision in Hinckley town centre and the three smaller centres of Earl Shilton, Barwell and Market Bosworth, through 'health check' assessments, as well as reviewing out-of-centre shopping provision in the Borough. In this section we also set out a summary of operator demand for representation in the Borough following a targeted consultation exercise undertaken in support of this study (full details of which we set out at Appendix III to Volume 2);
- **Section 6** sets out our approach to calculating retail capacity, including definition of the household telephone survey area and discussion of approach to the household telephone survey;
- **Section 7** sets out the quantitative 'need' for additional convenience (food) and comparison (non-food) retail floorspace in the Borough over the Council's new Local Plan period to 2036;
- **Section 8** sets out our review of commercial leisure provision within and outside the Borough, and draws conclusions on the quantitative and qualitative need for additional commercial leisure facilities;
- **Section 9** provides a review of the Council's defined primary and secondary shopping frontages in Hinckley town centre, as well as providing commentary on a suggested retail hierarchy for the Borough; and
- **Section 10** draws our analysis together and set out conclusions, strategic guidance and recommendations on future change and growth in the Borough's network of centres.

## Key terms

1.7 A glossary of key terms which are used throughout this study is appended to the rear of Volume I.

# 2 PLANNING POLICY CONTEXT

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

## National policy context

### National Planning Policy Framework (NPPF), 2012

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

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

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

- Recognise town centres as the heart of their communities and pursue policies to support their viability and vitality;
- Define a network and hierarchy of centres that is resilient to anticipated future economic changes;
- Define the extent of town centres and primary shopping areas, based on a clear definition of primary and secondary shopping frontages in designated centres and set policies that make clear which uses will be permitted in such locations;
- Promote competitive town centres that provide customer choice and a diverse retail offer which reflect the individuality of town centres;
- Retain and enhance existing markets and, where appropriate, re-introduce or create new ones, ensuring that markets remain attractive and competitive;
- Allocate a range of suitable sites to meet the scale and type of economic development needed in town centres. Where town centre sites are not available, LPAs should adopt a sequential approach to allocate appropriate edge of centre sites;
- Set policies for the consideration of proposals for main town centre uses which cannot be accommodated in or adjacent to town centres;
- Recognise that residential development can play an important role in ensuring the vitality of centres; and
- Where town centres are in decline, plan positively for their future to encourage economic activity.

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

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

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

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

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

### National Planning Practice Guidance (NPPG) (2014)

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

## Local policy context

2.8 The Development Plan for Hinckley & Bosworth Borough Council covers the period 2006 – 2026. The Development Plan consists of a series of documents setting out detailed policies and specific proposals for guiding development and land use within the Borough up to 2026. The Development Plan documents relevant to this study comprise:

- the Core Strategy (2009);
- the Hinckley Town Centre Area Action Plan (2011);
- the Earl Shilton and Barwell Area Action Plan (2014); and
- Site Allocations and Development Management Policies DPD (2016)

2.9 The policies saved under Paragraph 1(3) of Schedule 8 of the Planning and Compulsory Purchase Act 2004 from the Local Plan (2001) are a material consideration.

### Hinckley & Bosworth Core Strategy (2009)

2.10 The Core Strategy sets out the overarching strategy and core policies to guide the future development of the Borough up to 2026. Whilst the Core Strategy does not set out a clear settlement hierarchy for the Borough, it identifies the four main settlements to be Hinckley, Earl Shilton, Barwell and Burbage[4], with Hinckley the largest of these centres and having a 'sub-regional' role (reflecting its classification at the time of the then-adopted East Midlands Regional Plan). The Core Strategy sets out measures to revitalise Hinckley's town centre, identifying under-performance as a sub-regional centre due to a lack of investment, poor quality public realm, a low retail and cultural offer, vacant property, and limited night time economy. Having identified the shortcomings in the town centre, the Council developed a strategy to improve the area.

2.11 Within Hinckley, the Council support the development of approximately 21,100 sq.m (net) of new comparison goods floorspace, primarily located in a redeveloped Britannia Centre and an additional 5,300 sq.m (net) convenience goods floorspace (Policy 1). These figures are sourced from the Council's previous Retail Capacity Study (from 2007) which this study seeks to update.

2.12 The Core Strategy sets out that both Earl Shilton and Barwell District Centres will be supported for regeneration, including public realm improvements, while not competing with Hinckley town centre (Policies 2 and 3). Meanwhile, Market

[4] We have not been asked to consider the role and function of Burbage as part of this Study, however the Council has requested consideration of Market Bosworth, which is identified by the Core Strategy as a 'Key Rural Centre'

Bosworth is a lower order centre, whereby new retail development should support local need and not have a detrimental impact on Hinckley town centre (Policy 7).

### Site Allocations and Development Management Policies DPD (2016)

2.13 The Site Allocations and Development Management Policies DPD identifies sites for uses such as housing, employment, retail, open space and community facilities. Delivering the aims of the Core Strategy, it also contains planning policies used to assess applications over the plan period to 2026.

2.14 The DPD identifies that all applications for the provision of new 'main town centre uses' (as defined by the NPPF[5])will be required to adhere to sequential approach for locating sustainable town centre uses, with Hinckley town centre, district centres or local centres as the first location for new town centre uses (Policy DM21). In maintaining high levels of design and to ensure local distinctiveness, the Borough Council will grant planning permission for new and refurbished shop fronts (Policy DM23).

### Hinckley Town Centre Area Action Plan (2011)

2.15 The Area Action Plan for Hinckley town centre forms part of the Development Plan, setting out the statutory planning policy for new development in the Hinckley town centre. The Action Plan aims to bring together a collection of documents to form an overall vision for the centre. The 2007 Retail Capacity Study identified an under performance of the centre, due to a high 'leakage' of activity to other centres that could be retained in the centre, enhancing Hinckley as a sub-regional centre; the Area Action Plan therefore responds to a number of these identified challenges.

2.16 Most of Hinckley's retail floorspace is concentrated along Castle Street, Regent Street, and Station Road. The Area Action Plan identifies that measures to improve the centre's environmental quality have been undertaken, including the pedestrianisation of Castle Street. Spatial Objective 3 identifies a need to increase and improve the range of retail provision in the town centre to support Hinckley's role as a sub-regional centre.

2.17 Further to this, the Area Action Plan aims to enhance the town centre's image to developers, retailers, residents and visitors (Strategic Objective 4). Policy 4 identifies new comparison retail located at the Britannia Centre/Castle Street would improve the focus within Hinckley and additionally improving the frontage and connectivity of the centre, building on one of the key recommendations of the 2007 Retail Capacity Study. Public realm improvements will be sought through developer contributions and partner organisations, to enable pedestrian priority routes, pavement widening, and environmental quality measures.

2.18 The Stockwell Head area is identified within the Area Action Plan as having potential for redevelopment and the AAP contains a policy to help guide this. While the site is not within the town centre boundary, its proximity to it means that development of the site could have an impact on the town centre. This site currently includes a mix of uses including the Concordia Theatre, Working Men's Club, Baptist Chapel, a residential terrace overlooking Baptist Walk, offices, industrial premises, car parking and retail outlets. Policy 2 of the AAP contains aspirations to provide, among other things, mixed use development containing office and commercial floorspace and residential units to the east of Baptist Walk, as well as car parking facilities, and these aspirations are supplemented through allocations within the Site Allocations DPD (as mentioned above).

### Earl Shilton and Barwell Area Action Plan (2014)

2.19 The Area Action Plan covers the existing settlement areas of Earl Shilton and Barwell and, in addition, areas proposed for urban extensions. The AAP sets out the scope for new residential development to come forward in the town, as these centres will act as the focus for new housing growth in the Borough over the Council's new Local Plan period. The Area Action Plan identifies that the retail offer in the urban extensions should provide local convenience retail and not detract from the District Centres (Policies 9 and 15).

### Market Bosworth Neighbourhood Development Plan (2014)

2.20 A Neighbourhood Development Plan for Market Bosworth was published in 2014. It identifies the areas in Market Bosworth where residential growth should come forward, and sets out strategies for other key issues identified in the consultation process undertaken as part of the preparation of the Plan, such as maintaining, enhancing and conserving

[5] The NPPF (Annex 2) defines 'main town centre uses' as including "retail development (including warehouse clubs and factory outlet centres); leisure; entertainment facilities/more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, night-clubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).

the character and historic environment of Market Bosworth; improving pedestrian access to the railway and canal corridor; improving communications (broadband and mobile network) and better managing traffic flow and congestion. There are no policies contained within the Plan of direct relevance to the outputs of this Study.

### Conservation Areas

2.21 A conservation area is an area of special architectural or historic interest, whereby the designation recognises the unique quality of an area as a whole. Within the Borough is 28 designation conservation areas and the centres of Hinckley town centre, Barwell and Market Bosworth all have defined conservation areas.

2.22 Hinckley town centre was first designated as a conservation area in 1986 and extended in 1998. The conservation area appraisal identified the key issue to relate to the inclusion of negative buildings, which are buildings that do not relate to the historic context of the area. Castle Street is identified as a particularly weak location for the built environment. In close proximity to the town centre conservation area are two additional designations – Hollycroft and Druid Street conservation areas; although neither directly relates to Hinckley town centre as defined in policy terms.

2.23 Barwell includes two separate conservation areas (‘Area A’ and ‘Area B’). Area A is relevant to this study as it covers the entirety of the centre, excluding the retail units to the north of High Street (Stapleton Lane and Chapel Street). The High Street is recognised in the appraisal as a key street within the town, although the conservation area contains several modern developments which appear out of context with the historic streetscape of Barwell.

2.24 Market Bosworth conservation area covers the whole of the defined centre, with the designation declared in 1974. The street scene is emphasised by the traditional shop fronts, signage and street furniture. The conservation area’s historic character has remained largely intact with limited intrusion from more recent development. The designated centre comprises entirely of listed buildings and important local buildings.

### Existing Evidence Base

2.25 As set out in Section 1, this Study updates the findings of the Council’s previous retail evidence base, which comprise:

- Hinckley & Bosworth Borough Retail Capacity Study (2007); and the
- District, Local and Neighbourhood Centre Review (2014).

2.26 The Hinckley & Bosworth Borough Retail Capacity Study (Roger Tym & Partners, 2007) (henceforth, ‘the 2007 Study’) identified Hinckley Town Centre to be healthy, with a good representation from national multiple retailers. The Town Centre had a low vacancy rate, with no concentrations of vacant units, and good levels of footfall. Nevertheless, the Study identified room for improvement in, most notably, the clothing retail sub-category. In addition, the town centre included a limited convenience goods offer and only a single department store - the Co-Op Home and Living. Since the 2007 study was completed, this store was subsequently closed.

2.27 The 2007 Study identified that only 32% comparison expenditure of residents of the ‘catchment area’ used as the basis of the study was being retained in Hinckley. The main outflows (or ‘leakage’) of comparison expenditure were to Fosse Park, Leicester city centre, and Nuneaton town centre.

2.28 The 2007 Study set out a number of opportunities for meeting the needs of Hinckley town centre for the location of future retail development, in particular:

- At least one substantial development scheme to provide units of the right size, configuration and trading environment to attract the retailers missing from Hinckley.
- Development of the Britannia Centre/Castle Street to develop the floorspace of the town centre significantly.
- An extensive Bus Station/Brunel Road area development to accommodate a significant retail-led scheme (this has subsequently been implemented as The Crescent).

2.29 The District, Local and Neighbourhood Centre Review (2014) identified Earl Shilton and Barwell to be performing better than the Council’s previous review, undertaken in 2012, with vacancy rates decreasing in both centres. Although the vacancy rates have improved, the neighbourhood centres have remained the position as the centres with the greatest level of vacant units. The regeneration of the centres are supported by the Council, reflected in both the Core Strategy policies and the Earl Shilton and Barwell Area Action Plan (both reviewed above). Market Bosworth retained a zero per cent vacancy rate.

# 3 STUDY CONTEXT

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

## A return to growth, but a slowing recovery

3.1 The 2007 Study was undertaken at a time of strong economic growth, but this was subsequently followed by a severe economic downturn which impacted on people's spending patterns and constrained levels of economic growth. Analysis published by Experian identified that following several years of subdued performance, including the period of recession; a 'strong economic upswing' subsequently took place, driven by increases in consumer spending and business investment.

3.2 In their Retail Planner Briefing Note (November 2016), Experian comment that the pace of economic growth has lessened since 2014 and this is likely to continue in the short term:

*'The UK recovery has continued into 2016. However, there has been some moderation to the pace of upswing since 2014… the recovery has become increasingly reliant on consumer spending as investment has slowed. The near term outlook has become more uncertain following the UK referendum vote in June 2016 in favour of leaving the EU. While the economy has thus far proved resilient, the vote has created major uncertainties, which are expected to take a toll on business sentiment, investment and hiring plans over the coming year'.*

3.3 In terms of terms of future projections of consumer spending, Experian's outlook is cautious, stating that:

'*We expect consumer spending to begin to weaken over 2017, suffering from higher inflation in the wake of the steep fall in the sterling's exchange rate since the referendum. Wage growth remains modest and is likely to be overtaken by higher inflation, which in turn will constrain spending power'*.

3.4 Experian conclude that *'the outlook for the next two years for the UK economy has weakened significantly following the Brexit vote'*. In the medium term, Experian consider that *'the repercussions of the recession and the implications of the EU referendum vote are set to hamper economic progress for a few years. Much will depend on the outcome of trade negotiations and terminating involvement with the EU. These negotiations could take several years to conclude, and in the meantime, uncertainty over the final deal is expected to constrain business confidence and investment plans'.* Experian forecast a return to somewhat stronger levels of growth, particularly in terms of opening on non-food goods, from 2019.

3.5 There has therefore been a return in confidence to consumer spending in recent years, which offers potential for strongly-performing town centres to capitalise on, although the most recent guidance from Experian suggests that this recent return to confidence is now being challenged by the uncertainty arising from the referendum vote in June 2016 — as well as other changes in the retail sector which we discuss below.

## Changing Retailer Space Requirements

3.6 During the recession retailers' margins were squeezed, whilst other costs have continued to rise and a raft of multiple and independent retailers have either collapsed or significantly shrunk their store portfolios in recent years. The growth of the internet means that retailers no longer need stores in every town to achieve national coverage, and many are therefore focusing their development programmes on the provision of large flagship stores in strategic locations, supported by smaller satellite stores and transactional websites. Many operators are continuing to close stores in less-profitable, smaller locations as leases expire.

3.7 The larger flagships accommodate full product ranges whilst smaller stores offer more select ranges, sometimes supplemented by internet kiosks allowing access to the full range. This offers many advantages to retailers including lower property costs, more efficient logistics and being able to open stores where there is a high level of demand despite there being space restrictions. This 'polarisation' of retailing is enabling larger dominant centres to continue to attract key flagship formats. This can pose a particular challenge to smaller and medium-sized centres, where there are higher order centres in close proximity. Hinckley's proximity to higher-order shopping destinations such as Leicester, Fosse Park and (albeit to a lesser extent) Coventry and Birmingham is a good example of this.

3.8 An often inevitable consequence is that smaller and medium-sized centres (such as Hinckley) become home to more, value-orientated retailers – Poundland, Wilko, Primark and so on – who are more reluctant to pay the rental costs associated with higher-order centres, and, much in the same way that Woolworths previously did, are developing a comprehensive network of coverage in smaller towns, often by being able to acquire prime retail sites at relatively competitive rates. Hinckley town centre in some ways encapsulates this trend — the centre has a strong representation from the more value-orientated retailers, but lacks representation from many ‘mainstream’ operators such as Marks & Spencer, Next or H&M.

3.9 The exception to the above trend is smaller centres which have an existing upmarket / specialist retail offer which was less affected by the economic downturn, and therefore fewer opportunities for value retailers to take space have materialised. This has enabled centres such as Market Harborough, Marlow, Henley-on-Thames, Horsham and Sevenoaks, for example, to continue to perform strongly throughout the economic downturn, by offering a curated, specialist retail offer often centred around an upmarket clothing, homewares, and casual dining offer. Typically these centres also offer a strong historical setting and environmental quality which increases their attractiveness as ‘destinations’ (a point we discuss further below).

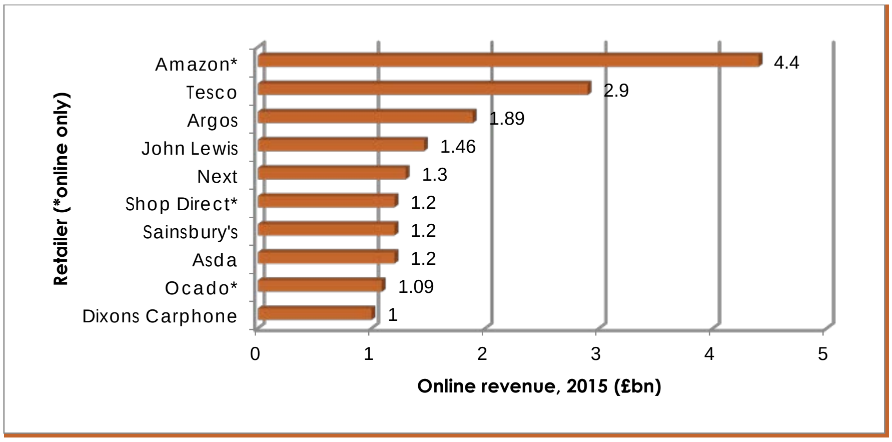
## Internet Growth & Multichannel Retailing

3.10 The online shopping population is reaching saturation, and any future growth in the market is likely to come from increased spend driven by new technology, a better ‘browsing’ experience and improved delivery options. In other words, in percentage terms the proportion of the population who wish to/intend to participate in online shopping is unlikely to get significantly higher than it currently is – however the proportion of total spend which people are expected to undertake online is expected to continue to increase. The growth in online sales has previously raised concerns about the continued need for bricks and mortar stores; however trends indicate that online and in-store shopping channels are becoming increasingly blurred as a consequence of emerging trends such as ‘Click & Collect’.

3.11 The ‘Click & Collect’ market is the largest on-line growth sector in the UK at the current time. It is forecast to be one of the most significant drivers of growth, with expenditure set to grow by 82% between 2014 and 2019 to £6.5bn (Verdict 2014). Verdict comment that ‘*the importance of Click & Collect should not be underestimated. Maintaining a store network that can offer locality, whilst also having highly informative websites to drive growth, is now a fundamental requirement’*. It can be used as an important tool in helping town centres to continue to have an important role and function, by being a footfall generator in its own right.

3.12 A number of national retailers who are trading in Hinckley town centre operate ‘Click & Collect’ facilities, with examples including Sainsbury’s, Boots and Wilko. It is noteworthy that of the top ten online retailers in 2015, seven have a physical presence on the UK High Street, and all of these offer ‘Click & Collect’ facilities (**Figure 3.1**). Of these seven, three — Sainsbury’s, Argos and Dixons Carphone (trading as Carphone Warehouse) are currently trading in Hinckley town centre, whilst both Tesco and Asda trade elsewhere in the town. Despite being a relatively new concept for the retail sector to embrace, ‘Click & Collect’ is therefore affirming that physical stores can continue to have a role in the multichannel shopping environment. Increasingly, local shops and newsagents are also offering ‘Click & Collect’ facilities, using networks such as CollectPlus, which partners with brands such as ASOS, John Lewis and House of Fraser to deliver online orders to a network of 6,000 local shops across the country, and convenience stores operated by Nisa, Spar and Costcutter.

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




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

## The role of the town centre

3.13 The town centre has been the main shopping channel for centuries, but in the face of new forms of e-tailing (i.e. online shopping) and m-tailing (shopping through mobile phones, tablets and so on) competition many centres will need to continue to adapt in order to remain viable shopping destinations. This may include initiatives which 'blur the lines' between physical and online retail; Hinckley town centre was, for example, the town first centre in the country to install free Wi-Fi across the town centre, in a move that has been replicated by many other centres.

3.14 Across the UK, footfall decreased in High Street locations during the final quarter of 2015[6], emphasising the need for centres to offer a broad a range of uses as possible to assist in driving footfall. Centres increasingly need to be locations for leisure and social activities as well as traditional retailing, offering a broad range of uses which includes bars, restaurants, cafes, cinemas and community spaces. The contribution this broad range of uses can make to town centre vitality and viability is established in a number of recent studies, such as the Portas Review. Recent and planned town centre schemes in smaller centres such as Loughborough, Wokingham, Bracknell, Addlestone, Dover and Stratford-upon-Avon all include a significant commercial leisure element as part of their offer. Reflecting this trend, the recently-opened Crescent scheme in Hinckley town centre also includes a commercial leisure component, as we discuss below.

3.15 However, our health check assessment of Hinckley town centre (Section 5) confirms that, away from the Crescent, there remains an under-provision of some commercial leisure uses, particularly family dining restaurants, in Hinckley town centre, which means that footfall, particularly outside of retail trading hours, is not as strong as it could potentially be.

3.16 Centres which can offer a unique/specialist retail and leisure offer which cannot be matched online are also likely to continue to perform strongly. Enhancing the non-retail offer so town and district centres function as more than just retail locations will help drive footfall and increase dwell time.

3.17 Town centres should, therefore, seek to promote unique selling points which help to differentiate their offer from other centres, rather than trying to directly compete with larger / higher-order centres. These unique selling points may include, for example, leisure, heritage or tourism assets — Market Bosworth is an example of a centre which already is fulfilling this role well. Hinckley & Bosworth Borough Council have recently submitted a Townscape Heritage Initiative bid which seeks to enhance Hinckley town centre along these lines, with a first-round application submitted to the Heritage Lottery Fund in August 2016. It will also be important for robust place marketing strategies to be put in place to ensure such assets are fully capitalised on, and the Council should work with other groups such as Business Improvement Districts, Leicestershire County Council, Go Leicestershire and similar organisations to help promote the centres in the Borough.

3.18 It is also important that town centres are made as accessible as possible, with affordable car parking, ease of access by frequent and reliable public transport (both during the daytime and to support the evening economy), as well as investment in public realm and place-marketing initiatives.

## The convenience sector

*Sainsbury's, Hinckley*

3.19 The convenience goods market has witnessed a fundamental change in shopping patterns in recent years, as smaller-format 'convenience' stores such as Sainsbury's Local, Tesco Express, Co-Op, Marks & Spencer Simply Food and Little Waitrose have grown store numbers. For example, the number of Sainsbury's Local stores (now approaching 800 in the UK) has overtaken the number of full-line Sainsbury's stores, whilst Marks & Spencer have recently confirmed plans to close 30 underperforming full-line stores but seek an additional 200 smaller food-only stores by 2019. A number of the company's existing outlets will also

[6] Source: British Retail Consortium, January 2016

be converted to food-only sales.

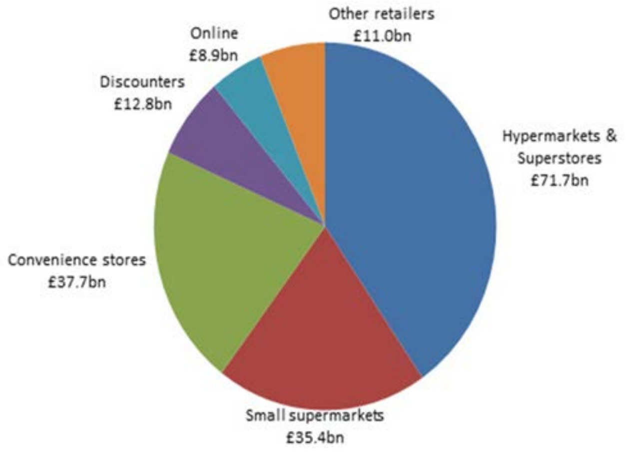
3.20 The main foodstores (i.e. the 'big four' – Asda, Morrisons, Sainsbury's and Tesco) have responded to these changes by reigning in substantial expansion of their estates, particularly in terms of larger-format superstores. Both Tesco and Morrisons announced a closure programme of underperforming stores in 2015, and further store closures were announced by Morrisons in 2016, although we are not aware of any foodstores in the Borough which have been affected by these scaling back of operations. Tesco have also ceased 24-hour trading at a number of their largest stores.

3.21 The combined spread of convenience store openings, online grocery sales, and the expansion of 'deep discount' retailers such as Aldi and Lidl has fundamentally changed consumer shopping behaviour. Both Aldi and Lidl have gained market share for a number of consecutive years, largely at the expense of the 'big four', and are pursuing a development programme of opening new stores, as well as refurbishing older stores. There has also been growth at the 'premium' end of the convenience goods market, with both Waitrose and M&S Food growing store numbers (although neither operator is currently represented in the Borough).

3.22 The chart below (**Figure 3.2**) shows the composition of the convenience goods sector in 2015, based on data collected by The Institute of Grocery Distribution (IGD). IGD estimate that the UK grocery market was worth £177.5bn in 2015, and of this 'convenience stores' (defined by IGD as stores under 3,000 sq.ft net) claiming £37.7bn of this (21.2%). However, as Figure 3.2 shows, notwithstanding the unquestionable growth in the popularity of 'convenience' stores, most of the food shopping spend is still accounted for by larger-format stores — £71.7bn was spent in 'hypermarkets and superstores' (stores over 25,000 sq.ft net), and a further £35.4bn in 'small supermarkets' (stores between 3,000 and 25,000 sq.ft net). Research published by Opinium in December 2015 found that 67% of main UK households still undertake a weekly main shop — although this figure falls to 46% for the 18-35 age group[7].

3.23 There is still therefore clearly a role for the larger-format store to play in convenience goods shopping, and indeed the results of the household survey confirm that these remain the principal format of convenience goods shopping for the Borough, but more widely speaking operators are opening smaller format stores than was the case at the time of the Council's previous evidence base studies, (although the large new Sainsbury's store in Hinckley town centre could be considered an exception to this trend).

*Figure 3.2: UK grocery market spending, 2015*




*Source: IGD UK Grocery Market and channel forecasts 2015-20. Data is for year to 31st March 2015.*

3.24 Operators with 'hyper-market' format stores (over 60,000 sq.ft net) are, in some cases, seeking to introduce concessions or sub-lets to make better use of excess space. For example, some branches of Sainsbury's are introducing concessions of Argos and Habitat into their stores following the company's acquisition of the latter two brands in 2016, and branches of Tesco Extra include either concessions from other Tesco-owned brands, or other fashion retailers such as Burton and Dorothy Perkins.

[7] http://www.mycustomer.com/selling/ecommerce/supermarkets-how-have-consumer-shopping-habits-changed

3.25 These examples confirm that there remains appetite from foodstore operators to open new stores where suitable opportunities arise, although the size of foodstores being committed to is generally less than has previously been the case. We expect the 'big four' retailers to be significantly more selective in committing to new sites, and to instead focus on programmes of enhancements and upgrades to their existing store network where this is considered to be needed.

## Out-of-Centre Retailing

3.26 Retailers are opting to develop stores in the most strategic and cost effective locations, with a notable resurgence of out-of-centre destinations, which offer the benefits of lower rents, larger retail units and in most cases, free car parking. According to Verdict, out-of-town retailing is the only form of retailing which has seen store numbers increase consistently since 2000. The Department for Business, Innovation and Skills (BIS) reports that the number of out-of-centre stores has increased by up to c.1,800 (25%) since 2000.

3.27 The recovery of market confidence which took place since 2013 benefited out-of-town retailing. Vacancy rates have fallen, footfall has increased, and many retailers are seeking expansion in out-of-centre locations. A number of these are traditional town centre retailers which have developed out-of-town store formats, including John Lewis, which now operates a number of 'At Home' stores in prominent out-of-centre locations, as well as other traditionally 'high street'-focussed retailers such as Debenhams, Next, Primark and H&M. Hinckley & Bosworth Borough has relatively little in the way of out-of-centre comparison goods retailing, barring two small retail parks on Hawley Road and Stoke Road, the former of these being a new addition to the town's retail offer since the 2007 Study.

3.28 As we set out in the following section, much of the Borough benefits from easy access to the Fosse Park development on the western edge of Leicester, which is one of the largest retail parks in the country. Many retail park owners are also refurbishing their retail parks; i.e. public realm, walkways, car parks, signage, landscaping and seating to enhance the visitor experience, and indeed a series of improvements of this nature have recently been completed at Fosse Park. Planning permission has recently been granted for additional retail floorspace at Fosse Park, by way of development known as Castle Acres, which we discuss further in the following section.

## Commercial Leisure

3.29 Leisure time is a precious commodity to consumers and in order to maximise free time, research suggests that town centre visitors often combine leisure activities as part of an overall going out experience. Reflecting this trend, as we have set out above, leisure is becoming an increasingly important component in town centre regeneration schemes, particularly in secondary towns which, reflecting the wider trends in the retail sector previously identified, are in some cases becoming less attractive as retail destinations.

3.30 The economic downturn brought mixed fortunes for the **restaurant secto**r. The main casualties were from the more exclusive end of the market, as well as smaller companies with less established brands. Many companies owning multiple brands expanded throughout the economic downturn and continue to trade well, often by offering heavy promotions and discounts. In recent years, expansion in the restaurant sector has been driven by 'casual dining' operators such as Byron, Giraffe, GBK, Wagamama, Carluccios, Pizza Express and so on – although as mentioned above, whilst Hinckley town centre has attracted a small number of these restaurants as part of the development of The Crescent, there remains an under-representation of these type of operators in the centre.

3.31 The **coffee shop sector** remains buoyant; there are now approximately 16,500 coffee shops across the country. Recent analysis shows that the UK's coffee shop sector remains one of the most successful in the nation's economy and will continue to expand. Operators such as Costa are now a High Street staple (there are two branches in Hinckley, for example) whilst the independent coffee shop sector is also growing store numbers.

3.32 The **pub industry** suffered during the recession with a record number of pub closures across the UK as a direct consequence of a decline in both drinks sales and rental revenues. This decline continues today, at a rate of approximately 30 pub closures per week across the country. Many pubs have in recent years been converted to small-format convenience stores. Additional factors such as competition from supermarkets, changes to licensing legislation and the smoking ban have further compounded the problems faced by many operators. Similar to the foodstores, however, value led brands such as JD Wetherspoon have achieved sales growth in recent years and continue to expand. In London, the popularity of specialist pubs offering craft beers and local ales also remains strong, and this is a trend which is now becoming popular in other urban areas.

*Cineworld, Hinckley*

3.33 The **health and fitness sector** continues to perform strongly as the social trend involving the maintenance of personal health and fitness shows no sign of abating. The health and fitness market is currently being expanded through investment by value and budget operators such as Easy Gym, Gymbox and Pure Gym. This new breed of venues aims to appeal to a wider market with flexible, low cost monthly or 'pay as you go' subscriptions. These facilities are usually located in high-footfall, in or edge of centre locations, often as part of a wider leisure offer. A new budget gym facility has recently taken space at The Crescent.

3.34 The **cinema** market is also continuing to perform strongly, and in recent years has overtaken foodstores as a typical 'anchor' to new town centre development schemes. As of June 2016, there are 316 cinema multiplexes operational in the UK. Both major cinema operators (e.g. CIneworld, Odeon) and smaller/independent operators (e.g. Curzon, Everyman) continue to open new developments — and Importantly, cinema operators are willing to consider openings in smaller town centres, particularly when a development can also incorporate complementary 'family dining' restaurants such as Nando's, Pizza Express and so on, as well as coffee shops, enabling them to act as leisure 'destinations' in their own right. For example, Cineworld has opened eight new sites since 2015, including in The Crescent, and other in market towns such as Loughborough; Odeon has opened fewer new sites (six since 2012) but also continues to open in smaller centres, such as Llanelli and Trowbridge.

# 4 THE SUB-REGIONAL CONTEXT

**In this section we set out the sub-regional context within which the centres in the Borough operate. This is a particularly important consideration in the case of this study, as the Borough is surrounded by a number of 'higher-order' retail and leisure destinations which mean that loss of expenditure, particularly in terms of comparison goods spending, is inevitable, on account of the trends set out in the previous section, most specifically the strength of the comparison goods offer in the surrounding 'higher order' centres.**

4.1 Patterns of retail and leisure visits are not 'closed' systems, and residents are often prepared to travel longer distances, particularly for comparison goods shopping and leisure visits. It is therefore natural to expect a degree of expenditure loss to the network of centres in the surrounding area; this is simply part of the retail hierarchy of an area.

4.2 In order to establish where residents in the Borough are currently undertaking their shopping and leisure visits, a household telephone survey of shopping patterns was undertaken in support of this study. Further details of this, including the definition of the 'survey area' which has formed the basis of our assessment, is provided in **Section 6**. To summarise, the household survey identified that the locations which represent the key competitors for centres in the Borough in respect of comparison goods spending are **Fosse Park, Leicester city centre, Nuneaton, Coventry, Birmingham, Tamworth and Coalville**[8]. However, in terms of overall comparison goods turnover, Hinckley town centre is the most popular comparison goods shopping destination for residents in the survey area.

4.3 In the remainder of this section we summarised the retail and commercial leisure offer in each of these competing locations and, where relevant, planned developments which could potentially impact on the future 'market share' they attract from residents in the survey area we define in Section 6. We then follow this with an assessment of the centres of Hinckley, Earl Shilton, Barwell and Market Bosworth in the following section. Plans of the catchment areas of all of the above-listed competing destinations (as well as for Hinckley) are provided in Volume 2 to the study, which show from which parts of the survey area each destinations draws trade. **Table 4.1** provides a summary of the Venuescore[9] Retail Ranking and comparison goods turnover of each of the above-listed key competing centres, as well as the equivalent figures for Hinckley town centre.

*Table 4.1: Retail rankings and comparison goods trade draw summary*

| Centre/Location | Local planning authority | Venuescore Retail Ranking 2014 | Comparison goods trade draw from survey area (£m) |
|---|---|---|---|
| **Hinckley town centre** | **Hinckley & Bosworth** | **356** | **114.5** |
| Fosse Park | Blaby | 74 | 102.6 |
| Leicester city centre | Leicester | 17 | 66.7 |
| Nuneaton town centre | Nuneaton & Bedworth | 121 | 59.0 |
| Coventry city centre | Coventry | 62 | 18.0 |
| Birmingham city centre | Birmingham | 4 | 4.0 |
| Tamworth | Tamworth | 261 | 3.8 |
| Coalville | NW Leicestershire | 526 | 2.8 |

*Source: Venuescore Retail Rankings (for rankings data) / Table 5a, Appendix I (for comparison goods trade draw figures)*

[8] All destinations which claim over 2.0% of comparison goods spend are listed – other locations which draw minor amounts of comparison goods spend (e.g. destinations in Rugby) are not listed,

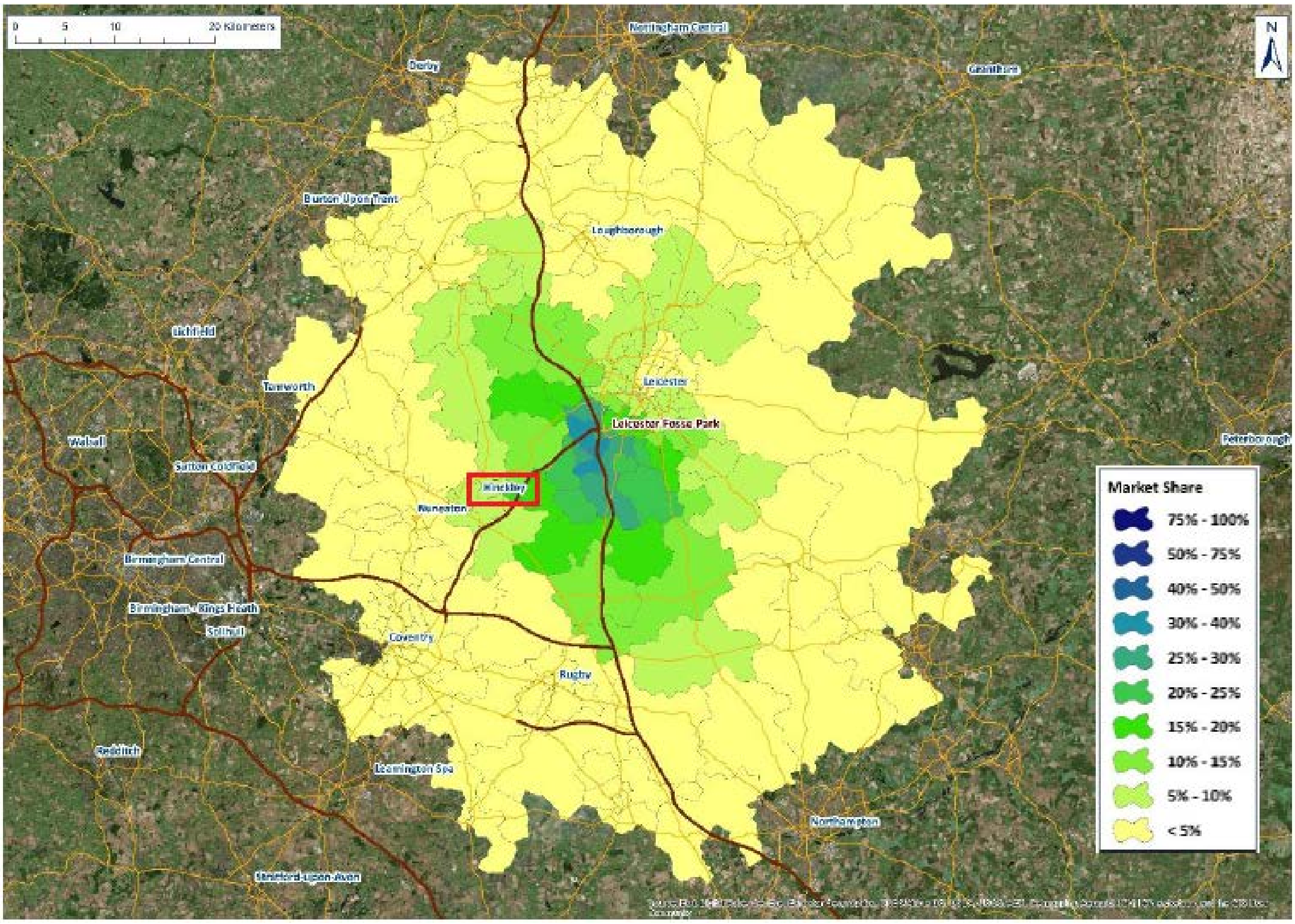
[9] Venuescore is an annual survey compiled by Javelin Group, which ranks the UK's top 3,500+ retail venues (town centres, stand-alone malls, retail warehouse parks and factory outlet centres), based on a number of factors including scale of offer, presence of key attractors/ 'anchor' stores and market positioning (a 'lower' market position indicates a value/discount-orientated retail offer, whilst an 'upper' market positioning indicates an upmarket/quality/exclusive retail offer). In reality, most centres fall within the 'upper middle', 'middle' or 'lower middle' market positions, depending on how diverse the quality of their retail mix is.

## Fosse Park

Venuescore Retail Ranking: **74** | Comparison goods trade draw from survey area: **£102.6m**

4.4 Fosse Park is approximately 11 miles from Hinckley, located on the western edge of the Leicester urban area, and is easily accessible from the M69 (which links Hinckley/Coventry with Leicester) and M1 motorways. It draws £102.6m of comparison goods spend from the survey area, and is the key competing destination for comparison goods shopping with Hinckley town centre. Fosse Park is the third largest retail park in the UK in terms of total comparison goods 'spend potential' (source: Harper Dennis Hobbs Retail Park Rankings 2016), with a catchment area that extends across all of Leicestershire, and north as far as the southern fringes of Derby and Nottingham, southwards towards Northampton, and westwards to include Rugby, Nuneaton and Coventry (see **Figure 4.1**; Hinckley shown highlighted for context).

***Figure 4.1: Fosse Park overall catchment area***




*Source: Harper Dennis Hobbs Retail Park Rankings 2016*

4.5 Much of the offer at Fosse Park is fashion/high street-led. The development is split into two areas – Fosse Park North and Fosse Park South. Fosse Park North is anchored by a large Marks & Spencer store, plus branches of Next, Outfit, River Island, Office, JD and New Look, confirming its fashion-orientated focus. Primark have recently commenced trading having acquired a unit previously occupied by BHS. Fosse Park South is more traditionally 'bulky goods' in nature, and includes branches of Argos, Currys/PC World, DFS, Next Home and Harveys. There is also a range of café/restaurant facilities in Fosse Park North, although these are relatively limited.

4.6 Fosse Park forms the hub of a concentration of out-of-centre retailing activity, which also includes a large Asda store to the north of Fosse Park and a Sainsbury's store (which has been extended subsequent to the 2007 Study) at Grove Farm Triangle (see context plan, **Figure 4.2**).

*Figure 4.2: Fosse Park area context plan*


4.7 Separate to Fosse Park but also easily accessible for many residents in the survey area is Meridian Leisure Park, on Lubbesthorpe Way. This development includes a Vue cinema, Hollywood Bowl, David Lloyds health club, and restaurants such as Nando's and Chiquito.

## Castle Acres

4.8 Of significance to the findings of this study are the approved proposals for a sizeable extension to Fosse Park known as Castle Acres. This application will involve the demolition and relocation of the Everards Brewery building to the south of the Fosse Park development (see Figure 4.2) in order to facilitate the construction of a flagship Next store plus further retail units (including a second 'anchor' unit on the opposite side of the development). The application was granted planning permission by Blaby District Council in November 2016.

4.9 The total amount of proposed floorspace at Castle Acres is 31,335 sq.m, of which the majority (26,205 sq.m) will be class A1 retail floorspace. The development will also include 830 car parking spaces. We anticipate that the proposed development will cement the Fosse Park area as one of the most substantial concentrations of out-of-centre retail floorspace in the country. The applicants estimate that the proposed development will achieve a comparison goods turnover of £103.45m in 2020, by when the development is expected to be completed — it is estimated that £1.65m of this turnover will be diverted from Hinckley town centre (equivalent to a 2% 'impact' on the comparison goods turnover of Hinckley town centre, based on the applicant's retail impact assessment). A further £0.16m (at 2020) would be diverted from out-of-centre retail developments in Hinckley. We have factored these assumptions into our calculation of quantitative comparison goods 'need' which the Borough will need to plan for, as set out in **Section 7** of this study.

*CGI of proposed Castle Acres development, Leicester*

## Leicester city centre

Venuescore Retail Ranking: **17** | Comparison goods trade draw from survey area: **£66.7m**

4.10 Leicester is approximately 14 miles from Hinckley. The comparison goods offer in Leicester city centre is strong, with the city ranked in 17th position nationally in the most recent Venurscore Retail Rankings (2014) and identified as having a 'middle' range retail offer by Venuescore. The Highcross development in Leicester city centre opened in 2008 (and thus after the completion of the 2007 Study) and has attracted a strong tenant mix, anchored by John Lewis, and also including high-profile stores such as Apple, Zara, Next, Urban Outfitters, H&M, Topshop/Topman, and so on. Substantial investment has been made in recent years by Hammerson, the owners of Highcross, to create a dining quarter to complement the retail offer, and the development has attracted Bill's, Byron, Chimichanga, and a number of other high profile operators. A Showcase Cinema DeLuxe anchors the leisure offer at Highcross.

4.11 The wider city centre also continues to have a strong retail offer, although it is clear that the 'centre of gravity' of the retail offer now orientates around Highcross, representing a key change from the position at the time of the 2007 Study. Other key retailers in the centre include large branches of Marks & Spencer and Primark. It has recently been announced that another department store in the city centre, Fenwick, will be closing down.

4.12 Significant investment has also been made to the public realm in the city centre through the 'Connected Leicester' initiative, which seeks to improve pedestrian connectivity between different quarters in the city centre, removing barriers to movement and the dominance of vehicular traffic in parts of the centre, with the aim of better linking the retail, leisure and cultural assets in the city centre


*Highcross, Leicester*

4.13 The cultural offer in Leicester city centre has also been enhanced significantly in the last decade; much of this has been focused on the development of a Cultural Quarter on the eastern side of the city centre. This includes the Rafael Viñoly-designed Curve theatre, which opened in 2008. The theatre has a total capacity of 1,300 and attracts a number of high-profile touring productions. The nearby Phoenix cinema, art gallery and café opened in 2009 and shows independent and mainstream cinema releases, as well as offering space for 37 creative businesses. Leicester City Council is currently in the process of introducing more start-up spaces for creative businesses in the Cultural Quarter.

*Curve theatre, Leicester*

4.14 We are not aware of any plans for significant further expansion of the retail offer in the city centre, although the redevelopment of the former Leicester City Council offices site as an office and residential-led scheme (which will also include a small amount of retail floorspace) will introduce new footfall into the city centre upon completion. However, the city will invariably have its own retail needs to plan for and therefore it is likely that additional retail and leisure floorspace will come forward in the city centre over the period of the Council's new Local Plan which will further strengthen and consolidate the current offer.

## Nuneaton

Venuescore Retail Ranking: **121** | Comparison goods trade draw from survey area: **£59.0m**

4.15 Nuneaton is approximately 5 miles to the south of Hinckley. Nuneaton is ranked 121st in the 2014 Venuescore Rankings and is identified as having a 'lower middle' retail offer by Venuescore. The retail offer in Nuneaton is centred upon the Ropewalk Shopping Centre (which opened in 2005) and the Abbeygate Centre. The Ropewalk Shopping Centre includes a range of High Street names such as H&M, HMV, Topshop/Topman, TK Maxx, Schuh, River Island and Next. Nuneaton has lost a number of high-profile retailers including Marks & Spencer, TJ Hughes and Starbucks since the 2007 Study; Marks & Spencer has been replaced by a branch of Poundland, and TJ Hughes by 99p Stores. The town's Co-Op Homestore department store has also recently closed, reflecting a decision by Heart of England Co-Op to close all of its non-food outlets (a decision which has also affected the company's store in Hinckley town centre, which also included a Co-Op supermarket — we discuss this further later in this report).

4.16 Elsewhere in the town centre other notable comparison goods retailers present include Debenhams, Argos, Wilko and Boots. There is only a limited commercial leisure offer in the town centre, with the focus of the town's leisure offer being at Bermuda Park, on the southern edge of Nuneaton, which includes an Odeon cinema, bowling alley, and Frankie & Benny's and KFC restaurants.

## Coventry

Venuescore Retail Ranking: **62** | Trade draw from survey area: **£18.0m**

4.17 Coventry is approximately 15 miles to the south of Hinckley. Coventry has a relatively low score within the Venuescore Retail Rankings of 62 and is identified as having a 'middle' range retail offer by Venuescore. The retail offer in Coventry is centred on the West Orchard Shopping Centre and the Lower Precinct Shopping Centre. The West Orchard Shopping Centre has a slightly higher-end offer with Marks and Spencer, The Body Shop and Miss Selfridge located within this development. The Lower Precinct Shopping Centre is occupied by brands such as New Look, H&M, Clarks and Lush.

4.18 Towards the edge of the city centre, there is a large Ikea store (one of the few city centre Ikea stores the company operates) in addition to a number of leisure destinations, including a nine-screen Odeon Cinema and an adjacent ice rink. In terms of food and beverage outlets, Coventry city centre has a range of outlets including Wagamama, Cosmo and Nandos.

4.19 As part of plans for the regeneration of Coventry city centre the 560,000 sq.ft 'City Centre South' scheme was granted outline planning consent in 2012 and will include a major department store, up to 50 new retail units, restaurants and a cinema. In January 2017, Shearer Property Group were confirmed as the developers of City Centre South. The scheme will include a new water park and health spa located adjacent to City Centre South providing a leisure and recreation anchor alongside the new shops and restaurants planned for the site. It is anticipated that the scheme will improve integration between the city centre and the Ikea store and has a target date for delivery of 2020, although commencement of the scheme has been delayed and is now expected to commence towards the end of 2017. It is suggested that the scheme could potentially create around 2,000 jobs.

4.20 Elsewhere in Coventry, there is a concentration of retail and leisure uses on the north-eastern edge of the city at Walsgrave, adjacent to the junction with the M6 and M69 motorways. This development includes a Showcase cinema, Tenpin bowling centre, and branches of Nando's, Frankie & Bennie's, Burger King and KFC fast food restaurants, plus a Brewer's Fayre pub. The development is set across a number of warehouse-format buildings and clearly caters towards car-borne visits. There are large Tesco Extra and Asda supermarkets nearby, as well as branches of Toys R Us, Pets at Home and Aldi. The retail and leisure uses at this site are easily accessible for residents in Hinckley by virtue of the site's proximity to the M69.

4.21 There is a further concentration of out-of-centre retail development on the north-western side of Coventry, at Coventry Arena Retail Park, adjacent to the city's Ricoh Arena. This development includes a more substantial comparison goods retail offer, including branches of Marks & Spencer and Next, as well as a further branch of Tesco Extra.

## Birmingham

Venuescore Retail Ranking: **4** | Comparison goods trade draw from survey area: **£4.0m**

4.22 Birmingham is located 30 miles south west of Hinckley, and exerts a fairly limited influence over shopping patterns of residents in the survey area, only drawing £4.0m of comparison goods spend. The retail offer in Birmingham is relatively diverse and has benefited from considerable improvements in recent years, with its Venuescore retail ranking of 4th place reflecting this. Birmingham is identified as having an 'upper middle' retail offer by Venuescore. The retail offer is centred upon The Bullring and the new Grand Central development, with The Bullring being one of the largest shopping centres in the UK, accommodating around 160 shops including a Selfridges department store. Grand Central opened in September 2015 as part of the redevelopment of Birmingham New Street Station and is anchored by a flagship John Lewis store, in addition to 40 premium retailers, 20 restaurants and cafes.

4.23 In addition to the main retail offer, there are a number of smaller centres for shopping including The Great Western Arcade, Piccadilly Arcade and Burlington Arcade. The focus of the retail within the arcades is mostly upon higher end, independent retailers. The Mailbox scheme is anchored by Harvey Nichols, further enhancing Birmingham's upmarket retail offer. A flagship Primark store is expected to open in the city centre on the site of the former Pavilions Shopping Centre in 2018.

## Tamworth

Venuescore Retail Ranking: **261** | Comparison goods trade draw from survey area: **£3.8m**

4.24 Tamworth is 17 miles north west of Hinckley. Tamworth is ranked 261st place in the 2014 Venuescore Retail Rankings and is identified as having a 'lower middle' retail offer. The offer within the town centre is focused upon the Ankerside Shopping Centre where Argos, Boots, Poundland, The Body Shop, Iceland, Peacocks and Holland and Barrett. Most of the higher-profile retailers trading in Tamworth do so from the out-of-centre Ventura Retail Park, a predominantly open class A1 development to the south-west of the town centre. Retailers present here include John Lewis at Home, a large Marks & Spencer store, H&M and Next. Despite this strong tenant line up, Tamworth exerts relatively little influence over shopping patterns in the survey area, drawing £3.8m of comparison goods spend from the survey area – this is possibly because there is considerable overlap in the retail offer with that of Leicester city centre and Fosse Park.

## Coalville

Venuescore Retail Ranking: **526** | Comparison goods trade draw from survey area: **£2.8m**

4.25 Coalville is located 15 miles north of Hinckley. Coalville is ranked 526th in the 2014 Venuscore Retail Rankings and is identified as having a 'lower middle' retail offer by Venuescore. The retail offer is centred upon the Belvoir Shopping Centre which has a number of high street names including New Look, Dorothy Perkins and Wilko. Sites in Coalville town centre have been the subject of a number of planning applications to redevelop and enhance its retail offer, including the expansion of the Belvoir Shopping Centre and planning permission for a new Tesco supermarket, but these stalled at the onset of the economic downturn. We are not aware of any proposals for new development in the town centre at the present time.

# 5 ASSESSMENT OF TOWN & DISTRICT CENTRES

**In this section, we undertake 'health check' assessments of the four centres in Hinckley & Bosworth Borough which the study brief required consideration of — Hinckley town centre, and the smaller centres of Earl Shilton, Barwell and Market Bosworth. The scope of the centres in the Borough to be assessed were agreed with the Council at the inception of the project.**

## Approach to health checks

5.1 Our assessment of each centre is based on the 'vitality and viability' indicators for assessing the 'health' of a town centre as set out in the Planning Practice Guidance (PPG), and is based on a combination of our own assessments of the centre based on site visits undertaken in summer 2016, and secondary data sources such as Experian Goad, who produce 'Category Reports' showing the diversity of uses and vacancy rates in centres, CoStar Focus Commercial Property Database, and IGD, as well as information provided by the Council and other sources such as Hinckley's Business Improvement District (BID) team.

5.2 Paragraph 005 of the PPG 'Ensuring the vitality of town centres' identifies the following indicators should be used to assess the 'health' of town centres, and accordingly we structure our assessment along these lines for each centre. In some instances to avoid overlap in discussion or repetition we group indicators together for the purposes of our discussion. It should also be noted that information is not available for all the indicators in respect of the smaller centres. The PPG 'health check' indicators are as follows:

A. diversity of uses
B. proportion of vacant street level property
C. commercial yields on non-domestic property
D. customers' views and behaviour
E. retailer representation and intentions to change representation
F. commercial rents
G. pedestrian flows
H. accessibility
I. perception of safety and occurrence of crime
J. state of town centre environmental quality

## Hinckley town centre health check

### Introduction

5.3 Hinckley is the highest-order centre in the Borough and acts as the focus for comparison goods (non-food) shopping for the Borough's residents. Hinckley is also the administrative focus for the Borough, and the Council's offices have recently relocated to a new site to the south of the town centre on Hawley Road. Retailing in the town centre has historically been focused on Castle Street and the Britannia Shopping Centre, but, as we have outlined previously, this offer has been enhanced by the recent opening of The Crescent, a purpose-built retail and leisure development to the south-west of the 'traditional' town centre. The Crescent is 'anchored' by a large Sainsbury's supermarket and Cineword cinema; the former addresses a qualitative gap in the provision of an adequately-sized supermarket to serve the town centre, whilst the opening of the Cineworld has provided residents of the Borough with a cinema facility for the first time in over twenty years.

5.4 The former Borough Council offices at Argent's Mead have, in turn, been redeveloped to form a new £15m leisure centre development, easily accessible from Castle Street. The new leisure centre opened in May 2016 and, together with the opening of The Crescent, are positive examples of significant investment in Hinckley town centre since the 2007 Study was undertaken. The former leisure centre on Coventry Road is in the process of being demolished; the site's existing car park will retain its function until a long-term use for the site is established.

5.5 To the south of the town centre (outside the policy boundary but within easy walking distance) are branches of Tesco and Lidl supermarkets, together with the recently-opened Hawley Road Retail Park, which contains stores operated by Poundstretcher and Pets at Home. The aforementioned new Council offices occupy a prominent site opposite this development.

### Diversity of uses, retailer representation and intentions to change representation (PPG Indicators A and E)

5.6 In terms of **diversity of uses,** the most recent Experian Goad category report for Hinckley (August 2015) identified that 48.4% of units were occupied by comparison goods retailers, 9.9% by convenience goods retailers, and 9.9% by retail service operators (e.g. opticians, dry cleaners, post offices etc). The proportions are broadly in line with the national averages, albeit a slightly greater proportion of comparison goods. The report identifies a lower proportion of certain sub-categories, including clothing, which can often act as a key driver of footfall in centres. It should be noted that the most recent Experian Goad data for Hinckley town centre pre-dates the opening of The Crescent, and therefore the retail and leisure mix at this location are not factored into the percentage splits set out above.

5.7 The centre has a particularly strong mix of independent retailers and service operators, with over 250 currently trading in the town centre. This assists with adding diversity and providing a specialist retail mix. The majority of independent retailers in the centres are members of the Hinckley BID.

5.8 Complementing the retail and leisure mix in the town centre is Hinckley market, which is held three times a week (on Mondays, Fridays and Saturdays) along the pedestrianised stretch of Castle Street. There are also monthly farmers markets in the centre. Visits to the centre undertaken on market days confirm the market to be a significant driver of footfall in the centre, lending it a noticeable 'bustle'. We understand from Hinckley BID that the market has grown in popularity with traders in recent years, with the Friday market doubling in size.

5.9 Hinckley town centre's prime retail offer is focussed on Castle Street, where the major 'anchor' retailers are located, and examples of noteworthy **retailer representation** on Castle Street include EE, H Samuel, WH Smith, O2, New Look, Clarks amongst others. The Britannia Centre, which includes Boots, Wilko, Peacocks, Poundworld, Argos etc. is located off Castle Street. As was identified in the 2007 Study, the Britannia Centre acts as the anchor to this part of the centre, reflected in the fact that footfall appears to markedly decrease beyond the shopping centre and the junction with Church Walk. The Britannia Centre suffers from a dated internal and external appearance which was identified as requiring investment in the 2007 Study; it does not appear that any investment in the centre has subsequently been forthcoming and it is considered the Council should engage with the owners of the Centre to discuss their aspirations and opportunities for investment. Nevertheless the centre does benefit from a high level of occupancy. The quality of the retail offer in Castle Street of the Britannia Centre is pitched towards to lower end of the market for the most part.

5.10 As Castle Street continues east the retail offer diminishes and an increase in charity shops becomes noticeable. Further to this the closure of the Co-Op Home and Living store, which occupied a prominent site towards the eastern end of Castle Street, has presented a large vacant site, which in turn results in less footfall-generating activity.

5.11 The Crescent includes a number of major new national retail and leisure operators including TK Maxx, Costa, Poundland, Prezzo, Burger King, Cineworld, and a large Sainsbury's Supermarket (wich also includes a sizeable non-food offer). A number of local stores, including a mobility scooter store, have relocated from the 'traditional' town centre to The Crescent. The Crescent has introduced a number of new retailers to the town centre which were not previously trading — TK Maxx being the most noteworthy example — but qualitatively, much of offer which has been attracted to the new units replicates that which is already trading elsewhere in the town centre, i.e. the retail mix is orientated towards the lower-quality/value retailers. It also appears that a number of units are struggling to be let, although the take-up amongst leisure operators appears to be stronger. We understand that subsequent to our visits to the centre, The Crescent has recently secured a number of new lettings, including to Superdrug (health and beauty) and Tarro Lounge (café/bar), and we would anticipate further lettings to come forward as the scheme continues to establish itself.

5.12 Elsewhere in the centre, Market Place and The Borough are hubs for financial services, with national operators including HSBC, Halifax, Yorkshire Bank, Natwest, and Barclays located in this area. Regent Street remains the focus for bars, clubs, take-aways, dispersed by retail service providers (hairdressers, bookmakers etc) and some comparison retail shopping.

5.13 In terms of **intentions to change representation**, as part of our study, an assessment of operator demand has been undertaken. GVA contacted 96 retail and commercial leisure operators during July and August 2016, to establish whether they had any current operational requirements for centres in the Borough, and if so, what size the ideal requirement of the operator was. The email to operators set out an overview of the Borough, including details of recent town centre regeneration activity, and the Council's aspirations for future development at Barwell and Earl Shilton. A full summary of the consultation exercise, the operators contacted, and the responses received, is provided at **Appendix III to Volume 2** of this study.

5.14 Of the 96 operators contacted, we achieved a response from 46, which represents a relatively high response rate based on our experience elsewhere. Of the 46 responses, a total of nine positive requirements were identified. A summary of these, together with the operators' target floorspace requirement, is shown in **Table 5.1.** The number of retailers/operators with published requirements for Hinckley is relatively limited, which in part is likely to be reflective of the 'polarisation' of many operators towards focusing their trading in larger/higher-order centres, as discussed in Section 3. However, the provision of modern comparison goods floorspace can generally be expected to have a positive influence on operator demand.

***Table 5.1: Summary of identified operator requirements for Hinckley & Bosworth Borough, 2016[10]***

| Operator | Retail sector | Floorspace requirement (sq.ft) |
|---|---|---|
| Bargain Booze | Convenience (food) | 1,250 – 1,500 sq.ft |
| Co-Op Food | Convenience (food) | 3,000 – 5,000 sq.ft |
| Farmfoods | Convenience (food) | 6,000 – 8,000 sq.ft |
| Halfords | Comparison (non-food) | 4,000 sq.ft |
| Heron Foods (frozen foods store) | Convenience (food) | 3,000 – 4,000 sq.ft |
| Superdrug* | Comparison (non-food) | 4,000 sq.ft |
| TJ Hughes (department store) | Comparison (non-food) | 15,000 – 35,000 sq.ft |
| Warren James (jewellers) | Comparison (non-food) | 800 – 1,000 sq.ft |
| Wetherspoons (relocation from existing premises) | Food & beverage | 5,000 sq.ft ground / 4,000 sq.ft ancillary |

*Source: GVA operator demand analysis, July/August 2016. See Appendix III of Volume 2 for further details. *Store now trading.*

5.15 As can be seen from Table 5.1, the majority of active requirements for the Borough are from convenience goods operators, although positively a number of these are for smaller-format stores, indicating they could potentially be accommodated in town centre locations. The requirement for TJ Hughes is also positive, as it would fill a qualitative gap in the retail offer of Hinckley town centre which has arisen following the closure of the Co-Op Department Store.

5.16 Wetherspoon have indicated that would consider relocating from their existing premises in Hinckley town centre were a suitable alternative site to become available. Subsequent to completion of our consultation we understand that Superdrug have agreed terms on a unit in The Crescent, and this is now trading.

### **Proportions of vacant street level property** (PPG Indicator B)

5.17 The Experian Goad report (August 2015) identified a vacancy rate of 8.9% across the centre, below the national average of 11.2%. Positively, the retail health check identified that of the units previously identified vacant by Experian Goad have subsequently been reoccupied. At the time of our survey in July 2016, 24 units were vacant, reducing the vacancy rate to 7.6%, based on Experian Goad's definition of the boundary of Hinckley town centre.

5.18 However a number of clusters of vacant units were observed in the town centre, in particular to the east of Castle Street, both within and outside of the pedestrianised zone. In addition, the Crescent is currently under-occupied with a number of retail units vacant (eight units at the time of tour visit). As we have noted previously the recent opening of The Crescent means that it is not included within Experian Goad's definition of the boundary of Hinckley town centre, as the most recent Experian Goad survey of the centre was undertaken in August 2015. If the units vacant in The Crescent are also included, the town centre vacancy rate increases to 9.9%. We understand that three of the eight vacant units at

[10] Whilst we would expect the requirements listed from comparison goods and food & beverage operators to be specific to Hinckley (i.e. as opposed to any of the other centres in the Borough), we undertook further consultation with convenience goods operators who identified a positive requirement for representation in the area in Table 5.1, to establish their interest in locating elsewhere in the Borough, and in particular seeking their views on two opportunity sites in Barwell which HBBC identified. The results of this exercise are discussed separately later in this section.

The Crescent are currently under offer; assuming these commence trading, the overall town centre vacancy rate reduces to 9.0%. Positively, more recent data from the Hinckley BID (November 2016) identifies a lower vacancy unit of 4.72% (this figure includes The Crescent, but might not reflect the boundary of Hinckley town centre which is used by Experian Goad).


*Former Co-Op Department Store/supermarket, Castle Street*

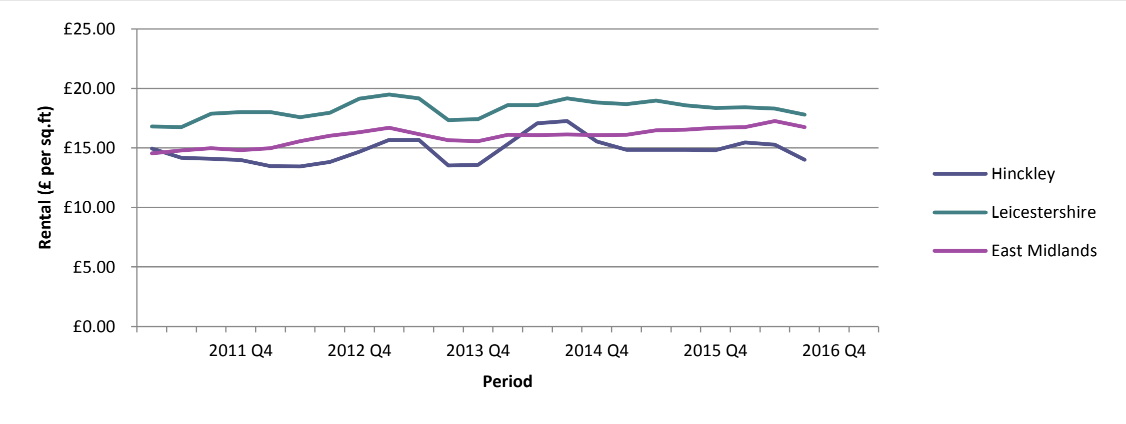
5.19 Whilst the presence of vacant units and a 'churn' of vacant units throughout a centre is to be expected, we do have concerns over the relatively high number of vacant units in The Crescent. However it is also acknowledged that new developments take time to 'bed in' and it is likely that, should a strong key letting be secured, the letting of the remaining vacant units would follow. Indeed we are aware that subsequent to our survey, units have been let to Superdrug (health and beauty), Select (fashion), and a further unit is in the process of being occupied by a restaurant, Meatcure.

5.20 A particularly prominent vacant unit in the centre is the former Co-Op department store, at the eastern end of Castle Street, which ceased trading in January 2016. The ownership of the entire site has subsequently transferred to the Council. The store included a Co-Op travel agent and supermarket, in addition to the main department store which focussed on the sale of homeware and electrical goods. The closure of the store does, however, present an opportunity for the Council to bring the site forward for redevelopment, ideally to deliver modern non-food floorspace. Whilst the site remains vacant, the car park to the rear of the store has recently been returned to operational use, providing a well-located, relatively sizeable (116 spaces) car park in close proximity to the town centre's prime retail offer.

### **Commercial yields and commercial rents** (PPG Indicators C and F)

5.21 **Figure 5.1** shows the prime commercial retail rents in Hinckley town centre between 2011 and 2016, based on information sourced from the CoStar Commercial Property Database. It shows that rents in Hinckley town centre have fluctuated at around the £15 per sq.ft level over the past five years, peaking at £17 per sq.ft in 2014 before settling back to just under £15 per sq.ft in 2016. There has not been an increase in prime retail rents following the opening of The Crescent, therefore. Hinckley's prime retail rents have been consistently below the average for Leicestershire over the last five years, as well as below the average for the wider East Midlands (except in 2014). Current average prime commercial rents in Leicestershire and the East Midlands are both in the region of £17 per sq.ft (rounded) and therefore Hinckley is only falling slightly below this. The relatively stable rental values in the town centre can be considered positive as they provide stability for new businesses considering trading in the town centre.

***Figure 5.1: Prime retail rents, Hinckley, 2011-16***




*Source: CoStar, November 2016*

5.22 There is no consistent time-series data on commercial yields for Hinckley town centre published by CoStar, however the limited data which is available appears to suggest that yields have increased in the centre over the last five years. However as there is no consistent year-on-year data available for the centre we do not discuss the yield performance in detail.

### **Customers' views and behaviour** (PPG Indicator D)

5.23 As part of the household survey of shopping and leisure patterns (discussed in full in the following section) respondents who stated that they visit Hinckley town centre for these purposes were questioned on their usage of the centre, what they like and dislike about the centre, and how they consider the centre could be improved. A full copy of the results can be found at Appendix I to Volume 3 of the study; we summarise the key findings below.

- **Frequency of visits:** 30.2% of visitors to the centre stated that they visit Hinckley town centre once a week. 18.9% visit once a fortnight, and 15.0% visit once a month. Only 4.9% of respondents visited daily, which confirms that Hinckley is more of a 'destination' shopping location (albeit on a relatively localised scale) than a 'day to day' shopping location.
- **Main purpose of trip:** Just over one-third (36.5%) of respondents stated the main purpose of visiting was for non-food shopping; this was followed by food shopping (26.6%) and visiting financial services (such as banks, post office etc) (12.0%). No other activity recorded a response rate of more than 5%.
- **Linked trips:** The majority of visitors to the centre undertake 'linked trips' with other activities in the centre in addition to their main purpose for visiting (as described above). The most popular 'linked trip' activity was non-food shopping (30.7%), followed by food shopping (16.2%), visiting a café, pub or restaurant (15.5%) and visiting financial services (12.2%). 28.8% of respondents stated that they do not undertake any 'linked trips'.
- **Likes:** When users of Hinckley town centre were asked what they liked about the centre, the most popular response (24.6% of respondents) was that it was close to home. 11.6% stated that they liked the centre was compact/easy to get around; 8.8% stated the attractive environment. 7.6% of respondents specifically stated that they liked The Crescent. 24.6% answered 'nothing/very little'.
- **Dislikes:** The highest-scoring responses to this question all related to the quality of the retail offer in Hinckley town centre. 17.9% of respondents considered there to be an insufficient choice of shops in the town centre, whilst 13.2% of respondents considered there to be an insufficient choice of clothes shops. 14.1% of respondents stated that there are too many charity shops in the town centre. Other areas of concern were more limited; 7.7% of respondents identified lack of parking being an issue, but otherwise no other response scored more than 5%. Positively, one-third (33.3%) of respondents stated that there was 'nothing' they disliked about the town centre.
- **Areas for improvement:** Again, in response to this question, most respondents focussed on the need to improve shopping provision in the town. 34.4% of respondents wished to see a better choice of shops, 14.5% stated they wished to see better quality shops, and 13.4% stated they wished to see more large shops/department stores. 13.2% of residents considered that the town centre would benefit from more car parking. Only 13.5% of respondents stated that there was 'no need to improve' Hinckley town centre.

5.24 The household survey also asked respondents whether the opening of The Crescent had changed how they used Hinckley town centre. The survey found that:

- 29.2% of respondents stated they now visit the town centre more often following the opening of The Crescent (this figure increased to 37.5% for residents in zone 1 of the household survey area, which covers the Hinckley urban area).
- 10.3% of respondents stated that they now spend more time in the town centre.
- 16.2% of respondents stated that opening of The Crescent has meant they now park in a different car park.

5.25 However 57.1% of respondents from the survey area stated that the opening of The Crescent has not resulted in a change in how they use the town centre. In zone 1 this figure is 47.7%, and in zone 2 (which surrounds the Hinckley urban area) this figure is 50.9%. Whilst it is positive to note that 3 in 10 respondents now visit the town centre more often as a result of The Crescent's opening, there is likely to be scope for this to be improved further, and as the development continues to 'bed in' and establish itself it will encourage a greater proportion of visitors to spend longer in the centre.

### **Pedestrian flows** (PPG Indicator G)

5.26 Hinckley's BID undertake pedestrian footfall counts at locations throughout Hinckley town centre. The most recent data was published in November 2016, and this is summarised in **Table 5.2** below, along with a comparison with data for 2015. The footfall data shows that:

- Daytime footfall has decreased along Castle Street between 2015 and 2016, marginally at the bottom end (i.e. in the vicinity of the Britannia Centre) but more markedly at the top end of Castle Street, which is likely to be aligned to the closure of the Co-Op Department Store/supermarket, and the generally weaker retail offer at this end of the street.
- The top of Castle Street has the lowest daytime footfall of anywhere in the centre by some margin, but has seen some improvement (albeit from a relatively low base) in the evening.
- Daytime footfall has also decreased in Regent Street, but has remained relatively static in the evening (reflecting the fact that this part of the centre has a greater role and function outside of retail hours).
- Footfall has increased significantly along Station Road – up 38.5% in the daytime and 40.4% in the evening – which can be attributed to a combination of the opening of The Crescent and the relocation of the bus station. Station Road now has comparable footfall to that of the bottom of Castle Street, which has historically had the highest levels of footfall in the centre. There are no footfall counts within The Crescent itself, so we do not know how much of the higher footfall along Station Road carried through into the new development.

***Table 5.2: Pedestrian footfall in Hinckley town centre, 2015-16***

| | Daytime (8am to 6pm) | | | Evening (6pm to midnight) | | |
|---|---|---|---|---|---|---|
| | Current Year | 2015 | 2016 vs 2015 | Current Year | 2105 | 2016 vs 2015 |
| | (8am - 6pm) | (8am - 6pm) | % Change | (6pm - Midnight) | (6pm - Midnight) | % Change |
| Bottom Castle Street | 169,025 | 175,160 | -3.50% | 9,088 | 9,067 | -0.23% |
| Church Walk | 23,246 | 23,092 | 0.67% | 2,281 | 1,781 | 28.07% |
| Top Castle Street | 53,597 | 78,396 | -31.63% | 5,044 | 4,212 | 19.75% |
| Regent Street | 73,761 | 82,675 | -10.78% | 12,112 | 12,223 | -0.91% |
| Station Road | 167,568 | 120,992 | 38.50% | 8,529 | 6,074 | 40.42% |
| **TOTAL FOR TOWN** | **241,329** | **203,667** | **18.50%** | **20,641** | **18,297** | **12.90%** |

*Source: Hinckley BID, November 2016*

5.27 At the time of our visits to the centre, we observed a varied pedestrian flow across the centre, with higher pedestrian activity between The Borough and Castle Street. The Britannia Centre clearly still retains a role as an 'anchor' location and driver of footfall; this role does not appear to have been impacted by the opening of The Crescent. The fact that the Britannia Centre also includes a 300 space-car park is also likely to assist in this respect. Castle Street is pedestrianised up to its junction with New Buildings, and this part of the town centre — particularly between The Borough / Market Place and the entrance to the Britannia Centre — clearly has the highest pedestrian flows by some margin, driven by a strong concentration of national retailers and a generally attractive shopping environment.

5.28 To the east of The Britannia Centre we observed a decrease in pedestrian flow, with many pedestrians opting to return to their vehicles parked at the Church Walk car park. Pedestrian flows were lowest along Regent Street, although the diversity of outlet (bars, take-away, etc) it is not unexpected to be lower during the daytime and we would expect this part of the centre to be busier during the evening, as the footfall figures shown in Table 5.2 confirm.

5.29 A key issue for the long-term success of the town centre will be the integration of the heart of the 'traditional' town centre (i.e. Castle Street) and The Crescent. These two areas both offer a number of high-profile retailers and other 'anchor' stores, but the area in between is more secondary in nature. Whilst a fairly moderate flow of pedestrian activity was observed between the two locations, there is clear scope for this to be improved. Station Road, which forms the principal point of access between Castle Street and The Crescent, is an attractive shopping street and whilst the figures shown in Table 5.2 suggest that it has seen a significant upturn in footfall, qualitatively we did not observe a lot of activity leading through into The Crescent. The main alternative route between The Crescent and the rest of the town centre – via George Street / Regent Street – is of poorer quality and appears to be lightly used.

### **Accessibility** (PPG Indicator H)

5.30 The centre includes the provision of on-street and off-street car parking provision, with 300 car parking spaces provided at The Britannia Centre, as well as number of smaller surface car parks. The Council operate 12 car parks for short and long stay servicing the town centre, with two short stay car parks either side of Castle Street, the largest of which (to the rear of the former Co-Op) offers 116 spaces. Short stay parking is also available on Station Road, Regent Street, the upper end of Castle Street and surrounding streets for up to 30 minutes. A new car park has been constructed as part of The Crescent, directly adjacent to the Sainsbury's store, which offers two hours' free car parking. The Crescent car park offers 588 spaces and is the largest car park serving the town centre.

5.31 Hinckley rail station is approximately 500m south of the town centre, accessed via Station Road. There is scope for greater directional signage between the town centre and station, although the route itself is direct with adequate crossing points. Hinckley sits on the Leicester – Birmingham railway line, with direct services to these stations plus Narborough, Nuneaton and Coleshill. However, typically only one train runs per hour in each direction, which is a surprisingly limited service for a town the size of Hinckley. A broader range of destinations, including stations to London Euston, are accessible from nearby Nuneaton.

5.32 A new bus station was constructed as part of The Crescent and this is easily accessible from the shops and restaurants within the development, and is accessible from Castle Street/The Britannia Centre via Station Road. The bus station acts as the focus for local bus services, operated by Hinckleybus, with services extending to Earl Shilton/Barwell, Burbage and Lutterworth. Route 158, operated by Arriva, runs every 30 minutes between Leicester city centre and Nuneaton via Earl Shilton, Barwell and Hinckley. Whilst Nuneaton is easily accessible (journey time of approx. 15 minutes), the journey between Hinckley town centre and Leicester takes approximately one hour.

### **Perception of safety and state of town centre environmental quality** (PPG Indicators I & J)

5.33 The centre's overall **environmental quality** is good, although areas of the centre require investment to improve the public realm – particularly in the vicinity of Market Place. We observed the street furniture within the pedestrianised part of the centre as being well utilised during our visit and, as identified previously, the pedestrianised shopping environment along Castle Street contributes towards a pleasant shopping environment with wide, well maintained pavements. We noted at the time of our visits to the centre low levels of litter, with a good provision of rubbish bins located across the centre.


*Hinckley market, Castle Street*

5.34 Shop facades are, in the main, well maintained in the primary shopping area. A number of vacant units on Market Place detract from the urban realm; and whilst we noted localised measures were in place to improve the attractiveness of vacant units on The Borough, but there was a lack of cohesion between the methods. The vacant units at the Crescent followed a single style of design; there may be an opportunity for this to be extended throughout the rest of the centre. Towards the eastern end of Castle Street where the former Co-Op Home & Living is located the environmental quality is weaker, with the vacant store having a detrimental impact on the environment. The cluster of vacant premises around The Borough also has a negative impact on the street scene.

5.35 Overall the quality of the town centre environment can be considered good, but would be enhanced through the introduction of a town-centre wide approach to branding (including of vacant units), public realm and particularly directional signage, which is inconsistent between the ‘traditional’ town centre and newer signposting introduced as part of The Crescent. Such an approach would deliver an element of coherence and help the centre feel more ‘joined up’ than it currently does. We understand that there has been recent investment in the centre to strengthen wayfinding and this investment should continue and be built upon.

5.36 In terms of **perceptions of safety**, no major issues or areas of concern were identified during our visits to the centre, although it is acknowledged that this is only a snapshot and we did not visit the centre outside of retail trading hours where it is likely to be quieter.

**Summary of vitality and viability of Hinckley town centre**

- The centre is for the most part performing well against the NPPG 'vitality and viability' indicators, although there are definite areas for improvement in the performance of the centre.
- Castle Street benefits from good levels of vitality and viability, particularly at its southern end, with a good operator mix and low vacancy rate.
- The closure of the Co-Op department store/foodstore at the top of Castle Street in early 2016 appears to have negatively impacted on footfall at the northern end of Castle Street, but positively the closure of this store presents an opportunity for new comparison goods floorspace to come forward, particularly as this site is now under the ownership of the Council.
- The Britannia Centre continues to act as the focus of the retail offer on Castle Street but is dated and in need of redevelopment, although positively benefits from high levels of occupancy.
- The opening of The Crescent is a positive step for the town, providing the town centre with modern floorspace and two strong 'anchor' operators in the form of Sainsbury's and Cineworld. There is a need for further quality tenants to be attracted to the scheme, as the current offer largely duplicates that which is already trading elsewhere in the town centre, i.e. is orientated towards the lower-end/discount market.
- Integration between The Crescent and the 'historic' town centre would benefit from strengthening more 'joined-up' approach is necessary if the vitality and viability of the whole centre is to benefit from the opening of The Crescent. There is a particular need to improve linkages to The Crescent from the Regent Street / George Street approach.
- The commercial leisure offer of Hinckley has been enhanced through the opening of Cineworld in The Crescent. A number of new restaurants have opened to complement this but there is scope for further improvement in the offer of the centre in this respect, to aid in the development of a stronger 'evening economy'.
- Operator demand is generally limited, reflecting the 'polarisation' trend towards larger centres discussed in the Section 3 of this report. However, there is demand from a number of foodstore operators (these are not necessarily town centre-specific requirements). The provision of further well-located modern comparison goods floorspace over the course of the Plan period may assist in increasing demand.

## Earl Shilton health check

### Introduction

5.37 Earl Shilton is located to the north-east of Hinckley, and forms part of a combined urban area with neighbouring Barwell (discussed separately below). Earl Shilton is the larger of the two but nevertheless has a retail offer which is clearly orientated towards day-to-day shopping needs. Earl Shilton and Barwell are expected to be the focus for new residential growth over the Council's current Local Plan period by way of new sustainable urban extensions to the towns, and this could provide an opportunity for investment in the two centres to ensure they are able to adequately meet the needs of existing and new residents.

*Earl Shilton*

### Diversity of uses, retailer representation and intentions to change representation (PPG Indicators A and E)

5.38 In terms of **diversity of uses**, the most recent Experian Goad category report for Earl Shilton (August 2014) identified that 24.7% of units are occupied by comparison goods retailers, 9.9% by convenience goods retailers, and 18.5% by retail service operators (e.g. opticians, dry cleaners, post offices etc). The proportions are marginally lower than national averages, with a higher proportion of convenience and retail services provision and lower comparison goods representation. Earl Shilton functions as a district centre, serving local needs, and therefore would not be expected to have a range and depth of comparison goods uses comparable to a larger centre such as Hinckley. In this regard the provision of comparison and convenience is considered appropriate for the hierarchy. The leisure and financial and business services make up circa 32% of the share of units, broadly on par with the national averages.

5.39 **Retail provision** in the centre is orientated towards local short-stay shops, rather than a long-stay comparison shop. The centre is focused on a small Co-Op foodstore on Wood Street, which acts as the anchor store to the centre. There is a 240-space car park adjacent to the store. The centre also includes a Natwest bank, Nationwide Building Society, Age Concern charity shop and Post Office, but aside from this the retail and services offer predominantly comprises of independent operators.

5.40 The **operator demand** survey which GVA undertook in July/August 2016 identified limited operator demand for Earl Shilton. However, we are aware from discussions with the Council that there is active interest in the Earl Shilton / Barwell area at present from discount foodstore operators seeking additional representation in the Borough — however we are not aware of any specific sites or planning applications which have come forward as yet.

### Proportions of vacant street level property (PPG Indicator B)

5.41 The Experian Goad report (August 2014) identified 14 vacant units (14.8%) across the centre, above the national average of 11.2% (at the time of the Experian report). The more recent 'District, Local and Neighbourhood Centre Review' (Hinckley & Bosworth Borough Council, January 2015) identified a similar vacancy rate of 14.4% — the highest vacancy rate within the Borough. We understand that vacancy rates in the centre have remained high in recent years and this is one of the drivers for the Council's aspirations for the regeneration of the centre.

5.42 Positively, our health check (July 2016) identified an uplift in unit occupancy, with the vacancy rate reducing to 8.6% — a marked improvement compared to recent years, with vacant unit taken up by restaurants, expansion of neighbouring units for take-away use, clothing and convenience retail. The increase in unit take-up has reduced the vacancy rate to below the UK average.

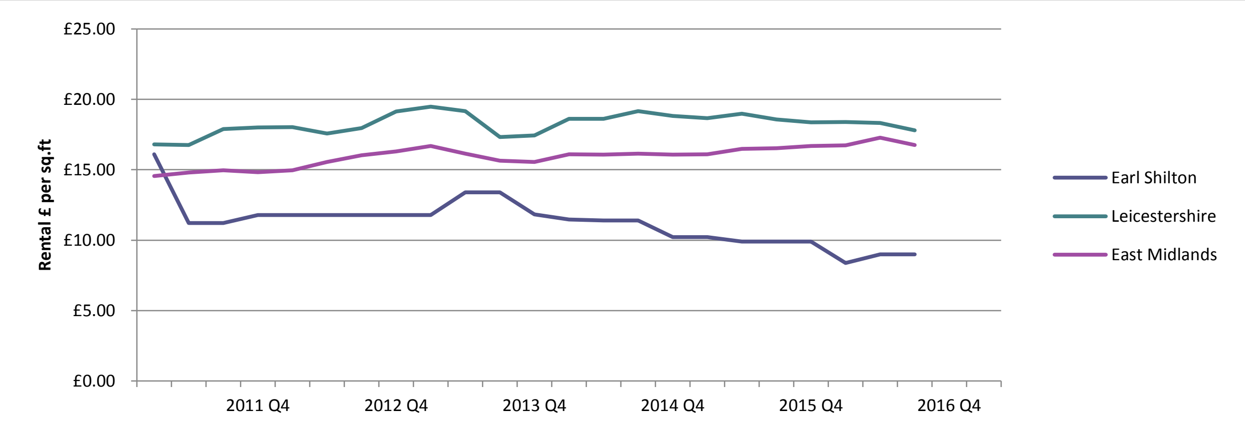
5.43 The remaining vacant units are, in the main, clustered to the east of the centre on The Hollow and High Street. We observed lower footfall along the High Street and parking restrictions appear to reduce passing trade, which we noted to benefit units to the west of the centre where there are no equivalent restrictions.

### Commercial yields and commercial rents (PPG Indicators C and F)

5.44 **Figure 5.2** shows the performance of commercial rents in Earl Shilton over the period 2011-16, alongside the average figures for Leicestershire and the East Midlands. It shows that rents have declined in Earl Shilton over the past five years, from c. £16 per sq.ft in 2011 to c. £9 per sq.ft in 2016. Average rents have thus almost halved over this period therefore. At the start of the assessment period (2011), average rents were higher than the East Midlands and only fractionally below the Leicestershire average, which is surprising given the role and function of the centre as a district centre. The reduction in rents brings the centre more in line with neighbouring Barwell (discussed below), and can be considered to be more accurately aligned to the role and function of the centre. We also note that the decline in rental value mirrors the reduction in the vacancy rates in the centre, suggesting that more businesses are willing to invest in the centre with lower rental rates.

5.45 Nevertheless this indicator should be carefully monitored by the Council as further downward momentum could be considered cause for concern. There is no information published by CoStar on commercial yields in Earl Shilton.

*Figure 5.2: Prime retail rents, Earl Shilton, 2011-16*




*Source: CoStar, November 2016*

### Customers' views and behaviour (PPG Indicator D)

5.46 As mentioned previously, the household survey undertaken in support of this study asked respondents who stated that they visit the centres in the Borough on their usage of the centre, what they like and dislike about the centre, and how they consider the centre could be improved. A full copy of the results can be found at **Volume 3** of the study; we summarise the key findings below in respect of Earl Shilton below.

- **Frequency of visits:** Reflecting the fact that Earl Shilton offers more of a day-to-day retail function, 10.4% of respondents who undertake trips to Earl Shilton stated that they visit daily. 17.8% visit once a week and 13.6% visit twice a week. 21.0% of respondents visit 'less often'.
- **Main purpose of trip:** Food shopping was the main reason for visiting Earl Shilton for over one-third of respondents (36.0%). Non-food shopping accounted for 14.2% of trips; 10.4% stated visiting friends and family as the main reason for visiting the centre.
- **Linked trips:** The majority of respondents (41.7%) do not undertake any 'linked trips' when visiting Earl Shilton. 19.5% of respondents undertake food shopping as a 'linked trip', and 13.7% undertake non-food shopping as a 'linked trip'.
- **Likes:** 28.5% of respondents stated that they liked Earl Shilton because of its proximity to home. No other response option drew a response rate of more than 10%.
- **Dislikes:** Positively, 59.9% of respondents stated that there was 'nothing' they disliked about the centre, pointing to a reasonably high level of satisfaction amongst users of the centre. The most common 'dislike' was 'not enough choice of shops', although this only accounted for 8.8% of responses. 4.1% of respondents stated traffic congestion as their main dislike.
- **Areas for improvement:** 24.4% of respondents stated that there was 'no need' to improve Earl Shilton, whilst 20.9% of respondents stated the centre could be improved through a better choice of shops. Almost one-third of respondents answered 'don't know' to this question.

### **Pedestrian flows** (PPG Indicator G)

5.47 We observed generally low levels of pedestrian footfall across the centre. Shopping habits were observed as single trip, with on-street parking provided to the frontage of a number of retail units. The highest footfall was experienced to the south of Wood Street, adjacent to the library, which includes the bus station (albeit a single sheltered stop) with regular services to Hinckley, Coventry, and Nuneaton. Footfall was also observed to be quite strong in and around the vicinity of the Co-Op store.

### **Accessibility** (PPG Indicator H)

5.48 The centre includes the provision of on-street and off-street car parking provision. A 40 vehicle car park is provided to the rear of Wood Street units; the aforementioned Co-Op car park acts as the main car park serving the centre however. The centre is accessible by public transport with a sheltered bus stop, with services to a number of nearby centres. As noted above, we observed the area surrounding the bus stop to have the greatest footfall during the visit. The bus station provides regular services to Hinckley, Coventry and Nuneaton. At peak times services to Nuneaton are approximately every 15 minutes and half hourly to Hinckley and Coventry, and we consider this to represent a good level of service.

### **Perception of safety and state of town centre environmental quality** (PPG Indicators I & J)

5.49 Earl Shilton is linear centre spread over a relatively large area, dispersing commercial units between residential properties. We note the far west of the centre is clearly separated from the main commercial area. The units located away from the centre are retail service operators and the separation prevents a cohesive environment.

5.50 The Earl Shilton Building Society was the best presented unit making a positive contribution to the built environment. The unit's high quality finish juxtaposes some of the leisure service operators on Station Road - including the take-aways with a closed off day-time appearance. East of the centre (High Street) has a poorer environmental quality compared to the rest of the centre, partly as a result of the separation of retail units and mix of uses, with residential and retail, in addition to a number of vacant units.

5.51 Elsewhere in the centre, the environmental quality can generally be considered reasonable and we did not observe any obvious issues in terms of crime or anti-social behaviour at the time of our visits.

### **Summary of vitality and viability of Earl Shilton district centre**

- **Earl Shilton displays mostly positive signs of vitality and viability. The centre is anchored by a good-sized Co-Op store and there are a range of shopping and retail services which enable day-to-day local needs to be met.**
- **The majority of the offer in the centre comprises of independent operators.**
- **Most users of the centre visit the centre for food shopping, based on the findings of the household telephone survey, as well as our own observations.**
- **Earl Shilton has historically suffered from a high vacancy rate which has been above the UK average. However in the last couple of years it would appear the vacancy rate in the centre has decreased, which could possibly be a reflection of the fact that the average prime retail rents in the centre have also reduced in this time. The current vacancy rate is below the UK average.**
- **The environmental quality of the centre is for the most part reasonable, although the eastern end of the High Street has a noticeably weaker environmental quality than the rest of the centre.**

## Barwell health check

### Introduction

5.52 Barwell is also located to the north-east of Hinckley, and forms a contiguous urban area with the neighbouring settlement of Earl Shilton, which we have reviewed above. Barwell is a much smaller centre than Earl Shilton, but nevertheless offers a range of day-to-day shopping facilities, clustered around the intersection of High Street, Chapel Street and Shilton Road.

### Diversity of uses, retailer representation and intentions to change representation (PPG Indicator A and E)

5.53 There is currently no Experian Goad data available for Barwell. Therefore our assessment of Barwell is informed by the findings of Hinckley & Bosworth Borough Council's 'District, Local and Neighbourhood Centre Review' (January 2015). This identified Barwell centre to comprise of 43 units. Since the last study we note the total number of units has decreased from 43 to 41 units due to expansion of the Co-Op Pharmacy and the removal 28 High Street, following its clear use as a residential unit – albeit retaining the shop frontage.

5.54 The convenience and retail service provision are equally spread across the centre, but clearly are catered towards servicing a relatively local catchment. The centre provides a high number of hair and beauty units, representing approximately 14.6% of the total number of units in the centre, considerately above the national average of 9.0%. The centre includes the Earl Shilton Building Society, providing a financial service for residents. The Post Office has vacated 47 High Street and a shared service is now provided at the Mercury News Shop (2B High Street). There are also two pubs prominently located within the centre, as well as a handful of take-aways.

5.55 The principal store serving the centre is the Co-Op supermarket prominently located on Stapleton Lane, with a handful of on-street parking bays available adjacent to the entrance, and it is clear that this store has an 'anchor' role in the centre. The provision of comparison shopping is limited to a charity shop, an optician and a florists etc.

5.56 At the request of the Council, we undertook follow-up consultation with the foodstore operators who identified a positive requirement for representation in the Borough (see Table 5.1) (i.e. Bargain Booze, Co-Op, Farmfoods and Heron) to establish whether two potential redevelopment sites which the Council have identified in Barwell town centre would be of interest to the operators. The two sites are:

- **Barwell Constitutional Club site:** a large site in centre of Barwell adjacent to George Ward Centre, along with the existing public car park accessed from Stanley Street. Redevelopment of this site would likely require the replacement of the existing Constitutional Club.
- **Top Range Motors site:** A small to medium sized site situated in a prominent location to the north of the centre.

5.57 Useful feedback was received from a number of the foodstore operators, however demand for the two opportunity sites was found to be limited. The Constitutional Club site was considered by operators to be constrained for retail use on account of the one-way system past the site, and the Top Range Motors site is unlikely to be of a suitable size to accommodate a foodstore. All operators who responded to the follow-up consultation confirmed that any new foodstore in Barwell would need to make provision for customer car parking facilities.

### Proportion of vacant street level property (PPG Indicator B)

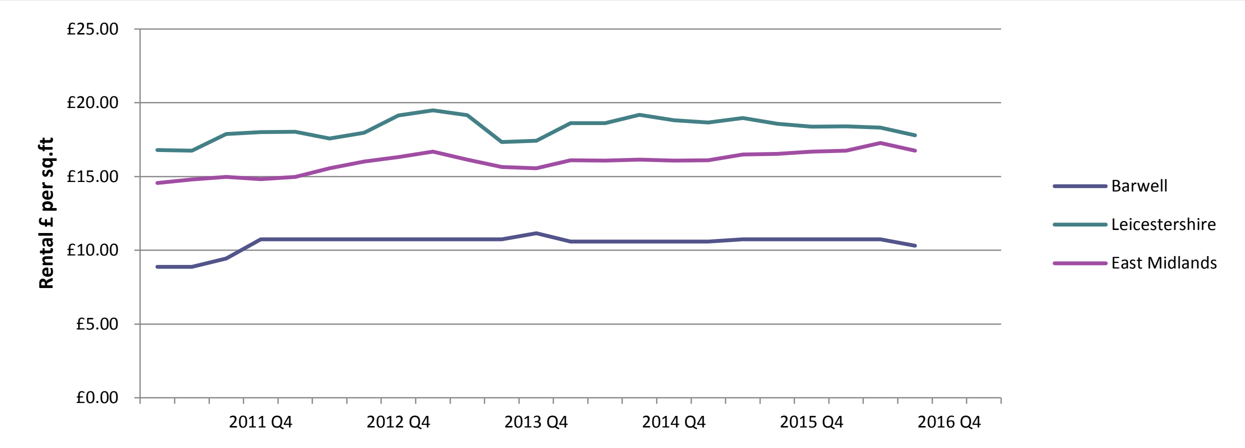
5.58 The Council's 2015 Review identified a vacancy rate of 11.4%; our visit to the site identified an increase in the proportion of vacant units to 13.8%, which is the highest vacancy rate of any centre in the Borough by some margin. The rate is above the current national average (11.2%), although it should be noted that the increase is partially caused due to a decrease in the total number of retail units. Nevertheless it is recommended that this indicator ought to be closely monitored by the Council. The vacant units were dispersed across the centre with no particular concentrations apparent.

### Commercial yields and commercial rents (PPG Indicators C and F)

5.59 **Figure 5.4** shows the performance of commercial rents in Barwell over the last five years, obtained from the CoStar Commercial Property Database (accessed November 2016). It shows that rents in Barwell have remained relatively static at around £11 per sq.ft over this period, recently dropping back to £10 per sq.ft, and we consider this stability in rental values to be positive. The commercial rents commanded by properties in Barwell is around a third lower than the East Midlands average, but this is not surprising – Barwell is a small centre with a localised shopping function and would not, on this basis, be expected to command particularly high rental values.

5.60 CoStar do not publish any information in respect of commercial yields for Barwell.

*Figure 5.4: Prime retail rents, Barwell, 2011-16*




*Source: CoStar, November 2016*

### Customers' views and behaviour (PPG Indicator D)

5.61 The household telephone survey identified the following patters of usage for those respondents that stated they visit Barwell:

- **Frequency of visits:** Reflecting the fact that Earl Shilton offers more of a day-to-day retail function, 16,9% of respondents who undertake trips to Earl Shilton stated that they visit daily whilst 19.8% visit once a week. 28.6% of respondents stated that they visit 'less often'.
- **Main purpose of trip:** Food shopping was the main reason for visiting Barwell, accounting for 25.4% of visits to the centre, followed by non-food shopping (20.7%) and visiting family and friends (13.4%).
- **Linked trips:** The vast majority of respondents (59.2%) do not undertake any 'linked trips' when visiting Barwell, although given the limited range of facilities in the town centre this figure is not a particular surprise.
- **Likes:** Reflecting a trend seen elsewhere in the Borough, the majority of respondents (23.4%) stated that they liked Barwell because it was close to home. No other response option drew a response rate of more than 10%, however 29.3% stated that there was 'nothing / very little' they liked about the centre.
- **Dislikes:** Almost half of all respondents (46.2%) stated that there was 'nothing' they disliked about the centre. 11.6% of respondents identified a lack of a choice of shops; 9.7% identified a lack of parking; and 9.3% considered that the centre was littered/dirty.
- **Areas for improvement:** Almost one-quarter of respondents stated that Barwell town centre could be improved through better choice of shops. 15.2% stated the centre would benefit from additional car parking provision, and 10.0% stated the centre would benefit from better maintenance / cleanliness. 16.6% of respondents felt there was 'no need' for the centre to improve, whilst over a quarter of respondents (25.7%) answered 'don't know' to this question.

### Pedestrian flows (PPG Indicator G)

5.62 We are not aware of any formal pedestrian flow counts which have been undertaken in the centre. Qualitatively, localised pedestrian flows were noted during our visit to the centre, with generally low pedestrian movement observed. Shoppers were noted to park on the street and visit a single shop. There was a notable increase in traffic and pedestrian flow around the Co-Op store however, which clearly acts as the 'anchor' store within the centre.

### Accessibility (PPG Indicator H)

5.63 Whilst much of the centre includes double yellow lines, parking is available adjacent the Co-op and in varying positions along the High Street and Chapel Street. In addition, free parking is available at Stanley Street for approximately 37 cars. At the time of the visit, the highway network was free from congestion and traffic flows appeared low. Regular bus services link Barwell with Hinckley, Leicester and Nuneaton. Services to Leicester operate on a circa 30 minute basis during peak times, whilst services to Hinckley are half-hourly throughout the day.

### Perception of safety and state of town centre environmental quality (PPG Indicators I & J)

5.64 Barwell is a well-maintained centre, with ample refuse collection facilities (including a recycling point) encouraging a clean environment. The lack of cohesive standard to shopfronts across the centre has allowed some units to stand out as requiring improvement, particularly to the north of High Street and Chapel Street. The small pedestrianised seating area, whilst well-maintained and generally functional, is overlooked by the presence of a 1960s style three-storey building (which houses the Co-Op) which dominates the physical appearance of the centre somewhat.

5.65 Improvements to the centre environment can be realised through incentives to improve shop frontages and measures to promote the reuse of vacant units in the northern half of the centre. There is also a development opportunity at Stapleton Lane which, were it to come forward, would also assist in improving the environmental quality in this part of the centre.

**Summary of vitality and viability of Barwell district centre**

- **Barwell is a much smaller district centre than Earl Shilton but nevertheless offers a range of day-to-day shopping and services. It is clear that the offer in the centre only caters for local needs.**
- **Much of the offer in the centre is given over to retail services such as hair and beauty salons, as well as convenience goods. The principal store serving the centre is a Co-Op foodstore on Stapleton Lane, and this store acts as the 'anchor' store to the centre.**
- **There are two opportunity sites in the centre – Barwell Constitutional Club and the Top Range Motors site – which are well located within the centre and offer opportunity for intensification/redevelopment. We have undertaken consultation with a number of foodstore operators with an identified requirement for representation in the Borough but they have identified these sites are not suitable for their current operational needs.**
- **The vacancy rate in Barwell is the highest of any centre in the Borough (at 13.8%, above the UK average) and this indicator needs to be closely monitored by the Council.**
- **The environmental quality of the centre is for the most part satisfactory, but there is potential for improvements to a number of shopfronts, particularly to the north of the High Street.**

## Market Bosworth health check

### Introduction

5.66 Market Bosworth sits towards the north of the Borough, roughly equidistant between the town centres of Hinckley and Coalville. The centre is small and compact in nature, and in part, reflecting the town's proximity to the historic Bosworth Battlefield, contains a number of gift shops, tea rooms, pubs and restaurants, alongside a small range of day-to-day shopping facilities.

### Diversity of uses and retailer representation (PPG Indicators A and E)

5.67 There is an even representation between convenience and comparison shopping in Market Bosworth. Approximately 60% of the units are, relatively, evenly shared between comparison and convenience units – the greater share to convenience (32%). The comparison goods offer in the centre is largely given over to specialist independent retailers, including clothing boutiques and an antiques shop. The convenience offer includes a small Co-Op supermarket alongside specialist independents including a grocer and a butcher. A farmers market takes place in the centre once a month to further add to the diversity of uses.

5.68 A further 16% of units in the centre are occupied by leisure services (cafes, public houses, restaurants etc.), below the UK average of 22%, but relatively high for a centre the size of Market Bosworth. The leisure services are evenly distributed throughout the centre with three public houses in the centre (two in close proximity around the Park Street/ Main Street junction). The presence of the public houses, tea rooms and restaurants in the centre can be considered to make a significant contribution to the wider vitality and viability of the centre.

5.69 The health check visit highlighted the role of specialist independent retailers in contributions to the wider offer of the centre, including interior design and clothing. Three national retailers/service operators are represented in the centre - Co-op, Lloyds Pharmacy and HSBC. The centre is compact and has a clear focal point around Market Place. The Co-Op is particularly small store and is not of a size which is not likely to be capable of meeting anything more than basic day-to-day shopping needs for many residents.

*Market Bosworth*

### **Proportions of vacant street level property** (PPG Indicator B)

5.70 The health check identified two vacant units at the junction of Main Street and Park Street, representing a vacancy rate for the centre of 7%, below the UK average of 9%, but above the 0% experienced in 2012 and 2015. Whilst the presence of two vacant units in the centre does not present particular cause for concern, this indicator should be closely monitored. The rate is low and the units currently available for let are clustered to the north of the centre[11]. During the centre visit, the main footfall was around Market Place with on and off-street parking, whereas the vacant units are located away from the off-street parking and highway restrictions are in place, preventing parking to the front of the units. In addition, the main car parking for Market Bosworth is located to the south-east of the centre (outside of the centre) and at Market Place. The vacant units do not, therefore, benefit from passing trade, as units surrounding Market Place do.

### **Commercial yields and commercial rents** (PPG Indicators C and F)

5.71 We are not aware of any published commercial yield or rental data for Market Bosworth.

### **Customers' views and behaviour** (PPG Indicator D)

5.72 The household telephone survey identified the following patters of usage for those respondents that stated they visit Market Bosworth:

- **Frequency of visits:** The majority of residents who state the household survey that they visit Market Bosworth appear to be relatively infrequent visitors to the centre. 20.7% of respondents visit once a month, whilst 38.9% visit less often than this. Only 8.9% of respondents stated that they visit daily, and only 10.3% of respondents stated that they visit once a week.
- **Main purpose of trip:** Visiting cafes, pubs and restaurants was the most popular reason which residents choose to visit Market Bosworth (23.7%). This confirms our view that these uses play a particularly important role in supporting the wider vitality and viability of the centre. Other leisure activities accounted for 13.2% of responses, similar to food shopping (13.0%) and non-food shopping (13.4%). The small size of the Co-op store in Market Bosworth is likely to be a reason why relatively few respondents stated they visit for food shopping when compared to other centres in the Borough.
- **Linked trips:** whilst 39.9% of respondents stated they do not undertake any 'linked trips', 17.4% also visit non-food shops as part of their visit to the centre, 13.1% visit cafes, pubs and restaurants and 11.7% undertake food shopping.

[11] We understand from HBBC that, subsequent to our visit to the centre, both of the identified vacant units in the centre have been let.

- **Likes:** By far the most popular attribute which users of Market Bosworth like about the centre is its strong environmental quality (68.9% of responses). A further 9.0% stated they like the historic environment which the centre offers. Again, this confirms our view that the quality of the environment on the centre is an important contributor to its overall vitality and viability.
- **Dislikes:** Almost two-thirds of respondents (63.9%) stated that there was 'nothing' they disliked about the centre, suggesting a generally high level of satisfaction amongst users of the centre. The only response which attracted a significant percentage was the lack of parking in the centre (16.0% of respondents).
- **Areas for improvement:** 29.3% of respondents stated that there was 'no need to improve' the centre. 21.6% of respondents stated that more car parking was needed. 35.1% of respondents were unsure as to how the centre could be improved.

### **Pedestrian flows** (PPG Indicator G)

5.73 We are not aware of any formal pedestrian flow counts which have been undertaken in Market Bosworth. Our visit to the centre highlighted moderate levels of footfall, localised to the convenience stores (grocers/butchers/newsagents). Footfall was noticeably higher along Market Place, than that of Main Street. We note the main convenience units (butchers/grocers/Co-Op) are all located around Market Place and Main Street junction where the highest footfall was experienced.

### **Accessibility** (PPG Indicator H)

5.74 There is formal car parking provision to the rear of the Old Black Horse public house, off Market Place, and off-street parking at Market Place (apart from on market days). There are no restrictions to parking on the highway to the frontage of the retail units and we noted, during our visit, a number of single trip journeys. The parking in the centre appears well used. At the time of the visit, the highway network was free from congestion and traffic flows appeared low, with appropriate time to cross the roads. We observed elderly users crossing the highway with no clear issue; although we note the parked vehicles can cause an impaired sight for pedestrians. The centre is accessible by public transport with a sheltered bus stop at the Market Place. At the time of the visit, the shelter was utilised with shoppers heading to Leicester. Following a short conversation the shoppers relayed that from Market Bosworth it was easy to access, both Leicester and Hinckley.

### **Perception of safety and state of town centre environmental quality** (PPG Indicators I & J)

5.75 Market Bosworth centre is an attractive location, with its historic core, a long-established Conservation Area, in good condition, making a positive contribution to the overall environment. Whilst the centre is not pedestrianised, it does not particularly impact the overall environmental quality of the centre. From the visit, we noted Market Place to be well presented, with good quality street furniture located centrally. The centre contains a number of particularly noteworthy buildings of good architectural quality which helps to reinforce the environmental quality of the centre. We did not observe any issues in respect of antisocial behaviour; the centre felt safe to walk around at the time of our visit.

### Summary of vitality and viability of Market Bosworth

- **We consider Market Bosworth to be displaying generally good levels of vitality and viability when assessed and the PPG indicators.**
- **The centre has a limited retail offer but what is in the centre is of a high quality, including a number of independent convenience specialist and boutique goods stores.**
- **The anchor sore to the centre is a small Co-Op supermarket, which whilst appearing well used, is unlikely to be able to cater for many residents' shopping needs, other than day-to-day top up shopping.**
- **It is apparent that the centre's performance is underpinned by a strong (for the size of the centre) pub / restaurant offer, capitalising on the centre's proximity to Bosworth Battlefield. The overall vitality and viability of the centre is likely to be underpinned by tourism to a greater extent than any other centre in the Borough.**
- **This popularity does appear to be causing some issues in terms of parking availability.**
- **The centre benefits from a good environmental quality and had just two vacant units at the time of our visit.**
- **Again reflecting its dual offer as a centre for meeting local needs much of the comparison goods offer is given over to specialist retailers, but there are facilities such as pharmacies also present in the centre.**
- **The centre would benefit from a larger foodstore than the small Co-op which presently trades in the centre, which only enables limited day to day shopping needs to be met.**

# 6 SURVEY AREA, POPULATION & EXPENDITURE GROWTH

**In this section, we introduce the key inputs which form the basis of our assessment of the 'need' for new comparison and convenience goods retail floorspace for the Borough. The calculation of 'need' is a technical exercise which is derived from considering three key factors: where residents of the survey area are currently undertaking their shopping; how much population growth is expected to come forward in the survey area; and how much spending on convenience and comparison goods will increase, having regard to economic forecasts and other factors such as online shopping. We introduce these inputs below, and the findings are subsequently set out in Section 7.**

**The findings of this section should be read in association with the capacity tabulations at Appendix I (for comparison goods) and Appendix II (for convenience goods) in Volume 2.**

## Calculation of quantitative 'need'

6.1 The 'need' for new floorspace is calculated through a conventional and widely-accepted step-by-step methodology, consistent with best practice, which draws upon the findings of the household telephone survey of shopping patterns which has been undertaken in support of this study (as previously discussed) to model the current flows of expenditure (i.e spending in £m) to each retail destination within the survey area, and those competing centres in the surrounding area. The process for calculating quantitative 'need' is essentially unchanged from that in the 2007 Study.

## Stages of a quantitative need assessment

1. Assess the scale of population growth between the base year (the year of the Experian baseline population and expenditure forecasts) and the end year of the study, making allowances for Special Forms of Trading (SfT) retail activity, such as online shopping.

2. Assess existing retail supply and market shares (assess the provision of existing retail floorspace and the resulting shopping patterns of residents within the catchment area through the results of a household survey of residents in a defined catchment area, in order to establish the turnover attracted to each centre/store, and the proportion of expenditure which is 'retained' within the catchment area).

3. Make allowance for other 'claims' on growth in retained expenditure (in addition to SFT in Step 1);
   Commitments to new floorspace (either schemes under construction or extant permissions that would result in additional retail floorspace);
   Sales density growth (the growth in turnover for existing retailers within existing floorspace).

4. Consider whether overtrading of existing floorspace represents an additional source of quantitative need.

5. Assess quantitative need by calculating the initial residual expenditure pot that is potentially available for new retail floorspace and apply an estimated sales density (turnover per sq.m) to convert this expenditure to a quantitative need for additional floorspace.

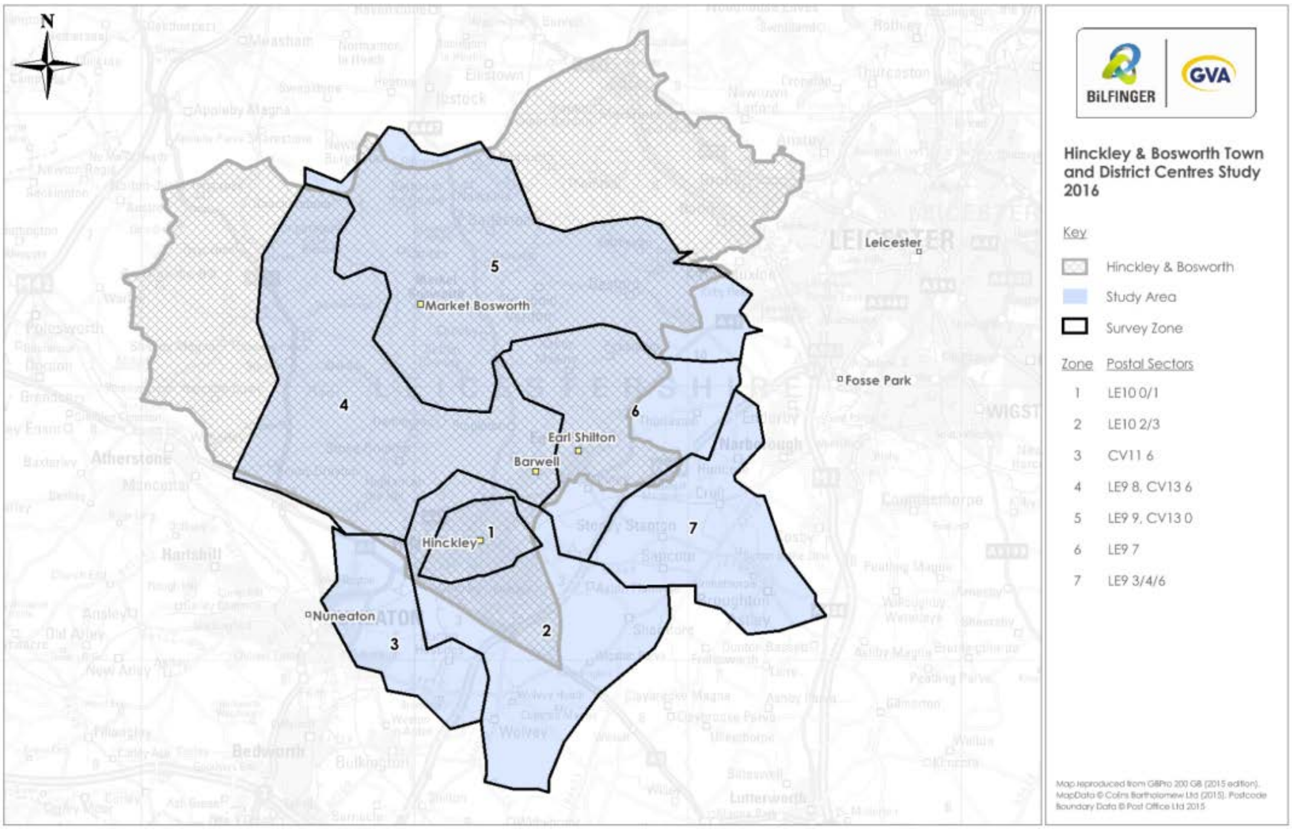
6. Develop alternative scenarios (if required) for calculating growth in residual expenditure, based on increases or decreases in the projected expenditure retention level.

## Survey Area and Household Survey

6.2 As we have set out above, in order to determine the 'need' for new comparison and convenience goods floorspace in the Borough over the new Local Plan period, a household telephone survey is required to establish the current shopping patterns of residents. In order to determine this, we have established a 'survey area' which forms the basis of our assessment. This survey area covers Hinckley & Bosworth Borough (with the exception of outlying rural areas to the very north-west and north-east), as well as parts of adjacent authorities where, because of the proximity of Hinckley to the edge of the Borough boundary, it is possible that residents in these authority areas may look towards Hinckley for some of their shopping needs.

6.3 A plan of the survey area is shown in **Figure 6.1** (a larger version of this plan is reproduced in Volume 2). A total of 700 household telephone surveys were undertaken by NEMS Market Research during July 2016 across this survey area. In order for a detailed analysis of shopping patterns at the local level to be undertaken, the overall survey area boundary has been split into seven survey zones. The boundaries of these zones are based on postcode sectors, and reflect those used in the 2007 Study - this enables direct comparison with the findings of that study to be made as part of our analysis.

***Figure 6.1: Survey area***




6.4 As shown in Figure 6.1:

- **Zone 1** covers the Hinckley urban area;
- **Zone 2** covers the rural area to the immediate north and south of Hinckley;
- **Zone 3** covers the area to the west of Hinckley, up to the edge of Nuneaton;
- **Zone 4** covers Barwell and a large rural area to the west of the Borough;
- **Zone 5** covers Market Bosworth and the rural area to the north of the Borough;
- **Zone 6** covers Earl Shilton; and
- **Zone 7** covers the area of Narborough and Broughton Astley (this zone falls almost entirely outside Hinckley & Bosworth Borough)

## Estimates of population in the survey area

6.5 For the purposes of our quantitative needs assessment, we have utilised population forecasts bespoke to each survey zone which have been provided by Experian. These are past-trends based population forecasts, informed by Office of National Statistics Sub-National Population Projections. Table 1 of Appendix I shows the current and projected populations for each of the survey zones at the base year of the study (2016) and the projections at five-year interval period through to 2036. It shows that:

- The current (2016) population of the survey area is 128,892 persons;

- The estimated population of the survey area in 2026 is 136,509 persons;
- The estimated population of the survey area in 2036 is 144,345 persons;
- The total estimated growth in population between 2016 and 2036 is 15,453 persons.

## Available expenditure in the survey area

6.6 Experian identify a 'per capita' spend on comparison and convenience on a zone-by-zone basis; these are shown in Table 2 of Appendix I (for comparison goods) and Table 2 of Appendix II (for convenience goods). These tables show that:

- Comparison goods spend per head ranges from £3,537 in zone 6 to £4,440 in zone 3. The average comparison goods spend per head is £3,967;
- Convenience goods spend per head ranges from £2,020 in zone 7 to £2,283 in zone 3. The average convenience goods spend per head is £2,139.

6.7 Based on guidance provided by Experian (Retail Planner Briefing Note 14, November 2016) it is expected that spend per head on comparison and convenience goods will increase annually over the course of the Council's new Local Plan period. Therefore, we apply an annual growth rate to the 2016 'baseline' figures (as summarised above) which reflect the latest Experian guidance. Details of the growth rates we have used can be found in the footnotes to Table 2 of Appendix I and II. The majority of the growth which is expected to come forward is in comparison goods spending; expenditure growth in the convenience goods sector is considerably more limited.

6.8 The figures set out in Table 2 of Appendix I and II have been discounted to include allowance for 'special forms of trading' (SFT), which are chiefly accounted for by online shopping, but also include other non-store based transactions such as catalogue shopping:

- Experian forecast that SFT currently (2016) accounts for 13.2% of total comparison goods spending, and that this will increase to 16.1% by 2026 and 16.5% by 2036.
- Experian forecast that SFT currently (2016) accounts for 3.0% of total convenience goods spending, and that this will increase to 4.6% of total convenience goods spend by 2026 and 5.3% of total convenience spend by 2036.

6.9 Table 2 of Appendix I and II summarises the 'with' and 'without' SFT per capita expenditure figures, and also shows the deductions we have made for SFT at each of the five-year interval periods through to 2036.

6.10 By applying the population forecasts to the per capita expenditure forecasts, we can gain an understanding of the total amount of comparison and convenience goods spending which is available to residents of the survey area, and how much this is expected to increase over the duration of the study period to 2036. This exercise is set out in Table 3 of Appendix I (for comparison goods) and Appendix II (for convenience goods) and shows that:

- There is currently £440.5m of comparison goods expenditure available to residents of the survey area. This is expected to increase to £598.9m by 2026, and £862.7m by 2036, a growth in expenditure of £422.2m between 2016 and 2036;
- There is currently £263.7m of convenience goods expenditure available to residents of the survey area. This is expected to increase to £272.4m by 2026, and £288.6m by 2036, a growth in expenditure of £24.9m between 2016 and 2036. The growth in convenience goods expenditure is therefore modest, particularly when compared to the levels of comparison goods expenditure growth expected to come forward.

## Shopping patterns in the survey area

6.11 The household telephone survey results identify shopping habits of households for both convenience and comparison goods, as well as commercial leisure spending. For convenience goods, the household telephone survey included questions on 'main food' and 'top-up food' shopping. The results of the two types of food expenditure were then merged through the application of a weight which reflects the estimated proportion of expenditure accounted for by each goods type (70% 'main' food / 30% 'top-up' food[12]). This forms a 'composite' pattern of convenience spending, expressed as a market share for each destination centre or foodstore for each survey zone.

[12] Based on our experience elsewhere, this represents a suitable split between 'main' and 'top up' food shopping.

6.12 For comparison goods, the household telephone survey included questions on where respondents normally undertake shopping for the following types of comparison goods shopping:

- Clothing and footwear;
- Furniture, floor coverings and household textiles;
- DIY and decorating goods;
- Domestic appliances;
- Audio-visual equipment;
- Personal and medical goods; and
- Recreational and luxury goods.

6.13 Shopping patterns for each of these types of comparison goods are then combined to produce a 'composite' set of comparison goods shopping patterns, using weighted averages of the household survey responses for each goods type base on the proportion of personal spending ('expenditure per capita') available to residents in the survey area, as provided by Experian.

## Comparison goods shopping patterns

6.14 Shopping patterns derived from the household telephone survey allow us to calculate the amount of comparison goods expenditure spent in each centre within and surrounding the survey area which forms the basis of our assessment. This indicator is a good reflection of both the strength of the retail offer in a centre, as well as its accessibility, and overall quality of experience.

6.15 The total amount of expenditure which is retained within the survey area is known as its 'retention rate'; the remaining expenditure which flows to destinations outside the study area is known as 'leakage'. **Table 6.1** shows the amount of comparison goods expenditure retained within the survey area (which also, in this instance, also reflects the amount of comparison goods expenditure retained in the Borough itself), and the amount of expenditure 'leakage'.

***Table 6.1: Comparison goods expenditure retention in Hinckley & Bosworth Borough***

| | £m | % of total |
|---|---|---|
| Total amount of comparison goods spend available to study area (2016), of which: | 440.5 | 100.0% |
| *— Comparison goods trade draw to centres in Hinckley & Bosworth (Town centres, District Centres, out-of-centre and non-food floorspace in foodstores)* | *159.6* | *36.2%* |
| *— Comparison goods trade draw to locations outside survey area (e.g. Fosse Park, Leicester, Nuneaton)* | *272.6* | *61.9%* |
| *— Comparison goods spending in local shops in survey area* | *8.3* | *1.9%* |

*Source: Table 5, Appendix I*

6.16 Our assessment has identified that there is a total of £440.5m of comparison goods expenditure which is available to residents in the survey area. Of this, £159.6m is retained by centres and stores within Hinckley & Bosworth Borough, equivalent to a 'retention rate' of 36.2%. The vast majority of the 'retained' expenditure is accounted for by locations in Hinckley.

6.17 **Table 6.2** summarises the most popular destinations for comparison goods spending for residents in the survey area, identifying the extent to which locations outside the Borough compete for spending with Hinckley. This builds on the analysis previously set out in Section 4 of our report.

***Table 6.2: Survey area comparison goods trade draw by centre***

| Centre | LPA | Comparison goods trade draw (£m) | % of total comparison goods expenditure available to survey area |
|---|---|---|---|
| **Hinckley town centre** | **Hinckley & Bosworth** | **114.5** | **25.1%** |
| Fosse Park | Blaby | 102.6 | 23.3% |
| Leicester city centre | Leicester City | 66.7 | 15.1% |
| Nuneaton | Nuneaton & Bedworth | 59.0 | 13.4% |
| **Hinckley retail w'housing** | **Hinckley & Bosworth** | **39.3** | **8.9%** |
| Coventry | Coventry City | 18.0 | 4.1% |
| **Earl Shilton** | **Hinckley & Bosworth** | **4.3** | **1.0%** |
| Birmingham | Birmingham City | 4.0 | 0.9% |
| Tamworth | Tamworth | 3.8 | 0.9% |
| Coalville | North West Leicestershire | 2.8 | 0.6% |
| Leicester retail w'housing | Leicester City | 2.8 | 0.6% |

*Source: Table 5, Appendix II. All comparison goods destinations with turnovers in excess of £2.0m shown.*

6.18 Table 6.2 shows that Hinckley town centre is the most popular destination for comparison goods shopping for residents in the survey area, drawing a total of £114.5m of comparison goods spending, equivalent to just over one-quarter of total available comparison goods expenditure. Fosse Park sits closely behind Hinckley town centre as the second-most popular comparison goods shopping destination, drawing £102.6m of comparison goods spend. Beyond this, Leicester city centre and Nuneaton (town centre and retail parks combined) draw similar amounts of spending, at £66.7m and £59.0m respectively. Retail warehousing in Hinckley (which also includes non-food spend in out-of-centre foodstores) draws a further £39.3m of spending, and Coventry (city centre and retail parks combined) draws £18.0m of spend.

6.19 A handful of other destinations account for a limited amount of comparison goods spending, including Birmingham, Tamworth and Coalville, although the influence of these locations over shopping patterns is much more limited. Earl Shilton also draws £4.3m of comparison goods spending from the survey area, which can be considered a reasonable performance given its non-food retail offer is, as our health check assessment has identified, limited.

## Convenience goods shopping patterns

6.20 Convenience goods shopping is a more localised activity and residents are typically less willing to travel as far to undertake food shopping. Hinckley benefits from a number of foodstores, both in the town centre and in out-of-town locations, although some residents in the survey area look towards foodstores in Leicester and Nuneaton, simply as they may geographically be closer than those in Hinckley. Our assessment has identified that there is £265.8m of convenience goods expenditure available to the survey area; of this £174.9m is spent at stores in Hinckley & Bosworth Borough **(Table 6.3)**. This includes £25.3m spent in stores in Hinckley town centre, £125.4m spent in out-of-centre foodstores in Hinckley, and £13.0m spent in stores in Barwell and Earl Shilton.

*Table 6.3: Convenience goods expenditure retention in Hinckley & Bosworth Borough*

| | £m | % of total |
|---|---|---|
| Total amount of convenience goods spend available to study area (2016), of which: | 263.7 | 100% |
| *— Convenience goods trade draw to centres in Hinckley & Bosworth (Town centres, District Centres, out-of-centre and non-food floorspace in foodstores)* | *174.9* | *66.3%* |
| *— Convenience goods trade draw to locations outside survey area (e.g. Fosse Park, Leicester, Nuneaton)* | *75.1* | *28.5%* |
| *— Convenience goods spending in local shops in survey area* | *13.7* | *5,2%* |

*Source: Table 5, Appendix II*

6.21 The most popular foodstores in the Borough, in terms of the turnover they attract from the survey area, are shown in **Table 6.4.**

*Table 6.4: Turnover of main foodstores in Hinckley & Bosworth Borough*

| Foodstore | Total net floorspace (sq.m) | Turnover from survey area (£m) | Sequential location (in/ edge/ out-of-centre) |
|---|---|---|---|
| Asda, Barwell Lane, Hinckley | 3,233 | 36.4 | Out-of-centre |
| Morrisons, Normandy Way, Hinckley | 6,310 | 30.9 | Out-of-centre |
| Aldi, Watling Street, Hinckley | 6,080 | 19.9 | Out-of-centre |
| Tesco, Station Yard, Hinckley | 2,416 | 19.7 | Out-of-centre |
| Sainsbury's, Rugby Road, Hinckley | 3,493 | 16.0 | In-centre |
| Lidl, Hawley Road, Hinckley | 7,288 | 11.2 | Out-of-centre |
| Co-Op, Wood Street, Earl Shilton | 1,192 | 9.9 | In-centre |

*Source: Table 5, Table 7, Appendix II*

## Other inputs into the quantitative need assessment

### Sales Efficiency

6.22 It is also necessary to factor in changes in respect of 'sales efficiencies'. These represent the ability of retailers to increase their productivity and absorb higher than inflation increases in their costs (such as rents, rates and service chargers) by increasing their average sales densities. The application of a turnover 'efficiency' growth rate is a standard approach used in retail capacity studies. Guidance on sales efficiencies is set out in Experian's Retail Planner Briefing Note 14 (November 2016), and for the purposes of our capacity modelling we adopt the following annual sales efficiency rates, which are held throughout the duration of the study period to 2033.

- Comparison goods: 1.4%, per annum
- Convenience goods: 0.3%, per annum

### Floorspace Data

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

# 7 QUANTITATIVE RETAIL CAPACITY FORECASTS

**Having introduced the key inputs into our quantitative need assessment in the previous section, in this section we identify the quantitative comparison goods floorspace which the Council will need to plan for in its new Local Plan period. Our approach to calculating this is based on the methodology set out in the previous section.**

7.1 Our qualitative forecasts are split between:

- **Mid-range forecasts:** These are forecasts up to 2026, which are forecast with a strong level of certainty.
- **Long-term forecasts:** These are forecasts between 2026 and 2036, which should be treated as more indicative.

7.2 The discussion in this section should be read in conjunction with the data tables in **Appendix I in Volume 2 o**f this study.

## Hinckley town centre

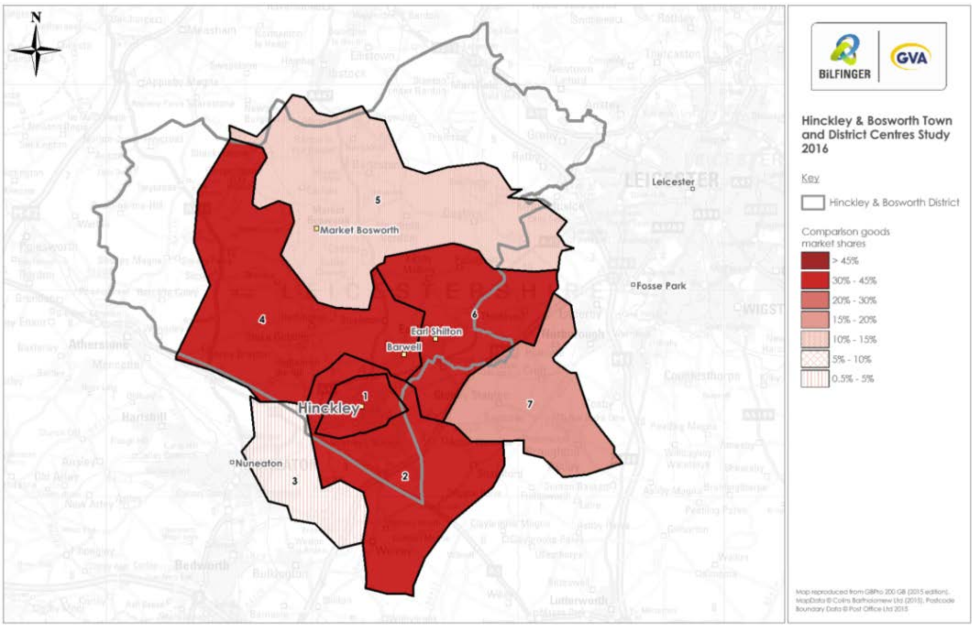
7.3 As identified in the previous section, Hinckley town centre has the highest comparison goods turnover of any centre in the survey area, drawing £114.5m of comparison goods spend from the survey area, equivalent to 26.0% of the total comparison goods spend available to the survey area.

7.4 Table 4 of Appendix I shows that Hinckley town centre draws a market share of 38.9% from its 'local' zone, zone 1. This is considered to be a reasonable performance, but one which could potentially be improved further if an improved retail offer were to be attracted to the town centre. Hinckley town centre also draws a market share of 41.5% from zone 2 (which surrounds Hinckley to the north and south), plus a market share of 34.3% from zone 6, and a market share of 27.6% from zone 4. We would consider these four zones to represent Hinckley's 'primary catchment area'.

7.5 Hinckley town centre also draws a market share of 18.2% from zone 7 and 10.4% from zone 5, and these areas can be considered to be Hinckley's 'secondary catchment area'. In these areas, residents principally look to Leicester city centre and Fosse Park for their comparison goods shopping, but Hinckley town centre nevertheless picks up a limited market share.

7.6 Hinckley town centre exerts virtually no influence over the non-food shopping patterns of residents in zone 3, despite this zone's relatively close proximity to Hinckley. Nuneaton (and to a lesser extent Coventry) account for most residents' shopping trips in this zone. Hinckley town centre's catchment is therefore curtailed significantly to the west on account of the presence of Nuneaton. Hinckley town centre's catchment area is shown in **Figure 7.1.**

***Figure 7.1: Hinckley town centre comparison goods catchment area***




*Source: Table 4, Appendix I. A larger version of this plan is reproduced in Volume 2.*

7.7 Because the overall survey area boundary and sub-division into survey zones in unchanged from that of the 2007 Study, it is possible to undertake an analysis of how the market shares of Hinckley town centre and competing centres have changed in the intervening period. This is a particularly useful exercise in assessing the impact which the opening of The Crescent has had on shopping patterns.

7.8 In **Table 7.1** we set out an analysis of the comparison goods market share of Hinckley town centre by zone, and how this has changed since the 2007 Retail Capacity Study. We also show the market shares attracted to Leicester city centre and Fosse Park, to also examine how these have changed.

***Table 7.1: Comparison goods market shares to Hinckley town centre, Leicester city centre and Fosse Park, 2007 and 2016***

| Year | Zone 1 | Zone 2 | Zone 3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 |
|---|---|---|---|---|---|---|---|
| Hinckley town centre comparison goods market share | | | | | | | |
| 2007 | 44% | 41% | 2% | 34% | 15% | 27% | 17% |
| 2016 | 39% | 42% | 1% | 30% | 11% | 36% | 18% |
| *Change* | *-5%* | *+1%* | *-1%* | *-4%* | *-4%* | *+9%* | *+1%* |
| Leicester city centre comparison goods market share | | | | | | | |
| 2007 | 11% | 11% | 2% | 13% | 24% | 21% | 19% |
| 2016 | 17% | 11% | 6% | 14% | 28% | 10% | 20% |
| *Change* | *+6%* | — | *+4%* | *+1%* | *+4%* | *-11%* | *+1%* |
| Fosse Park comparison goods market share | | | | | | | |
| 2007 | 11% | 13% | 4% | 12% | 19% | 13% | 36% |
| 2016 | 18% | 20% | 8% | 22% | 33% | 24% | 42% |
| *Change* | *+7%* | *+7%* | *+4%* | *+10%* | *+14%* | *+11%* | *+6%* |

*Source: Table 4, Appendix I (for 2016 data); Hinckley & Bosworth Retail Capacity Study 2007 (for 2007 data)*

7.9 Table 7.1 shows that:

- Hinckley town centre's market share has decreased slightly relative to the position at the time of the Council's previous retail study, in 2007, which we consider to be largely on account of the increased attractiveness of Leicester city centre as a shopping destination following the opening of Highcross in 2008. However, the recent opening of The Crescent is a positive development and ensures that the centre will be well-placed to withstand any further challenges to its market share over the course of the new Local Plan period.
- Both Leicester city centre and Fosse Park have secured an increased market share from the survey area relative to the position at the time of the 2007 Study. Leicester city centre's market share from zone 1 (which covers Hinckley) has increased from 11% to 17%, and market share improvements of 4% can be seen from zones 3 and 5. The only zone from which Leicester city centre has lost market share is zone 6 (Hinckley town centre has been the beneficiary of this).
- Fosse Park has increased its influence over the shopping patterns of residents in the survey area compared to the previous study, with a 7% increase from both zones 1 and 2, a 14% increase from 5, and increases of 10% and 11% from zones 4 and 6 respectively.

7.10 The increased influence on market share which Leicester city centre has had is arguably not surprising when the current retail offer is compared with that which was trading in the city centre at the time of the 2007 Study. As set out in Section 4, the opening of Highcross delivered a step-change in the quality and variety of Leicester's retail offer, introducing a number of retailers new to the city such as John Lewis, Apple and Zara, and delivering larger units for existing retailers such as Next and Topshop. Aligned with the improvements to the commercial leisure offer in the city centre (as also highlighted in Section 4), it is clear that Leicester city centre is now functioning as more of a 'destination' and we consider this is reflected in the trends seen here.

7.11 The increased influence which Fosse Park has had over survey area shopping patterns is less easy to quantify, as the development has not seen any significant amounts of new floorspace since the late 1990s. However it is likely that a combination of an improved, more fashion-orientated tenant line-up, plus the easy accessibility to Fosse Park which much of the survey area benefits from, are likely to be the principal factors in explaining this.

7.12 Notwithstanding the trends set out above, the recent opening of The Crescent is a positive development and ensures that Hinckley town centre will be well-placed to withstand any further challenges to its market share over the course of the new Local Plan period. It is likely that had this development not come forward, Hinckley town centre would have lost further market share relative to the position at the time of the 2007 Study.

## Hinckley retail warehousing

7.13 As set out in the previous section, a total of £39.3m of comparison goods expenditure is spent at other retail facilities in the Hinckley urban area. This includes retail warehousing and non-food spending in out-of-centre foodstores such as the large Asda at Barwell Lane. There is relatively little retail warehousing in Hinckley at present (and none elsewhere in the Borough), but there have been enhancements to the offer of Hinckley through the opening of a small new retail park on Hawley Road, which contains branches of Poundstretcher and Pets at Home. Elsewhere, there are branches of Wickes, Halfords and B&Q in Hinckley, which for the most part are 'bulky goods' in nature and therefore less likely to directly compete with the town centre offer.

7.14 Out-of-centre retailing accounts for between 10% and 15% of the comparison goods market share from zones 1, 2, 4 and 6 — the market shares are relatively similar from each zone and there is no clear 'primary' and 'secondary' catchment area as is the case with Hinckley town centre.

## District/smaller centres

7.15 As highlighted in our health check analysis in section 5, the district centres in the Borough do not perform a significant role and function as comparison goods shopping destinations, reflective of their role and function in the Borough's retail hierarchy. Earl Shilton attracts a 7.1% comparison goods market share from zone 6 and a 1.4% market share from zone 4, and Barwell attracts a 2.5% comparison goods market share from zone 4.

7.16 Neither centre has a comparison goods offer which extends to more than meeting basic day-to-day shopping needs, and accordingly most residents in these zones look towards nearby larger centres for their comparison goods shopping. This is not a reflection of underperformance of the district centres (although qualitatively there is scope for improvement of the offer in some cases), but is largely a reflection of their nature as district centres. Market Bosworth does not, however, attract any market shares for comparison goods shopping.

## Comparison goods trading performance

7.17 Using the market shares attributed to each centre from the household telephone survey, and the baseline estimates of expenditure available to the survey area (as summarised in the previous section), we are able to calculate the comparison goods turnover of each of the principal centres in the Borough, as well as out-of-town retail warehousing. This is a useful exercise because it shows the extent to which a centre or location is trading in line with expectations.

7.18 Table 8 of Appendix I shows that, on aggregate, comparison goods floorspace in the Borough is trading at £4,848 per sq.m. This is an aggregate trading performance, based on the turnover of Hinckley town centre, the district centres, and out-of-centre floorspace, as well as comparison goods floorspace within larger foodstores. **Table 7.2** shows the trading performance of Hinckley town centre and the retail parks; we have not included the performance of the district/smaller centres because, as noted above, the majority of these do not attract a significant comparison goods turnover.

***Table 7.2: Trading performance of comparison goods floorspace in Hinckley***

| | Comparison goods turnover from survey area (£m) | Estimated comparison goods floorspace (sq.m net) | Turnover per sq.m (£) |
|---|---|---|---|
| Hinckley town centre | 114.5 | 24,652 | 4,646 |
| Hinckley retail warehousing | 39.3 | 6,538 | 6,007 |

*Source: Table 6, Table 8, Appendix I*

7.19 Table 7.2 shows that Hinckley town centre is achieving a comparison goods sales density of £4,646 per sq.m. Based on our experience elsewhere and having regard to the role and function of Hinckley as the highest-order centre in the Borough, we consider this to represent something of an underperformance, and there is some potential for this to be improved over the course of the Council's Local Plan period. However this is likely to be dependent on attracting a stronger non-food retail mix to Hinckley town centre. The sales density of other retail facilities in the town (retail warehousing, non-food space in foodstores) is performing considerably stronger at c. £6,000 per sq.m, and we consider this to be a strong performance as retail warehousing typically has a sales density in the region of £2,500 per sq.m[13].

## Identification of comparison goods capacity

7.20 Having undertaken the above assessment of trading performance, we are able to establish the quantum of new comparison goods floorspace which the Council should seek to plan for over the study period to 2036. In assessing the capacity for future comparison goods floorspace, we have assumed that existing comparison goods floorspace stock across the Borough will improve its sales efficiency (i.e. its turnover per sq.m) over the course of the study period. We have assumed that new comparison goods floorspace would achieve a sales density in the region of £6,000 per sq.m, which we consider to be a reasonable proxy for trading performance of new comparison goods floorspace in the Borough, based on the performance of existing comparison goods floorspace which we have identified above.

7.21 In identifying capacity, it is important to note that forecasts becoming increasingly open to margins of error over time, and accordingly should be refreshed throughout the Council's new Local Plan period. The capacity figures identified for the long term period beyond 2026 should be considered indicative only (these are shown italicised in the summary capacity tables set out in Appendix I and below).

7.22 In identifying future retail capacity it is also necessary to take into account 'commitments' for new retail floorspace, which will act as 'claims' on the amount of comparison goods spending which is available to support new floorspace. We have been advised that there are no outstanding 'commitments' for new comparison goods floorspace in the Borough which need to be factored into our assessment.

7.23 However, as we have set out in Section 4, a planning application has recently been approved for the development of further retail facilities in the Fosse Park area of Leicester. This development, known as Castle Acres, is expected to draw some of its turnover from existing retail facilities in Hinckley & Bosworth Borough. The applicants have assumed that a total of £1.81m of comparison goods spend will be diverted from retail locations in Hinckley (the majority of this from Hinckley town centre) in 2020, increasing to £1.95m in 2025. We have modelled the implications of this development on the 'need' for new comparison goods floorspace in the Borough, and therefore the forecasts of comparison goods 'need' shown at Table 8 of Appendix I (and summarised in **Table 7.3** below) have regard to this planning permission.

***Table 7.3: Comparison goods floorspace capacity, Hinckley & Bosworth Borough (constant market share)***

| | 2021 | 2026 | *2031** | *2036** |
|---|---|---|---|---|
| Comparison goods 'need' (sq.m net) – Hinckley & Bosworth Borough | 1,400 | 4,600 | *10,000* | *14,500* |

*Source: Table 8, Appendix I*
**Indicative only, subject to review. Figures are cumulative*

7.24 Table 7.3 shows that the Council will need to plan for **up to 4,600 sq.m net additional comparison goods floorspace in the period to 2026, increasing to indicatively up to 14,500 sq.m net by 2036**. This is a Borough-wide requirement; whilst expenditure growth in the convenience goods sector is forecast to be relatively limited, the fact that the majority of food shopping continues to be undertaken in 'bricks and mortar' foodstores, and as a consequence many of the foodstores in the Borough are currently over-trading, there is a positive requirement for additional convenience goods floorspace. However, it is recommended that a further refresh of the Borough's comparison goods 'need' is undertaken following opening of Castle Acres, if the planning permission is implemented, to fully assess the influence it has over the Borough's patterns of shopping and therefore the 'need' for new comparison goods floorspace the Borough needs to plan for.

## Convenience goods shopping patterns

[13] Source: Mintel UK Retail Rankings

7.25 In the remainder of this section, we forecast the capacity for additional convenience goods floorspace in the Borough over the study period to 2036. Our discussion follows the same format as for the comparison goods capacity forecasts set out above. The discussion set out below should be read in conjunction with the tabulations set out at Appendix II.

7.26 **Table 7.4** shows the most popular convenience goods shopping destinations for each of the four zones which wholly or partially cover Hinckley & Bosworth Borough — zones 1, 2, 4, 5 and 6. It shows the extent to which convenience goods shopping needs are being met within each zone, or whether residents are having to travel further afield to meet their convenience goods shopping needs. Because convenience goods shopping is generally a relatively localised activity, if residents are being forced to travel long distances for their convenience goods shopping, this can suggest a qualitative gap in the convenience goods retail offer at the local level.

7.27 In Table 7.4, the green-shaded entries denote stores within the respective 'local' zones, and the purple-shaded stores denote stores within an adjacent survey zone.

***Table 7.4: Most popular convenience goods shopping locations by zone (Hinckley & Bosworth zones only)***

| | Most popular convenience goods shopping location (%) | Second-most popular convenience goods shopping location (%) | Third-most popular convenience goods shopping location (%) |
|---|---|---|---|
| Zone 1 | Asda, Hinckley (28.1%) | Aldi, Hinckley (17.1%) | Morrisons, Hinckley (13.8%) |
| Zone 2 | Tesco, Hinckley (29.7%) | Sainsbury's, Hinckley (11.4%) | Co-Op, Burbage (9.66%) |
| Zone 4 | Morrisons, Hinckley (29.7%) | Asda, Hinckley (19.6%) | Co-Op, Earl Shilton (8.3%) |
| Zone 5 | Coalville / Ibstock foodstores (all) (20.3%) | Leicester foodstores (all) (18.3%) | Morrisons, Hinckley (12.2%) |
| Zone 6 | Co-Op, Earl Shilton (27.1%) | Asda, Hinckley (18.4%) | Morrisons, Hinckley (14.0%) |

*Source: Table 4, Appendix II*

7.28 Table 7.4 confirms that convenience goods shopping in and around the Hinckley urban area is generally self-contained. The three most popular stores visited by residents of zone 1 (which covers the Hinckley urban area) and zone 2 (which covers the surrounding rural area) are all Hinckley, meaning that residents in these areas are not having to travel significant distances for their convenience goods shopping. Most residents in zone 4 also look towards Hinckley for their convenience goods shopping in absence of any closer higher-order centres. The Co-Op in Earl Shilton accounts for over one-quarter of all shopping trips in zone 6, with most other residents again looking to nearby Hinckley.

7.29 Residents in zone 5 typically look outside the Borough for their convenience goods shopping, with 20.3% travelling a short distance north to stores in Coalville and Ibstock. A further 18.4% travel to stores in Leicester (for example, foodstores in the Fosse Park area are relatively accessible by car from parts of this zone), whilst others look towards Hinckley. Zone 5 is the one zone where most residents are having to travel further distances for their convenience goods shopping — whilst there is a small Co-Op store in Market Bosworth, it is not of sufficient size to meet anything except basic day-to-day convenience goods shopping needs and was not identified in our household survey results as attracting a significant market share from residents in this zone. This would suggest there is scope for additional, appropriately-sized foodstore provision in Market Bosworth therefore.

## Convenience goods performance assessment

7.30 In Tables 6 and 8 of Appendix II, we have undertaken an assessment of the trading performance of the convenience goods floorspace in the Borough, to establish whether the floorspace is trading in line with 'benchmark' levels (i.e. company averages for national operators, or typical sales densities for independent retailers). Table 8 in Appendix II shows that, on average, 'main foodstore' convenience goods floorspace in the Borough is trading at £11,129 per sq.m, which is a relatively high sales density, and one which reflects the fact that the vast majority of convenience goods shopping in the Borough is undertaken in large-format foodstores (i.e. Asda, Sainsbury's, Tesco and so on).

7.31 In Table 6 of Appendix II we set out the trading performance of individual 'main' foodstores, in the Borough. The analysis in Table 6 shows that the majority of foodstores in the Borough are trading well, and at above company average levels — although, in most cases, the level of 'over-trading' against company average levels is not excessive. However it is noteworthy that the out-of-centre Aldi store in Hinckley is trading at over double company average levels at present.

7.32 Generally speaking, it is the out-of-centre foodstores in the Borough which are currently performing the strongest. However the strong performance of these stores is tempered by the performance of the new in-centre Sainsbury's store, which, based on the findings of the household survey, is trading below company average levels at present. The store is a large store — we estimate it to have a sales area of 3,493 sq.m net — but is currently only drawing £16.0m of convenience goods spend from the survey area.

7.33 It is possible that this underperformance is, however, a product of the fact that the store is a relatively new addition to the convenience retail market in town (notwithstanding the fact that it replaced a much smaller, more dated store on the same site) — new store openings can take a while for their trading patterns to become fully established and this store had been trading for under a year at the time of the household telephone survey. The trading performance could also reflect the fact that owing to its town centre location, the store could be attracting higher levels of top-up/basket shops compared what would typically be expected for a store of this size.

7.34 Outside of Hinckley, the majority of foodstores in the Borough appear to be trading well, at above company average levels, for example:

- The Co-op store in Earl Shilton is trading at £3.9m above 'benchmark' levels;
- The Co-op store in Market Bosworth is trading at £1.0m above benchmark;
- The Co-op store in Burbage is trading at £1.8m above benchmark; and
- The Co-op store in Barlestone is trading at £1.2m above benchmark.

## Identification of convenience goods capacity

7.35 Having set out the population and expenditure growth expected to come forward in the convenience goods sector (section 6) and undertaken the analysis of shopping patterns (above), **Table 7.5** shows the capacity for additional convenience goods floorspace in the Borough under a 'constant market share' scenario.

7.36 As with the comparison goods capacity forecasts set out above, it is important to note that forecasts become increasingly open to margins of error over time, and should be refreshed over the Council's new Local Plan period. We therefore again advise that capacity forecasts identified for the period beyond 2026 are considered indicative. In addition, findings should be considered alongside our qualitative assessments set out earlier in this report, as low / negligible capacity does not, in itself, mean there is no 'need' for additional floorspace — as there may be circumstances where the development of new convenience goods floorspace could be justified if it was meeting a locally-specific shortfall in provision, for example, as this would improve residents' access to facilities and promote more sustainable patterns of shopping. We are not aware of any 'commitments' for new convenience goods floorspace which need to be taken into account as part of our convenience goods capacity assessment.

7.37 Based on a 'constant market share' (i.e. assuming that current patterns of convenience goods shopping remain unchanged), Table 7.5 shows that there is a q**uantitative 'need' for an additional 3,400 sq.m net convenience goods floorspace for the period to 2026, increasing indicatively to 4,200 sq.m net by 2036**. This is a Borough-wide requirement; whilst expenditure growth in the convenience goods sector is forecast to be relatively limited, the fact that many of the foodstores in the Borough are currently over-trading, which in turn generates a 'need' for new floorspace. This is a Borough-wide requirement; whilst expenditure growth in the convenience goods sector is forecast to be relatively limited, the fact that the majority of food shopping continues to be undertaken in 'bricks and mortar' foodstores, and as a consequence many of the foodstores in the Borough are currently over-trading, there is a positive requirement for additional convenience goods floorspace.

***Table 7.5: Convenience goods floorspace capacity, Hinckley & Bosworth Borough (constant market share)***

| | 2021 | 2026 | *2031** | *2036** |
|---|---|---|---|---|
| Convenience goods 'need' (sq.m net) – Hinckley & Bosworth Borough | 3,200 | 3,400 | *3,700* | *4,200* |

*Source: Table 8, Appendix II. *Indicative only, subject to review. Figures are cumulative*

**Summary of quantitative need**

**The Council should plan for the below Borough-wide new comparison and convenience goods floorspace over the medium term period to 2026, and longer-term period to 2036:**

- **Comparison goods: 4,600 sq.m net additional comparison goods floorspace by 2026, increasing to (indicatively) 14,500 sq.m net by 2036.**
- **Convenience goods: 3,400 sq.m net additional convenience goods floorspace by 2026, increasing to (indicatively) 4,200 sq.m net by 2036.**

**Forecasts should be kept under regular review throughout the Plan period to 2036.**

# 8 COMMERCIAL LEISURE ASSESSMENT

**As this study has previously identified, commercial leisure uses are playing an increasingly important role in the vitality and viability of centres by providing complementary uses that strengthen both the daytime and evening economies of a centre. This section of the report considers the current provision of commercial leisure uses in the Borough, including patterns of visits to restaurants, cafes, cinema, entertainment venues, and cultural facilities, identifies any apparent qualitative gaps in the provision of these facilities, and sets out the amount of expenditure growth expected to come forward in the commercial leisure sector during the Council's new Local Plan period.**

8.1 In undertaking our commercial leisure assessment, we have again had regard to the findings of the household telephone survey undertaken in support of this study by NEMS Market Research, and we have also undertaken qualitative assessments of commercial leisure provision in each of the centres as part of our 'health check' analyses undertaken in **Section 5**.

## Patterns of commercial leisure visits

8.2 Firstly, we identify the patterns of commercial leisure visits which residents in the survey area are currently undertaking, based on the findings of the household survey. The household survey asked respondents where they currently travel to when they go the cinema, visit cafés, restaurants and pubs, cultural venues such as theatres and museums, and other more specialist leisure facilities such as bowling, ice skating and children's soft play venues. We discuss these sectors below.

8.3 A summary of the proportion of residents who participate in the above types of commercial leisure activities is shown in **Table 8.1.**

***Table 8.1: Proportion of residents in survey area who participate in commercial leisure activities***

| Restaurants | Pubs / bars / clubs | Cafes | Cinema | Arts* | Health & fitness | Entertainment** | Children's soft play |
|---|---|---|---|---|---|---|---|
| 65.0% | 52.3% | 51.4% | 48.8% | 41.1% | 26.8% | 22.1% | 13.7% |

*Source: NEMS Household Survey results*
**Arts includes visits to theatres, museums, live music venues, art galleries etc*
***Entertainment includes visits to bowling, ice skating, bingo etc*

### Restaurants

8.4 Visiting restaurants is the most popular commercial leisure activity undertaken by residents in the survey area — an average of 65.0% of residents in the survey area visit restaurants. When compared to studies we have undertaken elsewhere we note this to be a slightly low figure; typically we have found that between 70-80% of respondents state that they visit restaurants. This is likely to reflect that much of the survey area is largely rural in nature, meaning that some residents will have to travel some distance to visit these (and indeed many other) leisure facilities.

8.5 However, when looking at patterns of visits at the zonal level, it can be seen that even the more urban areas of the Borough have only a marginally higher level of patronage to restaurants. In zone 1 (which covers the Hinckley area) 69.9% of respondents stated that they visit restaurants – and we consider this is likely to reflect the fact that, as our health check analysis has demonstrated – the restaurant offer in Hinckley town centre is relatively limited at present.

8.6 However, the proportion of residents visiting restaurants is higher in other zones. In particular, in zone 5 (which covers Market Bosworth), 77.9% of respondents stated they visit restaurants. We have previously identified that these uses make an important contribution to the vitality and viability of Market Bosworth, reflecting the fact the centre also appears to play a role as a leisure and tourism location on account of its proximity to Bosworth Battlefield. Zone 4, the rural area to the west of Market Bosworth, also identifies a high proportion of visits to restaurants. For zones 3, 6 and 7 the proportion of respondents who stated that they visit restaurants is under 60%.

8.7 Question 25 of the household survey asked where respondents who visit restaurants tend to go most often. Hinckley town centre draws an aggregate market share of 30.3% from the survey area – the highest of any individual destination.

Hinckley town centre's market share is 61.7% from its 'local' zone, zone 1, and the town centre also draws a 44.5% market share from zone 2, 22.3% from zone 4, and 19.4% from zone 7. In the context of what is a relatively limited town centre offer, we consider this to represent a reasonable performance, and importantly, one which has scope to improve further as more lettings come forward in The Crescent and elsewhere in the centre. 9.5% of respondents across the survey area travel to other restaurants in Hinckley which are outside the town centre (12.8% from zone 1, and 15.8% from zone 2), suggesting there is some competition with the town centre for spending in this sector.


*Prezzo restaurant, The Crescent*

8.8 The next most popular destination for visits to restaurants is Leicester city centre, with a 10.2% aggregate market share from the survey area. It is interesting to note that very few residents in Hinckley itself travel to Leicester, with Leicester city centre picking up just a 3.1% market share from zone 1. Leicester's market share principally comes from zones 5, 6 and 7, and indeed in both zones 6 and 7 the market shares for Leicester city centre and Hinckley town centre are highly similar. An improved restaurant offer in Hinckley town centre would therefore enable the centre to be better-placed to compete with Leicester from these zones.

8.9 Market Bosworth also commands a strong performance, attracting an aggregate market share of 9.4% from the survey area and attracting a market share from each of the seven survey area zones.

### Pubs

8.10 The household survey found that visits to pubs, bars and clubs was the second most popular form of leisure activity for residents in the survey area — just over half of all respondents undertake this type of leisure activity. Hinckley town centre draws an aggregate market share of 24.1% from across the survey area, making it the most popular destination for residents. Hinckley town centre attracts 52.8% of the market share in zone 1, 21.6% of the market share in zone 2, 17.7% of the market share in zone 4 and 13.3% of the market share in zone 6. In the remaining zones the market share is below 10%. Residents in zone 3 do not look towards Hinckley — Nuneaton attracts a 79.3% market share from this zone.

8.11 A further 11.7% aggregate market share is drawn to locations elsewhere in Hinckley – this would be most likely to cover neighbourhood pubs for example. The market share attracted to non-town centre locations is 30.4% in zone 1 but below 10% in all of the remaining survey zones.

8.12 The results of the household survey show that a number of centres across the survey area play an important, localised role in meeting residents' needs in respect of local pubs, for example:

- Burbage attracts a market share of 54.2% from residents in zone 2;
- Barwell attracts a market share of 36.9% from zone 4;

- Market Bosworth attracts a market share of 36.6% from zone 5;
- Earl Shilton attracts a market share of 40.1% from zone 6;
- Broughton Astley (in Harborough District) attracts a market share of 44.4% from zone 7

8.13 In these instances, the centres do not have a survey area-wide pull to any significant extent, but command high market shares from their respective 'local' zones. This shows the importance these facilities play in serving the needs of residents at the local level.

### Cafes

8.14 Visiting cafes was the third-most popular type of commercial leisure activity — 51.4% of residents stated they undertook this. Hinckley town centre attracts a market share from across the survey area of 54.1%; the next most popular locations are Leicester city centre (10.6%), Nuneaton (7.6%) and Market Bosworth (7.1%). Hinckley town centre attracts high levels of support from residents in its local zones (zones 1 and 2), attracting market shares of 84.4% from zone 1 and 80.2% from zone 2.

8.15 However, the fact that only 51.4% of respondents across the survey area state they undertake this activity suggests there is likely to be scope for improvement in provision in respect of this type of commercial leisure activity. In the Hinckley zones (zones 1 and 2) this figure is similarly low, at 52.9% in zone 1 and 58.8% in zone 2. Based on our experience elsewhere, these are relatively low figures which offer potential for improvement. Our experience is that areas with a stronger 'café culture' attract response rates in the region of 65 to 75% in answer to this question, and this would therefore indicate that Hinckley town centre is currently under-served by café facilities.

8.16 Indeed, levels of patronage to cafes are highest in zone 5, which covers Market Bosworth, where 66.7% of residents visit cafes. This reflects the good provision (relative to the size of the centre) of these uses in Market Bosworth. Our health check assessments have confirmed that café and restaurant uses make a particularly important contribution to the vitality and viability of Market Bosworth and this would appear to be borne out in the results here. Analysis of question 24 of the household survey results shows that Market Bosworth attracts a market share of 29.1% from zone 5, second only to Leicester city centre (32.2%). Earl Shilton also performs well in this respect (again relative to the size of the centre), attracting a market share of 24.0% from residents in zone 6.

8.17 Barwell does not play a significant role as a location for cafes, attracting just a 3.6% market share from residents in zone 5, and no market share from beyond this.

### Cinema

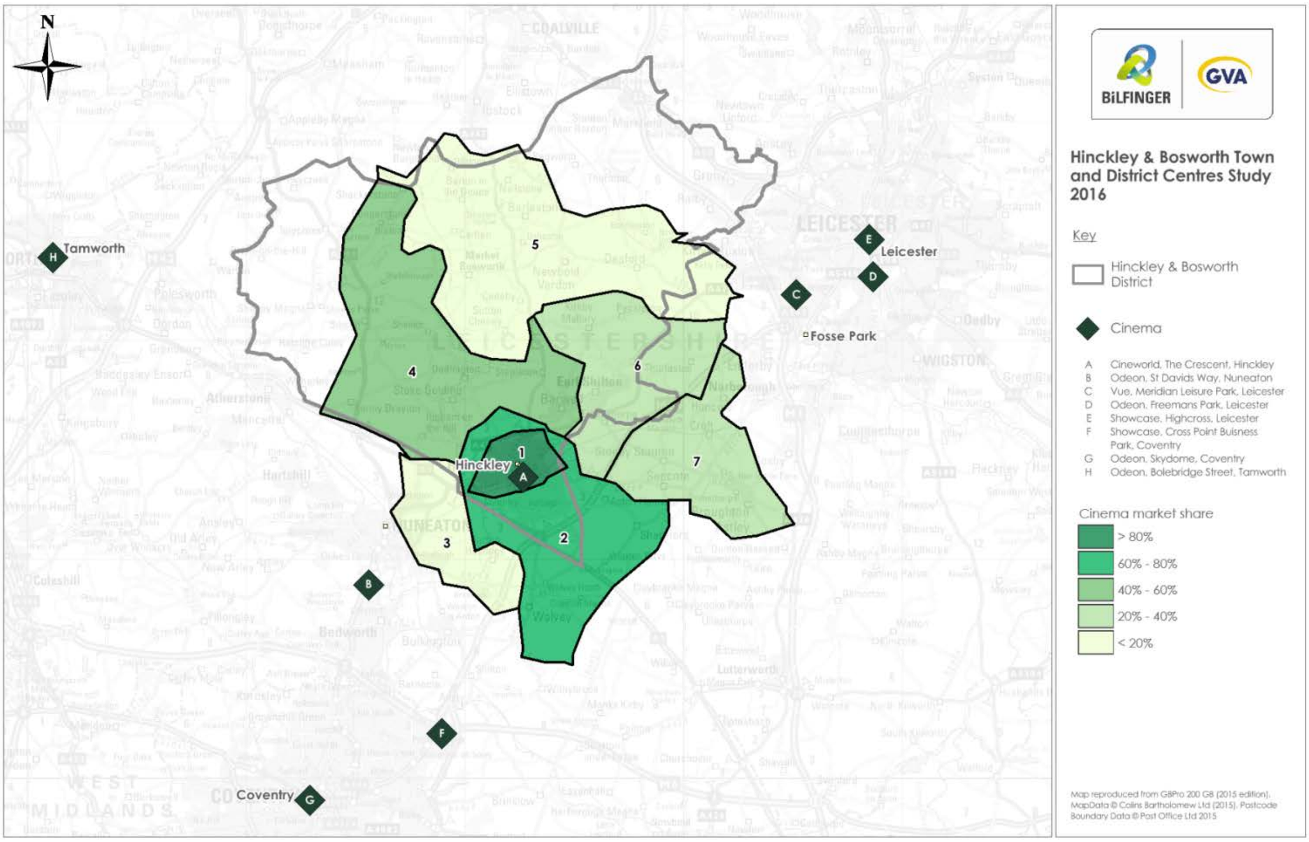
8.18 Visiting the cinema was the fourth most popular commercial leisure activity, with 48.8% of respondents in the survey area participating in this activity. As we have previously set out in this report, the Borough's provision has been significantly enhanced in respect of cinema provision since the opening of the Cineworld cinema as one of two anchors (the other being Sainsbury's) to The Crescent. The opening of this facility means that residents in Hinckley no longer need to travel to Leicester, Nuneaton or Coventry to visit the cinema.

8.19 Question 27 of the household survey asked where residents in the survey go when they visit the cinema. Hinckley Cineworld accounts for 50.8% of all cinema visits for residents in the survey area. When analysing responses at the zonal level, Hinckley Cineworld attracts a market share of 83.5% from zone 1 (the Hinckley urban area), 72.2% from zone 2, 50.5% from zone 4, 37.5% from zone 7, and 33.1% from zone 6. These are encouraging market shares, and show that in particular from those zones closest to Hinckley (zones 1 and 2) the development is attracting high levels of patronage. The catchment of Hinckley Cineworld is shown in **Figure 8.1** (overleaf)

8.20 The Cineworld faces competition from some of the more rural parts of the Borough with the Vue cinema on the outskirts of Leicester at Meridian Leisure Park. This facility benefits from a ten-pin bowling facility, a number of restaurants, easy road access and free parking and is therefore strong competition to Hinckley town centre. We consider there is potential, however, for the Cineworld to increase its market share from these rural zones if aligned to a strengthened complementary town centre commercial leisure offer — particularly a better choice of family dining restaurants — to help enhance the overall appeal of Hinckley town centre as a commercial leisure destination. The Council may wish to consider measures such as free evening/off-peak car parking to act as a further stimulus to the creation of an 'evening economy' in the town centre.

8.21 As can be seen from Figure 8.1 the two zones where Hinckley Cineworld exerts much less of an influence are zones 3 and 5. In zone 3, the majority of residents visit Odeon in Nuneaton (66.3%) or Showcase in Coventry (17.3%). In zone 5, 56.1% of residents visit the Vue at Braunstone, which is more readily accessible for many residents living in this zone compared to Hinckley.

***Figure 8.1: Hinckley Cineworld catchment area***




*Source: NEMS Household Survey results*

### Arts & cultural venues

8.22 The results of the household survey show that under half (41.1%) of respondents visit arts and cultural facilities such as theatres, galleries, live music venues and so on. At the zonal level, the highest figure is 47.4% in zone 1; the lowest is 31.7% in zone 2.

8.23 Question 28 of the household survey shows that the two most popular locations for those respondents that participate in this commercial leisure activity are Curve in Leicester (25.3% aggregate market share from the survey area), and the Concordia Theatre in Hinckley (23.9% aggregate market share from the survey area). Both destinations draw market share from across the survey area: the Concordia draws principally from zone 6 (48.6%), zone 2 (34.8%) and zone 1 (32.4%), whilst the Curve draws market share from zone 5 (41.5%), zone 7 (36.5%), zone 1 (28.5%) and zone 6 (24.1%). The catchment areas of the two facilities overlap to a large extent, but particularly so in the cases of zones 1 and 6.

8.24 Aside from visiting the Concordia, residents in the survey area generally look towards Leicester city centre for their cultural visits; this is entirely to be expected, given the proximity of the city centre for the majority of the survey area, and reflecting Leicester's role and function as a higher-order retail, leisure and cultural destination. Other facilities in Leicester which attract visits from residents in the survey area include DeMontfort Hall, New Walk Museum & Art Gallery and the Little Theatre.

8.25 Elsewhere, Birmingham also attracts market share from across parts of the survey area, most notably zone 3 (30.6%) and zone 2 (13.8%). Many residents also choose to travel to London (13.0% aggregate from the survey area), particularly from zone 3 (29.6%) and zone 2 (19.2%), which might reflect the fact that these areas are within easy access of direct rail connections to London from Nuneaton (Hinckley itself does not benefit from direct rail connections to London).

### Other commercial leisure activities

8.26 The proportion of respondents who undertake visits to other commercial leisure activities — health & fitness, family entertainment such as bowling and ice skating, and children's soft play — are significantly lower and therefore we do not discuss these trends in as much detail. However it should be remembered that levels of visits to these uses are largely dictated by the ease of access to facilities – and so, for example, the lack of any family entertainment facilities in the Borough is likely to explain the lower levels of take-up. The key findings are as follows:

- 26.8% of respondents stated that they visit **health and fitness facilities**. Hinckley town centre attracts an aggregate market share of 52.4% of those respondents who visit these facilities, and draws market shares of 79.2% from zone 1 and 73.3% from zone 2, reflecting the fact that visiting these facilities is generally a localised activity.
- The opening of the town centre's new leisure facility at Argent's Mead is a positive investment in provision of this nature in the town, and whilst we do not have any directly comparable survey evidence to assess whether this has delivered an uplift in the proportion of local residents using health and fitness facilities, it is noteworthy that the proportion of respondents who state they undertake this activity is higher in zones 1 and 2 (34.6% and 31.4% respectively) than the remaining survey zones.
- 22.1% of respondents stated that they visit **family entertainment** facilities such as bowling and ice skating. For those respondents that participated in this activity, the most popular location was Hollywood Bowl at Meridian Leisure Park at Braunstone in Leicester, attracting an aggregate 39.6% market share from the survey area and drawing particularly high market shares from zone 7 (88.9%), zone 5 (68.2%) and zone 6 (42.0%).
- Residents in the Hinckley area split their visits between this facility and the MFA Superbowl in Nuneaton, which draws an aggregate market share of 24.0%, and attracting a market share from six of the seven survey zones (most notably zone 2 at 62.4% and zone 3 at 50.3%). Residents in zones 2, 6 and 4 also look towards facilities in Coventry such as Tenpoint Bowling (Cross Point Business Park in Coventry) for their entertainment visits.
- Other commercial leisure activities such as **children's soft play** attract low market shares. There are facilities for this in Hinckley town centre, including at the new Hinckley Leisure Centre, as well as privately-run facilities such as WildKidz, based in New Buildings. Hinckley town centre attracts a market share of 26.7% for children's soft play, ahead of Nuneaton (23.9%).


*New leisure centre, Argents Mead, Hinckley*

## Expenditure growth in the commercial leisure sector

8.27 By applying the Experian population projections (used as the basis of our retail capacity forecasts) (see Section 6) the most up-to-date per capita expenditure data on leisure spending (Experian, 2014), we can obtain an indication of the likely growth in leisure expenditure available to residents of the survey area.

8.28 Whilst not all of this expenditure can, by default, be used to support the development of new commercial leisure facilities in the survey area — particularly because leisure spending is often undertaken with holidays, day trips, special occasions, and so on and so may in part be spent outside the survey area — it does provide an indication of the scope for additional development which could be supported. The findings of the below assessment should therefore be considered alongside our qualitative analysis of current (and planned) provision set out above.

8.29 Experian provide per capita leisure expenditure data on the following categories of commercial leisure spending:

- **'Cultural services'** – this includes spending on cinema, theatre, museums, live music/entertainment, nightclubs, bingo, and TV subscriptions such as Netflix. Across the survey area, average spend on this category is £332 per annum at 2016.
- **'Recreation and sporting services'** – this includes spending on admission to spectator sports (e.g. watching football matches) and subscriptions to sports/social clubs. Across the survey area, average spend on this category is £124 per annum at 2016.
- **'Restaurants and cafes'** – this includes spending in both restaurants and cafes, and also includes spending on 'alcoholic drinks consumed outside the home' (i.e. in pubs and bars) and on take-aways. Spending on this type of leisure service accounts for the majority of residents' commercial leisure spend, and, at the zonal level, ranges from £1,022 (zone 6) to £1,397 (zone 3). Across the survey area, average spend on this category is £1,150 per annum at 2016.

8.30 Experian advise that spending on commercial leisure services will increase by 1.3% per annum between 2019 and 2023, and 1.5% per annum between 2023 and 2035, although it is expected to be more subdued in the period between 2017 and 2019[14]. By applying the average zonal per capita spend on the different types of commercial leisure activity to Experian's population projections for the survey area (see Table 1, Appendix I), the total 'pot' of commercial leisure expenditure available to residents of the survey area can be calculated. The results of this exercise are summarised in **Table 8.2.**

***Table 8.2: Growth in commercial leisure spending in study area, 2016-36***

| | 2016 (£m) | 2021 (£m) | 2026 (£m) | 2031 (£m) | 2036 (£m) | Change, 2016-36 (£m) |
|---|---|---|---|---|---|---|
| Cultural services | 42.7 | 46.4 | 51,1 | 56,2 | 62.6 | **+19.9** |
| Recreation & sporting services | 15.9 | 17.2 | 19.0 | 20.9 | 29.2 | **+7.4** |
| Restaurants & cafes | 147.3 | 159.9 | 176.1 | 193.9 | 215.9 | **+68.6** |

*Source: Experian Micromarketer*

8.31 Table 8.2 shows that the vast majority of the leisure expenditure growth which is expected to come forward is in the 'restaurants and cafes' sector, which also includes spending growth in pubs and bars. Our assessment has set out how these uses already play an important role in contributing to the vitality and viability of centres in the survey area – particularly Market Bosworth, where our analysis has shown these uses are crucial to the overall 'health' of the centre, and Table 8.2 shows that there is scope for further uses of this nature to be accommodated in the Borough over the course of the Council's Local Plan period to 2036.

8.32 We consider there is particularly scope for further uses of this nature to come forward in Hinckley town centre, to support the vitality and viability of the centre and to develop and diversify its 'evening economy' uses, ideally with a focus towards more 'daytime to evening' restaurants such as those which have recently opened in The Crescent (e.g. Tarro Lounge, Prezzo and so on).

8.33 Growth in cultural services expenditure is more limited in comparison, and we would expect that, reflecting current patterns of visits, a reasonable proportion of this will be captured by facilities in surrounding higher order centres such as Leicester and Birmingham as well as, further afield, cultural facilities in London.

## Gap analysis — cinema provision

8.34 Relative to the position at the time of the 2007 Study, the key qualitative gap in cultural services provision — the absence of a cinema — has been met by the opening of Cineworld in Hinckley. This has provided residents of the town with a modern cinema facility and meant there is no longer a need for residents to travel to Leicester, Nuneaton or Coventry. As we have set out above, the catchment of the cinema extends across much of the survey area, with the exception of those parts which are better related to existing facilities in Nuneaton or Leicester.

[14] Source: Experian Retail Planner 14, November 2016, Figure 1a/1b

8.35 In considering whether there is a need for additional cinema provision, we typically look at a ten-minute drive-time radius from existing provision to establish whether there are any under-served catchment areas. This exercise is shown mapped in **Figure 8.2.**

***Figure 8.2 – Cinema catchment drive-time plan[15]***


8.36 Figure 8.2 shows that, notwithstanding the opening of Hinckley Cineworld, large parts of the Borough are not within easy reach of cinema facilities. However, we do not consider that the Council needs to plan for any additional cinema provision over its Local Plan period — whilst our gap analysis has shown that rural parts of the Borough are outside the ten-minute drive-time area of any cinema (either within or outside the Borough), we would not expect the smaller/district centres to have a sufficient catchment to support cinema facilities. In any case, were such a development to come forward in Barwell or Earl Shilton, its catchment would largely overlap with that of the Cineworld (both Earl Shilton and Barwell fall within the 10-minute isochrone of Hinckley Cineworld). We therefore consider the opening of Cineworld in Hinckley to have satisfied the need for new cinema provision in the Borough.

## Gap analysis — family entertainment provision

8.37 In **Figure 8.3**, we show the ten-minute drive-time ischrone from family entertainment facilities such as bowling, ice staking etc. As we have set out above, there are no facilities of this nature in the Borough at present.

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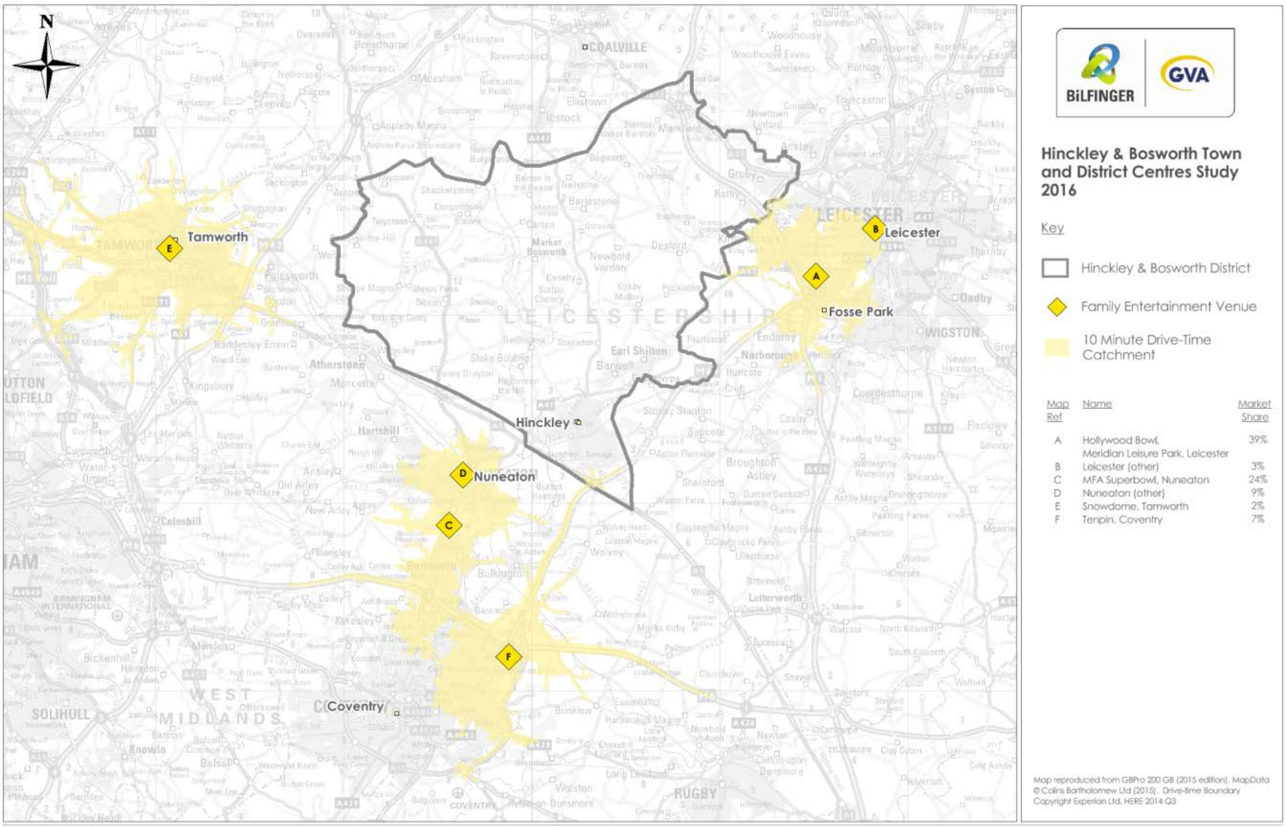
[15] A larger version of this plan is reproduced as Figure 16, Volume 2

***Figure 8.3 – Family entertainment catchment drive-time plan***[16]




8.38 Figure 8.3 shows that virtually the entirety of the Borough falls outside the ten-minute drive-time ischorone of existing family entertainment facilities, meaning that residents have to travel some distance should they wish to visit these type of facilities. This would point to a qualitative gap in provision therefore, and may present an opportunity for the Borough — although it is advised that facilities of this nature typically operate with much larger catchments than other retail and leisure facilities and therefore operators may consider existing coverage in the surrounding centres to be sufficient. We would expect any additional provision of this nature to be directed towards Hinckley town centre in the first instance, in line with the Council's settlement hierarchy. Such an approach would also enable the wider vitality and viability of Hinckley town centre to benefit from any new development.

8.39 More generally, the Council should consider applications which seek to deliver further enhancement to the Borough's cultural offer positively, particularly where they will improve the choice/range of facilities available and make a positive contribution to the wider vitality and viability of the network of centres.

[16] A larger version of this plan is reproduced as Figure 17, Volume 2

# 9 REVIEW OF FRONTAGES & RETAIL HIERARCHY

**In this section we set out a review of the defined primary and secondary shopping frontages in Hinckley town centre, informed by the findings of the preceding sections of this study. We also set out advice to the Council on a suggested retail hierarchy for the Borough.**

## Definition of primary and secondary frontages

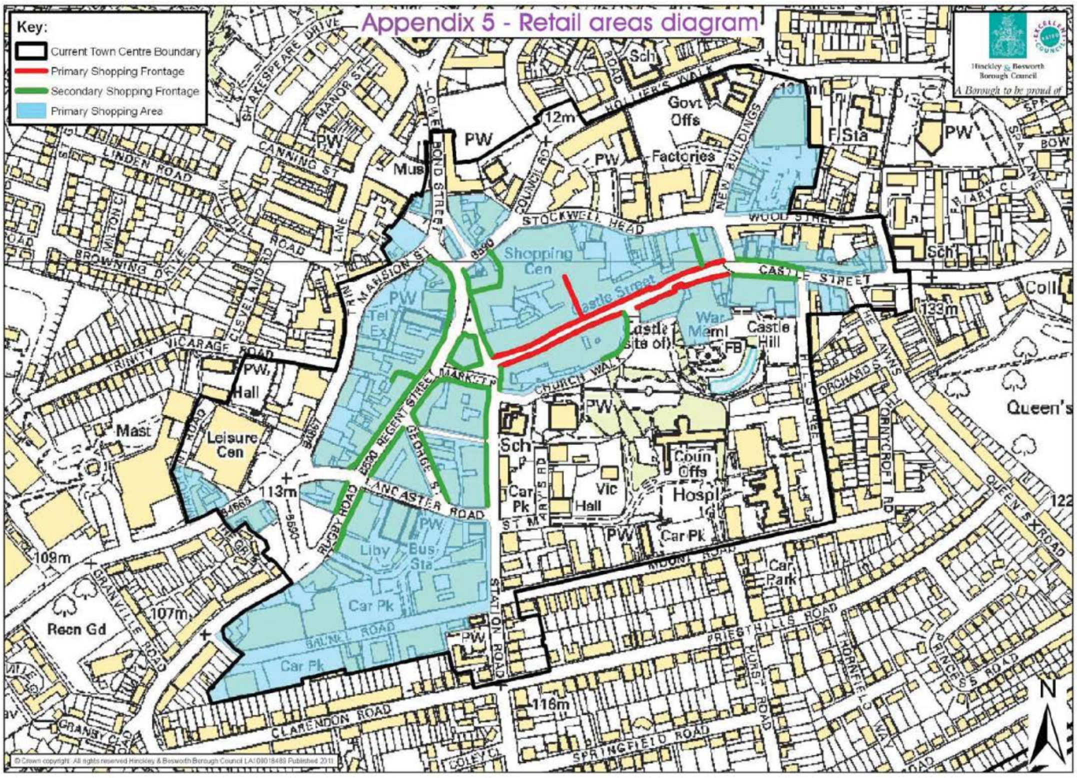
9.1 Paragraph 23 of the NPPF requires Local Plans to '*define the extent of town centres and primary shopping areas, based on a clear definition of primary and secondary frontages in designated centres, and set policies which will be permitted to such locations'.* The NPPF (Annex 2) defines primary frontages as being '*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*'.

## Existing defined frontages in Hinckley town centre

9.2 The Council's approach to defining the existing primary and secondary shopping frontage, plus the primary shopping area, is set out under Policy 13 of the adopted Hinckley Town Centre Area Action Plan (APP) (2011). We have provided a headline review of this document in Section 2 of our report. Paragraph 12.2 of the AAP defines the existing primary shopping frontage as being 'where the floorspace is generally retail in character' and the secondary shopping frontage as areas that 'tend to be more mixed in character, with offices, banks and similar uses interspersed'. The primary shopping area is defined as 'areas outside of the primary and secondary frontages yet still within the town centre tend to contain a greater mix of uses and a number of gaps in the frontages'.

9.3 A plan showing the defined primary and secondary frontages, and primary shopping area, is provided at Appendix 5 to the Hinckley Town Centre AAP, which is reproduced as **Figure 9.1** below. It shows that the primary shopping frontage covers the entire length of Castle Street, and the Britannia Centre. The secondary shopping frontage covers an area to the west of the primary shopping frontage, including the entirety of Regent Street, the eastern side of George Street, and the western side of Station Road up to the junction with Lancaster Road. There is also a small area of defined secondary shopping frontage covering the eastern end Castle Street, covering both sides of the road up to and including the junction with Hill Street.

***Figure 9.1: Hinckley Town Centre AAP primary shopping area and defined frontages***



## Suggested amendments to defined frontages

9.4 Having regard to the findings of our health check assessment of Hinckley town centre, the opening of The Crescent ,and the quantitative and qualitative 'need' forecasts this report has identified, we have identified a number of potential amendments to the existing defined frontages which the Council may wish to consider in their Local Plan review. The suggested changes to the primary and secondary shopping frontages are shown mapped at **Figure 9.2.** Following on from this in **Table 9.1** we set out a summary of each suggested change and the rationale for this.

9.5 We do not consider that any major revisions to the existing defined frontage are required. The defined primary shopping frontage along Castle Street (including the Britannia Centre) remains fit for purpose, as this continues to form the focal point of the town centre retail offer, although a minor retraction of the primary shopping frontage at the eastern end of Castle Street is recommended. We also recommend allocating Units A1 to A9, along with Unit E (Sainsbury's) in The Crescent, as primary shopping frontage.

9.6 We also consider the existing secondary shopping frontage to be largely accurate. Areas such as Castle Street (Upper end) and Regent Street have a broader retail and leisure offer and the role and function of these areas should be protected. We consider there is scope for secondary shopping frontage to be extended further eastwards along Castle Street, in order to help reinforce this area as a focal point for specialist retail, retail services and leisure operators in the centre. It is also recommended that the remaining units in The Crescent are allocated as secondary shopping frontage.

*Figure 9.2: Suggested amendments to primary and secondary frontages in Hinckley town centre*

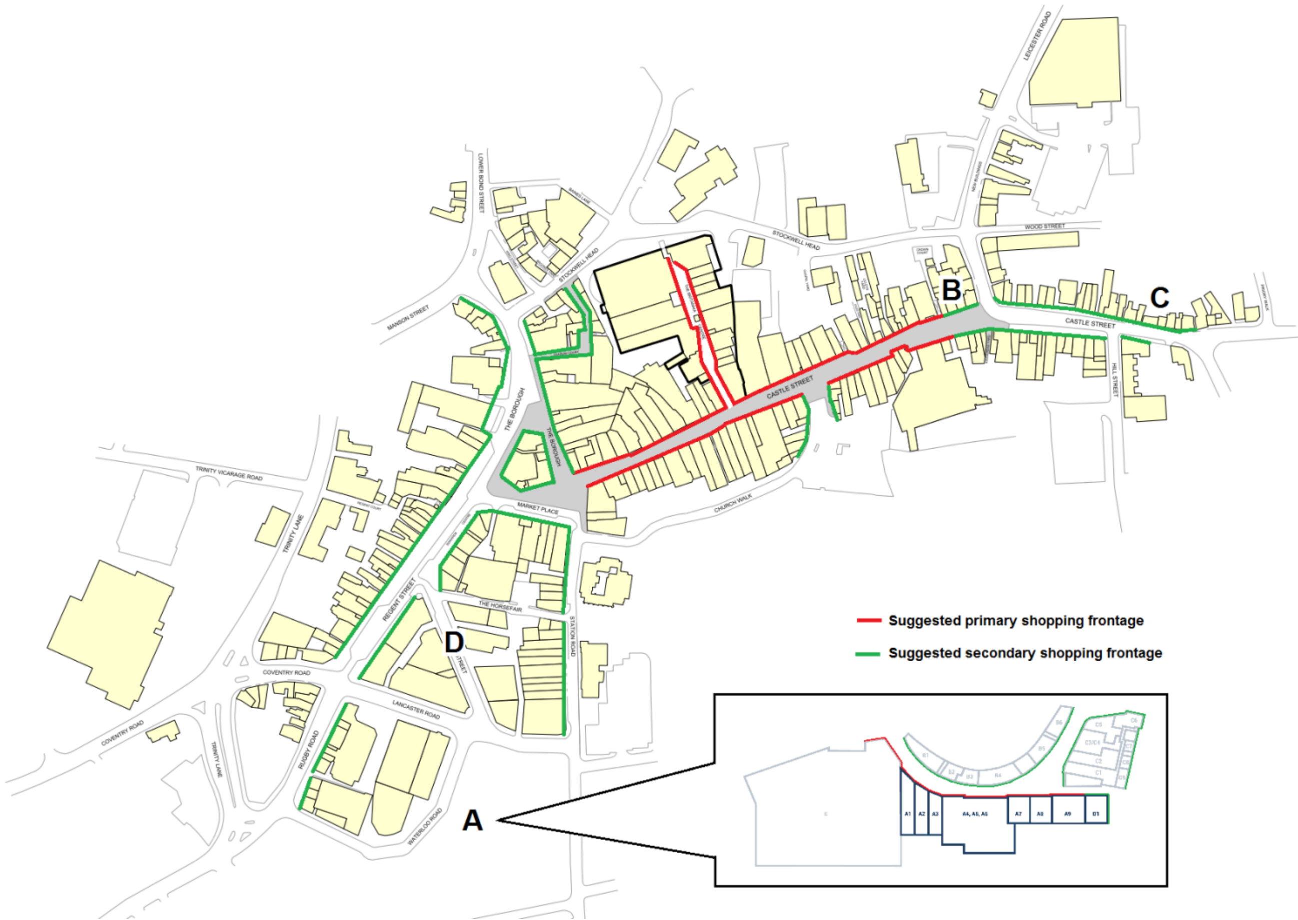


*Table 9.1: Suggested amendments to primary and secondary frontages in Hinckley town centre*

| Area of suggested change (see Figure 9.2) | Location | Recommendation | Justification |
|---|---|---|---|
| A | The Crescent | Allocation of primary shopping frontage to Units A1 to A9 (inclusive) and Unit E (Sainsbury's) | The Crescent has delivered modern retail floorspace to Hinckley town centre, including a large new supermarket. The parade of units which sit adjacent to Sainsbury's are the largest of the units within the new scheme, and those most suitable for occupation by higher-profile retail operators which Hinckley needs to raise its retail profile. Accordingly it is recommended that the class A1 retail use of these units protected. |
| A | The Crescent | Allocation of secondary shopping frontage to Units B1-B6 (inclusive), C1-C9 (inclusive) and D1 | The remainder of The Crescent has a more varied range of uses, including cafes, restaurants, a cinema and a gym. The need for a more broader mix in the new development is also considered important, particularly as there is a need to enhance the range of cafes and restaurants in the town centre, and provision of these types of uses in this location is important in providing a complementary offer to the cinema and increasing dwell time. Therefore the more flexible approach which is afforded by secondary frontage allocation is considered appropriate for these units. |
| B | Castle Street | Change of nos 65-67b (south side) and 78-82 (north side) of Castle Street from primary to secondary shopping frontage | At the upper end of Castle Street, footfall significantly decreases and a more flexible approach is considered appropriate to the units at the end of the pedestrianised section. This would also help lead footfall into the Upper Castle Street area (See Area of Suggested Change C) which in turn has potential to strengthen this area as the independent shopping/leisure 'hub' in the town centre.<br><br>The former Co-Op Department/foodstore on Castle Street is a prime development opportunity for modern retail floorspace to be introduced into the town centre and should accordingly remain part of the defined primary shopping frontage with its class A1 retail use protected. |
| C | Castle Street | Extension of secondary shopping frontage eastwards along Castle Street | We consider there may be scope for extension of the secondary shopping frontage further east along Castle Street, up to the junction with Hill Street (on the northern side) and up to (but not including) the former Castle Public House and adjacent development land on the southern side. This could help to reinforce the profile of Upper Castle Street as a hub for the independent retail sector in the Hinckley town centre, supported by appropriate marketing and investment strategies. |
| D | George Street | Removal of secondary shopping frontage along George Street | George Street has little in the way of pedestrian activity, or footfall-generating uses when compared to other secondary shopping frontage in the town centre, and is considered appropriate for declassification. The Council should nevertheless support investment in public realm improvements in this street in order for it to make a more positive contribution to the town centre environment. |

## Suggested amendments to primary shopping area

9.7 The current boundary of the primary shopping area is shown on Figure 9.1. Again, we consider this to remain mostly fit for purpose, although revisions will be needed to ensure the allocation in the Rugby Road / Station Road area is amended so that The Crescent is incorporated in its entirety. Revisions should also incorporate the new leisure centre at Argent's Mead. The superstore/ retail warehouse facilities on Hawley Road should continue to be excluded from any revisions to the primary shopping area as these do not function as part of the town centre.

## Suggested retail hierarchy

9.8 As part of our instruction we have reviewed the current role and function of the centres of Hinckley, Earl Shilton, Barwell and Market Bosworth. The study brief requests guidance on how these centres should be classified as part of an updated retail hierarchy for the Borough. The Council's adopted Core Strategy stops short of setting out a clear settlement hierarchy for the Borough, simply identifying 'four main centres' of Hinckley, Earl Shilton, Barwell and Burbage, whilst identifying Market Bosworth as one of a number of 'key rural centres'.

9.9 We have not been asked to consider the role and function of Burbage as part of this study, nor any of the 'key rural centres' aside from Market Bosworth. Based on our analysis of the four centres we were instructed to assess, we make the following observations:

- **Hinckley** unquestionably functions as the highest order centre in the Borough; it is the focus of the Borough's comparison goods shopping offer, and also includes foodstores, commercial leisure facilities such as a cinema and theatre and also has a civic role. It also contains the majority of the opportunity sites where the development of new 'main town centre uses' can be accommodated. On this basis we recommend that that Hinckley is classified as a 'main town centre' as part of any future hierarchy of centres.
- **Earl Shilton and Barwell** both fulfil roles as district-level centres, but Earl Shilton is the larger of the two centres. Given this area is expected to accommodate the majority of the Borough's new housing growth, there is the opportunity for these centres to have a renewed role and function over the course of the new Local Plan period, and it is considered that Earl Shilton offers the stronger opportunity to meet the needs of the existing and new residential community, through accommodating additional main town centre uses of an appropriate scale as part of a regenerated centre. Accordingly it is considered that Earl Shilton should be classified as a 'large district centre', and Barwell as a supporting 'district centre'.
- **Market Bosworth** in line with our recommendations elsewhere in this study if the Council wish to elevate this will need to be supported through the development of additional convenience goods retail facilities in the centre. Therefore it is recommended that the role and function of this centre is considered in future Local Plan reviews depending on whether further development comes forward in the centre, but at the present time the centre remains as a 'key rural centre'.

9.10 Our recommended centre hierarchy is summarised in **Table 9.2.**

***Table 9.2: Suggested hierarchy of centres in Hinckley & Bosworth Borough***

| Centres assessed by GVA | Centres to be assessed by HBBC |
|---|---|
| • Main town centre: Hinckley<br>• Large district centre: Earl Shilton<br>• District centre: Barwell<br>• Key rural centre: Market Bosworth *(*subject to review with consideration to upgrading to district centre)* | • Burbage<br>• All key rural centres except Market Bosworth |

9.11 It should be noted that this only represents a partial assessment of the centres in the Borough, as our remit did not extend to consideration of Burbage or any of the 'key rural centres' with the exception of Market Bosworth. The Council will therefore need to undertake an appraisal of the role and function of its remaining network of centres before defining a full retail hierarchy for the Borough.

# 10 CONCLUSIONS & RECOMMENDATIONS

10.1 In this study we have provided an updated assessment of the retail and town centre 'needs' for Hinckley & Bosworth Borough Council. We have set out an assessment of the current performance of Hinckley town centre and the three smaller centres of Earl Shilton, Barwell and Market Bosworth. We have also provided updated guidance on the quantitative and qualitative 'need' for new retail and commercial floorspace in the Borough over the study period to 2036. Our findings have been informed by a household telephone survey of shopping and leisure patterns of residents in the Borough and surrounding area.

10.2 This study will form part of the evidence base for the Council's replacement Local Plan, in accordance with the findings of the National Planning Policy Framework (NPPF), and can be used in assisting the development of strategies for the future development of the aforementioned centres in the Borough. The new Local Plan will, once adopted, guide development in the Borough in the period to 2036.

10.3 In this final section we bring together the analysis set out in the previous sections of the study, in order to develop a series of strategic recommendations for the Council to take forward in their new Local Plan.

10.4 By way of recap, Hinckley town centre draws £114.5m of comparison goods (non-food) spending from the survey area which we have used as the basis of our assessment, equivalent to 26.0% of total available comparison goods expenditure. The town centre has the highest comparison goods turnover of any centre in the survey area. Retail warehousing in Hinckley (including non-food floorspace in foodstores) accounts for a further £39.3m of comparison goods spending from the survey area. There is relatively limited out-of-centre retail floorspace in the Borough, and most of which is trading is 'bulky goods' in nature and therefore does not, for the most part, directly compete with the town centre for spending. However the granting of permission to a new retail park at Hawley Road has introduced open class A1 floorspace into an out-of-centre location.

10.5 Because we have used the same survey area as the previous household telephone survey (undertaken in support of the Council's previous retail capacity study, which was published in 2007), it is possible to establish the extent to which Hinckley town centre's comparison goods market share has changed in the intervening period. This is a particularly useful exercise because it enables an understanding to be gained of the impact which the opening of The Crescent, the new retail and leisure development in Hinckley town centre, has had on shopping patterns.

10.6 The household survey results show that, notwithstanding the opening of The Crescent, Hinckley town centre has experienced a small decline in market share to the key competing locations of Leicester city centre and Fosse Park, relative to the position at the time of the 2007 Study. Leicester city centre draws a total of £66.7m of comparison goods spend from the survey area; its attractiveness as a shopping destination has been enhanced since the 2007 Study on account of the opening of the Highcross development, which opened in 2008 and has introduced a number of high-profile comparison goods retailers to the city, such as John Lewis, Apple and Zara, alongside a new cinema and a strong restaurant offer. The leisure offer of the city centre has also been enhanced since the 2007 Study, with the aforementioned cinema/restaurants in Highcross being complemented by new theatre and independent cinema facilities in the Cultural Quarter. As a 'destination', Leicester city centre's appeal can therefore be considered to be significantly strengthened and we expect this to be the main reason behind the decline in Hinckley town centre's market share, notwithstanding the positive investment which has taken place by the opening of The Crescent and the new leisure centre.

10.7 However, the recent opening of The Crescent should unquestionably be considered a positive development and its opening ensures that Hinckley town centre will be well-placed to withstand any further challenges to its market share over the course of the new Local Plan period. It is also appreciated that new town centre developments can take time to 'bed in' and future reviews of the Council's retail and town centre evidence base will provide a firmer picture of how The Crescent is performing.

10.8 Fosse Park has also strengthened its influence over the survey area as a shopping destination, aided by the ease of access to the development via the M69. The recent opening of footfall-drawing attractors such as Primark at Fosse Park, plus its potential further expansion via the proposed Castle Acres development (if approved) will consolidate and possibly further strengthen its influence over shopping patterns over residents in the Borough.

10.9 In the context of the above key findings we set out the following Borough-wide recommendations. These are followed by centre-specific recommendations for Hinckley, Earl Shilton/Barwell and Market Bosworth.

## Borough-wide recommendations

10.10 Based on the findings set out above, we make the following Borough-wide recommendations:

- **HB1** — The Council should ensure that the core retail functions of the town and district centres in the Borough are protected and, where possible, enhanced. Active uses on ground floor frontages should be encouraged throughout primary and secondary locations, ensuring that contiguous frontages are provided, and avoiding changes of use which break up the run of facades.
- **HB2** — The Council should plan for the below Borough-wide new comparison and convenience goods floorspace over the medium term period to 2026, and longer-term period to 2036:

> **Comparison goods:** 4,600 sq.m net additional comparison goods floorspace by 2026, increasing to (indicatively) 14,500 sq.m by 2036.
>
> **Convenience goods:** 3,400 sq.m net additional convenience goods floorspace by 2026, increasing to (indicatively) 4,200 sq.m net by 2036.

- **HB3** — The above floorspace figures should be reviewed at regular intervals throughout the Council's new Local Plan period, because economic circumstances and retailing trends can change, often over a short space of time. It is also recommended that a refresh of the comparison goods capacity is undertaken following the opening of Castle Acres, if this permission is implemented, to establish the effect this has had on shopping patterns and therefore the 'need' for new floorspace[17].
- **HB4** — It is recommended that figures towards the end of the Local Plan period (i.e. beyond 2026) are considered indicative, and should be subject to review and updating throughout the Plan period. Key inputs into the quantitative 'need' assessment (such as population, expenditure growth rates, and levels of 'special forms of trading' such as online shopping) will invariably change according to economic fluctuations. In parallel, patterns of shopping and leisure visits will also continue to evolve as new development is brought forward across the wider sub-region in competing centres.
- **HB5** — Ensure a sufficient supply of suitable sites to meet the full extent of the quantitative 'need' outlined in Recommendation HB2. The 'need' for new floorspace should not be compromised by limited site availability. Floorspace should not be allocated to out-of-centre locations, in order to protect the vitality and viability of the network of town and district centres.
- **HB6** — The identification of sites to meet the retail (and commercial leisure) floorspace 'need' should be subject to the sequential test, and, in accordance with the approach set out in the NPPF and Council's adopted Core Strategy, be directed towards town and district centres in the first instance, followed by appropriate and well-connected edge-of-centre sites.
- **HB7** — Applications which seek to strengthen, diversify and enhance the commercial leisure offer of the network of centres in the Borough should be supported in principle but directed towards Hinckley town centre in the first instance as the highest order centre in the Borough.
- **HB8** — We do not consider there to be a qualitative need to plan for any additional cinema provision in the Borough over the course of the Plan period. Should any proposals for new development of this nature come forward, they should be directed towards Hinckley town centre in the first instance as the highest order centre in the Borough, and to support the wider vitality and viability of the centre.
- **HB9** — There is a qualitative absence of 'family entertainment' facilities in the Borough at present and the Council should consider applications which seek to deliver uses of this natures supportively in principle. Should any proposals for new development of this nature come forward, they should be directed towards Hinckley town centre in the first instance as the highest order centre in the Borough, and to support the wider vitality and viability of the town centre.
- **HB10** — In order to protect the vitality and viability of the Council's network of town and district centres, an impact assessment threshold of 500 sq.m (gross) should be adopted for all applications for retail and other 'main town centre' uses. This will help protect the network of town and district centres from inappropriate edge and out-of-centre retail development, ensuring that the local authority retains the greatest level of control during the decision-making process.

[17] It is recommended that if the Council are minded to undertake a refresh of their capacity forecasts following the opening of Castle Acres, this is done after one year (or more) after the new development has commenced trading to enable shopping patterns to become fully established.

- **HB11** — Our performance assessment has demonstrated that the existing network of town and neighbourhood centres in the Borough are currently performing a role which is generally consistent with their Core Strategy classifications – that is to say, Hinckley as the highest-order 'town centre' with Earl Shilton, Barwell and Market Bosworth performing more localised functions. However, reflecting the fact that Earl Shilton is a larger centre than both Barwell and Market Bosworth (reflected in its greater comparison goods turnover, presence of a larger foodstore etc) there may be, aligned to the Council's regeneration aspirations for the centre, merit in introducing an additional hierarchy tier, as follows:

  - **Town centre**: Hinckley
  - **Large district centre**: Earl Shilton
  - **District centre**: Barwell
  - **Key rural centre**: Market Bosworth (subject to review)

  Such an approach would enable Earl Shilton becomes the principal centre serving the day-to-day shopping needs of the existing and new residential communities in the area, with Barwell retaining a more local shopping focus. It is recommended that Market Bosworth be retained as a 'key rural centre' but if an additional appropriately-scaled supermarket comes forward over the course of the Local Plan period there may be scope for Market Bosworth to be upgraded to a district centre.

  It should be noted that this hierarchy only includes the four centres which have been assessed as part of this study and the council will need to review the role and function of its remaining network of centres as part of its Local Plan or review process.

## Hinckley town centre recommendations

10.11 Having set out the general Borough-wide recommendations, below we set out a summary of the performance of Hinckley town centre, and provide recommendations to take forward in the Council's new Local Plan.

10.12 Notwithstanding the strong performance of the key competing centres (as discussed above), our 'health check' assessment of Hinckley town centre has indicated that the centre is for the most part performing well, although there are definitely areas where the Council should seek further improvement. The opening of The Crescent is a positive step for the town, providing it with modern floorspace and two strong 'anchor' operators in the form of Sainsbury's and Cineworld. The current offer largely duplicates that which is already trading elsewhere in the town centre. Over time it would be beneficial to the wider vitality and viability of the town centre if a better quality of tenant were attracted, in particular a comparison goods 'anchor' store.

10.13 The centre has a particularly strong mix of independent retailers and service operators, with over 250 currently trading in the town centre. This assists with adding diversity and providing a specialist retail mix. The majority of independent retailers in the centres are members of the Hinckley BID.

10.14 Our analysis of operator demand has suggested that whilst demand for representation in Hinckley is fairly limited at the moment, there is demand from a number of retail and leisure operators for space in Hinckley, mostly from foodstore operators, but also from comparison goods retailers such as TJ Hughes. The provision of further well-located modern comparison goods floorspace over the course of the Plan period may assist in increasing demand.

10.15 There is scope for improved integration between The Crescent and the 'historic' town centre, and a more joined-up approach is necessary if the vitality and viability of the whole centre is to benefit from this development. A single, unified approach to public realm and wayfinding is key to this, and there is a particular need to improve linkages to The Crescent from the Regent Street / George Street approach. We understand that there has been recent investment by the Council to improve wayfinding in the centre and this investment should be further built upon over the Local Plan period.

10.16 Castle Street still unquestionably forms the 'heart' of the town centre, and this area of the centre benefits from particularly good levels of vitality and viability, with a low vacancy rate, good operator mix in the context of the role and function of Hinckley town centre, and noticeably strong levels of pedestrian footfall. The closure of the Co-Op department store at the top of Castle Street in early 2016 is unfortunate, but positively presents an opportunity for new comparison goods floorspace to come forward, and the fact that ownership of this site now rests with the Council should enable it to come forward as a redevelopment opportunity.

10.17 The Britannia Centre, which occupies a prime site on Castle Street, was identified in the 2007 Study as a development opportunity. Subsequent to this there does not appear to have been any investment in the Britannia Centre, which continues to suffer from a dated internal environment. There remains potential, therefore, for the redevelopment/ reconfiguration of this site to accommodate a greater quantum of retail floorspace, which could in turn potentially attract a stronger tenant mix to the centre. The Council should engage with the owners of the Centre to discuss their aspirations and opportunities for investment. Local planning authorities are also increasingly acquiring assets such as shopping centres in order to help shape the future development of their town centres.

10.18 The commercial leisure offer of the Borough has been enhanced through the opening of the Cineworld cinema in The Crescent, providing Hinckley with its first cinema in upwards of two decades. The household survey results confirm that the cinema has already established itself as having a strong local catchment, reducing the need for residents to travel to either Leicester or Nuneaton to visit the cinema. Whilst a number of new restaurants have opened in The Crescent to complement the opening of the Cineworld, there is potential for a greater range of these type of facilities to be accommodated in the town centre, as this represents a key area of expenditure growth over the course of the Local Plan period to 2036, and the Council should take a positive approach to enhancement of the whole town centre's evening/night-time economy. Measures such as free/discounted car parking in the evening may also assist with the development of a stronger town centre evening economy.

10.19 Our recommendations for Hinckley town centre are as follows:

- **HTC1** — Continue to support and facilitate appropriate growth on sites in Hinckley town centre in order to support and enhance its role and function as the highest order centre in the Borough and improve the attractiveness of the retail and commercial leisure offer. This is necessary to ensure that Hinckley town centre consolidates and potentially strengthens its market share against the offer of the competing centres in its catchment area, and will also deliver other benefits such as increasing 'dwell time' of users in the centre, and more 'linked trips' spending.
- **HTC2** — The core function of Hinckley town centre as a comparison goods shopping destination should be protected and enhanced. This should be achieved through development and implementation of robust frontage policies, which define the primary and secondary shopping frontages in Hinckley town centre. These policies will assist in ensuring that a 'critical mass' of retail floorspace, which is key to driving footfall and visitor numbers, is retained. Such an approach will also ensure the centre is as best placed as possible to withstand the potential increased attractiveness of nearby locations which compete for market share.
- **HTC3** — Hinckley town centre should continue to be the focus of the identified comparison goods capacity requirements of 4,600 sq.m net additional floorspace by 2026. This is consistent with the role and function of Hinckley town centre as the sole highest order centre in the Borough, and the need for continued investment and development in the centre to support and enhance its long term vitality and viability.
- **HTC4** — The Council should consider favourably proposals which seek to provide new comparison goods floorspace in Hinckley town centre. This could include modernisation/ amalgamation of existing units within the primary shopping frontage to provide larger-format floorspace which may be more attractive to higher profile operators.
- **HTC5** — Sub-division of existing units within the primary shopping frontage should be resisted, in order to meet the needs of multiple retailers and provide a critical mass of comparison goods retailing in order to drive footfall[18].
- **HTC6** — There is sufficient commercial leisure expenditure growth to support the development of additional new café/restaurant and other commercial leisure uses in Hinckley town centre, building on the recent openings which have taken place at The Crescent. Where possible these uses should be supported and encouraged across town centre (within secondary shopping frontages, but not in primary shopping frontage) to help facilitate the development of a vibrant evening economy.
- **HTC7** — More generally, applications which seek to enhance the range of complementary 'main town centre uses' in secondary shopping frontages and the wider town centre area should be supported in principle, particularly where they help to further diversity the offer/mix in the centre.
- **HTC8** — Applications for new retail development outside primary shopping frontage will need to have regard to the sequential and impact tests, as set out at paragraphs 24 and 26 of the NPPF. Applications for other 'main Town Centres uses' which are not within a defined town centre boundary will need to have regard to the sequential test.
- **HTC9** — We do not consider to be a need to plan for the development of a significant quantum of additional convenience goods floorspace in Hinckley town centre, following the opening of the Sainsbury's store at The

[18] We consistently recommend retaining larger units in a primary shopping frontage, particularly if there a low vacancy rate in the primary shopping frontage and opportunities for smaller/independent retailers to be accommodated elsewhere in the town centre. However, it is recommended that this recommendation is reviewed as part of any future refresh of the Council's retail and town centre evidence base, and if a concerning number of long-term vacancies begin to arise in the primary shopping area then an alternative approach could be considered.

Crescent. However there may be scope for a smaller-format convenience store (indicatively up to 500 sq.m net) in the Castle Street area, to replace the Co-Op food store which ceased trading and to address the fact that current convenience goods provision is all located at the southern periphery of the town centre.

- **HTC10** — The Council should seek to progress the redevelopment/reconfiguration of the Britannia Centre in the short to medium term, in order to assist in meeting the identified quantitative comparison goods 'need' for the Borough summarised in recommendation HB2. Any redevelopment should provide large-format, modern retail units and introduce a contemporary shopping environment.
- **HTC11** — Having acquired the site, the Council should seek to progress the redevelopment of the former Co-Op Department Store on Castle Street as a further opportunity to introduce modern large-format comparison goods floorspace into the primary shopping area. The existing buildings on the site suffer from a poor, dated experience and should, if possible, be replaced.
- **HTC12** — The Council should continue to invest and support the market in Hinckley town centre, as this provides an important complementary shopping role and footfall attractor.
- **HTC13** — The Council should seek to develop and implement a co-ordinated approach to public realm and wayfinding across Hinckley town centre to help unify the centre and enhance linkages between Castle Street and The Crescent, as well as to other facilities such as the new leisure centre and Council Offices. The wayfinding which has been introduced at The Crescent is of good quality and could be extended throughout the rest of the town centre. Better directional signage is also required between the railway station and bus station/rest of the town centre.
- **HTC14** — The Council should continue to invest in and seek to build on recent positive initiatives to make Hinckley a 'digital town centre' in order to help drive footfall and broaden the centre's customer base. Initiatives such as 'click and collect' points may provide future opportunities in this respect.
- **HTC15** — Allied to recommendation HTC11, a co-ordinated approach to place marketing and the promotion of special events in the town centre should be undertaken in conjunction with key stakeholders in the town centre, including the Hinckley BID, the Council, and the owners of The Crescent and Britannia Centre.
- **HTC16** – The council should consider amendments to the defined primary and secondary shopping frontages in Hinckley town centre, to reflect the opening of The Crescent, in line with the recommendation set out in Section 9 of this study. The council will also need to amend the Town Centre boundary of Hinckley town centre to reflect this change.

## Earl Shilton, Barwell and Market Bosworth recommendations

10.20 The three smaller centres which this study has assessed — Earl Shilton, Barwell and Market Bosworth — also continue to demonstrate moslty positive levels of vitality and viability, but clearly meet more localised shopping needs. Earl Shilton and Barwell can both be considered to err towards the functional in terms of their appearance and both will require further investment over the course of the new Local Plan period to assist in enhancing their vitality and viability. The Council's aspirations to accommodate much of the Borough's planned future housing growth in Earl Shilton and Barwell, in order to help stimulate their regeneration, in turn means that these centres will also need to improve their retail offer to ensure that residents' day-to-day shopping needs can be met sustainably at the local level.

10.21 The growth of these settlements will generate their own requirements for new shopping and local services, and require – as set out above – the centres of both Earl Shilton and Barwell to be enhanced so they are better able to respond to residents needs. This will need to include the provision of an additional convenience goods foodstore capable of meeting main/bulk shopping trips. Further local-sale provision may also be required to meet everyday shopping needs.

10.22 Market Bosworth is not expected to see comparable levels of growth, and its good level of vitality and viability, in part reflective of its tourism role, should continue to be supported. The key area of improvement for the centre needs to be the introduction of a convenience store which is able to offer a fuller range of day-to-day shopping needs, and if this comes forward there is scope for the centre to be elevated in the Borough's retail hierarchy.

10.23 We make the following recommendations for Earl Shilton and Barwell:

- **ESB1** — The role and function of Barwell and Earl Shilton as district centres should be protected and enhanced over the course of the Council's new Local Plan period.
- **ESB2** — Allied to recommendation HB11, it is recommended that the Council consider classifying Earl Shilton as a 'major district' centre, as it performs an elevated role and function compared to that of Barwell (and also Market Bosworth).

- **ESB3** — The Council should not plan for the development of a significant quantum of additional comparison goods retail floorspace in the centres of Earl Shilton and Barwell. Development of significant additional floorspace would result in the centres' undertaking a role and function not in keeping with their classification as district centres.
- **ESB4** — The Council should seek to provide an additional convenience goods foodstore (indicatively, 1,500 – 2,000 sq.m net, i.e. of suitable size for meeting local residents daily and weekly shopping needs) in the Earl Shilton / Barwell area in the short-to-medium term, in order to assist in meeting the convenience shopping needs of the new residential communities, improve consumer choice and promote more sustainable shopping patterns. Reflecting Recommendation HB6, applications for new development which are not within a defined primary shopping frontage will need to demonstrate compliance with the sequential and impact 'tests'.
- **ESB5** — Applications which seek to enhance existing provision, or provide new retail floorspace appropriate in scale to the role and function of the centre should be supported in principle. Applications for the development of other 'main town centre' uses should also be supported in principle where they will make a positive contribution to the vitality and viability of the centre, providing they are of a scale appropriate to the role and function of the centre.
- **ESB6** — The Council should seek to ensure that Earl Shilton and Barwell district centres continue to meet a broad a range of day-to-day shopping needs as possible, and therefore applications which would result in a reduction in the number of units in the centre (and therefore a reduction in the diversity of uses) should generally be resisted.
- **ESB7** — The Council should develop and implement robust frontage policies, defining primary and secondary shopping areas in both centres. These policies will assist in ensuring that a 'critical mass' of retail floorspace — which is key to driving footfall — is retained in each centre.
- **ESB8** — Applications which seek to enhance the range of complementary 'main town centre uses' in secondary shopping frontages and the wider town centre area should be supported in principle, particularly where they help to further diversity the offer/mix in the centre.
- **ESB9** — The Council should continue to invest in enhancing the public realm and visual appearance of Earl Shilton and Barwell centres, in order to support their wider vitality and viability.
- **ESB10** — The Council should ensure that new residential communities which are expected to come forward on the edge of the Barwell / Earl Shilton should have satisfactory access to a range of day-to-day convenience and comparison goods shopping facilities within the new developments, in the form of a local centre/neighbourhood parades. It is recommended that a proportion of the identified comparison and convenience goods capacity requirements for the Borough are 'ring-fenced' to support these local shopping needs.

10.24 We make the following recommendations for Market Bosworth:

- **MB1** — The council should classify Market Bosworth as a 'key rural centre' in any future review of its hierarchy of centres. The role and function of Market Bosworth as a key rural centre should be protected and enhanced over the course of the Council's new Local Plan period. However, if additional convenience goods provision comes forward (see recommendation MB3) there may be scope to review the classification of Market Bosworth in the Borough's retail hierarchy.
- **MB2** — It is considered that the Council should not plan for the development of a significant quantum of additional comparison goods retail floorspace in Market Bosworth over the course of the new Local Plan period. Development of significant additional floorspace would result in the Market Bosworth undertaking a role and function not in keeping with its current classification as a 'key rural centre'.
- **MB3** — The Council should seek to provide an additional convenience goods foodstore (indicatively, 500 – 1,000 sq.m net) in the Market Bosworth in the short-to-medium term, in order to promote more sustainable shopping patterns. Reflecting Recommendation HB6, applications for new development which are not within the defined primary shopping frontage will need to demonstrate compliance with the sequential and impact 'tests'.
- **MB4** — Applications which seek to enhance existing provision, or provide new retail floorspace appropriate in scale to the role and function of the centre should be supported in principle.
- **MB5** — Applications for the development of other 'main town centre uses', particularly commercial leisure uses such as cafes, restaurants and pubs, should also be supported in principle, as our assessment has confirmed these make a positive contribution to the vitality and viability of the centre. Applications for new development should only be supported where they are of a scale appropriate to the role and function of the centre.
- **MB6** — The Council should seek to ensure that Market Bosworth continues to meet a broad a range of day-to-day shopping needs as possible, and therefore applications which would result in a reduction in the number of units in the centre (and therefore a reduction on the diversity of uses) should generally be resisted.
- **MB7** — The Council should develop and implement robust frontage policies, defining primary and secondary shopping areas.

- **MB8** — Whilst Market Bosworth generally benefits from a strong environmental quality, continued investment should be made in enhancing this over the course of the Local Plan period in order to support its continued vitality and viability.
- **MB9** — Our assessment has identified that tourism plays an important role in the vitality and viability of Market Bosworth; as the centre benefits from close proximity to one of the area's key attractors, Bosworth Battlefield, support should be given to place-marketing and tourism strategies that co-promote the two locations.

## Monitoring and next steps

10.25 Our study has identified that the four centres in the Borough, which this study has considered, generally benefit from good levels of vitality and viability, although all have areas where improvements or enhancements to provision are required in the short to medium term.

10.26 Prior to this study, the Council's previous retail capacity evidence base study was completed in 2007, almost a decade ago, and it is recommended that, moving forward, the Council updates its evidence base at more frequent intervals — particularly if developments come forward either within or surrounding the Borough which are likely to impact on comparison goods market share and therefore expenditure retention rates (such as the approved Castle Acres scheme for example). Other key data inputs into the capacity forecasts, such as expenditure growth rates and 'special forms of trading' rates (e.g. online shopping) are also frequently published, confirming the need for the Council to maintain an up-to-date retail evidence base.