Eden
District Council

EDEN DISTRICT RETAIL STUDY

Volume 1: Main Report


March 2008

England & Lyle

EDEN DISTRICT RETAIL STUDY

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SUMMARY

Introduction

1. England & Lyle have been commissioned by Eden District Council to prepare this district-wide Retail Study. The purpose of the Retail Study is to provide a sound evidence base for retail policy in the Local Development Framework (LDF) Core Strategy. The study reviews and updates information contained in the Penrith Retail Study for the Council by GVA Grimley and in the Retail Statement prepared by Savills for the New Squares planning application in Penrith.

Planning Policy Context

2. A summary is given of the key policy issues in Planning Policy Statement 6 on Planning for Town Centres (PPS6). Reference is also made to the emerging Regional Spatial Strategy for the North West, the Cumbria and Lake District Joint Structure Plan and the adopted Eden Local Plan. In the LDF Core Strategy Preferred Options Report, Policy CS25 defines the hierarchy of retail centres in Eden District with Penrith as the Main Town Centre and Alston, Appleby and Kirkby Stephen as District Centres

Review of Existing Shopping Provision

3. Detailed surveys were carried out by England & Lyle in each of the main centres in Eden District in October 2007. From these surveys profiles of each centre have been prepared and the amount of shopping floorspace in each centre has been measured.

Shopping Patterns

4. Interview surveys have been carried out as part of the study, including a telephone household survey across the study area and an In-Centre survey in Penrith town centre. In the household survey 800 interviews were conducted and the survey area was sub-divided into 7 zones. The In-Centre Survey comprised 200 face-to-face interviews.

5. The household survey asked where people mostly shop for food and non-food shopping, the main likes and dislikes about Penrith and other centres for shopping and the main changes or improvements people would like to see in each centre.

6. In convenience goods Morrisons in Penrith has the dominant market share (39%) in the study area and Penrith town centre has a whole has a 55% market share of convenience goods shopping. The district centres have relatively low market shares of convenience goods shopping. In comparison goods Penrith town centre also has the dominant market share (44%). The district centres again have relatively low market shares of comparison goods shopping (smaller than for convenience goods). Leakage represents a major proportion (49%) of comparison goods spending. Leakage is mostly to Carlisle, and to a lesser extent Kendal and other centres.

7. The In-Centre Survey in Penrith shows that shopping is the main reason for visiting the town centre (40% of responses). Shopping for food and groceries (65%) is more important than non-food shopping. 46% of respondents said Penrith is the main centre used for non-food shopping but 54% mainly use other centres, particularly Carlisle.

8. Formal consultations have been held with representatives of local traders and other local organisations in Penrith, Alston, Appleby and Kirkby Stephen and we are grateful for the assistance of all the people we have consulted with.

Health Checks

9. Health checks have been carried out of Penrith town centre, Alston, Appleby and Kirkby Stephen to assess their vitality and viability. The average scores on the health checks provide a vitality and viability index for each centre.

10. Penrith town centre has an above-average level of vitality and viability. It has a generally good diversity of uses and retail representation, particularly in specialist shops, and it is an accessible centre, but it has levels of vacancies and environmental quality that are only average. Customer views and behaviour also suggest some deficiencies in the attraction of the town centre. Alston has a relatively low level of vitality and viability. It suffers from having a high proportion of vacant properties, a lack of diversity of uses and a relatively poor physical appearance of properties, but with a good rating on customer satisfaction. Appleby benefits from a better diversity of uses, better accessibility, a low vacancy rate and generally good environmental quality. It also has a generally good level of customer satisfaction. Kirkby Stephen has the highest vitality and viability index among the smaller centres, with a very low level of vacancies, a reasonably good diversity of uses, retailer representation and accessibility, a good level of customer satisfaction and generally good environmental quality.

11. Based on the health checks we have also carried out a SWOT analysis of each centre to outline their strengths, weaknesses, opportunities and threats.

Retail Hierarchy

12. In the LDF Core Strategy Preferred Options report the hierarchy of retail centres remains the same as the established hierarchy in the adopted local plan. The study assesses the role and function of centres in Eden.

13. The catchment area of Penrith takes in the whole of the study area and so it includes all of Eden District and a small part of the South Tyne valley north of Alston. It also includes those parts of Eden District lying within the Lake District National Park. Alston, Appleby and Kirkby Stephen have localised catchment areas. They are discrete catchments that do not overlap to any significant extent. Each of these catchment areas falls within the wider catchment of Penrith. The catchment area populations are Penrith 54,400; Alston 4,000: Appleby 6,500 and Kirkby Stephen 5,400.

Retail Expenditure and Need

14. Population and expenditure estimates and forecasts have been made for the study area and catchment areas. Total population in the study area is forecast to increase from 54,400 in 2007 to 59,800 in 2021. Total expenditure on convenience goods is forecast to increase from £86.0m in 2007 to £107.1m in 2021. Total expenditure on comparison goods is forecast to increase from £158.4m in 2007 to £335.4m in 2021.

15. The expenditure base data have been combined with the household survey market shares to analyse expenditure flows in 2007 and to estimate the turnovers of centres. An analysis has also been made of visitor expenditure in centres in Eden District. Visitor spending on convenience goods is estimated to be £2.2m in convenience goods and £8.7m in comparison goods. Visitor spending in Eden District represents 3% of total convenience goods turnover and 10% of total comparison goods turnover. In Penrith town centre the proportions of turnover drawn from visitors are 3% for convenience goods and 7% for comparison goods.

16. In convenience goods Penrith town centre has a relatively strong trading performance. This is mostly attributable to Morrisons which is trading at about £13,700 per sq.m. net, well above Morrisons company average of about £10,000 per sq. metre. In comparison goods Penrith town centre also has a relatively good trading performance.

17. A capacity analysis has been undertaken using a market share approach based on expenditure forecasts and future market shares or retention levels. In the Penrith catchment area the retention level for convenience goods is assumed to increase from 61% in 2007 to 74% and the retention level for comparison goods is assumed to increase from 45% in 2007 to 55% following the development of the New Squares scheme.

18. In the Alston catchment area the retention level is assumed to remain constant at 37% for convenience goods and 6% for comparison goods through to 2021. In the Kirkby Stephen catchment area the retention level is assumed to remain constant at 61% for convenience goods and 17% for comparison goods through to 2021. In the Appleby catchment area the retention level for comparison goods is assumed to remain constant at 36% through to 2021 but there is potential for the retention level for convenience goods to increase from 45% to 60%.

19. There is potential for additional bulky goods retailing in Penrith. Penrith's market share of bulky goods expenditure could increase from 50% in 2007 to 60% in future years.

20. The sensitivity of the components in the capacity analysis for comparison goods has been tested using a range of assumptions on future expenditure growth and increased Internet shopping. The variations in future capacity are not significant. The central forecast is a robust indication of the potential for additional shopping development in the main centres in Eden District. It represents a realistic forecast midway between the extremes of sensitivity.

Future Retail Potential in Eden District

21. We have assessed the floorspace capacity in the study area and catchment areas based on the capacity analysis. There is no capacity for convenience goods development in the Penrith catchment area throughout the period to 2021 in addition to the approved Sainsburys store in the New Squares scheme. New Squares will take up all of the available capacity for additional comparison goods shopping in the Penrith catchment area in 2012. The scheme will increase total gross retail floorspace in Penrith by over 50%. There is scope for further comparison goods shopping development in the longer term. There is also potential for further bulky goods retailing in Penrith.

22. We have considered the scale of development that would be appropriate in the various centres. In line with the advice in PPS6, we propose an indicative floorspace limit of 20,000 sq.m. gross of new shopping floorspace in Penrith town centre (including the New Squares scheme) and floorspace limits of 1,000 sq.m. gross of new shopping floorspace in Alston; 2,000 sq.m. gross in Appleby; and 1,500 sq.m. gross in Kirkby Stephen.

23. Opportunities for further retail development in addition to the New Squares scheme are discussed. Advice is given on a review of the existing boundaries of centres, particularly in Penrith. The potential for retail warehouse development in Penrith is assessed.

Implications of New Retail Development on the Vitality and Viability of Centres

24. The report discusses the implications of the New Squares development in Penrith. A retail impact assessment is undertaken for the New Squares scheme, updating the assessment carried out in 2005 for the planning application. Comments are made on the implications of new retail warehouse development in Penrith based on the identified capacity for bulky goods shopping.

25. In bulky goods there is sufficient floorspace capacity in the short term for about 6,000 sq.m. gross of retail warehouse development. The capacity rises to more than 14,000 sq.m. gross floorspace by 2021. There is potential for a modest amount of retail warehouse development in Penrith outside the town centre.

26. England & Lyle will review the current applications for retail warehouse development in Penrith separately from this study report.

1. INTRODUCTION

Consultancy Requirements

1.1 England & Lyle have been commissioned by Eden District Council to prepare a district-wide Retail Study. The purpose of the Retail Study is to inform the evidence base for retail policy in the Local Development Framework (LDF). The main aim stated in the Study Brief is to clarify the retail status, performance and potential of Penrith as the main town centre in Eden District and Alston, Appleby and Kirkby Stephen as district centres. The study seeks to provide a sound evidence base for the LDF Core Strategy. The results of the study are to be incorporated into the LDF Core Strategy which is due to be submitted in April 2008.

1.2 The main consultancy requirements are concerned with assessments of the four main centres in Eden District and the scope for new retail floorspace in the District. The study addresses these requirements. The Brief notes that there is potential for additional floorspace in the town centres, notably in Penrith town centre, and potential for additional retail warehouse development outside Penrith town centre. The study assesses this potential.

1.3 The study reviews the planning policy context, then assesses existing shopping provision in Eden District. An analysis is made of existing shopping patterns based on a district-wide household survey and a survey of shoppers and visitors in Penrith town centre. Health checks have been carried out of the vitality and viability of the four town centres. The role and function of these centres in the retail hierarchy and their catchment areas are defined. A detailed assessment is made of retail expenditure and need in the LDF period. Future retail potential is assessed in terms of floorspace capacity in each centre, the opportunities for retail development and the potential for retail warehouse development in Penrith. The implications of new retail developments, particularly the New Squares development in Penrith, are assessed on the vitality and viability of centres.

Context for the Retail Study

1.4 A study of Penrith town centre was carried out for Eden District Council by GVA Grimley in 2002, updating an earlier study in 1998. It was commissioned to advise the Council on the issues relating to proposals for major redevelopment in the Southend Road area of Penrith which was the subject of a Planning Brief prepared by the Council. The study included a health check of Penrith town centre, a telephone household survey, a capacity analysis and assessment of qualitative need, a sequential site assessment and an assessment of the retail impact of the Southend Road redevelopment on Penrith town centre. The Penrith Town Centre Retail Study was concerned only with shopping provision in Penrith. It was not concerned with other centres in Eden District.

1.5 The study emphasised the need to expand the retail offer of Penrith through the development of additional floorspace at Southend Road to sustain and enhance the vitality and viability of the town centre. It noted that are deficiencies in the town’s retail offer and that trade is being lost to Carlisle and Kendal. A health check of Penrith town centre showed it to be a relatively healthy centre but there was a shortfall of larger stores and multiples and a limited retail offer.

1.6 The study identified a capacity for expansion of the retail offer both in convenience and comparison goods, with scope to increase the town's market share. There was a strong qualitative need to expand and improve the retail offer and a need for qualitative improvements in shopping. The study thought that new development in the Southend Road area would lead to a re-distribution of trade within the town, but on the whole it would secure an enhancement of the vitality and viability of the town centre. The qualitative benefits would be sufficient to outweigh any possible impacts.

1.7 The major planning application by Lowther Manelli Properties for mixed use development at Southend Road, Penrith, known as the Penrith New Squares development, was approved by the Council in September 2006. The scheme occupies a site area of 5.4 hectares immediately to the south of the town centre, and it will be an extension to the town centre. It comprises a Sainsbury's superstore, other new retail and service units, offices, residential development and car parking. The scheme is due to be completed in 2010.

1.8 We have referred to the Retail Statement prepared by Savills in October 2005 in support of the planning application for the New Squares development. The Retail Statement indicates that Penrith is declining in terms of its retail attractiveness, losing ground to other centres, notably Carlisle and Kendal. The report states that the only means of affecting a positive step-change for Penrith, and enabling the town to retain more of its local spending, is to attract high quality retailers and 'high street names'.

1.9 The Council has concerns about the implications of the New Squares development for the northern part of Penrith town centre. The report to Committee on the New Squares application states that, although there is significant merit in development in the Southend Road area, there will be an economic impact in the short term and that this impact will be most felt in the Middlegate area which is currently not contributing significantly to the town centre in terms of its attractiveness. The Council also has concerns about the implications of a strengthening of the attraction of Penrith town centre on the smaller centres in the District.

1.10 In 2002 Penrith Partnership carried out a market town 'health check' of Penrith under the Market Towns Initiative to assess the area's strengths and weaknesses. In July 2006 consultants were appointed to prepare a Penrith Master Plan to provide a 'blueprint' for the future development of the town over the next ten years. The Master Plan was published in March 2007. It is discussed in detail in Section 8 and 9 of this report.

Review of Available Information

1.11 This Retail Study reviews information contained in the Penrith Retail Study for the Council by GVA Grimley and in the Retail Statement prepared by Savills for the New Squares planning application.

1.12 The GVA Grimley study included an interview survey of 500 households carried out in May 2002. The study area extended to Alston and Brough but not Kirkby Stephen. The retail analysis in the Retail Statement for the New Squares scheme was also informed by a telephone household survey of 1,000 households in the Penrith study area. The study area excluded Brough and Kirkby Stephen. In this Retail Study a new telephone household survey has been carried out and it forms the basis for an up-to-date analysis of shopping patterns.

1.13 The health check of Penrith town centre carried out in 2002 has been updated using the latest guidance on vitality and viability indicators in PPS6. Health checks have also been carried out in Alston, Appleby and Kirkby Stephen. The health checks have been informed by consultations with Penrith Partnership and with representatives of traders and other local organisations in Penrith, Alston, Appleby and Kirkby Stephen.

1.14 Our assessment of retail expenditure and need uses up-to-date forecasts of population and retail expenditure to the year 2021. We have obtained a MapInfo local expenditure report for the study area and we have used the latest MapInfo forecasts of expenditure growth. The expenditure estimates and forecasts have been combined with the data from the household survey to analyse expenditure flows and estimate the turnovers of stores and centres. Visitor spending has been taken into account. Shopping patterns have been analysed in terms of leakage and trade retention for different centres.

1.15 In assessing the implications of the proposed New Squares scheme, we have reviewed the impact assessment carried out by GVA Grimley in 2002 for the foodstore only and the impact assessment contained in Savills' Retail Statement of October 2005. Independent advice is given on the likely impact of the New Squares scheme on Penrith town centre and other centres.

Current Planning Applications

1.16 One of the main issues that the Council wishes to be informed about is the capacity of Penrith to accommodate additional retail warehouse development. There are two current planning applications in Penrith awaiting determination – an application for a retail warehouse development at Ullswater Road and an application for an extension of the existing B&Q store on Bridge Lane. England & Lyle will advise the Council on these applications and that advice will be provided separately from this Retail Study.

2. PLANNING POLICY CONTEXT

National

2.1 A summary is given below of the key policy issues in Planning Policy Statement 6 on Planning for Town Centres (PPS6). PPS6 sets out the basis for planning policy to be applied both to shopping policies in development plans and to assessing proposed shopping developments. In the context of development control applicants are required to demonstrate:

a) the need for development
b) that the development is of an appropriate scale
c) that there are no more central sites for the development
d) that there are no unacceptable impacts on existing centres, and
e) that locations are accessible.

2.2 As a general rule developments should satisfy all these considerations. LPAs should also consider relevant local issues and other material considerations. The level of detail and type of evidence and analysis required to address the key considerations should be proportionate to the scale and nature of the proposal.

2.3 Need and the sequential approach must be demonstrated for any application for a main town centre use which is in an edge-of-centre or out-of-centre location and which is not in accordance with an up-to-date development plan strategy.

2.4 In assessing the need and capacity for additional retail and leisure development LPAs should place greater weight on quantitative need for additional floorspace for the specific types of retail and leisure developments. However, LPAs should also take account of qualitative considerations for instance in deprived areas which lack access to a range of services and facilities.

2.5 The need for additional floorspace should normally be assessed no more than five years ahead. The catchment area used to assess future need should be realistic and well related to the size and function of the proposed development and take account of competing centres.

2.6 LPAs should also consider whether there are qualitative considerations that might provide additional justification for the development. Qualitative need is concerned with consumer choice. LPAs should ensure that:

- there is an appropriate distribution of locations for development to improve accessibility for the whole community, and
- provision is made for a range of sites for shopping, leisure and local services which allow genuine choice to meet the needs of the whole community, particularly of those living in deprived areas.

2.7 The scale of development should relate directly to the role and function of a centre within the wider hierarchy and its catchment. The sequential approach requires that locations are considered in the following order:

- first, locations within existing centres
- then edge-of-centre locations (with preference given to sites that are well connected to the centre)
- out-of-centre sites with preference given to sites which are well served by a choice of means of transport and which are close to the centre and have a high likelihood of forming links with the centre.

2.8 The relevant centres in which to search for sites will depend on the overall strategy set out in the development plan, the nature and scale of the development and the catchment that the development seeks to serve. In applying the sequential approach and considering alternative sites, developers and operators should be able to demonstrate that they have been flexible in terms of scale, format, car parking and the scope for disaggregation. Applicants should provide clear evidence to demonstrate why otherwise sequentially-preferable sites are not practicable alternatives in terms of availability within a reasonable period of time, suitability for the type of development proposed, and viability. LPAs should be realistic in considering whether sites are suitable, viable and available.

2.9 It is necessary to explore whether the constituent parts of a development e.g. in a retail park could be operated from separate, sequentially preferable, sites. However, a single retailer should not be expected to split their proposed development into separate sites where flexibility has been demonstrated.

2.10 Impact assessments should be undertaken for any application for a main town centre use which is in an edge-of-centre or out-of-centre location and which is not in accordance with an up-to-date development plan strategy. Impact assessments should be provided for all retail proposals over 2,500 sq. metres gross floorspace but they may occasionally be necessary for smaller developments such as those likely to have a significant impact on smaller centres, depending on the relative size and nature of the development in relation to the centre. LPAs should consider the impact of the proposal on the vitality and viability of existing centres within the catchment area of the proposed development, including cumulative impacts. The identification of need does not necessarily indicate that there will be no negative impact.

2.11 Shopping and leisure facilities should be located in town centres wherever possible and appropriate, taking full advantage of accessibility by public transport. LPAs should take account of other considerations, including specific local circumstances, which may be material to the choice of appropriate locations for development, including physical regeneration, employment creation (particularly in deprived areas), economic growth and social inclusion.

Regional and Strategic Policy

2.12 The relevant strategic policy context is set out in the emerging Regional Spatial Strategy for the North West, known as the North West Plan, which replaces the existing

Regional Planning Guidance, and the Cumbria and Lake District Structure Plan. The draft Regional Spatial Strategy (RSS) was submitted to the Government in January 2006. Following an Examination in Public, the Panel's report was published in May 2007. The Government's Proposed Changes are due to be published in January 2008.

2.13 In the draft RSS, Policy CNL2 sets out sub-area development priorities for Cumbria. Carlisle is identified as the sub-regional centre and within the South and East Cumbria sub-area, plans and strategies should focus on ensuring that the needs of local people are met with a focus on securing inward investment and improving service provision within Kendal and Penrith.

2.14 The Cumbria and Lake District Joint Structure Plan was adopted in April 2006. Policy ST5 states that, outside the Lake District National Park, new development will be focused on key service centres. In the South and East Cumbria sub-region which includes Eden District, new development is to be focused on the main towns of Kendal and Penrith and on smaller service centres including Alston, Appleby and Kirkby Stephen. The scale of development should be appropriate to the size and role of each key service centre. The Cumbria and Lake District Joint Structure Plan has a defined three year life from adoption (2006) unless it is superseded by the Regional Spatial Strategy

Local Policy

2.15 The Eden Local Plan was adopted in December 1996 and covers the period to 2006. It is therefore outdated as a basis for retail policy. The key policies are:
SH1 – Retail Development in Towns
SH2 – Out-of-centre Retail Developments
SH3 – Environmental Enhancement
SH4 – Uses in Retail Areas
SH5 – Use of Upper Floors in Retail Areas
SH6 – Village Shops
SH7 – Village Shops and Post Offices

2.16 Policy SH2 on Out-of-Centre Retail Developments has expired. All the other shopping policies have been saved beyond September 2007 to ensure continuity in the planning system prior to the adoption of the Local Development Framework.

2.17 The Local Plan defined Established Shopping Areas in Penrith, Alston, Appleby and Kirkby Stephen and they remain in force. The Established Shopping Area boundary for Penrith has been extended to the south through the Council's approval of the Planning Brief for the Southend Road area of Penrith which is now a commitment for new town centre retail and mixed use development.

2.18 The LDF Core Strategy has passed the Preferred Options consultation stage and a final draft is now being prepared to submit to the Secretary of State for approval. The Preferred Options Report notes that retail development within the District is centred on traditional high streets within each of the key service centres. These provide for a range of shops that meet residents' day to day needs. As the largest retail centre, Penrith acts as a town centre, while the retail economy of Alston, Appleby and Kirkby Stephen is supported to some extent by tourist expenditure and can be classed as district centres. The local service centres will fulfil the role of local centres. These local centres are not appropriate locations for shopping developments which serve larger urban areas. They are the appropriate location for localised shopping needs.

2.19 It is important that the LDF seeks to enhance the vitality and viability of the retail areas within the main centres. For new retail developments national guidance outlines a sequential approach designed to retain retail uses within existing town centres. The LDF needs to plan positively for the towns, making provision for new retail development where there is an identified need. It will also create a basis for delivering improvements in the town centres, for example better parking facilities and the provision of public art thus creating a more pleasant and pedestrian friendly shopping environment.

2.20 A hierarchy of centres must be established to clarify where new retail growth will be directed. Policy CS25 in the preferred strategy defines the hierarchy of retail centres with Penrith as the Main Town Centre and Alston, Appleby and Kirkby Stephen as District Centres. The policy seeks to maintain and enhance the vitality and viability of these centres and the retail areas within them. Retail and other town centre development of a scale appropriate to these roles will be supported, provided that the development respects the character of the environment of the centre, including its special architectural and historic interest, and assists in maintaining its existing retail function. The hierarchy of retail centres remains the same as the established hierarchy in the adopted Local Plan. This is considered to be a balanced approach which establishes an appropriate role and function for the existing centres in the District.

2.20 The Core Strategy will not allocate sites for re-development or expansion. The boundaries of the centres will be defined in the Primary Development Control Policies DPD.

3. REVIEW OF EXISTING SHOPPING PROVISION

Surveys of Centres

3.1 Detailed surveys were carried out by England & Lyle in each of the main centres in Eden District in October 2007. The surveys covered the uses of all retail and commercial properties in the centres (address, name of business and type of business) and existing shopping floorspace. The data has been compiled into a database for each centre and has been analysed in Excel spreadsheets to show the number of shops of different types, the vacancy rate and floorspace by class of goods. The database also includes a classification of the type of use (convenience, comparison, service, other and vacant) and a scoring of the physical appearance of retail and commercial properties on a 5-point scale. Gross shopping floorspace was measured from the Promap OS computer mapping system. Net shopping floorspace was estimated by observation of each property on the ground; except for the larger supermarkets where data is available from the Institute of Grocery Distribution Directory. Full details are included in Appendix 1 to this report.

Profiles of Centres

3.2 Appendix 2 summarises the retail composition of the main centres in Eden District. The upper part of the table shows data from Experian Goad reports for each centre. These reports list the number of properties in detailed categories and the percentage of each category in the centre compared to the national average. Appendix 2 shows the figures for the main categories of convenience goods, comparison goods, all retail uses, services and other, and vacant properties. The lower part of the table shows comparable data from the England & Lyle surveys of each centre, again comparing the local data with the national averages.

3.3 It is important to point out that the Goad survey data in each centre includes more than just retail and service uses. It includes other commercial uses and public uses that are found in the town centres but are not strictly part of the retail and service provision of these centres. The England & Lyle surveys include only retail and service uses. Although other uses (public uses and residential) are recorded, they do not form part of the analysis of retail and service provision. Therefore the total number of properties in the Goad surveys is larger. The percentages of different uses in the two surveys cannot be compared directly and we qualify the analysis below to explain these differences.

3.4 It is also necessary to point out that there are differences between the boundaries used for the Goad surveys and the England & Lyle surveys. England & Lyle have based our surveys on the town centre boundaries defined in the Eden District Local Plan, but some minor amendments have been made for reasons set out below. In Penrith the Goad survey includes a large number of properties on the edge of the town centre that are beyond the boundary of the centre defined in the Local Plan. In Appleby and Kirkby Stephen the Goad survey includes properties in peripheral areas that are outside the boundary of the centre defined in the Local Plan. In Alston the Goad survey includes properties along Station Road that are not in retail and service use and are unrelated to the town centre. The effect of these differences is that the number of retail properties is similar between the two surveys but the number of non-retail properties is considerably higher in the Goad surveys.

Penrith

3.5 Penrith is the dominant centre in Eden District with about 300 retail and service units. It has 170 shops, of which 27 sell convenience goods and 143 sell comparison goods. The main shopping streets are Middlegate, Devonshire Street, Market Square, King Street, Burrowgate, Little Dockray, Corn Market and Angel Lane. The main supermarket is Morrisons with a gross floorspace of 3,850 sq.m. gross, which we have included within our survey. It is just outside the defined town centre boundary but is functionally part of the town centre. We have also included properties in Great Dockray and Princes Street in the survey because they are within the area of the Southend Road Planning Brief that represents an extension to the town centre boundary. There are three other supermarkets in the town centre – the Co-op and Spar on Burrowgate and Somerfield on Victoria Road. There is a good range of other specialist food shops - bakers, butchers, greengrocers, confectioners, etc. Comparison goods shops sell mostly clothes, gifts, books/crafts, pharmacy items and electrical goods. There is a post office and 8 charity shops. Penrith has 24 multiple retailers. The largest units, apart from the supermarkets, are the Co-op department store, Woolworths, Argos, Boots and WH Smith. Penrith has a large number of services uses including banks, building societies, pubs, cafes, restaurants, hairdressers, professional offices, etc. The vacancy rate in Penrith is about 7% of all retail and service units, below the national average vacancy rate of about 9%.

Alston

3.6 Alston is the smallest of the four centres both in number of shops and overall shopping and service provision. It is a linear centre extending along Front Street west and south of the Market Place. It has 19 shops, of which 7 sell convenience goods and 12 sell comparison goods, and a total of 42 retail and service units. The largest unit is the small Co-op supermarket. Other convenience goods shops are mostly small specialist food shops. Comparison goods shops sell mostly art and craft items, antiques, etc. There is a post office, a pharmacy and one charity shop. There are no multiples. The proportion of comparison goods shops is the lowest of all the centres. Alston has the highest vacancy rate of all the centres at 24% of all retail and service units.

Appleby

3.7 Appleby is the second largest centre in Eden District but it is significantly smaller than Penrith. The town centre lies mostly to the west of the River Eden along Boroughgate and Bridge Street, with a smaller area to the east of the river in The Sands. Appleby has 33 shops, of which 9 sell convenience goods and 24 sell comparison goods (twice as many as in Alston) and a total of 75 retail and service units. The main supermarkets are the Co-op in The Sands and Spar in Boroughgate. There are several small specialist food shops. Comparison goods shops sell mostly clothes, furniture, gifts and household goods. There is a post office and 2 charity shops. There are no multiples. The largest units are a carpet shop and a building centre, both in The Sands. The vacancy rate in Appleby is low, just 5% of all retail and service units.

Kirkby Stephen

3.8 Kirkby Stephen is only slightly smaller than Appleby, with 31 shops, of which 9 sell convenience goods and 22 sell comparison goods. The centre extends along Market Street from North Road through the Market Square as far south as Victoria Square. There are further shops in High Street but they are located outside the town centre. There is a total of 61 retail and service units. We have included the edge-of-centre Co-op in North Road within the survey because it is the main supermarket in the town with 929 sq.m. gross floorspace, half of all convenience goods floorspace. There is a smaller Co-op foodstore in Market Street. There are a few small specialist food shops. Comparison goods shops sell mostly furniture/antiques, clothes and gifts. There is a post office and a charity shop. There are no multiples. The largest units, other than the Co-op, sell hardware and antiques. The vacancy rate in Kirkby Stephen is very low, just 3% of all retail and service units.

Shopping Floorspace

3.9 Based on the surveys of the main centres, the table below shows the amount of shopping floorspace in each centre in Eden District. The figures are given as both gross and net floorspace.

Gross Floorspace (sq. metres)	Penrith	Alston	Appleby	Kirkby Stephen
Convenience goods	8,468	600	1,230	1,901
Comparison goods	15,679	781	2,609	2,131
Total	24,147	1,381	3,839	4,032

Net Floorspace (sq. metres)	Penrith	Alston	Appleby	Kirkby Stephen
Convenience goods	5,378	230	694	1,198
Comparison goods	9,479	279	1,509	1,227
Total	14,857	509	2,203	2,425

3.10 Penrith is by far the largest centre in terms of gross and net floorspace. It is particularly dominant in comparison goods floorspace. Despite the inclusion of the convenience floorspace in Morrisons within the Penrith town centre total, 64% of the total net floorspace in Penrith is in comparison goods. Outside Penrith, Kirkby Stephen is the only centre with a significant amount of convenience goods floorspace. Both Appleby and Kirkby Stephen have a moderate amount of comparison goods floorspace. Alston is the smallest centre is both convenience and comparison goods floorspace.

3.11 No split has been made between convenience and comparison goods floorspace in any of the larger stores. The only store which has significant amount of both convenience and comparison goods floorspace is the Co-op in Penrith which has a supermarket on the ground floor and non-food shopping on the first floor. For the purposes of the survey analysis the Co-op is treated as two units. Morrisons in Penrith sells a small amount of non-food goods but we estimate it to be less than 10% of the sales floorspace.

Out-of-Centre Shopping

3.12 There are several retail outlets in Penrith outside the town centre – mostly retail warehouses and other bulky goods retail units that located on the edge of the town centre on Brunswick Road or out-of-centre at Ullswater Road and Bridge Lane.

B&Q	DIY & Hardware	Bridge Lane
Wickes *	DIY & Hardware	Ullswater Road
Halfords	Auto parts and Cycles	Ullswater Road
Aldi	Discount foodstore	Ullswater Road
James	Specialist fruit & veg	Ullswater Road
JT Atkinson	Home & Garden Centre	Ullswater Road
Altham's	Builders Merchants	Ullswater Road
Topps Tiles	Tiles	Ullswater Road
Cranston's Cumbrian Food Hall	Country Foods	Ullswater Road
WCF Country Centre	Pets, Gardening & Leisure Wear	Brunswick Road
Bowmans	Carpets & Furniture	Brunswick Road
Rickerby's	Farm Supplies	Brunswick Road
Fergusons	Bathrooms & Furniture	Brunswick Road

* changed from Focus DIY in January 2008

3.13 There are some units on the Penrith Industrial Estate which sell goods to the public such as audio-visual equipment and ceramics.

3.14 In addition the Rheged Centre outside Penrith sells food, alcoholic drinks, confectionery, toiletries, clothes, outdoor equipment, books, stationery and crafts.

Village Shops and Services

3.15 Information provided by Eden District Council indicates the services provided in villages the District. These services are summarised in the table overleaf.

3.16 Information from the household survey analysed in Section 4 shows that the local shops most used in villages are the Co-op in Shap and the Co-op in Lazonby. Other local shops used for top-up shopping are in Brough and Tebay.

Village	Shop	Primary School	Village Hall/ Public House	Bus/Rail (Mon-Sat)
Armathwaite	✓	✓	✓	✓
Brough/Church Brough	✓	✓	✓	✓
Clifton		✓	✓	✓
Greystoke	✓	✓	✓	✓
Hackthorpe		✓	✓	✓
High Hesket		✓	✓	✓
Kirkby Thore	✓	✓	✓	✓
Langwathby	✓	✓	✓	✓
Lazonby	✓	✓	✓	✓
Nenthead		✓	✓	✓
Orton	✓	✓	✓	✓
Plumpton	✓	✓		✓
Ravenstonedale	✓	✓	✓	✓
Shap	✓	✓	✓	✓
Stainton	✓	✓	✓	✓
Tebay	✓	✓	✓	✓
Temple Sowerby		✓	✓	✓
Warcop	✓	✓	✓	✓
Yanwath		✓	✓	✓

3.17 The information above excludes settlements in the Lake District National Park for which Eden District Council is not the local planning authority. However, there are local shops in Patterdale, Pooley Bridge, Penruddock and Bampton.

3.18 In October 2007 Cumbria Rural Enterprise Agency (CREA) commenced a survey of rural shops and other retailers across Cumbria. The research has been commissioned by Voluntary Action Cumbria on behalf of the Rural Retail Advisory Partnership and it aims to identify all the various retailers operating in rural areas of Cumbria. As well as village grocers, it covers mobile shops and other non-food traders. The study will look at ideas and opportunities to secure the future of retailing in the rural areas of Cumbria, including Eden District.

4. SHOPPING PATTERNS

Interview Surveys

4.1 England & Lyle has commissioned interview surveys from NEMS Market Research, including a telephone household survey across the study area and an In-Centre survey in Penrith town centre. These surveys were carried out in October and November 2007.

4.2 The telephone household survey was conducted among a representative sample of residents living in the study area. The study area includes the whole of Eden District but also extends beyond the District boundary in the Alston area to take in villages along the A689 north of Alston which are within the hinterland of the town. A total of 800 interviews was carried out to provide a robust and reliable sample, taking account of the number of households in the survey area. The survey area was sub-divided into 7 zones defined by postcodes to enable a geographical analysis of shopping patterns. These zones are:
1 – Penrith
2 – Rural North
3 – Alston
4 – Appleby
5 – Kirkby Stephen
6 – Rural South
7 – Rural West

4.3 The study area and zones are shown in Figure 1.

4.4 The household survey seeks to establish shopping patterns for food and non-food shopping. It asked where residents shop for main food and top-up food shopping, and various categories of non-food shopping – the MapInfo categories of clothing and footwear; furniture, floor coverings and household textiles; domestic appliances and audio-visual equipment; hardware and DIY supplies; and other non-food goods. The survey also asked questions on linked trips, home delivery and Internet shopping, likes and dislikes and satisfaction with Penrith and the other main centres in Eden and the need for changes and improvements in these centres.

4.5 In addition to the household survey, an In-Centre Survey was carried out by NEMS within Penrith town centre. Face-to face interviews were carried out among a random sample of visitors to the town centre, both tourist visitors and people normally resident in Penrith. A total of 200 face-to-face interviews were carried out, which is sufficiently reliable given the size of Penrith town centre. The survey included questions about place of residence, frequency of visits to the town centre, mode of travel, parking, walking time, purpose of visit, type of shopping, other centres visited, likes and dislikes about Penrith town centre and suggested improvements in the town centre. Interviewing was conducted on 5 days including a Saturday and at different times of the day, and in different locations so as to ensure a representative sample was achieved.

Analysis of the Household Survey

4.6 Full details of the telephone household survey results are included in Appendix 3. The section below summarises the results.

Main Food Shopping

4.7 The survey indicates which shop or supermarket residents normally use for their main food and grocery shopping. Respondents were asked to name one shop only. The responses include a number of 'don't knows' or 'varies' (8%) and a small number mainly using the Internet/home delivery. The data in Appendix 4 exclude these 'non-store' shoppers to enable the geographical pattern of main food shopping to be analysed. In the study area as a whole the stores most used for main food shopping are as follows.

Morrisons, Penrith	47.6%
Co-op, Penrith	7.6%
Somerfield, Penrith	6.7%
Aldi, Penrith	4.6%
Co-op, Kirkby Stephen	4.0%
Co-op, Appleby	2.1%
Co-op, Alston	2.1%

4.8 Outside the study area the stores most used for main food shopping are:

Morrisons, Kendal	6.5%
Tesco, Carlisle	4.7%
Asda, Carlisle	3.1%
Asda, Kendal	1.9%

4.9 Morrisons has a particularly large market share (over 60%) in the Rural North and Rural West zones. Its market share in the Penrith zone is also high (57%) but in Penrith the Co-op and Somerfield have a relatively high market share (both about 15%). Morrisons is the dominant store for main food shopping for residents in the Rural North, West and South zones. In the Kirkby Stephen zone the Co-op in Kirkby Stephen has the largest market share (35%) followed by Morrisons in Kendal (26%). In the Appleby zone Morrisons in Penrith has the largest market share (38%) followed by the Co-op in Appleby (17%). In the Alston zone the largest market shares are taken by the Co-op in Alston (28%), Tesco in Hexham (15%) and Tesco and Asda in Carlisle (both 13%).

4.10 82% of residents in the study area do their main food and grocery shopping by car, either as a driver or passenger. 14% walk to do main food shopping, but this rises to 25% in the Penrith zone. Only 3% travel by bus.

4.11 The main reasons for visiting the stores that are most used for main food shopping are:

Convenient to home	44.1%
Range of goods available	21.9%
Lower prices	14.6%
Quality of goods	8.3%
Better value for money	7.6%
Easy to get to	6.2%
Good/cheap parking	6.1%

4.12 Respondents were asked if they carried out other activities on their last main food and grocery shopping trip. The results are as follows.

Bank/post office/building society	51.4%
Non-food shopping	38.4%
Other food shopping	36.5%
Petrol	33.8%
Window shopping/browsing	23.0%

4.13 Only 20% said they did not do any linked activities. The percentage of linked trips is relatively high.

Top-up Food Shopping

4.14 70% of respondents do top-up food shopping as well as their main food and grocery shopping trip. The proportions doing top-up food shopping are highest in the Appleby zone (82%), Penrith (75%) and Alston (75%). The shops most used for top-up food shopping are listed below. The figures have been adjusted to exclude those who don't do top-up food shopping.

Morrisons, Penrith	15.9%
Local shops, Penrith	13.5%
Somerfield, Penrith	13.1%
Co-op, Penrith	8.8%
Co-op, Kirkby Stephen	8.2%
Local shops, Appleby	5.7%
Co-op, Appleby	5.1%
Co-op, Alston	4.3%

4.15 Respondents were asked what proportion of their spending on food and household groceries goes on main food shopping. This data is needed for the analysis of expenditure flows on convenience goods. Calculating the weighted averages, overall 72% of spending is on main food shopping – a typical figure in household surveys. The percentage is highest in the Rural North zone (79%) and lowest in Kirkby Stephen (68%).

Non-Food Shopping

4.16 Respondents were asked a series of questions about their patterns of non-food shopping. They were asked which shopping centre or other location they normally use to buy different types of non-food goods. The overall results are summarised below.

Percent	Clothing & footwear	Furniture & carpets	Electrical goods	DIY & hardware	Other non-food goods
Penrith town centre	21.6	31.6	52.3	70.4	56.6
Penrith out-of-centre	-	-	-	7.2	-
Appleby	0.3	6.2	6.1	4.4	4.1
Kirkby Stephen	0.2	0.6	2.7	4.7	1.4
Alston	-	0.2	0.2	-	1.3
Carlisle	57.4	49.2	26.3	6.5	21.9
Kendal	11.3	4.7	8.9	5.0	9.8
Keswick	1.0	-	0.2	-	0.8
Newcastle	2.5	3.4	0.8	0.6	0.8
Hexham	0.6	1.1	1.0	0.2	1.1
Other centres	5.1	3.0	1.5	1.0	2.2

4.17 Clearly for most types of non-food shopping Penrith is the dominant centre in the study area. It is the centre most used for shopping for DIY & hardware, electrical goods and other non-food goods such as toiletries, jewellery & gifts. However, Carlisle is the centre most used for clothing & footwear and furniture & carpets. No other centres in the study area are used to any great extent for non-food shopping. Appleby has some significance for furniture & carpets and electrical goods but its role is much lower than that of Penrith and Carlisle. Kirkby Stephen has some significance for DIY & hardware. Alston does not have any significant role for non-food shopping.

Home Delivery and Internet Shopping

4.18 17% of respondents said they use the home delivery service offered by supermarkets. Of these people, 59% use Tesco, 24% use the Co-op and 13% use Somerfield. Home delivery services are particularly well used in the Rural North zone (29%) and in Penrith (24%). They are not well used in Kirkby Stephen (1%) and Appleby (11%). About 58% of respondents use home delivery services at least once a month.

4.19 38% of respondents said they use the Internet for non-food shopping. But most of these people use the Internet for less than a quarter of their non-food spending. Use of the Internet for non-food shopping appears to be greatest in the Rural North zone (49%) and lowest in the Rural West and Rural South zones (both 34%).

Shopping in Penrith

4.20 Of the total respondents in the study area, only 9% said they do not ever visit Penrith for shopping. The highest proportions that do not ever shop in Penrith are people who live in Alston (42%) and in Kirkby Stephen (40%). Elsewhere very few respondents do not shop in Penrith.

4.21 Respondents were asked what they like and dislike most about Penrith for shopping.

Likes			Dislikes	
Close to home	40.6%		Lack of non-food stores	26.2%
Independent stores	14.6%		Difficult to park	25.9%
Attractive environment	5.7%		Difficult to park near shops	12.9%
Friendly atmosphere	4.0%		Expensive car parking	8.2%
Compact centre	3.2%		Lack of food stores	6.5%
Nothing/very little	16.3%		Nothing/very little	32.2%

4.22 Respondents were also asked what are the main changes or improvements they would like to see in Penrith town centre.

Cheaper/easier parking	28.5%
More/better choice of shops	24.2%
Bigger/better supermarket	6.5%
Better quality of shops	5.5%
Cleaner environment	3.6%
Nothing/very little	26.8%

Shopping in Appleby

4.23 Of the total respondents in the study area 23% said they ever shop in Appleby. The proportion rises to 88% for those who live in the Appleby zone. 46% of all respondents who said they ever shop in Appleby live in the Appleby zone. A further 27% live in the Rural North and Rural South zones.

4.24 Respondents were asked what they like and dislike most about Appleby for shopping.

Likes			Dislikes	
Close to home	41.4%		Lack of non-food stores	12.9%
Independent stores	26.3%		Lack of food stores	11.3%
Attractive environment	11.3%		Difficult to park	9.1%
Friendly atmosphere	9.7%		Too expensive	5.4%
Close to work	4.3%		Difficult to park near shops	4.8%
Nothing/very little	6.5%		Nothing/very little	62.4%

4.25 Respondents were also asked what are the main changes or improvements they would like to see in Appleby town centre.

Cheaper/easier parking	14.0%
More/better choice of shops	11.8%
Bigger/better supermarket	3.2%
Upgrade surrounding roads	2.2%
Better quality of shops	2.2%
Get rid of traffic wardens	2.2%
Nothing/very little	56.5%

Shopping in Alston

4.26 Of the total respondents in the study area only 7% said they ever shop in Alston. The proportion rises to 70% for those who live in the Alston zone. 76% of all respondents who said they ever shop in Alston live in the Alston zone.

4.27 Respondents were asked what they like and dislike most about Alston for shopping.

Likes			**Dislikes**	
Close to home	47.3%		Lack of non-food stores	16.4%
Independent stores	16.4%		Lack of food stores	10.9%
Attractive environment	9.1%		Too expensive	7.3%
Choice of stores	7.3%		Difficult to park	7.3%
Other	3.6%		Too long to get to	3.6%
Nothing/very little	20.0%		Nothing/very little	52.7%

4.28 Respondents were also asked what are the main changes or improvements they would like to see in Alston town centre.

More/better choice of shops	18.2%
Cheaper/easier parking	14.6%
Bigger/better supermarket	7.3%
Upgrade surrounding roads	5.5%
More/better public transport	3.6%
Better security	3.6%
Nothing/very little	43.6%

Shopping in Kirkby Stephen

4.29 Of the total respondents in the study area 18% said they ever shop in Kirkby Stephen. The proportion rises to 88% for those who live in the Kirkby Stephen zone. 48% of all respondents who said they ever shop in Kirkby Stephen live in the Kirkby Stephen zone. A further 25% live in the Appleby zone.

4.30 Respondents were asked what they like and dislike most about Kirkby Stephen for shopping.

Likes			Dislikes	
Close to home	38.6%		Lack of non-food stores	11.7%
Independent stores	29.0%		Lack of food stores	6.2%
Attractive environment	9.7%		Difficult to park	4.1%
Friendly atmosphere	9.0%		Difficult to park near shops	2.1%
Good range of stores	6.9%		Other	2.8%
Nothing/very little	6.9%		Nothing/very little	64.8%

4.31 Respondents were also asked what are the main changes or improvements they would like to see in Kirkby Stephen town centre.

Cheaper/easier parking	13.8%
More/better choice of shops	10.4%
Bigger/better supermarket	8.3%
Nothing/very little	55.9%

Market Shares of Centres

4.32 Details of the analysis of expenditure flows from the household survey are included in Appendix 5. The results are summarised below in the market shares for all convenience goods and comparison goods expenditure in the study area. The figures show how much of the expenditure generated by residents in the study area is spent in the main centres and other shops, and how much is lost as leakage to centres outside the study area. This information is important in assessing the potential for the market shares of centres to increase in the future and how this affects future shopping needs in Eden District.

Market Shares by Centre	Convenience goods	Comparison goods
Penrith:		
Morrisons	39.0%	
Co-op	7.9%	
Somerfield	8.4%	
Town centre total	55.3%	43.9%
Penrith out-of-centre	4.1%	0.8%
Alston	2.6%	0.5%
Appleby	5.3%	4.3%
Kirkby Stephen	5.9%	1.7%
Local Shops	10.2%	0.1%
Leakage:		
Carlisle		33.9%
Kendal		9.0%
Newcastle		1.7%
Other centres		4.3%
Total leakage	16.5%	48.9%
Total	100%	100%

4.33 In convenience goods Morrisons clearly has the dominant market share (39%) and Penrith town centre has a whole has a 55% market share of convenience goods shopping. The district centres have relatively low market shares of convenience goods shopping in the study area as a whole but they are locally important as shown in Section 6 in defining catchment areas. Local shops have a 10% market share of convenience goods shopping. Leakage represents 16.5% of convenience goods spending. Convenience goods leakage is discussed in Section 7.

4.34 In comparison goods Penrith town centre has the dominant market share (44%). The district centres have relatively low market shares of comparison goods shopping in the study area as a whole (smaller than for convenience goods) but again they are locally important as shown in Section 6 in defining catchment areas. Leakage represents a major proportion (49%) of comparison goods spending. Leakage is mostly to Carlisle, and to a lesser extent Kendal and other centres. Comparison goods leakage is also discussed in Section 7.

Analysis of In-Centre Survey in Penrith

4.35 Full details of the In-Centre survey results are included in Appendix 6. The section below summarises the results.

4.36 Of those interviewed in the survey in Penrith town centre, 53% live in Penrith and a further 27% live elsewhere in Eden District. 20% live outside Eden District.

4.37 31% of respondents visit Penrith town centre every day; 32% visit 2-3 times a week; 14% visit once a week; 8% visit at least once a month; and 15% visit less than once a month.

4.38 50% of respondents travelled to the town centre by car (as drivers or passengers); 8% travelled by bus; and 40% walked to the centre. No-one cycled to the centre.

4.39 Of those who travelled by car, 20% parked at Southend Road car park; 17% at Morrisons; 25% used other car parks; 22% parked on-street; and 16% of responses were unspecified.

4.40 Asked what is a reasonable walking time between a car park or bus stop and the main shops, 22% said less than 5 minutes; 36% said 5 minutes; 27% said up to 10 minutes; and 11% said more than 10 minutes.

4.41 Questions were asked on the main purpose of visiting the town centre that day and what else people were doing in the town centre that day. The results are shown below.

	Main purpose of visit	Other purpose of visit
Shopping	49%	24%
Using services	18%	22%
Working there	12%	1%
Tourism	10%	3%
Social/leisure	6%	4%
Other	5%	1%
Nothing	-	45%

4.42 Those respondents in the town centre to shop said that they had bought, or were looking to buy, the following goods.

Food/groceries	65%
Other convenience goods	6%
Clothes and shoes	19%
Other comparison goods	10%

4.43 Asked about non-food shopping, 46% of respondents said Penrith is the main centre used for non-food shopping and 54% mainly use other centres. The other centres used for non-food shopping are as follows.

	First mention	Second mention
Carlisle	64%	6%
Kendal	5%	8%
Keswick	3%	4%
Newcastle	4%	6%
Others (various)	15%	10%
Don’t know	9%	66%

4.44 Respondents were asked what they like and dislike most about Penrith town centre. The main responses are listed below.

Likes

Near/convenient	30%
Choice of independent shops	21%
Pedestrian-friendly environment	19%
Historic market town	9%
Other/don’t know	10%
Nothing	11%

Dislikes

Lack of car parking	18%
Lack of cleanliness of streets	9%
Traffic congestion	6%
Poor choice of shops	10%
Other/don't know	18%
Nothing	39%

4.45 The In-Centre survey confirms the findings of the household survey that shoppers in Penrith particularly like its closeness to where they live and the presence of independent stores in the town centre. The In-Street survey gives greater emphasis to the lack of car parking in Penrith than the household survey, which may reflect the fact that only those visiting the centre were surveyed. The household survey shows that shoppers also dislike the lack of non-food stores in Penrith.

4.46 Respondents also said what are the main changes or improvements they would like to see in Penrith town centre. The main responses are listed below.

Main Changes or Improvements

More parking spaces	22%
More specialist shops	9%
Clean shopping streets	7%
More large shops	7%
Other/don't know	7%
No opinion	17%
Nothing in particular	31%

4.47 The need for more/better car parking is consistent with the results of the household survey which highlighted the need for cheaper/easier parking. The household survey gave greater prominence than the In-Centre survey to the need for more/better choice of shops. Relatively few shoppers actually visiting the centre said there should be more specialist shops and more large shops.

4.48 The pattern of results from the In-Centre survey shows that Penrith is used predominantly by local residents who visit the centre frequently. They travel mostly by car (using the main car parks) or on foot. Penrith is visited mostly for shopping but also for other town centre services. There are relatively few tourist visitors (though the survey was carried out in October).

4.49 Most shopping is for food/convenience goods. Relatively few people used the centre for clothes and other non-food shopping. More than half of shoppers said they mainly use other centres for non-food shopping, particularly Carlisle. Relatively few go to Kendal or Keswick.

4.50 Penrith is popular because of its proximity for residents, the independent shops in the centre and the pedestrian shopping environment. But there is perceived to be a lack of car parking and other deficiencies in the centre. Among those using Penrith town centre, more people expressed likes than dislikes about it. The greatest need for changes or improvements appears to be in car parking, extending the range of shopping and making the centre cleaner. But almost half of all respondents did not mention any specific need for changes or improvements.

Consultations

4.51 Formal consultations have been held with a number of organisations during the course of the study. We have had discussions with the following organisations:

- Penrith Partnership
- Penrith Chamber of Trade and Commerce
- Alston Moor Business Association
- Appleby Chamber of Trade and Community Association, and
- Kirkby Stephen Town Council and Town Forum.

4.52 The consultations focused on the following issues:

- How well has each town performed as a shopping centre?
- What are the strengths and weaknesses of each town as a shopping centre?
- What are the main problems faced by traders in each town at the moment?
- Are there any particular issues in the town centre regarding car parking, public transport, street cleanliness, safety and security for pedestrians, etc?
- What improvements are needed in each centre?

4.53 The results of these consultations are summarised below. Surveys have not been carried out of individual traders but the comments we have received are representative of the views of traders, many of whom took the trouble to meet us or to send us written comments. The comments stated below reflect the views of the consultees only. In this Section no interpretation is made of the opinions expressed by consultees.

Penrith

4.54 In the case of Penrith detailed responses to England & Lyle’s consultation were received from Penrith Chamber of Trade and Commerce, Penrith Co-operative Society and one individual trader. We are also grateful to Penrith Partnership for meeting us and for sending us a lot of very helpful information. For Penrith we have listed the responses in a tabular format.

How is Penrith performing as a shopping centre?	Penrith is not performing particularly well. It has suffered a drop in trade due to competition elsewhere, particularly from Carlisle which has a larger selection of shops. The town is slowly declining due to lack of investment. However, some shops are doing well, notably smaller 'specialist shops'. Penrith needs to reaffirm its importance as a shopping centre.
What are the strengths of Penrith as a town centre?	Large catchment area. Location is a strength. Good proximity to M6/A66 and Lake District. Size – the town is small and walkable. Friendly town. Specialist shops Larger shops in and outside the centre. Historic market town status. Unique, traditional old style town environment – heritage and culture. University of Cumbria growth.
What are the weaknesses of Penrith as a town centre?	Carlisle offers a larger selection to customers. Young people go to Carlisle for clothes shopping. Families go to Carlisle, even for food shopping. Difficulty in parking in the town. Lack of visitors after 5pm. Losses to shops outside the centre in the evening. Lack of visitors on Sunday in comparison with Keswick. Proliferation of fast food outlets. Not marketed as a shopping destination. Low wage economy doesn't help town centre.
What are main problems currently faced by traders?	Competition with 'shopping malls' with on site parking. Competition from Internet shopping. Lack of car parking for visitors. Problems resulting from delays in the new town centre development scheme. Lack of suitable trained staff. Shortage of housing in the area for people at lower end of the wage scale.
Car parking issues	Car parking is the major issue for traders. Lack of spaces close to the main town centres. On-street parking management has had a detrimental impact. Parking charges are reasonable. Poor signage to car parks. More parking is needed, particularly short stay opportunities to attract more shoppers to the northern end of the town centre. Proposed new multi-storey car park at Southend Road is too far from the existing town centre.
Public transport issues	Town bus service is adequate but poor services from villages. Rail and bus stations too far apart. Improve links with Keswick. Improve cycle links.

Street cleanliness issues	Town doesn't feel clean. Some streets are shabby. Concerns – school children at lunch time and smoking outside pubs leads to litter. Eden DC is taking steps to keep streets clean and educate.
Safety and security issues	Town is car-dominated. Apparently few accidents. Not user-friendly for pedestrians. More pedestrianisation is needed.
Charity shop issues	Concern at number of charity shops in the town but they diversify the range of shops.
Out of town shopping issues	Saturday/Sunday market at Skirsgill. Proposed retail development at Ullswater Road will affect trade in the town centre.
What improvements would you line to see in the town centre?	Support current shopfront facelifts, business workshops and art in the realm initiatives. Co-ordinated shop fronts. Pedestrianisation of Devonshire Street. More parking at Bluebell Lane and Sandgate. Better lighting. More activities eg. farmers markets around the monument and to boost footfall and sales. Better promotion of the town of what it has to offer, especially from the M6.
What are your views on the approval of the New Squares development?	Should have benefits for the town. Accepted that there is a need for wider variety to attract and retain shoppers in Penrith. Potential for increased visitors to the town. But issue of whether the town can support new development without an impact on town centre trade. Scale of development may be too much. Concerns that it is outside the existing town centre. Could divide the town. Large amount of new floorspace when there are existing vacant units in the town centre. Could create a High Street just like any other in Britain when the town's biggest strength is its uniqueness. Essential to have excellent connectivity between New Squares and the rest of the town centre. Should be well integrated with existing specialist shops so that it complements the town centre as a whole. Risk to the northern end of the town centre. Need to maintain its vitality. Concern about relocation of the Tourist Information Office further away from the north end of the town centre.

Alston

4.55 A consultation meeting was held with representatives of Alston Moor Business Association. Alston suffered a decline after the closure of the foundry in 1980 and a significant loss of jobs. It has recovered to a large extent but there are still evident problems, as shown by the high vacancy rate in the town centre. Some of the comments made at the meeting were based on the Health Check and Action Plan produced by Alston Moor Business Association and Alston Moor Development Company in 2003 under the Vital Villages initiative.

4.56 Alston is seen to be under-performing as a shopping centre, despite its clear charm. It looks run-down. Most businesses rely to some degree on tourists. Visitor trade could represent about a third of total trade. But much of the visitor trade is seasonal.

4.57 Alston is not perceived as having a town centre. It is too small. The range of shops and services in Alston is limited by the size of the resident population. However, Alston has an interesting range of speciality shops. It is a relatively isolated settlement but this isolation has resulted in a range of shops and services that is greater than would be expected in a town of its size, and larger than the range of services in other towns in the North Pennines. It has a secondary school, cottage hospital, police station, fire station, library, banks, pubs, Tourist Information Centre, etc. It attracts people from a wide rural area but it no longer has a market to attract people. The extensive cobbled area in the Market Place and Front Street is attractive but not well maintained. Much of it has been patched up badly with tarmac.

4.58 Car parking is lacking in the town, for both shoppers and visitors. There is free on-street parking in Front Street. There is off-street parking outside the town centre that can be used by visitors (eg. at the railway station) but it is not conveniently located for town centre shoppers. These car parks are not well signed. The traders believe that controls on short stay parking would be unpopular because the spaces are used by town centre traders at present. Public transport services are seen as inadequate and declining but there are reasonably frequent bus services to Carlisle, Hexham and other towns.

4.59 Alston needs to find ways to increase the occupancy level of premises in the town centre. An increase in visitor numbers would be very welcome, perhaps building on the attraction of the South Tynedale narrow guage railway. New housing and an increase in population would help to boost the town centre.

4.60 New investment is needed to improve the shopping environment eg. shopfront improvements. There is a particular need for improvements to a number of ‘down-at-heel’ gateway sites on Station Road to the north and south of the town which are considered to be eyesores. But there is conservatism among local residents and a resistance to change. A marketing strategy would help to increase the number of local residents and visitors using Alston to shop instead of going to Penrith, Hexham and Carlisle.

Appleby

4.61 A consultation meeting was held with representatives of Appleby Chamber of Trade. There is pride in Appleby as a town but a feeling that it is stagnating as a town centre. A recent town enhancement scheme which created new paved areas and other environmental improvements resulted in major disruption for traders and shoppers. It has made the town more attractive but it hasn't helped local businesses.

4.62 Appleby has a number of strengths. The small, specialist shops provide a personal touch and service. The shops have individuality and offer a pleasant shopping environment. But the type of small shops in the town don't attract many shoppers. Visitor trade is important to the town. But it is recognised that Appleby needs to have better specialist shops that people will make a special trip to visit. Visitors make up a significant proportion of local trade and there is a fairly long visitor season.

4.63 Other deficiencies were noted. Appleby lacks an adequate supermarket. The Co-op in The Sands is very small. Most people go out of Appleby for their main food shopping. There is a Saturday market but it is small, with about 4 stalls. Parking is seen as a problem. There is a lack of parking space in the town and 2 and 3 hour disc parking applies in different parts of the centre. 2 hours is seen as inadequate for many trips. Traders think that the parking controls are too rigidly enforced. There was a proposal to increase the provision of on-street car parking in The Sands but it hasn't been carried out.

4.64 There is a 2 hourly bus service to Penrith and Brough, and a weekly bus service to Kendal. The services to Penrith and Kendal are seen as taking trade away from Appleby. It does not benefit the town. There are no local buses to Appleby from the surrounding villages. The train services to Skipton and Leeds also take away some potential trade.

4.65 It is difficult to think where a larger supermarket could be built in the town. There is a lack of space for new development west of the river.

4.66 Appleby needs to promote itself better. The traders feel that there is a resistance to change among some residents and a lack of local support for improvements. Appleby is attractive but it lacks attractions to visitors. The castle is a prominent local feature but it is not open to the public. There may be potential for a museum of local history, possibly building on the tradition of the horse fair.

Kirkby Stephen

4.67 A consultation meeting was held with representatives of Kirkby Stephen Town Council and Kirkby Stephen Town Forum. There is no Chamber of Trade in Kirkby Stephen. The Town Council supports local businesses and local events. The Town Forum is concerned with promotion of Kirkby Stephen; it is business-based but has a wider remit.

4.68 It is generally accepted that Kirkby Stephen has improved as a centre over recent years. It is a small centre but it has developed an attraction for visitors as well as local residents. Visitor trade is vital to the town because it is a stopping point for passing trade between the North East and North West. Visitor trade tends to be seasonal, so the winter period is quieter. The introduction of a lorry ban has helped the town. It has removed most heavy goods vehicles but it hasn't stopped visitors coming to the town. The outcome is 'the best of both worlds'. The people of Kirkby Stephen are opposed to the idea of a bypass. They believe strongly that it would have disastrous consequences for the town.

4.69 The Co-op is the anchor store in the town, even though it is located outside the town centre. It attracts shoppers from wide area including Appleby and Brough and it keeps people in the local area for main food shopping. There are linked trips between the Co-op and the town centre.

4.70 Kirkby Stephen benefits from being a 'self-help community'. Most shops are locally owned and run, and there is a strong motivation to see the town prosper. At the time of our health check visit a sign in the Market Square said "Please support your local shops". But it is an unbalanced community with an ageing population and a lack of young professional people. This will have longer term implications for the town and its services.

4.71 The auction mart attracts people into the town but it is not as busy as it used to be. The main auctions are now on a Tuesday evening which does not help the town centre shops. The open market on Mondays is not successful. The weekend market in Penrith attracts people away from Kirkby Stephen. Bus services to Penrith and Kendal are fairly well-used but there are fears that they might be cut. The local Plus Bus service links the surrounding villages with Kirkby Stephen. It is not well used but it is an essential service for those without private transport.

4.72 Parking is an issue. There is free parking for most of the year in Market Street, with restrictions to 2 hour parking in the summer period. The parking spaces are commonly used by local traders making it difficult at times for shoppers and visitors to park. The free car park in Silver Street is an asset but it suffers from poor signage. There is coach parking at the auction mart but not on auction days. The railway station to the south of the town attracts some visitors but it is badly linked to the town centre. A new footpath is needed.

4.73 Significant improvements in Kirkby Stephen would be difficult to achieve. A big new attraction would bring in more visitors but there are no specific ideas about to achieve this. New housing development would help to increase the local resident population. There are concerns that what happens in Penrith affects Kirkby Stephen and the local representatives urge that Eden District Council should put greater emphasis on the needs of smaller settlements like Kirkby Stephen.

5. HEALTH CHECKS

Health Check Appraisals

5.1 Health checks have been carried out of Penrith town centre, Alston, Appleby and Kirkby Stephen to assess their vitality and viability. Our approach to undertaking health checks is based on a systematic appraisal of a total of 40 factors based on the indicators listed in PPS6. These factors are scored and an overall vitality and viability index is calculated which can be compared with other centres and used to monitor changes in a centre over time. The Health Check Appraisal Sheets for each centre are included in Appendix 7.

5.2 This approach has been developed by England & Lyle over a period of years and has been used in numerous retail studies and assessments for local authorities and developers. It has been accepted by Inspectors at inquiries into retail developments. The approach enables us to make an independent appraisal of the health of Penrith town centre and the district centres and their overall vitality and viability.

5.3 In preparing the health checks we have used the results of the detailed surveys of centres, national comparisons from the Goad Centre Reports, general observation of each centre and local information from the District Council and other sources. In the case of Penrith we have also referred to the Market Towns Health Check and Action Plan for Penrith carried out under the Market Towns Initiative, and health check information contained in the previous retail study for Penrith.

5.4 Each factor on the Health Check Appraisal Sheet is scored on a 5-point scale of 1=very poor, 2=poor, 3=fair, 4=good and 5=very good. Not all factors can be scored for all centres. In the smaller centres some of the factors do not apply (eg. enclosed shopping and retailer demand). Information is not available on the commercial performance for the smaller centres. The average vitality and viability index is calculated just for the factors that are present.

5.5 The number of ‘factors’ within the main indicators provides an in-built weighting to the health check appraisal. Because of the composition of indicators and factors, the key indicators of diversity of main town centre uses, retailer representation, accessibility and environmental quality carry greater weight than say commercial performance, vacancies, pedestrian flows and safety and security. These weightings broadly reflect the advice given on different key indicators in PPS6.

Penrith

<u>Overall Provision</u>

5.6 The main foodstore in Penrith, Morrisons, is on the edge of the town centre but it forms part of the town centre shopping provision and is well related to the town centre. There are some edge-of-centre retail warehouses on Brunswick Road and out-of-centre retail warehouses on Ullswater Road and Bridge Lane. The existence of retail and other floorspace outside the centre reflects the difficulty of accommodating some retail uses within the town centre. It is not necessarily a negative factor, and we rate it as fair. There is significant capacity for growth or change in the centre because of the approval of the New Squares scheme. This factor is rated as good.

Diversity of Main Town Centre Uses

5.7 Penrith has a total of 170 shops. This is a good representation of shops for a town of its size. Shops represent 56% of all retail and service uses in the town, higher than the national average of 39%. The proportion of convenience goods shops (9%) is about the same as the national average. The proportion of comparison goods shops (48%) is well above the national average. We rate the number and type of shops as good. The representation of financial and professional services such as banks, building societies and estate agents is also good, reflecting Penrith's role as a service centre. The range and quality of pubs, cafes and restaurants is fair. In the Cumbria Tourist Board visitor benchmarking survey of Penrith the range of places to eat and drink received a moderate rating. The representation of business and office premises (solicitors, accountants, etc) is fair, as is the provision of hotels and cultural and entertainment facilities. The only quality hotels are The George Hotel in Devonshire Street and the North Lakes Hotel on the edge of the town. Penrith has a number of historic and visitor attractions, notably the Parish Church, Castle ruins, Penrith Museum and Tourist Information Centre, but lacks arts and cultural facilities. Sports and leisure facilities are generally good. The leisure centre and swimming pool are located just outside the centre on Victoria Road.

Retailer Representation

5.8 The town centre has a reasonable range of non-food multiples including Woolworths, Burton, Argos, Superdrug, Dorothy Perkins, WH Smith, Boots, Clarks, Edinburgh Woollen Mill and Clinton Cards, but multiples represent only 17% of all comparison goods shops which is below the national average. We rate the presence of multiples as fair. The representation of specialist and independent shops is very good and is probably the main strength of the town's retail offer. The vast majority of the shops in the town are local independents selling a wide range of products. The town markets its "specialist shops". Devonshire Arcade, Little Dockray, King Street and Brunswick Road are particularly good for specialist shops. There is a high proportion of shops selling clothing, art, gifts and furnishings. There is a street market, held on Tuesdays and Saturdays in Great Dockray and a smaller market in the Corn Market. At the time of our visit there were about 12 market stalls. The market is small and not of particularly good quality, so this factor is rated as fair. The availability of food shopping is good with the Morrisons superstore and other supermarkets (Co-op, Spar and Somerfield) and several other specialist food shops – bakers, butchers, greengrocers, etc. There is a small amount of enclosed shopping in Devonshire Arcade which is rated as fair. There is some evidence of recent investment by retailers such as re-fitting of shops and refurbishments and this is rated as fair. Although we have no up-to-date information on retailer demand in Penrith, the Retail Statement for the New Squares development notes that there are several prospective tenants for the scheme. However, the Focus database on outstanding retailer requirements referred to in the New Squares Retail Statement reveals only a modest level of demand. This factor is rated as fair. There are 8 charity shops representing 6% of all comparison goods shops, which is rated as fair. There are a few low quality discount shops, and we rate this factor as good.

Vacant Properties

5.9 Penrith has 25 vacant shops, with a vacancy rate of 8% of all retail and service units, just below the national average. The amount of vacant floorspace is moderate. Both these factors are rated as fair. The vacant units are generally in more secondary locations but they tend to be fairly prominent so the effect of vacant premises on the centre is only rated as fair.

Commercial Performance

5.10 There is no current information on rental values in Penrith. However, the Retail Statement for the New Squares scheme indicates that Zone A rental levels in Penrith are lower than in Carlisle and Kendal, and that growth has been slower. This factor is rated as poor. The other indicator of commercial performance is shopping centre yield. Yield is defined as the ratio of rental income to capital value, expressed as a percentage. Therefore, the lower the yield the better the investment value of a property. Information from the Valuation Office Property Market Reports on shopping centre yields shows that Penrith had a yield of 6.75 in July 2007. This is a significant improvement on the yield of 8.0 which had previously been stable between 2001 and 2006. Carlisle has enjoyed a similar improvement but with a much better level of yield. Penrith's shopping yield is now better than that of Kendal. This factor is rated as good.

Pedestrian Flows

5.11 At the time of our visits to Penrith the volume of pedestrian flow has been generally good. Some parts of the centre are busy. Pedestrian movement is particularly good in Middlegate, Devonshire Street/Market Square and Angel Square. Other streets such as King Street, Burrowgate, Great Dockray and Castlegate are relatively quiet.

Accessibility

5.12 Ease of movement for pedestrians in the centre is good. The centre is reasonably flat, and there are paved areas that help pedestrian circulation. Ease of movement for cyclists is rated as fair. The one way traffic system and traffic congestion in parts of the town centre do not help cyclists. There is a shopmobility scheme operated from the bus station by Age Concern but generally ease of movement for the less mobile is rated as fair. Ease of access to the main attractions in the centre is generally good. There is good signage for pedestrians to the main destinations in the town centre. The bus station and rail station are within walking distance of the main shopping area. There is 1 hour disc parking in Middlegate, Devonshire Street, Crown Square and Great Dockray (except on market days) and pay and display parking at Southend Road, Sandgate, Bluebell Lane and Princes Street. Morrisons offers free car parking for 2 hours. On our visits the car parks were well used. Morrisons' car park appears to be busy all the time. Overall, car parking is considered to be insufficient to meet the needs of the town and is rated as fair. Signage to the main car parks is poor. There is a regular local town bus service and longer distance bus services operate from the bus station to Carlisle, Kendal, Shap, Keswick, Appleby, Kirkby Stephen and Patterdale. The frequency and quality of public transport and the range of places served by bus are rated as good.

Customer Views and Behaviour

5.13 The household survey shows that only 16% of respondents like nothing or very little about Penrith for shopping but 32% dislike nothing or very little. Therefore there are more likes than dislikes about Penrith but the difference is not great. Satisfaction with

Penrith is rated as fair. The household survey highlights the need for changes and improvements in Penrith town centre, particularly in car parking and a better choice of shops. The In-Centre interview survey in Penrith also indicates a need for changes and improvements in Penrith town centre. Again this factor is rated as fair. The extent of linked trips by shoppers doing main food shopping in Penrith is good, with a high proportion of linked trips to visit other shops and services in the town centre.

Safety and Security

5.14 Penrith has a good CCTV system with cameras in King Street, Devonshire Street and at the northern end of Middlegate. The feeling of security in the centre is considered to be good. The town feels generally safe, secure and pleasant.

Environmental Quality

5.15 The average score on the physical appearance of properties in our survey of Penrith is 3.1. Most properties are rated as fair and more are rated as good than poor. But about 12% of properties are judged to be poor. The environmental quality in some streets, notably Castlegate and Princes Street/ Southend Road, is poor. We rate the overall cleanliness of the streets and buildings as poor and this is borne out by the results of the In-Centre interview survey. There are some good historic buildings in Devonshire Street and Market Square. Poets Walk, Little Dockray and Devonshire Arcade are attractive pedestrian streets, and Castle Park and the grounds of St Andrews Church are attractive open areas. But overall the general pedestrian environment and quality of open spaces and landscaping all rated as fair. The availability and condition of toilets in Little Dockray, the bus station and Southend Road is rated as poor. In the Cumbria Tourist Board visitor benchmarking survey of Penrith the availability and cleanliness of these toilets received a low rating. Toilets were identified as a key area for improvement in the town.

Alston

Overall Provision

5.16 There is no retail floorspace in Alston outside the town centre that could compete with the centre. Therefore this factor is rated as very good. There is little capacity for growth or change in the centre because of topographic or townscape constraints and this factor is rated as poor.

Diversity of Main Town Centre Uses

5.17 Alston has a total of 19 shops and 42 retail and service properties. This is a reasonable number for a town of its size. Shops represent 45% of all retail and service uses in the town, higher than the national average of 39%. Convenience goods shops are fairly well represented but there is a relatively low proportion of comparison goods shops. We rate the number and type of shops as fair. The representation of financial and professional services, business and office premises, and pubs, cafes and restaurants is relatively poor. Hotel provision is fair. Alston has a number of historic attractions, notably the Parish Church and Market Cross, as well as a Tourist Information Centre in the Town Hall and Library, but overall cultural and entertainment and sports facilities are lacking. The South Tynedale steam railway attracts visitors to Alston.

Retailer Representation

5.18 Alston has no multiple retailers, which is rated as very poor. However, the representation of specialist and independent shops is good for a small town. The vast majority of the shops in the town are local independents selling food, antiques, books/crafts, gifts, flowers, etc. These shops give Alston its distinctive character. The availability of food shopping is fair with a Co-op supermarket, two butchers, a baker, a health food shop, a confectioner and on off licence. There is a little evidence of recent investment by retailers and this is rated as fair. There is only one charity shop, which is rated as good, and there are no low quality discount shops, which is very good. There is no market and no enclosed shopping in the town so these factors have not been rated. No information is available on retail demand.

Vacant Properties

5.19 Alston has 10 vacant shops with a vacancy rate of 24% of all retail and service properties. The amount of vacant floorspace is also relatively high. The existence of vacant units has a negative effect on the character of the centre. All these factors are rated as poor.

Commercial Performance

5.20 No information is available on rental values or shopping centre yield in Alston.

Pedestrian Flows

5.21 At the time of our visits to Alston the volume of pedestrian flow was moderate and is rated as fair. However, these visits were made outside the main season for visitors.

Accessibility

5.22 Ease of movement for pedestrians in the centre is fair. The topography presents some difficulties for pedestrians but there are safe footways. Traffic movements along Front Street are generally light because most traffic is travelling north-south along Station Road. There are no pedestrian crossings on Front Street. The topography and the cobbles do not help the ease of movement for cyclists and the less mobile and these factors are rated as poor. Ease of access to the main attractions in the centre is generally good. There is free off-street parking in Front Street which is convenient for shoppers and visitors but it is not adequate for the needs of the centre. It is very well used but because it is not controlled it may be used partly for long stay parking. Overall, car parking is rated as fair. There are bus services to Carlisle, Haltwhistle, Hexham, Nenthead and Haydon Bridge. The frequency and quality of public transport and the range of places served by bus are rated as fair.

Customer Views and Behaviour

5.23 The household survey shows that only 20% of respondents like nothing or very little about Alston for shopping but 53% dislike nothing or very little. Therefore there are significantly more likes than dislikes about Alston and so satisfaction with Alston is rated as good. The household survey highlights the need for some changes and improvements in Alston town centre, particularly in a better choice of shops and better car parking, but 44% of respondents do not think changes or improvements are needed and this factor is rated as fair. The extent of linked trips by shoppers in Alston is good, with a high proportion of linked trips by residents of the Alston zone to visit other shops and services at the same time as doing main food shopping.

Safety and Security

5.24 Alston appears to be relatively safe and secure during the day. However, there are some ‘dark spots’ in the town centre at night because of inadequate street lighting. The feeling of security is rated as good. In the Cumbria Tourist Board visitor benchmarking survey of Alston safety from crime was rated highly.

Environmental Quality

5.25 The average score on the physical appearance of properties in our survey of Alston is 2.9. This is a slightly below average score. Although most properties are rated as fair, there are several that are relatively poor reflecting the high proportion of vacant units. Overall cleanliness of the streets and buildings is fair. Despite the sloping topography and shortcomings in the physical appearance of properties, the quality of the townscape means that the general pedestrian environment is rated as good. The Market Square is attractively cobbled but litter is a problem around the Market Cross. The quality of open spaces and landscaping is generally fair. The most attractive part of the centre is around the Parish Church and the Town Hall. The availability and condition of toilets is rated as good. There are public toilets next to the Town Hall and at the railway station. In the Cumbria Tourist Board visitor benchmarking survey of Alston the availability of toilets received a high rating.

Appleby

Overall Provision

5.26 There is no retail floorspace in Appleby outside the town centre that could compete with the centre. Therefore this factor is rated as very good. There is little capacity for growth or change in the centre because of topographic or townscape constraints, but there may be some potential for redevelopment in The Sands. This factor is rated as fair.

Diversity of Main Town Centre Uses

5.27 Appleby has a total of 33 shops and 75 retail and service properties. This is a reasonable number for a town of its size. It is the second largest centre in Eden District in terms of number of units. Shops represent 44% of all retail and service uses in the town, higher than the national average of 39%. Convenience goods shops are fairly well represented. The main foodstore in Appleby is the small Co-op supermarket in The Sands. There is also a Spar supermarket in Boroughgate, two butchers, a baker, a

greengrocer, a health food store and a newsagent. Comparison goods shops include clothes, furniture, gifts, electrical goods, florist, pharmacy, pets and post office. We rate the number and type of shops as good. Appleby has more service uses than the other smaller centres, with a proportion of services close to the national average. The representation of financial and professional services, and pubs, cafes and restaurants is rated as fair. The Tufton Arms Hotel is a good quality traditional hotel. Business and office premises (solicitors, accountants, etc) are rated as relatively poor. Cultural and entertainment facilities are generally fair. Appleby has a number of historic attractions, notably the Parish Church and the Moot Hall. The castle is an attractive feature but it is not open to the public. There is a Tourist Information Centre in the Moot Hall and a library in Low Wiend. Sports and leisure facilities are good, with a swimming pool next to the new health centre by the river. The famous Appleby Horse fair attracts many visitors to the town in June. Appleby also has an annual jazz festival.

Retailer Representation

5.28 Appleby has no multiple retailers, which is very poor for a town of its size. The representation of specialist and independent shops is fair. The vast majority of the shops in the town are local independents selling a wide range of products. There is a street market, held on Saturdays, but it is small – usually with just 4 stalls. The market is rated as fair. The availability of food shopping is fair. Although there are two supermarkets, they are small and the range of specialist food shops is limited. There is little evidence of recent investment by retailers and this is rated as poor. There are two charity shops, which is rated as fair, and the lack of low quality discount shops is rated as good. There is no enclosed shopping in the town so this factor has not been rated. No information is available on retail demand.

Vacant Properties

5.29 Appleby has four vacant shops and a vacancy rate of only 5%. The amount of vacant floorspace is small. Both these factors are rated as good. The vacant units tend do not have a negative effect on the centre and this is also rated as good.

Commercial Performance

5.30 No information is available on rental values or shopping centre yield in Appleby.

Pedestrian Flows

5.31 At the time of our visits to Appleby the volume of pedestrian flow was relatively low. We visited the centre outside the main visitor season but even allowing for this we only rate the volume of pedestrian flow as poor.

Accessibility

5.32 Ease of movement for pedestrians in the centre is good. The centre is compact except for the section east of the bridge in The Sands. There are no pedestrian crossing points in Boroughgate but the volume of traffic is light. Ease of movement for cyclists and the less mobile is rated as fair. Ease of access to the main attractions in the centre is generally good for those who park in Boroughgate or The Sands. There is disc parking for 2 hours in Boroughgate and 3 hours in The Sands. There is also off-street parking in Chapel Street. Overall, car parking is rated as fair. There are bus services to Penrith and Brough operating from The Sands at intervals of 2 hours. There is a railway station to the east of the town centre on the Settle-Carlisle line with several services a day running between Carlisle and Leeds. The frequency and quality of public transport and the range of places served by bus are rated as fair.

Customer Views and Behaviour

5.33 The household survey shows that only 7% of respondents like nothing or very little about Appleby for shopping but 62% dislike nothing or very little. Therefore there are significantly more likes than dislikes about Appleby and so satisfaction with Appleby is rated as good. The household survey highlights the need for some changes and improvements in Appleby town centre, particularly in a better choice of shops and better car parking, but 57% of respondents do not think changes or improvements are needed and this factor is also rated as good. The extent of linked trips by shoppers in Appleby is good, with a high proportion of linked trips by residents of the Appleby zone to visit other shops and services at the same time as doing main food shopping.

Safety and Security

5.34 Appleby does not have a CCTV system but the feeling of security in the centre is considered to be good. The town has a pleasant character and feels safe.

Environmental Quality

5.35 The average score on the physical appearance of properties in our survey of Appleby is 3.3. This is a better than average score that reflects both the quality of the townscape and the generally good standard of maintenance of buildings and shopfronts in the centre. Overall cleanliness of the streets and buildings is good. The general pedestrian environment is also good. Boroughgate is attractively paved. The quality of open spaces and landscaping is also good. The most attractive part of the centre is around the Parish Church and along the river. There are pleasant open spaces by the river and the cricket ground. The availability and condition of toilets is rated as fair. There are public toilets in Market Arcade and in the Chapel Street car park.

Kirkby Stephen

<u>Overall Provision</u>

5.36 The main foodstore in Kirkby Stephen, the Co-op supermarket at the north end of the town, is outside the town centre. However, it is well related to the town centre and it acts as an anchor store for the town. Therefore the existence of retail and other floorspace, which in some cases may be seen as a negative factor, in Kirkby Stephen is a positive factor and is rated as good. There is little capacity for growth or change in the centre because of townscape constraints and this factor is rated as poor.

<u>Diversity of Main Town Centre Uses</u>

5.37 Kirkby Stephen has a total of 31 shops. This is a reasonable number for a town of its size. Shops represent 50% of all retail and service uses in the town, higher than the national average of 39%. Both convenience and comparison goods shops are well represented and we rate the number and type of shops as good. The representation of pubs, cafes and restaurants is particularly good, reflecting Kirkby Stephen’s popularity with visitors. The representation of financial and professional services such as banks, building societies and estate agents is rated as fair. Hotels and cultural and entertainment facilities are generally fair. Kirkby Stephen has a number of historic attractions, notably the Parish Church, the old cloisters and the Market Square, as well as a Tourist Information Centre, but entertainment facilities are lacking. Business and office premises (solicitors, accountants, etc) and sports and leisure facilities are relatively deficient and are rated as poor.

<u>Retailer Representation</u>

5.38 Kirkby Stephen has no multiple retailers, which is very poor for a town of its size. However, the representation of specialist and independent shops is good. The vast majority of the shops in the town are local independents selling a wide range of products. There is a high proportion of antiques, art and furniture shops. There is a street market, held on Mondays, but it is very small and not of particularly good quality. This factor is rated as fair. The availability of food shopping is good with two supermarkets and several other specialist food shops. The edge-of-centre Co-op is the largest supermarket in Eden District outside Penrith. There is a limited evidence of recent investment by retailers and this is rated as fair. There is only one charity shop, which is rated as good, and there are no low quality discount shops, which is very good. There is no enclosed shopping in the town so this factor has not been rated. No information is available on retail demand.

Vacant Properties

5.39 Kirkby Stephen has only 2 vacant shops and the amount of vacant floorspace is very small. Both these factors are rated as very good. The vacant units tend to be in prominent locations so the effect of vacant premises on the centre is only rated as good.

Commercial Performance

5.40 No information is available on rental values or shopping centre yield in Kirkby Stephen.

Pedestrian Flows

5.41 At the time of our visits to Kirkby Stephen the volume of pedestrian flow varied. On one occasion it was moderate but this was at the time of the auction mart which added to the vitality of the town centre. On another occasion the town was quiet. We rate the volume of pedestrian flow as fair overall.

Accessibility

5.42 Ease of movement for pedestrians in the centre is good. There is a pelican crossing in Market Street in a convenient location for shoppers. Traffic movement along Market Street can cause difficulties for cyclists and also for the less mobile because there is only one crossing point. Ease of movement for cyclists and the less mobile is rated as fair. Ease of access to the main attractions in the centre is generally good for those who park in Market Street and Market Square and there is a limited amount of signage to various destinations in the centre. There is a small amount of off-street parking in Market Square and on-street parking in Market Street, which is uncontrolled except in the summer period when a 2 hour restriction applies. There is free parking in the Silver Street car park which is only a short walk from the centre but is not well used. Overall, car parking is rated as fair. There are bus services to Penrith and Kendal for shoppers and a Plus Bus service that links with surrounding villages. The frequency and quality of public transport and the range of places served by bus are rated as fair.

Customer Views and Behaviour

5.43 The household survey shows that only 7% of respondents like nothing or very little about Kirkby Stephen for shopping but 65% dislike nothing or very little. Therefore there are significantly more likes than dislikes about Kirkby Stephen and so satisfaction with Kirkby Stephen is rated as good. The household survey highlights the need for some changes and improvements in Kirkby Stephen town centre, particularly in better car parking and a better choice of shops, but 56% of respondents do not think changes or improvements are needed and this factor is also rated as good. The extent of linked trips by shoppers in Kirkby Stephen is good, with a high proportion of linked trips by residents of the Kirkby Stephen zone to visit other shops and services at the same time as doing main food shopping.

Safety and Security

5.44 Kirkby Stephen does not have a CCTV system but the feeling of security in the centre is considered to be quite good. The town has a pleasant character and feels safe.

Environmental Quality

5.45 The average score on the physical appearance of properties in our survey of Kirkby Stephen is 3.5. This is a better than average score that reflects both the quality of the townscape and the generally good standard of maintenance of buildings and shopfronts in the centre. Overall cleanliness of the streets and buildings is good. The general pedestrian environment is fair. The Market Square is attractively paved but the town suffers from traffic congestion at times and a clutter of parked cars which detracts from the quality of the environment. The quality of open spaces and landscaping is fair. The most attractive part of the centre is around the Market Square and Cloisters and the Parish Church. The availability and condition of toilets is rated as good. The only public toilets are in Stoneshot but they are conveniently located and are of good quality. In the Cumbria Tourist Board visitor benchmarking survey of Kirkby Stephen the availability and cleanliness of these toilets was rated highly.

Vitality and Viability of Centres

5.46 The average scores on the health checks provide a vitality and viability index for each centre. Experience of health checks in a wide variety of centres over recent years shows that the vitality and viability index will tend to range from about 2.5 for a centre that is performing poorly with a low level of vitality and viability to 4.0 or more for a centre which is performing well with a high level of vitality and viability. In Eden District the vitality and viability index for the main centres is as follows.

Penrith	3.3
Alston	3.0
Appleby	3.4
Kirkby Stephen	3.5

5.47 Penrith town centre has a reasonably good level of vitality and viability, above the average of 3.0. Penrith has a generally good diversity of uses and retail representation, particularly in specialist shops, and it is an accessible centre, but it has levels of vacancies and environmental quality that are only average. Customer views and behaviour also suggest some deficiencies in the attraction of the town centre. Alston has a relatively low level of vitality and viability. It suffers from having a high proportion of vacant properties, a lack of diversity of uses and a relatively poor physical appearance of properties, but with a good rating on customer satisfaction. Appleby benefits from a better diversity of uses, better accessibility, a low vacancy rate and generally good environmental quality. It also has a generally good level of customer satisfaction. Kirkby Stephen has the highest vitality and viability index among the smaller centres, with a very low level of vacancies, a reasonably good diversity of uses, retailer representation and accessibility, a good level of customer satisfaction and generally good environmental quality.

Swot Analysis

5.48 Based on the health checks we have carried out a SWOT analysis of each centre to outline their strengths, weaknesses, opportunities and threats. In the case of Penrith reference has been made to the SWOT analysis that was carried out as part of the Health Check for Penrith under the Market Towns Initiative and the SWOT analysis that has recently been undertaken as part of the preparation of the Penrith Master Plan (March 2007).

Penrith

Strengths	Weaknesses
Good range of shops and services. Good specialist and independent shops. Availability of food shopping. Pubs, cafes and restaurants. Sports and leisure facilities. Lack of low quality discount shops. Improving shopping centre yield. Generally good pedestrian flow. Ease of movement for pedestrians and ease of access to main attractions. Range of places served by bus. Feeling of safety and security in the centre. Locational strengths/accessibility. Historic market town character/uniqueness.	Lack of a business/office sector. Low representation of multiples. Poor quality market. Hotel provision inadequate. Weak retailer demand. Presence of charity shops. Low rental values and lack of rental growth. Traffic congestion. Shortages of car parking for shoppers and visitors. Deficiencies in environmental quality. Lack of visitors. Leakage of trade to larger centres.

Linked trips.	Low wage economy.
<u>Opportunities</u> New Squares development will improve the range of shopping and attract more shoppers. Better car parking. Environmental improvements in the town centre. Further pedestrianisation. Better promotion and marketing.	<u>Threats</u> Continued weakness in performance of the town centre because of competing centres, particularly Carlisle. Need for new investment. New Squares could divert trade from existing town centre shops, especially at the northern end of the centre. Integration of New Squares with the existing town centre.

Alston

<u>Strengths</u> No competing shopping outside the centre. Variety of specialist/independent shops. Lack of charity shops and low quality discount shops. Compactness of main facilities. Pleasant shopping environment. Visitor trade. Customer satisfaction. Linked trips.	<u>Weaknesses</u> Under-performing as a centre. Lack of potential for new development or redevelopment in the centre. Lack of service provision. Lack of multiples. Lack of recent investment. High vacancy rate. Effect of vacant premises on the centre. Sloping topography.
<u>Opportunities</u> Re-use of vacant properties to improve shopping provision. Increase in visitor numbers, eg. through the attraction of the railway. Environmental improvements eg. in shopfronts. New housing development to boost local population.	<u>Threats</u> Geographical isolation. Leakage of trade to larger centres. Poor appearance of some gateway sites on Station Road.

Appleby

<u>Strengths</u> No competing shopping outside the centre. Good range of shops. Tufton Hotel. Sports and leisure facilities. Lack of low quality discount shops.	<u>Weaknesses</u> Stagnating as a centre. Lack of an adequate supermarket. Lack of multiples. Lack of recent investment. Low pedestrian flow.

Low vacancy rate. Good accessibility. Safety and security. Good environmental quality. High level of satisfaction.	Lack of attractions for visitors. Lack of potential for new development or redevelopment in the centre.
<u>Opportunities</u> Increased visitor trade. Potential for redevelopment in The Sands.	<u>Threats</u> Leakage of trade to larger centres.

Kirkby Stephen

<u>Strengths</u>	<u>Weaknesses</u>
Co-op supermarket acts as anchor store. Food shopping. Good range of shops, especially local independent and specialist shops. Lack of charity shops and low quality discount shops. Low vacancy rate. Good accessibility for pedestrians. Safety and security. Overall cleanliness. Self-help community. High level of satisfaction. Linked trips.	Lack of potential for new development or redevelopment in the centre. Service provision is inadequate. Lack of multiples. Pedestrian/vehicle conflicts.
<u>Opportunities</u> Continued improvement following the lorry ban. Increase in visitor trade. Build on strong community spirit.	<u>Threats</u> Leakage of trade to Penrith and Kendal. Loss of cattle market. Concern about the possibility of a bypass.

6. RETAIL HIERARCHY

Factors in the Definition of the Retail Hierarchy

6.1 The LDF Core Strategy Preferred Options report indicates that the hierarchy of settlements in Eden District will continue in a similar way as at present with Penrith, Alston, Kirkby Stephen and Appleby acting as the key centres for many of the District's functions. The commercial centres of these towns will provide a range of shopping and other services.

6.2 The Preferred Options report states that retail development within the District is centred on traditional high streets within each of the key service centres. These provide for a range of shops that meet residents' day to day needs. As the largest retail centre, Penrith acts as a town centre, while the retail economy of Alston, Appleby and Kirkby Stephen is supported to some extent by tourist expenditure and can be classed as district centres. The local service centres will fulfil the role of local centres. These local centres are not appropriate locations for shopping developments which serve larger urban areas. They are the appropriate location for localised shopping needs.

6.3 The LDF seeks to enhance the vitality and viability of the retail areas within the main centres. The sequential approach requires that new retail developments should be focused within existing town centres, followed by appropriate sites on the edge of the town centre and finally out of centre sites. The LDF needs to plan positively for the towns, making provision for new retail development where there is an identified need.

6.4 The Core Strategy will not allocate sites for re-development or expansion. However a hierarchy of centres must be established to clarify where new retail growth will be directed. The boundaries of the centres will be defined in the Primary Development Control Policies DPD.

6.5 The hierarchy of retail centres remains the same as the established hierarchy in the adopted local plan. This is considered to be a balanced approach which establishes an appropriate role and function for the existing centres in the district. Policy CS25 in the preferred strategy defines the hierarchy of retail centres with Penrith as the Main Town Centre and Alston, Appleby and Kirkby Stephen as District Centres. This preferred option is in line with national planning policy as expressed in PPS6 and the policy approach identified in the draft RSS.

Role and Function of Centres in Eden

6.6 The household interview survey carried out in this study provides the most up-to-date and reliable information on shopping patterns in Eden District. The market shares calculated from the household survey data help to define the role and function of centres within the District.

6.7 Penrith is clearly the most important centre in the District. In main food shopping Penrith (including the out-of-centre Aldi store) has a market share of 66% of expenditure in the study area and in all convenience shopping its market share is 59%. The market shares of the smaller centres in convenience goods are much lower – Alston 3%, Appleby 5% and Kirkby Stephen 6%. In comparison goods shopping Penrith's market share of spending in the study area is 44% and the market shares of the smaller centres are very low – Alston less than 1%, Appleby 4% and Kirkby Stephen 2%.

Catchment Areas

6.8 The catchment area of Penrith has been defined using the results of the interview surveys in this study. The In-Centre interview survey in Penrith showed that 53% of those interviewed in Penrith town centre live in Penrith and 80% live within Eden District. The geographical pattern of residence shows a concentration of people living around Penrith. About 75% of those visiting Penrith live in the town and the surrounding rural hinterland. Only 5% live in Appleby, Kirkby Stephen and Alston.

6.9 The household survey shows that the supermarkets in Penrith are the stores used mostly used by 66% of residents in the study area for main food shopping and 59% for all convenience goods shopping. Morrisons in particular draws trade from the whole of the study area but only to a limited extent from Alston and Kirkby Stephen. The household survey also shows that Penrith town centre is an important centre for all types of non-food shopping, especially DIY and hardware, electrical goods and other non-food goods. Again it attracts non-food shopping trade from the whole of the study area, although relatively little from Alston and Kirkby Stephen. Residents of the Rural North, South and West zones look predominantly to Penrith for comparison goods shopping.

6.10 The catchment area of Penrith takes in the whole of the study area and so it includes all of Eden District and a small part of the South Tyne valley north of Alston. It also includes those parts of Eden District lying within the Lake District National Park that fall outside of the area covered by Eden District Council as local planning authority.

6.11 The Penrith catchment area is very similar to Penrith's travel-to-work area. The Penrith Housing Study prepared by consultants for Penrith Partnership in March 2006 shows that the hinterland of Penrith is relatively small, mostly within a 30 km radius of the town. Based on 2001 Census data, the commuting area is concentrated within Eden District but with some commuting from Carlisle and Kendal. The study also states that Penrith appears to sit in a position of relative independence in the eastern part of Cumbria. It serves predominantly the surrounding smaller settlements and countryside, including part of the National Park.

6.12 The household survey data has also been used to define the catchment areas of the District Centres – Alston, Appleby and Kirkby Stephen. Catchment areas have been defined for each centre for convenience and comparison goods.

Alston

6.13 The catchment area of Alston is defined as Zone 3 in the study area. It includes the town of Alston and its rural hinterland and comprises Alston Moor ward and small settlements in the South Tyne valley in Tynedale represented by the West Tynedale ward. The household survey data shows that all the trade of the Co-op in Alston and all of the non-food shopping in Alston by residents is drawn from zone 3.

Appleby

6.14 The catchment area of Appleby is defined as Zone 4 in the study area. It includes the town of Appleby and its rural hinterland and comprises the wards of Appleby, Appleby Bongate, Long Marton and Warcop. The household survey data shows that virtually all the trade of the Co-op and Spar in Appleby and about 80% of the non-food shopping in Appleby by residents is drawn from zone 4. Residents of the Appleby zone spend more of their comparison goods expenditure in Appleby than in Penrith.

Kirkby Stephen

6.15 The catchment area of Kirkby Stephen is defined as Zone 5 in the study area. It includes the town of Kirkby Stephen and its rural hinterland and comprises the wards of Kirkby Stephen, Brough and Ravenstonedale. The household survey data shows that the trade of the Co-op in Kirkby Stephen is drawn predominantly (almost 80%) from zone 5 and almost 90% of the comparison goods shopping in Kirkby Stephen by residents is also drawn from zone 5. Residents of the Kirkby Stephen zone spend more of their comparison goods expenditure in Kirkby Stephen than in Penrith.

6.16 The catchment areas are shown on the map in Figure 2. Alston, Appleby and Kirkby Stephen have discrete catchments that do not overlap to any significant extent. Each of these catchment areas falls within the wider catchment of Penrith. Because of Penrith's wider role in the retail hierarchy, it has an influence over the whole of the study area including the smaller towns.

6.17 The existing and future populations of the catchment areas are estimated to be as follows. Details of the estimates and forecasts of population are given in Section 7. The populations of Penrith and the smaller centres cannot be summed because they overlap. The catchment populations are approximate and the figures have been rounded accordingly.

Catchment Area Populations	2007	2012	2017	2021
Penrith	54,400	56,500	58,400	59,800
Alston	4,000	4,100	4,200	4,200
Appleby	6,500	6,700	6,800	7,000
Kirkby Stephen	5,400	5,600	5,700	5,800

6.18 In using these catchment areas for the purposes of assessing retail need, it is necessary to apply market shares to the estimates of population and expenditure. These market shares are discussed in Section 7 on the capacity analysis.

7. RETAIL EXPENDITURE AND NEED

Population and Expenditure Estimates and Forecasts

7.1 England & Lyle have obtained a TargetPro Report from MapInfo Limited on retail expenditure within the study area. The latest MapInfo reports use a 2004 expenditure base in 2004 prices. The report shows usually resident population and retail expenditure per head in each zone in convenience and comparison goods in 2004. The 2004 base data is shown in Appendix 8 for convenience and comparison goods separately. The total population in the study area in 2004 using MapInfo data was 51,066.

7.2 In convenience goods expenditure per person by zone has to be adjusted to exclude spending on special forms of trading (SFT) such as Internet shopping. The proportion of SFT in 2004 shown in the MapInfo data is 1.7%. Multiplying population by spending per person in each zone gives total convenience goods spending by zone. The total spending on convenience goods in 2004 is £78.78 million.

7.3 In comparison goods expenditure per person by zone also has to be adjusted to exclude spending on special forms of trading (SFT) such as Internet shopping. The proportion of SFT shown in the MapInfo data is greater for comparison goods, 5.8% in 2004. Multiplying population by spending per person in each zone gives total comparison goods spending by zone. The total spending on comparison goods in 2004 is £130.61 million.

7.4 For consistency with the available expenditure data, all monetary figures used in this study report are expressed in 2004 prices.

7.5 The average level of convenience goods expenditure per person in the study area in 2004 is £1,570 (including SFT) compared with MapInfo's UK average of £1,589. The local level of spending on convenience goods is 99% of the national average. The average level of comparison goods expenditure per person in the study area in 2004 is £2,659 (including SFT) compared with MapInfo's UK average of £2,859. The local level of spending on comparison goods is 92% of the national average.

7.6 In convenience goods the highest levels of expenditure per person are in Zone 6 Rural South and Zone 7 Rural West. In comparison goods the highest levels of expenditure per person are also in Zone 6 Rural South and Zone 7 Rural West and in Zone 2 Rural North.

7.7 Population estimates by zone have been updated using data on population by ward from Cumbria County Council's Information and Intelligence Unit. Population changes between 2004 and 2006 have been projected to 2007 to estimate population by zone, controlled to the mid-year estimated for Eden District in 2007 plus an allowance for a small amount of population outside the District in the Alston zone. Total population in the study area in 2007 is estimated to be 54,400.

7.8 The population of Eden District is forecast to increase from 52,800 in 2007 to 58,200 in 2021. We have adopted this growth of population for the study area. We have discussed the location of housing growth with Council Officers to assess the most appropriate distribution of future population within the District based on potential housing development by settlement and by zone. Including population outside the District, the forecast of total population is shown below.

Total Population	2007	2012	2017	2021
Study Area Total	54,400	56,500	58,400	59,800

7.9 Expenditure has been projected forward to 2007 using forecasts in MapInfo Information Brief 07/2 (September 2007). Forecasts of retail expenditure are also based on growth rates published in MapInfo Information Brief 07/2 for convenience and comparison goods. Information Brief 07/2 includes trend-based projections over a range of time periods. As an alternative to pure trend-based projections, the Brief also shows forecasts made by Oxford Economic Forecasting (OEF) from the UK consumer spending model. The Brief states:
"These forecasts are consistent with past trends but are also based upon expected changes in other economic variables of interest according to historic relationships. Short term growth rates, particularly for comparison goods, are clearly unsustainable and some correction is necessary to revert to levels dictated by medium and long-term trends."

7.10 The OEF average annual forecast growth rates are as follows:

Expenditure Growth	Convenience goods	Comparison goods
2005-07	1.0%	4.9%
2005-12	1.2%	5.0%
2005-17	1.2%	5.3%

7.11 The forecasts indicate a significantly greater growth in expenditure in comparison goods than in convenience goods. They also suggest that in comparison goods the rate of growth will be higher in the longer term. For the purposes of the expenditure forecasts in this study, taking the time period of the LDF we adopt an average annual growth of 1.2% for convenience goods from the base year of 2007 up to 2021. For comparison goods we adopt a growth rate of 5.0% per annum from 2007 to 2012 and a growth rate of 5.3% per annum up to 2017 and 2021.

7.12 The expenditure forecasts have to be adjusted to exclude special forms of trading (SFT) which is made up predominantly of Internet shopping. Nationally it is forecast that Internet shopping will increase to 6% for convenience goods and 12% for comparison goods in the next 5-10 years then level out. Our assumptions on the future proportions of Internet shopping are shown below.

Proportion of Spending on Internet shopping	2007	2012	2017	2021
Convenience Goods	2%	4%	6%	6%
Comparison Goods	6%	9%	12%	12%

7.13 The population forecasts have been combined with retail expenditure per head by zone (adjusted to exclude Internet shopping) in future years to forecast total expenditure in the study area. Details are shown in Appendix 8A for convenience goods and Appendix 8B for comparison goods.

7.14 Total expenditure in 2007 is estimated to be £86.03m in convenience goods and £158.41m in comparison goods. The expenditure forecasts are summarised below.

Expenditure Forecasts (£ million)	2007	2012	2017	2021
Convenience Goods	86.03	92.87	99.74	107.10
Comparison Goods	158.41	203.15	266.51	335.38

Expenditure Flow Analysis

7.15 The household survey forms the basis for an analysis of shopping patterns in Eden District. The survey results have been analysed to show where people mostly shop for different types of goods. Tables have been produced showing shopping patterns from each zone to each centre, indicating the market shares of centres for different types of shopping and the extent of leakage to centres outside the District.

7.16 The expenditure base data have been combined with the household survey market shares to analyse expenditure flows in 2007 and to estimate the turnovers of centres. In the case of convenience goods expenditure flows have been analysed for main food shopping and top-up food shopping and the data combined for all convenience goods. In the case of non-food shopping expenditure flows have been analysed for each category of non-food goods and the data combined for all comparison goods. Expenditure flows for convenience and comparison goods are shown in Appendices 5A and 5B, together with the market shares for each centre.

Survey-based Turnover Estimates

Turnover from Residents' spending (£ million)	Convenience goods	Comparison goods	All Retail
Penrith town centre	48.77	69.47	118.24
Penrith out-of-centre	3.56	1.21	4.77
Alston	2.26	0.74	3.00
Appleby	4.55	6.77	11.32
Kirkby Stephen	5.12	2.62	7.74
Local Shops	7.56	0.20	7.76
Eden District Total	71.82	81.01	152.83

7.17 The market shares of residents' expenditure within the study area are as follows. These figures are higher than the market shares stated in Section 4 because they exclude leakage of trade to centres outside the study area.

Market Shares	Convenience goods	Comparison goods	All Retail
Penrith town centre	67.9%	85.8%	77.4%
Penrith out-of-centre	5.0%	1.5%	3.1%
Alston	3.2%	0.9%	2.0%
Appleby	6.3%	8.4%	7.4%
Kirkby Stephen	7.1%	3.2%	5.1%
Local Shops	10.5%	0.2%	5.1%
Eden District Total	100%	100%	100%

Visitor Spending

7.18 An analysis has been made of visitor expenditure in centres in Eden District. The Eden District Council STEAM report for 2006 indicates a total expenditure by visitors in Eden District of approximately £143 million of which £10.53 million is on "shopping". There is a further spend of £24.99m on "food and drink" but spending in cafes, restaurants, pubs, etc is not classed as retail expenditure" for the purposes of this study. Taking the spending on "shopping" Eden is estimated to have an average spend per visitor of £5.44 on shopping in 2006.

7.19 The STEAM model data shows that 62% of visitors to Eden District are day visitors and 38% are staying visitors. It is unlikely that day visitors will spend any significant amount of money on convenience goods apart from snacks and confectionery (say a maximum of 10% on convenience goods). Staying visitors will be more likely to spend money on convenience goods, notably those who are self-catering who make up almost half of all staying visitors. It is assumed that a quarter of spending by staying visitors could be on convenience goods, and consequently it can be assumed that about 20% of all visitor expenditure on shopping in Eden is on convenience goods. The estimates of visitor spending, adjusted to 2004 prices, are £2.17m in convenience goods and £8.70m in comparison goods, a total of £10.87m.

7.20 Information on the distribution of spending by visitors between the different centres in Eden is available from the Market Towns Benchmarking Surveys undertaken by Cumbria Tourist Board as part of a national benchmarking programme in England. Interview surveys were carried out of visitors to Penrith and Alston in 2005 and to Kirkby Stephen in 2006. The surveys show the average spending per visitor on shopping in these centres. Appleby was not covered by the visitor surveys and we have estimated its level of spending per visitor with reference to the overall figure for Eden District. We have also estimated the number of visitors in each centre and have checked that the proportions of visitor spending in the smaller centres are broadly consistent with information we were given by traders' representatives in these centres.

7.21 The estimated number of visitors and average spending per visitor are as follows.

Visitors	Estimated Number of Visitors 2007	Spending per Visitor	Total Visitor Spending
Penrith	0.7m	£9.95	£6.97m
Alston	0.3m	£2.90	£0.87m
Appleby	0.6m	£2.45	£1.47m
Kirkby Stephen	0.4m	£3.90	£1.56m
Eden District Total	2.0m	£5.44	£10.87m

7.22 Assuming that 20% of all visitor expenditure on shopping in Eden is on convenience goods and 80% is on comparison goods, the estimates of total visitor spending are shown below.

Visitor Spending (£m)	Convenience goods	Comparison goods	All Retail
Penrith	1.39	5.58	6.97
Alston	0.17	0.70	0.87
Appleby	0.30	1.17	1.47
Kirkby Stephen	0.31	1.25	1.56
Eden District Total	2.02	8.70	10.87

7.23 Estimated visitor spending has been added to the spending by residents to derive total turnovers for each centre.

Overall Estimates of Turnover

7.24 Taking the survey-based estimates of turnover based on the household survey and the estimates of visitor spending in centres, the overall turnovers of centres are shown below.

Total Turnover (£m)	Convenience goods	Comparison goods	All Retail
Penrith town centre	50.16	75.05	125.21
Penrith out-of-centre	3.56	1.21	4.77
Alston	2.43	1.44	3.87
Appleby	4.85	7.94	12.79
Kirkby Stephen	5.43	3.87	9.30
Local centres	7.56	0.20	7.76
Eden District Total	73.99	89.71	163.70

7.25 On the basis of the estimates of visitor spending, the proportions of turnover in Eden District drawn from visitors are 3% for convenience goods and 10% for comparison goods. In Penrith town centre the proportions of turnover drawn from visitors are 3% for convenience goods and 7% for comparison goods.

Trading Performance of Centres

7.26 Using the above estimates of turnover and our estimates of the net retail floorspace in different centres, we have calculated the average levels of turnover per sq. metre for each centre in the study area. The turnover figures include the estimated spending by visitors.

CONVENIENCE GOODS	Turnover (£m)	Floorspace (sq.m. net)	Turnover per sq.m. net
Penrith town centre	50.16	5,378	£9,327
(Morrisons)	(34.48)	(2,520)	(£13,682)
Penrith out-of-centre (Aldi)	3.56	710	£5,014
Alston	2.43	230	£10,565
Appleby	4.85	694	£6,988
Kirkby Stephen	5.43	1,198	£4,533

COMPARISON GOODS	Turnover (£m)	Floorspace (sq.m. net)	Turnover per sq.m. net
Penrith town centre	75.05	9,479	£7,918
Penrith out-of-centre	1.21	NA	NA
Alston	1.44	279	£5,161
Appleby	7.94	1,509	£5,262
Kirkby Stephen	3.87	1,227	£3,154

7.27 In convenience goods Penrith town centre has a relatively high level of turnover per sq. metre. Most of this is attributable to Morrisons which is trading at about £13,700 per sq.m. net, well above Morrisons company average of about £10,000 per sq. metre. The Retail Statement by Savills in October 2005 estimated that the food retail sector in Penrith was over-trading by approximately 25%, principally in Morrisons. Our evidence is that Morrisons is trading at 37% above its company average. Compared with the national average of about £5,000 per sq.m. net for Co-op supermarkets, the trading performance in convenience goods in Alston and Appleby is relatively good and it is about average in Kirkby Stephen. The figure for Alston probably reflects over-trading in a store which is relatively small for the size of its catchment population.

7.28 In comparison goods Penrith town centre also has a relatively high level of turnover per sq. metre. However, it is likely that the trading performance of the town centre is distorted by the very low turnover shown in out-of-centre stores in Penrith. Household surveys typically under-estimate the turnover in out-of-centre retail warehouses because respondents only report the store or centre they use most or because they do not distinguish between the town centre and other shopping facilities. The trading performance of Alston and Appleby in comparison goods is relatively good but it is weaker in Kirkby Stephen. Alston and Appleby appear to benefit from visitor trade in comparison goods.

Leakage and Trade Retention

7.29 Comparing the estimates of expenditure and turnover drawn from residents in each catchment area enables an assessment to be made of leakage from each area.

CONVENIENCE GOODS 2007 (by catchment)	Expenditure from residents (£m)	Turnover from residents (£m)	Leakage (£m)	Leakage (% of spending)
Penrith	86.03	52.33	33.70	39%
Alston	6.15	2.26	3.89	63%
Appleby	10.22	4.55	5.67	55%
Kirkby Stephen	8.44	5.12	3.32	39%

COMPARISON GOODS 2007 (by catchment)	Expenditure from residents (£m)	Turnover from residents (£m)	Leakage (£m)	Leakage (% of spending)
Penrith	158.41	71.68	86.73	55%
Alston	11.44	0.74	10.70	94%
Appleby	18.58	6.77	11.81	64%
Kirkby Stephen	15.36	2.62	12.74	83%

7.30 The Penrith catchment area has the lowest level of leakage in relative terms in both convenience and comparison goods but in absolute terms there are significant amounts of leakage of expenditure from the Penrith area as shown by the household survey data. Alston has the highest levels of leakage in relative terms, particularly in comparison goods. Kirkby Stephen also has relatively high leakage of comparison goods but a relatively low leakage of convenience goods.

7.31 The extent to which expenditure is retained in each catchment area represents its retention level or market share. Penrith’s market shares are 61% in convenience goods and 45% in comparison goods.

7.32 In convenience goods Penrith’s market share of 61% compares with 73% in the GVA Grimley study of 2002 and 66% in the Savills Retail Statement of 2005. Both of the earlier studies defined a smaller catchment area for Penrith which would be consistent with a higher market share. However, it may also be that Penrith’s market share in convenience goods has gradually declined since 2002.

7.33 In comparison goods Penrith’s market share of 45% compares with 45% in the GVA Grimley study of 2002 and 36% in the Savills Retail Statement of 2005. The figures suggest that, although the earlier studies defined a smaller catchment area for Penrith, the market share has remained fairly stable since 2002.

7.34 In assessing future shopping need it is necessary to consider whether existing market shares are likely to change in the future. In convenience goods the GVA Grimley study predicted a future market share of 80% and the Savills study predicted 76%. The increases are 7 and 10 percentage points respectively. In comparison goods the GVA Grimley study predicted a future market share of 55% and the Savills study predicted 42% - increases of 10 and 6 percentage points respectively.

7.35 In the capacity analysis below an assessment is made of the potential for the retention levels to increase in the Penrith catchment area and for changes in retention levels in the other catchment areas.

Capacity Analysis

7.36 In the Penrith Retail Study 2002 GVA Grimley assessed that there was capacity in Penrith for an additional £15.3m of trade in convenience goods in 2006 assuming expenditure growth and an increase in Penrith's retention level or market share from 73% of expenditure in 2001 to 80% in 2006. In comparison goods it was assessed that there would be a capacity for an additional £15.8m of trade in 2006 assuming expenditure growth and an increase in Penrith's retention level or market share from 45% of expenditure in 2001 to 55% in 2006. These figures are in 1996 prices. The floorspace capacity was estimated to be up to 2,300 sq.m. net in convenience goods and up to 3,800 sq.m. net in comparison goods.

7.37 In the Retail Statement for the New Squares scheme in Penrith (October 2005) Savills calculated that there was capacity in Penrith for an additional £16.6m of trade in convenience goods in 2010 assuming expenditure growth and a constant market share of 66% of expenditure. However, Savills predicted that the market share in convenience goods could increase to 76%. In comparison goods it was calculated that there would be a capacity for an additional £19.8m of trade in 2010 assuming expenditure growth and a constant market share of 36%. However, Savills predicted that the market share in comparison goods could increase to 42%. These figures are in 2000 prices.

7.38 These assessments are not directly comparable because of differences in the price base, the forecast period and the estimated market shares. It is evident, however, that both GVA Grimley and Savills anticipated an increase in Penrith's market share in both convenience and comparison goods. The assessments also agree that there is potential for additional retail floorspace in Penrith that would support the scale of development proposed in the New Squares development. The New Squares scheme would claw back trade into Penrith that is currently being lost as leakage to other centres, particularly Carlisle and particularly in comparison goods.

Methodology

7.39 In this Retail Study quantitative need is assessed based on the expenditure forecasts and the extent of trade retention within each catchment area. We have adopted a market-share approach to the capacity analysis for each centre. Expenditure in the base year 2007 in the catchment area is compared with the survey-based turnover in the centre. The amount of expenditure retained in the catchment area as turnover represents its market share or retention level. The scope for new retail floorspace in each centre depends on expenditure growth and on the extent to which the retention level may increase in the future. Any potential for clawback of leakage will increase the retention level.

7.40 Capacity is assessed in the five year period to 2012 (as required by PPS6 for development control purposes) and to 2021 for the purposes of longer term need for the LDF evidence base. The capacity analysis is carried out for convenience and comparison goods. The assessment for comparison goods also considers bulky goods capacity and the scope for further retail warehouse development outside Penrith town centre.

7.41 After assessing the potential for an increase in market shares or retention levels and the amount of expenditure retained, it is then necessary to allow for an increase in turnover in existing shops to reflect the trend towards improvement in sales productivity over time as shops become more efficient. This trend is particularly evident in comparison goods. The latest advice on these improvements is from Experian who predict that sales efficiency will increase by 0.6% per annum in convenience goods and 2.2% per annum in comparison goods.

7.42 Using the market share approach, future capacity must include the turnover of centres that comes from visitor spending and inflow of trade into each catchment area. The retention level only takes account of residents spending but the future potential for retail development also needs to allow for trade that is drawn from outside the catchment area.

7.43 Subtracting the future turnover of existing shops from the amount of expenditure retained and adding future turnover from visitors and inflow gives the surplus capacity in each forecast year. An allowance must then be made for commitments for new retail development. The only commitments are in Penrith and the major committed scheme is the Penrith New Squares development to the south of the town centre. After allowing for commitments the analysis shows the amount of residual capacity in each catchment area.

7.44 The capacity analysis is shown in Appendix 9A for convenience goods and Appendix 9B for comparison goods.

Penrith

Convenience Goods

7.45 In the Penrith catchment area the retention level for convenience goods is assumed to increase from 61% in 2007 to 74% following the development of the New Squares scheme. This increase in retention level is consistent with a clawback of leakage that represents 50% of the turnover of the New Squares scheme. This retention level is applied to the expenditure forecasts to obtain the amount of expenditure retained. An allowance is then made for the future turnover of existing shops and turnover from visitors and inflow to derive surplus capacity. The surplus capacity is £16.3m in 2012, rising to £19.9m in 2017 and £24.1m in 2021. The estimated turnover of the New Squares scheme is then subtracted.

7.46 The New Squares development was approved by the Council in September 2006. The scheme comprises a Sainsbury's superstore, additional retail and service units, offices, residential development and car parking. Lowther Manelli's consultants have made available to us current details of the amount of floorspace in the scheme and the type of floorspace proposed. The gross shopping floorspace includes 3,700 sq.m. in convenience goods (all in the superstore) and 9,204 sq.m. in comparison goods comprising 1,400 sq.m. in the superstore and 7,804 sq.m. in the other shop units. The net shopping floorspace is 2,590 sq.m. in convenience goods and 7,428 sq.m. net in comparison goods. At the time the scheme was approved by the Council it was estimated to have a turnover of £28.4m in convenience goods and £31.5m in comparison goods. We have used revised turnovers estimated by the developer's consultants adjusted to 2004 prices. We estimate the total turnover to be £24.9m in convenience goods and £40.9m in comparison goods in 2012. It is assumed that the development will be completed and trading before 2012. The turnover of the scheme is assumed to increase in line with the turnover of existing shops in Penrith.

7.47 Subtracting the turnover of the New Squares scheme the residual capacity is minus £8.6m in 2012, reducing to minus £5.8m in 2017 and minus £2.2m in 2021. In other words, there is a negative capacity in convenience goods in the Penrith catchment area throughout the period to 2021. In the short term to 2012 the approved Sainsburys store will take up all the available capacity for additional convenience goods shopping.

Comparison Goods

7.48 In the Penrith catchment area the retention level for comparison goods is assumed to increase from 45% in 2007 to 55% following the development of the New Squares scheme. This increase in retention level is consistent with a clawback of leakage that represents 60% of the turnover of the New Squares scheme. This retention level is applied to the expenditure forecasts to obtain the amount of expenditure retained. An allowance is then made for the future turnover of existing shops and turnover from visitors and inflow to derive surplus capacity. The surplus capacity is £39.0m in 2012, rising to £66.9m in 2017 and £99.1m in 2021. The estimated turnover of the New Squares scheme is then subtracted.

7.49 The net shopping floorspace of the New Squares scheme in comparison goods is 7,428 sq.m. net (1,200 sq.m. in the superstore and 6,228 sq.m. in the other shops) and we estimate the total comparison goods turnover to be £40.9m in comparison goods. The turnover of the scheme is assumed to increase in line with the turnover of existing shops in Penrith.

7.50 Subtracting the turnover of the New Squares scheme the residual capacity is minus £1.9m in 2012, rising to £21.3m in 2017 and £49.3m in 2021. The New Squares scheme will take up all of the available capacity for additional comparison goods shopping in the Penrith catchment area in 2012 but there is scope for further comparison goods shopping development in the longer term.

Alston

<u>Convenience Goods</u>

7.51 In the Alston catchment area the retention level for convenience goods is assumed to remain constant at 37% through to 2021. There appears to be little potential for Alston's market share in convenience goods shopping to increase. This retention level is applied to the expenditure forecasts to obtain the amount of expenditure retained. An allowance is then made for the future turnover of existing shops and turnover from visitors and inflow to derive surplus capacity. The surplus capacity is £0.3m in 2012, remaining at £0.3m in 2017 and rising to £0.5m in 2021. There are no commitments for convenience goods in Alston and so the residual capacity is the same as the surplus capacity. The limited capacity for further convenience goods shopping in Alston should be met by the re-occupation of vacant units in the town centre by convenience goods retailers.

<u>Comparison Goods</u>

7.52 In the Alston catchment area the retention level for comparison goods is assumed to remain constant at just 6% through to 2021. There appears to be very little potential for Alston's market share in comparison goods shopping to increase. This retention level is applied to the expenditure forecasts to obtain the amount of expenditure retained. An allowance is then made for the future turnover of existing shops and turnover from visitors and inflow to derive surplus capacity. The surplus capacity is £0.9m in 2012, rising to £1.3m in 2017 and £1.8m in 2021. There are no commitments for comparison goods in Alston and so the residual capacity is the same as the surplus capacity. As with convenience goods, the limited capacity for further comparison goods shopping in Alston should be met by the re-occupation of vacant units in the town centre by comparison goods retailers.

Appleby

Convenience Goods

7.53 In the Appleby catchment area the retention level for convenience goods in 2007 is 45%. We believe there is potential for Appleby to increase its market share in convenience goods. It has a lower market share than Kirkby Stephen in convenience goods, and it loses trade to Kirkby Stephen because of the presence of a larger Co-op supermarket in Kirkby Stephen. There is also leakage from Appleby to Penrith for convenience goods shopping. We believe that Appleby could increase its market share to 60%, similar to Kirkby Stephen's market share for convenience goods. We have applied a retention level of 60% to the expenditure forecasts to obtain the amount of expenditure retained. An allowance is then made for the future turnover of existing shops and turnover from visitors and inflow to derive surplus capacity. The surplus capacity is £2.2m in 2012, rising to £2.5m in 2017 and £2.9m in 2021. There are no commitments for convenience goods in Appleby and so the residual capacity is the same as the surplus capacity. The capacity for further convenience goods shopping in Appleby could potentially be met by the redevelopment of land in The Sands, as noted later in Section 8.

Comparison Goods

7.54 In the Appleby catchment area the retention level for comparison goods is assumed to remain constant at 36% through to 2021. There appears to be little potential for Appleby's market share in comparison goods shopping to increase. This retention level is applied to the expenditure forecasts to obtain the amount of expenditure retained. An allowance is then made for the future turnover of existing shops and turnover from visitors and inflow to derive surplus capacity. The surplus capacity is £2.4m in 2012, rising to £4.6m in 2017 and £7.1m in 2021. There are no commitments for comparison goods in Appleby and so the residual capacity is the same as the surplus capacity. There is a limited physical capacity for further comparison goods shopping in Appleby but increased spending will help to improve the viability of existing shops in the town centre.

Kirkby Stephen

Convenience Goods

7.55 In the Kirkby Stephen catchment area the retention level for convenience goods is assumed to remain constant at 61% through to 2021. There appears to be little potential for Kirkby Stephen's market share in convenience goods shopping to increase. It already has a relatively high market share for a small centre. This retention level is applied to the expenditure forecasts to obtain the amount of expenditure retained. An allowance is then made for the future turnover of existing shops and turnover from visitors and inflow to derive surplus capacity. The surplus capacity is £0.6m in 2012, rising to £0.8m in 2017 and £1.1m in 2021. There are no commitments for convenience goods in Kirkby Stephen and so the residual capacity is the same as the surplus capacity. There is a limited physical capacity for further convenience goods shopping in Kirkby Stephen but increased spending will help to improve the viability of existing shops in the town centre.

Comparison Goods

7.56 In the Kirkby Stephen catchment area the retention level for comparison goods is assumed to remain constant at 17% through to 2021. There appears to be very little potential for Kirkby Stephen's market share in comparison goods shopping to increase. This retention level is applied to the expenditure forecasts to obtain the amount of expenditure retained. An allowance is then made for the future turnover of existing shops and turnover from visitors and inflow to derive surplus capacity. The surplus capacity is £2.0m in 2012, rising to £3.1m in 2017 and £4.4m in 2021. There are no commitments for comparison goods in Kirkby Stephen and so the residual capacity is the same as the surplus capacity. As with convenience goods, the potential for growth in comparison goods shopping in Kirkby Stephen will mainly help to improve the viability of existing shops in the town centre.

Bulky Goods Capacity

7.57 As well as assessing capacity for comparison goods in the study area the Brief for this study seeks advice on the potential for additional bulky goods retailing in Penrith. In order to assess need for bulky goods we have modified the comparison goods capacity analysis for the Penrith catchment area. The methodology is the same as that adopted for all comparison goods but we have not taken account of visitor spending and inflow because there is unlikely to be any significant spending on bulky goods by visitors to Penrith. Bulky goods are defined by the MapInfo expenditure categories of furniture, floor coverings and household textiles; audio-visual equipment and other durables; and hardware and DIY supplies. The expenditure forecasts for bulky goods are shown in Appendix 8 and the capacity analysis for bulky goods in Appendix 9C.

7.58 Expenditure has been calculated by zone and aggregated to provide a total for the Penrith catchment area. It is assumed that bulky goods expenditure will increase at the same growth rate as for all comparison goods and that the same proportions of expenditure on special forms of trading will apply. Bulky goods expenditure in 2007 is estimated to be £67.5m, which represents 42.6% of all comparison goods expenditure. Bulky goods turnover estimates for Penrith are derived from the household survey analysis. Bulky goods turnover is estimated to be £33.9m, and the retention level is 50%.

7.59 We believe that there is potential for Penrith's market share of bulky goods expenditure to increase from 50% in 2007 to 60% in future years. If the retention level remains at 50% in 2012, bulky goods leakage would increase to £43.3m. It should be possible for Penrith to claw back 20% of this leakage or £8.7m. A clawback of £8.7m would increase the level of retention of spending by 10 percentage points to 60% in 2012. A retention level of 60% would be a reasonable prediction for bulky goods in Penrith. This retention level is applied to the expenditure forecasts to obtain the amount of expenditure retained. An allowance is then made for the future turnover of existing shops in bulky goods. The surplus capacity is £14.1m in 2012, rising to £26.0m in 2017 and

£39.8m in 2021. There are no commitments for bulky goods in Penrith and so the residual capacity is the same as the surplus capacity. The capacity for bulky goods does not necessarily imply that all the capacity should be met outside Penrith town centre. Some of it may be accommodated within the New Squares scheme. But New Squares is not designed for large format retail warehouse retailing which is where most of the demand exists for DIY stores, electrical goods, carpets, etc. We anticipate that most of the capacity we have identified for bulky goods should be met outside the town centre. The implications of this assessment for new retail warehouse development in Penrith are considered in Section 9.

Sensitivity of Quantitative Need Assessment

7.60 The sensitivity of the components in the capacity analysis has been tested using a range of assumptions on future expenditure growth and increased Internet shopping.

Sensitivity of Expenditure Growth

7.61 There is no significant difference in the MapInfo projections of expenditure growth in convenience goods and the OEF forecasts. Therefore the sensitivity of expenditure growth in convenience goods does not need to be tested. In comparison goods MapInfo suggest that the trend-based projections should be within the range of the long-term trend of 4.9% and the medium-term trend of 5.6%. Therefore we have adopted the upper end of this range for sensitivity purposes.

Comparison Goods	OEF forecasts	MapInfo medium term projection
2007-12	5.0%	5.6%
2007-21	5.3%	5.6%

Sensitivity of Internet Shopping

7.62 The most reliable advice on the growth of Internet shopping is from Experian who predict that in comparison goods the proportion of sales taken by Internet shopping will increase from 6% in 2007 to 12% in 2015 then level off. However, some sources suggest an even faster growth in Internet shopping, to perhaps 15% in the next ten years. MapInfo data shows that Special Forms of Trading represented 5.8% of comparison goods expenditure in 2004. We have assumed a proportion of 6% in 2007. In our central forecast of expenditure growth in comparison goods we have assumed that Special Forms of Trading and Internet shopping will increase from its 6% in 2007 to 9% in 2012 and 12% in 2017 and 2021. To test the sensitivity of the forecasts we assume that the proportion of expenditure in Special Forms of Trading and Internet shopping could increase at a faster rate as follows:

Comparison Goods	2007	2012	2017	2021
Central forecast	6%	9%	12%	12%
Increased Internet shopping	6%	11%	15%	15%

7.63 As with expenditure growth, there is no basis to suggest variations in the forecasts of growth of Internet shopping on convenience goods. The main forecast is based on an increase in the proportion of convenience goods spending on Internet shopping from 2% in 2007 to 6% by 2017. Therefore the sensitivity of the expenditure forecasts is tested for comparison goods only. The sensitivity analysis for expenditure growth is shown in Appendix 10A and for internet shopping in Appendix 10B.

7.64 The following table shows the variations in comparison goods capacity arising from the application of the sensitivity analysis in the period to 2021. The figures represent residual capacity after allowing for commitments.

Comparison Goods Capacity, 2021 (£M) (by catchment)	Central forecast	Higher growth in expenditure	Increased Internet shopping
Penrith	49.3	57.3	42.6
Alston	1.8	1.9	1.7
Appleby	7.1	7.8	6.6
Kirkby Stephen	4.4	4.7	4.1

7.65 In Penrith the sensitivity analysis produces a range of capacity in 2021 which is 16% above the central forecast at the upper end and 14% below the central forecast at the lower end. In the smaller centres the variations differ but are of a similar order. In the context of the margins of error to which any forecasts in retail planning are subject, we consider that such variations in future capacity are not significant. The central forecast is a robust indication of the potential for additional shopping development in the main centres in Eden District. It represents a realistic forecast midway between extremes of possibility which are in our view unlikely to materialise, and it should provide the basis for the assessment of floorspace capacity in Section 8.

Qualitative Need

7.66 The GVA Grimley Penrith Town Centre Retail Study 2002 concluded that there was a need for improvement in both the convenience and comparison retail sectors in Penrith. The study identified the need for a medium-to-large foodstore to provide additional choice and competition in the town. It also identified a need for qualitative improvements in the town's comparison goods retail offer. The Retail Statement for the New Squares scheme emphasised the qualitative need to improve the retail offer in Penrith, particularly in the provision of national multiples. It concluded that the town centre was currently not meeting the needs of local residents.

7.67 In this Retail Study we have provided further evidence of qualitative need for additional shopping provision in Eden District and particularly in Penrith. In convenience goods Morrisons has a dominant market share and is clearly over-trading. The household survey shows the perceived need for a bigger/better supermarket in the town. The commitment for a Sainsburys superstore in the New Squares scheme will meet this qualitative need in Penrith.

7.68 Based on leakage, there appears to be an even greater need for additional non-food shopping in Penrith. The household survey shows that Carlisle is used to a greater extent than Penrith by local residents for shopping for clothing and footwear and furniture and carpets. The household survey highlights a lack of multiples, lack of non-food stores generally, the need for a better choice and quality of shops in Penrith. The In-Centre survey shows a relatively low proportion of shoppers visiting Penrith town centre to buy non-food goods. The survey also shows a need for more specialist shops and more large shops. Our consultations with traders' representatives in Penrith suggest a poor/declining trading performance in the town centre and concerns about the leakage of trade, especially to Carlisle. There are also concerns about problems of car parking in the town centre and the need to make the town centre cleaner and more attractive.

7.69 There is some evidence of qualitative need in the smaller centres in Eden District. Alston, Appleby and Kirkby Stephen are the dominant centres within their own catchment areas and they appear to be popular centres with local residents. However, Alston has a lack of non-food stores and needs a better choice of shops. Its relatively poor trading performance is shown by the high vacancy rate. Appleby has a deficiency in food shopping. More people from the Appleby catchment do their main food shopping in Penrith than in Appleby, but only a minority of people surveyed said that Appleby needs a bigger/better supermarket. The household survey shows a lack of non-food shops in Appleby and the need for a better choice of shops. In Kirkby Stephen food shopping provision appears to be adequate but there is a lack of non-food shops and a need for a better choice of shops.

8. FUTURE RETAIL POTENTIAL IN EDEN DISTRICT

Floorspace Capacity

8.1 The long term capacity forecasts in Section 7 have been used to estimate floorspace capacity in each centre up to 2021. Retail need in terms of floorspace capacity is expressed as gross as well as net floorspace in order to represent the overall physical scale of development that needs to be accommodated.

8.2 A range of sales densities has been applied to the capacity forecasts using figures in 2004 prices. For convenience goods the range is £6,000 to £11,000 per sq.m. net. The lower figure of £6,000 per sq.m. net is the average for the smaller centres in Eden District. The upper figure of £11,000 per sq.m. is a typical figure for the main foodstore operators. In convenience goods an allowance is made for growth in sales density of 0.6% p.a. Therefore for convenience goods the sales densities are as follows.

CONVENIENCE GOODS	Range of sales per sq.m. net	
2007	£6,000	£11,000
2012	£6,200	£11,300
2017	£6,400	£11,700
2021	£6,500	£12,000

8.3 In comparison goods the lower figure is again based on the existing average for the smaller centres in Eden District of about £4,400 per sq.m. net. An upper figure of £7,900 per sq.m. net is used, based on the turnover for Penrith town centre derived from the household survey. In comparison goods an allowance is made for growth in sales density of 2.2% p.a. Therefore for comparison goods the sales densities are as follows:

COMPARISON GOODS	Range of sales per sq.m. net	
2007	£4,400	£7,900
2012	£4,900	£8,800
2017	£5,500	£9,800
2021	£6,000	£10,700

8.4 In the case of bulky goods no range is adopted because it is commonly accepted that the average sales density for bulky goods retail warehouses is around £2,500 per sq.m. net. Again an allowance is made for a growth in sales density of 2.2% p.a. Therefore for bulky goods the sales densities are as follows:

BULKY GOODS	Sales per sq.m. net
2007	£2,500
2012	£2,800
2017	£3,100
2021	£3,400

8.5 Details of the floorspace capacities based on these sales densities are shown in Appendix 11. The approach used is to take the residual capacities (after allowing for commitments) calculated in Appendix 9 and to apply the range of sales densities shown above to calculate net floorspace. Gross floorspace is then estimated by applying typical net/gross floorspace ratios of 70% for convenience and comparison goods and 80% for bulky goods. Details are shown in Appendix 11A for convenience goods, Appendix 11B for comparison goods and Appendix 11C for bulky goods. The gross floorspace capacity is summarised below. The range reflects the application of a range of sales densities. The figures in the table are rounded for simplicity.

FLOORSPACE CAPACITY (sq. metres gross)	2012	2017	2021
Convenience Goods			
Penrith	nil	nil	nil
Alston	40 - 70	40 - 70	60 - 110
Appleby	280 - 510	310 - 560	350 - 640
Kirkby Stephen	80 - 140	100 - 180	130 - 240
Comparison Goods			
Penrith	nil	3,100 – 5,530	6,580 – 11,740
Alston	150 - 260	190 - 340	240 - 430
Appleby	390 - 700	670 - 1,200	950 - 1,690
Kirkby Stephen	330 - 580	450 - 810	590 - 1,050
Bulky Goods			
Penrith	6,300	10,480	14,630

8.6 In convenience goods it should be emphasised that the higher figures represent a situation in which all the capacity is taken up by smaller foodstores, which is highly unlikely. The capacity is more likely to be at the lower end of the range. In Penrith there is no floorspace capacity for additional convenience goods shopping other than the new Sainsburys store which is not included in the above table because it is a commitment. There is very little floorspace capacity for convenience goods in Alston and Kirkby Stephen. There is a limited amount of floorspace capacity for convenience goods in Appleby, sufficient to support a larger supermarket than the existing Co-op store.

8.7 In comparison goods there is no surplus floorspace capacity in Penrith in the short term but by 2021 the floorspace capacity in Penrith becomes quite significant. This is capacity over and above the New Squares scheme. In fact by 2021 there could be sufficient floorspace capacity for as much additional comparison goods floorspace as there is in the New Squares scheme. The figures for comparison goods include bulky goods floorspace and any new bulky goods retail warehouse development would reduce the overall capacity for comparison goods floorspace in Penrith. In the smaller centres there is a limited floorspace capacity for additional comparison goods shopping which would be sufficient to support some small-scale development or redevelopment within Appleby and Kirkby Stephen and the re-use of vacant floorspace in Alston.

8.8 In bulky goods there is sufficient floorspace capacity in the short term for about 6,000 sq.m. gross of retail warehouse development. The capacity rises to more than 14,000 sq.m. gross floorspace by 2021. There appears to be potential for retail warehouse development in Penrith outside the town centre.

Scale of Development

8.9 PPS6 advises that in development plan documents local planning authorities should consider setting indicative upper limits for the scale of development likely to be appropriate in different types of centres. Indicative upper limits should be defined in terms of gross floorspace. Developments above these limits should be directed to centres higher up the town centre hierarchy.

Penrith

8.10 In Penrith town centre an appropriate floorspace limit should include the committed New Squares redevelopment scheme with a total retail floorspace of about 13,000 sq.m. gross and the additional floorspace capacity for comparison goods we have identified by 2021. However, we believe that most of the additional capacity for comparison goods in Penrith is likely to be accommodated in the form of bulky goods retail warehouse outside the town centre. The existing total shopping floorspace in Penrith town centre is about 24,000 sq.m. gross. Allowing for the New Squares scheme and some additional floorspace in the longer term, we would suggest that the LDF Core Strategy refers to an indicative floorspace limit of 20,000 sq.m. gross of new shopping floorspace in Penrith town centre.

8.11 A floorspace limit of 20,000 for new retail development in Penrith would comply with the draft RSS in which Carlisle is identified as the sub-regional centre and Kendal and Penrith are the main service centres for South and East Cumbria. The scale of development proposed in Penrith is consistent with its role and function as a town centre.

Smaller Centres

8.12 There are no commitments for new retail development in Alston, Appleby and Kirkby Stephen. The scale of development that is appropriate in these smaller centres must be consistent with their role as local service centres. They are not appropriate locations for shopping developments which serve larger urban areas. They are the appropriate location for localised shopping needs. Based on the upper range of the floorspace capacity we have identified, we would suggest that the LDF Core Strategy refers to indicative floorspace limits of 1,000 sq.m. gross of new shopping floorspace in Alston; 2,000 sq.m. gross in Appleby; and 1,500 sq.m. gross in Kirkby Stephen.

Opportunities for Retail Development

Penrith

8.13 The major opportunity for retail development is the New Squares development scheme which is a commitment and is due to be completed by 2010. The New Squares scheme will increase total gross retail floorspace in Penrith by over 50%. It is an extremely significant addition to Penrith's retail provision. The New Squares scheme will meet the current deficiencies in shopping in Penrith town centre and improve the perceived difficulties of car parking in the town.

8.14 The Penrith Master Plan does not highlight any opportunities for new retail development in Penrith town centre other than the New Squares scheme. It is essentially an urban design framework for the town. One of the priorities of the Master Plan is to encourage and control the use and character of possible development sites but they are mostly outside the town centre. The only specific new proposal within the town centre is to develop the area around the Town Hall as a civic/cultural quarter and develop a new arts centre on the site of the old bakery behind the Town Hall. We understand that the District Council is not committed to the recommendations of the Master Plan at this stage.

8.15 The household survey highlights problems of car parking in Penrith for shoppers and the need for cheaper/easier parking. The In-centre Survey also suggests a lack of car parking and the need for more parking spaces.

8.16 The SWOT Analysis presented earlier in this report shows that there is clearly a need for improvements in Penrith town centre. There are deficiencies in environmental quality in some parts of the town centre. The centre suffers from traffic congestion. It would benefit from further pedestrianisation. The household survey responses indicate that there is support for further pedestrianisation and environmental improvements.

8.17 The Penrith Master Plan recommends a number of priorities for improvement, notably:

- Environmental and public realm improvements in the town centre eg. Castlegate, Great Dockray and Princes Street. Improvements are needed to reduce the impact of vehicle domination, create a more pedestrian-friendly environment and strengthen links with the New Squares development.
- Safeguard and enhance the historic lanes and yards as an essential part of the townscape.
- Shopfront improvements.

8.18 We note that Penrith Partnership are currently operating a Facelift Scheme which offers grant aid to businesses who wish to improve the facia of their premises. The scheme is supported by NWDA and Eden District Council. Eden DC has also produced a Supplementary Planning Document on Shopfront and Advertisement Design.

8.19 Our assessment of other opportunities for development in Penrith town centre is that there is no potential within the town centre for anything other than small-scale redevelopment. The townscape of Penrith makes it difficult to find sites for further development within the confines of the Established Shopping Area. It is likely that any longer term retail development would have to be in the form of further extensions to the town centre but on a smaller scale than the New Squares scheme.

8.20 Alston needs better shopping provision but there are no physical opportunities for new development in the town centre. It also needs better car parking and environmental improvements. The high vacancy rate in Alston is a problem for the town but it is also an opportunity to re-use vacant floorspace to improve the retail offer. Alston is always going to lose spending to Penrith and Carlisle but it needs to strengthen its localised role for residents. Alston benefits from visitor trade and an increase in visitor numbers would help the vitality and viability of the town centre.

8.21 Appleby also has a lack of opportunity for any new retail development in the town centre core of Boroughgate. However, there are opportunities for redevelopment of land in The Sands for retail use. This area could accommodate a larger supermarket in the future. A larger supermarket is needed in Appleby to reduce leakage to Penrith. Penrith is very accessible from Appleby and without a larger supermarket Appleby is likely to lose even more trade to the new Sainsburys store.

8.22 Kirkby Stephen needs to retain more of its residents' expenditure and attract more visitor expenditure. Kirkby Stephen has adequate food shopping but residents would like to see better non-food shopping and better car parking for shoppers and visitors. The risk for Kirkby Stephen is that it also loses trade to an expanded Penrith town centre as well as competing with the attraction of Kendal.

Boundaries of Centres

8.23 In reviewing shopping strategy in the Local Development Framework, we suggest that Eden District Council considers a number of changes in the boundaries of town centres, currently described as Established Shopping Areas. In line with PPS6 the LDF should now refer to the Primary Shopping Areas of the town centre.

8.24 In Penrith we suggest that the Primary Shopping Area boundary of the town centre should be extended to include:

- the site of the New Squares development
- all of the western side of Great Dockray, and
- the site of the Morrisons store.

8.25 In Appleby we suggest that the Primary Shopping Area boundary of the town centre should be extended slightly to include properties on the south side of High Wiend (numbers 1-9) and properties on the south side of Boroughgate from the junction of High Wiend as far as the White Hart Hotel.

8.26 In Kirkby Stephen and Alston we suggest that that the Primary Shopping Area boundaries should be the same as the existing Established Shopping Areas.

Potential for Retail Warehouse Development in Penrith

8.27 The household survey shows that out-of-centre stores in Penrith are used by residents to a significant extent only for DIY and hardware shopping. They are not as well used for furniture and carpets and electrical goods as shops in Penrith town centre, Carlisle or Kendal.

8.28 The capacity analysis for bulky goods in Appendix 9C shows that there is capacity for bulky goods shopping in Penrith. In terms of bulky goods floorspace capacity this represents a total of 6,300 sq.m. gross in 2012 rising to 14,600 sq.m. gross in 2021 (Appendix 11C).

8.29 There are opportunities for bulky goods retail warehouse development in Penrith, principally along Ullswater Road. The potential and suitability of any sites will have to be considered through the development control process. At this stage we would simply advise the Council that any out-of-centre retail warehouse development should be controlled by conditions to restrict it to the sale of bulky goods only and that there should be a minimum size of retail units of not less than 500 sq.m. gross to ensure that developments are not allowed which could be accommodated within the town centre. It is also particularly important that the size and type of retail warehouse development allowed does not prejudice the successful development of the New Squares scheme in Penrith town centre. The implications of retail warehouse development in Penrith are considered in Section 9.

9. IMPLICATIONS OF NEW RETAIL DEVELOPMENT ON THE VITALITY AND VIABILITY OF CENTRES

Implications of the New Squares Development

9.1 The New Squares development in Penrith is due for completion in 2010. We have considered how the New Squares development will affect the vitality and viability of centres in Eden District. The issues of particular relevance to this study are:

- How will the New Squares scheme contribute to the vitality and viability of Penrith town centre?
- How will the scheme affect shops and other uses in the northern part of the town centre?
- How will a strengthening of the attraction of Penrith town centre following the New Squares development affect the smaller centres in the District?

9.2 The New Squares scheme will change shopping patterns in Eden District as a whole and within Penrith town centre. The scheme represents a 44% increase in Penrith town centre's total convenience goods gross floorspace and a 59% increase in Penrith's comparison goods floorspace.

9.3 The Penrith Master Plan has identified a likely shift in the 'centre of gravity' of the town centre to the south following the New Squares development. It recognises that traders may be pulled away from the north end of the town centre into the new scheme. The report to Committee on the New Squares application states that, although there is significant merit in development in the Southend Road area, there will be an economic impact in the short term and that this impact will be most felt in the Middlegate area which is currently not contributing significantly to the town centre in terms of its attractiveness. We agree that some multiple retailers are likely to move from Middlegate to the New Squares scheme. Relocation could result in vacant units in Middlegate and the area could deteriorate.

9.4 It is not the role of this Retail Study to consider the future regeneration of the northern part of the town centre. Our health check highlights that some parts of the town centre are relatively weak and may be vulnerable to decline following the opening of the New Squares scheme. Middlegate does not appear to be weak at present but Castlegate shows signs of weakness and is in need of upgrading.

9.5 There could be negative impacts on the northern part of the centre but there could also be positive impacts on other parts of the centre because of linked trips and spin-off benefits of additional trade in the centre as a whole. Any initial losses of trade following the opening of the New Squares scheme would be offset over a period of time by general growth in trade in Penrith.

9.6 Appendix 12 sets out a retail impact assessment for the New Squares scheme. It updates the impact assessment in Savills' Retail Statement for the New Squares scheme and considers impact in convenience and comparison goods and the overall impact.

9.7 We have changed the format of the retail assessment tables to make them easier to understand. In Appendix 12A we first present Savills' impact assessment for convenience goods, then below it we present our own updated assessment. Savills' assessment is for 2010 in 2000 prices. The England & Lyle assessment is for 2012 in 2004 prices. We have estimated the turnovers of centres and stores in 2012 by allowing for increases in sales densities between 2007 and 2012 of 0.6% p.a. for convenience goods and 2.2% p.a. for comparison goods. The percentage trade diversions in the final column of Savills' table are actually the difference between existing turnover in 2005 and residual turnover in 2010, not trade diversions from stores in 2010. We have adjusted these figures to be able to compare the trade diversions directly between the Savills and England & Lyle assessments.

9.8 Savills' assessment for convenience goods predicts a trade diversion from Morrisons of 41% of its convenience goods trade and impacts on Somerfield and the Co-op of 24%. The highest predicted impact is 47% for Aldi. These are high impacts but they were considered acceptable by the Council in approving the New Squares scheme. Our assessment is that the predicted trade diversions in 2012 will be lower in percentage terms – 25% from Morrisons, 19% from Somerfield, 21% from the Co-op and 27% from Aldi. These are lower percentages because our estimate of the convenience turnover of Sainsburys is lower and because our estimates of the turnovers of existing stores are generally higher.

9.9 In Appendix 12B we present Savills' impact assessment for comparison goods, then below it we present our own updated assessment. Savills' assessment predicts a trade diversion from Penrith town centre of 21% of its comparison goods turnover. The other impacts would be in Carlisle and Kendal because of clawback of leakage. Our assessment is that the percentage trade diversion from Penrith town centre in 2012 will be 15%. It is a lower percentage because our estimate of the comparison goods turnover of Penrith town centre is higher.

9.10 Appendix 12C is a composite table showing the predicted overall impact of the New Squares scheme based on the England & Lyle assessment. We predict that the trade diversions will be 18% from Penrith town centre, 19% from out-of-centre stores in Penrith, and lower impacts in the smaller centres (Alston 3%, Appleby 8% and Kirkby Stephen 7%). In approving the New Squares scheme the Council accepted that it would have benefits in increasing the overall turnover of Penrith town centre. Our assessment is that, although the New Squares scheme would have a total turnover of about £65.8m it would only divert £24.1m of this turnover from existing shops in the town centre. Clawback of leakage and increased inflow and visitor spending would bring an additional £34.5m into the town centre, more than offsetting the trade diversion. The total trade of the town centre in 2012 including the additional turnover of the New Squares scheme is likely to increase by £41.7m or 31%.

9.11 If the overall attraction of the town centre increases, will all parts of the centre benefit? A key factor will be the integration of the New Squares development into the existing town centre. A high proportion of shoppers make linked trips when doing their main food shopping. We believe that the new Sainsbury’s foodstore will have spin-off benefits for other shops and services in the town centre. The design of the New Squares scheme should maximise the linkages between the new development and the town centre. The views of traders in Penrith in our consultations confirm that traders think the New Squares development will have benefits but there are concerns about its possible impact on existing shops and the way that it will be integrated into the town centre.

9.12 There are opportunities to strengthen the northern end of the town centre. The Penrith Master Plan proposes a civic/cultural quarter around Duke Street and the Town Hall. This could link into Middlegate and Queen Street. There is an opportunity to make the northern end of the town centre the focus for specialist independent retailers. The northern end of the town centre already contains many of the town’s specialist independent retailers, especially in Brunswick Road, Little Dockray and Devonshire Arcade, and some in Middlegate. These shops complement the existing concentration of multiples in Angel Square and Middlegate. A focus for independents in the Middlegate area would complement the new concentration of multiples in New Squares and Angel Square.

9.13 We have particular concerns about traffic conditions in Middlegate. At present through traffic from the north on Stricklandgate that does not need to be in the town centre can avoid it by using Brunswick Road and Meeting House Lane. Traffic using Middlegate is traffic that is heading into the town centre. The one way system on Middlegate directs traffic towards Devonshire Street. The consequence is a serious conflict between traffic and pedestrians in Middlegate. The ideal solution would be the pedestrianisation of Middlegate between Brunswick Road and Queen Street but we have not investigated how this could be achieved through traffic management. An improvement in the shopping environment in Middlegate and the establishment of a new role for the northern part of the town centre will depend to a large extent on a traffic management solution in this part of the town centre.

9.14 In our view the New Squares scheme is unlikely to have any significant effect on the Alston and Kirkby Stephen district centres. These areas of Eden District have the lowest linkages with Penrith town centre in terms of shopping attraction. We predict an overall trade diversion of 3% from Alston and 7% from Kirkby Stephen in 2012. These trade diversions are not significant in the context of the growth of retail expenditure up to 2012. The New Squares scheme is most likely to increase the attraction of Penrith to residents of Alston and Kirkby Stephen as an alternative to shopping in Carlisle and Kendal. The local roles of Alston and Kirkby Stephen are likely to be largely unchanged.

9.15 Appleby has better links to Penrith and there could be an increase in leakage from Appleby to Penrith as a result of the New Squares development. We predict an overall trade diversion of 8% from Appleby in 2012, again well below the growth of retail expenditure up to 2012. It is important that Appleby maintains its attraction for local residents and that it increases its tourist role for shopping. The New Squares scheme is not likely to have any significant impact on the vitality and viability of Appleby town centre.

Implications of Retail Warehouse Development in Penrith

9.16 In this study we have shown that there is a capacity for about £14.0m of bulky goods retail warehouse development in Penrith in 2012, representing a development of around 5,000 sq.m. net or 6,300 sq.m. gross floorspace. There are no proposals for a scheme of this size at the present time but the study needs to consider the implications of this amount of retail warehouse floorspace coming forward. PPS6 acknowledges that the identification of need for retail development does not necessarily indicate that there will be no negative impact. Any new retail development will change shopping patterns and will have some trading impacts. It is a matter of whether such impacts are significant.

9.17 In Appendix 12D we assess the impact of a hypothetical scheme in Penrith for 6,300 sq.m. gross floorspace in the form of an out-of-centre retail warehouse development. The location of such a scheme is not material to the assessment. The trade draw has been assessed. We believe that a scheme of this scale and type of retailing would draw 60% of its trade from clawback of leakage and that most of the trade draw from within the catchment would be from Penrith town centre and retail warehouses in Penrith. There is very little existing out-of-centre retail warehouse provision in Penrith that could compete with a new retail warehouse development, other than the DIY stores. Because the assessment is for 2012, it is assumed that a retail warehouse development would compete with the New Squares scheme and we have added the additional turnover of the New Squares scheme into the future turnover of Penrith town centre using the figures in Appendix 12B (an additional £28.6m of comparison goods turnover from clawback and inflow/visitors). We have also estimated the turnover of existing retail warehouses outside Penrith town centre based on floorspace as £8.6m in 2012.

9.18 The predicted impact on Penrith town centre is about 2% of its enhanced comparison goods turnover in 2012. This is not a significant impact in quantitative terms because it is less than one year's growth of comparison goods expenditure. An impact of this order would not be likely to have an adverse effect on the vitality and viability of the town centre. Similar percentage trade diversions are likely in Appleby (2%) and Kirkby Stephen (3%). The main impact in percentage terms would be on existing retail warehouses outside the town centre with a trade diversion of 24%. Impact on existing out-of-centre retailing is regarded by PPS6 as competition between retailers and is not a material planning consideration.

9.19 It appears that Penrith has the capacity to accommodate some bulky goods retail warehouse floorspace and a modest scale of retail warehouse development would not result in an unacceptable impact on the vitality and viability of the town centre. It would also meet a qualitative need for bulky goods shopping in Penrith as evidenced by the household survey data on shopping patterns which shows that, although there is a leakage of only 14% of spending on DIY and hardware, there are much higher levels of leakage in other types of bulky goods spending – 40% in electrical goods and 62% in furniture and carpets. This leakage is predominantly to Carlisle. Leakage of bulky goods expenditure from the study area is estimated to be 50% overall. There is a potential to claw back some of this leakage and reduce long distance trips to Carlisle for bulky goods shopping.

Review of Planning Applications

9.20 It is not part of the Brief for the Retail Study to advise the Council on the current applications for retail warehouse development in Penrith. At present there are two applications awaiting a decision by the Council:

(1) An application for a retail warehouse development of 4,124 sq.m. (44,400 sq.ft.) gross plus an ancillary restaurant at Ullswater Road, Penrith, submitted in November 2007 – supported by a retail assessment prepared by Knight Frank (re-submission following an appeal against non-determination of a previous application).

(2) An application for an extension to the existing B&Q unit at Bridge Lane, Penrith to increase the retail floorspace from 1,858 sq.m. (20,000 sq.ft) gross to 4,181 sq.m. (45,000 sq.ft.) gross, submitted in February 2007 – supported by a retail statement prepared by Savills.

9.21 Local Plan Policy SH2 on Out-of-Centre Retail Developments has expired. Therefore current and new applications must be judged against the advice in PPS6.

9.22 We have agreed with the Council that we will review these applications separately from this study report.

9.23 Our approach will be to carry out an independent critique of the proposals in the light of planning policy on need, scale, the sequential approach, retail impact and accessibility. The review of the current applications in Penrith will include the following elements.

- An examination of the retail assessments submitted for each application. A critique will be made of the methodology used by consultants, the underlying data and assumptions, and the robustness of the retail assessment as judged against the guidance in PPS6.
- A review of the need for each proposed development in 2012, based on the need assessment in this Retail Study. Comments will be made on the assessments of quantitative and qualitative need in relation to each proposal.
- We will consider whether the supporting evidence about the scale of development proposed is adequate and if the scale is appropriate in each instance.
- We will critically review the assumptions used in the retail impact assessments on the turnover of the scheme, the turnover of centres, and trade draw from clawback, inflow and trade diversion. The implications of each proposal will be examined against the vitality and viability of Penrith and other centres. Each proposal will be judged against the list of factors in paragraph 3.22 of PPS6.

10. CONCLUSIONS

10.1 Penrith is the dominant centre in Eden District. It is by far the largest centre in terms of retail floorspace, particularly in comparison goods floorspace. Morrisons in Penrith is the store most used for food shopping. Penrith is the dominant centre in the study area for non-food shopping. There are several retail outlets in Penrith outside the town centre – mostly bulky goods retail units. Appleby is the second largest centre in Eden District but it is significantly smaller than Penrith. Kirkby Stephen is only slightly smaller than Appleby. Alston is the smallest of the four centres

10.2 The household survey shows that the main changes or improvements that residents would like to see in Penrith are cheaper/easier car parking and more/better choice of shops. The In-Centre survey in Penrith also highlights a need for more parking spaces.

10.3 Penrith town centre has an above-average level of vitality and viability. Kirkby Stephen and Appleby also have better than average levels of vitality and viability. Alston has a relatively low level of vitality and viability.

10.4 Penrith has the highest market share for both convenience goods shopping (61%) and comparison goods shopping (45%) in the study area. The market shares of the smaller centres are much lower for different types of shopping – Alston 1-3%, Appleby 4-5% and Kirkby Stephen 2-6%.

10.5 The catchment area of Penrith takes in the whole of the study area. Alston, Appleby and Kirkby Stephen have much more localised catchment areas that fall within the wider catchment of Penrith. Penrith has an influence over the whole of the study area including the smaller towns.

10.6 There is no capacity for convenience goods development in the Penrith catchment area throughout the period to 2021 in addition to the approved Sainsburys store in the New Squares scheme. New Squares will take up all of the available capacity for additional comparison goods shopping in the Penrith catchment area in 2012. The scheme will increase total gross retail floorspace in Penrith by over 50%. There is scope for further comparison goods shopping development in the longer term but there is no potential within Penrith town centre for anything larger than small-scale redevelopment.

10.7 The limited capacity for further shopping in Alston should be met by the re-occupation of vacant units in the district centre. The capacity for further convenience goods shopping in Appleby could potentially be met by the redevelopment of land in The Sands for a larger supermarket. There is very little physical capacity for further comparison goods shopping in Appleby and Kirkby Stephen but increased spending will help to improve the viability of existing shops in the town centre.

10.8 There is capacity for bulky goods shopping in Penrith, particularly in the longer term. There is limited potential for bulky goods development in the town centre and most of the capacity identified for bulky goods should be met through retail warehouse development outside the town centre.

10.9 There is a qualitative need for additional shopping provision in Eden District and particularly in Penrith. The commitment for a Sainsburys superstore in the New Squares scheme will meet the qualitative need for convenience goods shopping in Penrith. There is an even greater qualitative need for additional non-food shopping in Penrith which will be met by the New Squares scheme in the short term.

10.10 We propose an indicative floorspace limit of 20,000 sq.m. gross of new shopping floorspace in Penrith town centre (including the New Squares scheme) and floorspace limits of 1,000 sq.m. gross of new shopping floorspace in Alston; 2,000 sq.m. gross in Appleby; and 1,500 sq.m. gross in Kirkby Stephen.

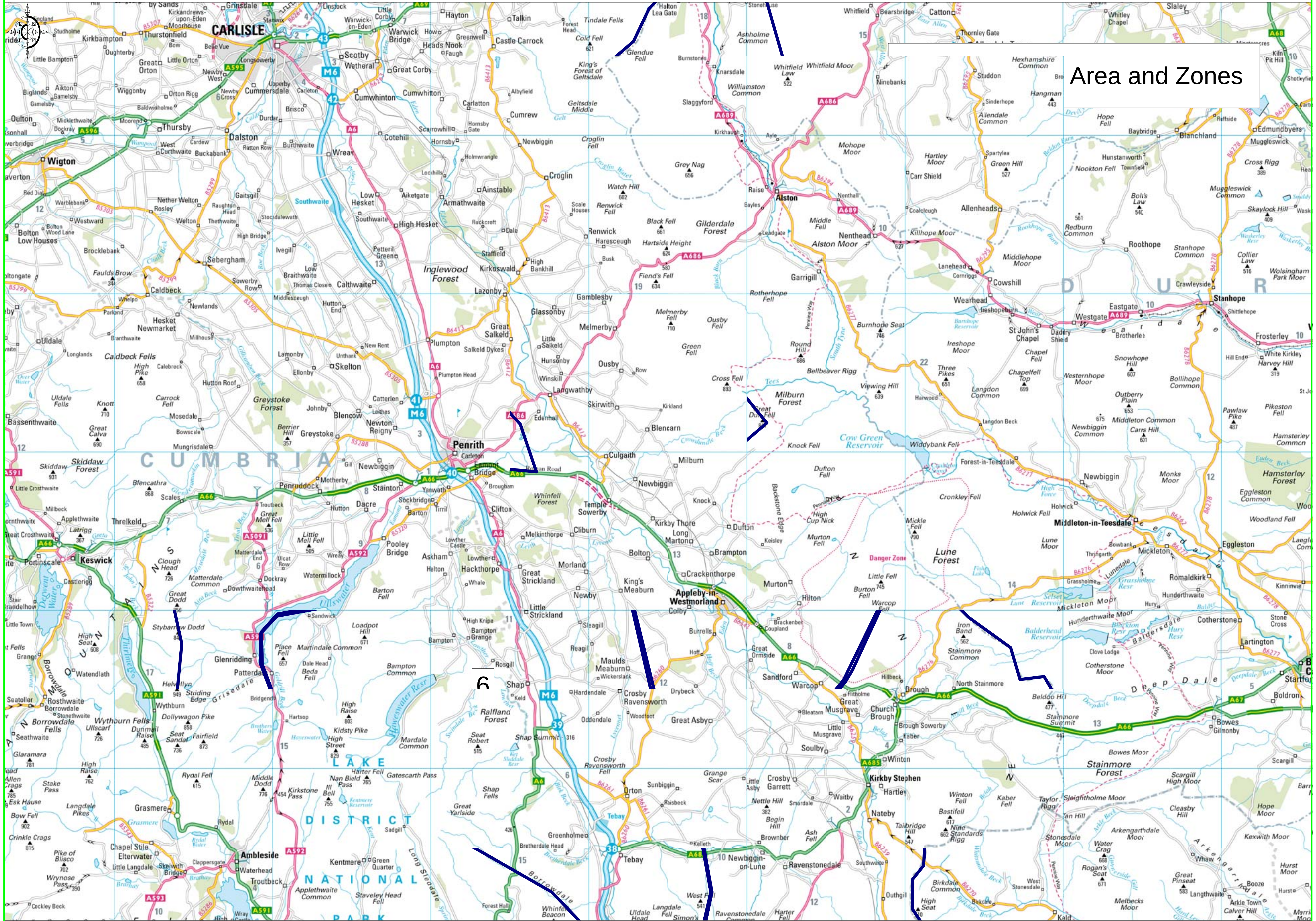
10.11 The Established Shopping Areas should be redefined as Primary Shopping Areas. In Penrith we suggest that the Primary Shopping Area boundary of the town centre should be extended to include the site of the New Squares development, all of the western side of Great Dockray, and the site of the Morrisons store. In Appleby we suggest that the Primary Shopping Area boundary of the town centre should be extended slightly.

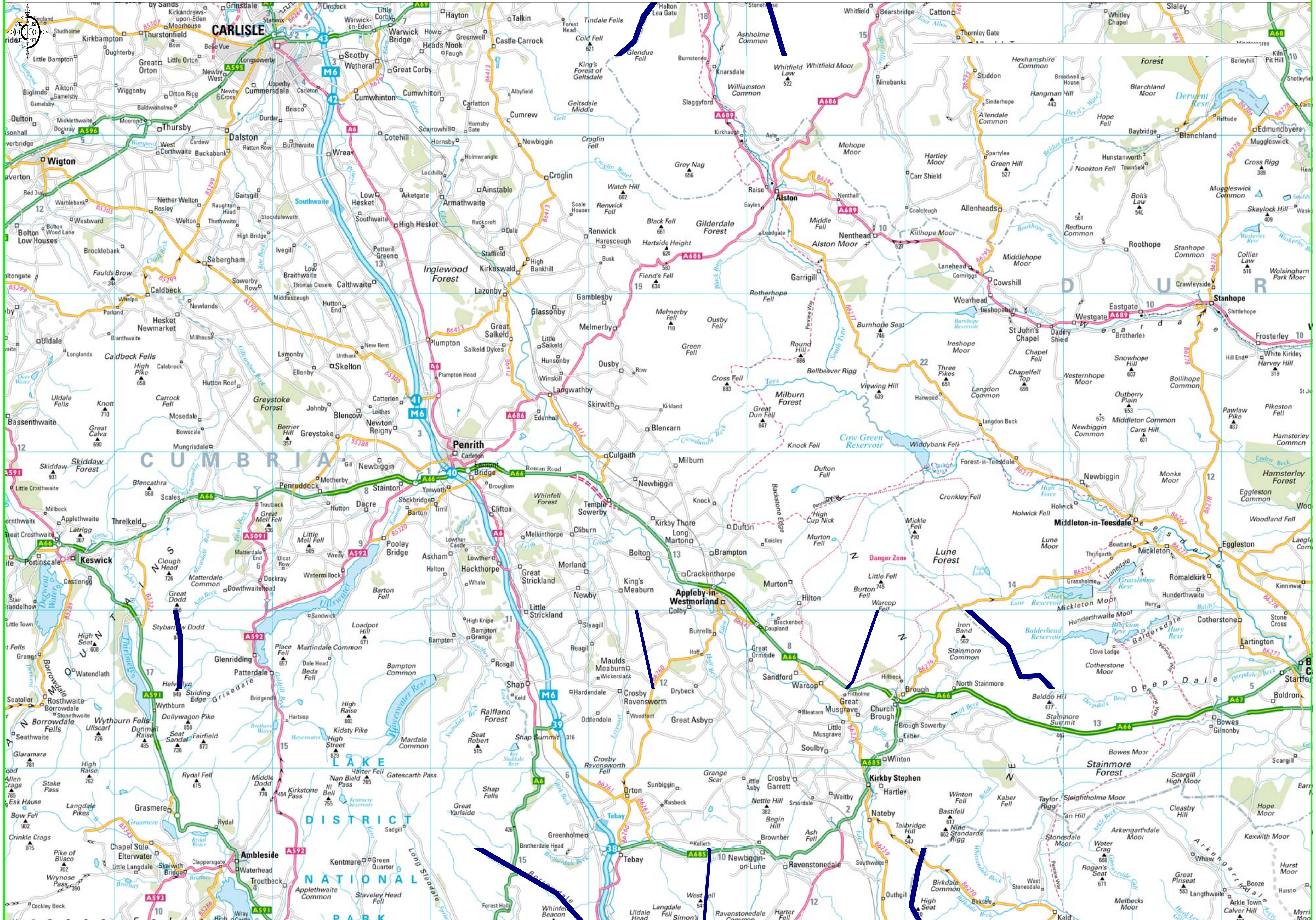
10.12 There are opportunities for bulky goods retail warehouse development in Penrith, principally along Ullswater Road. A modest amount of retail warehouse development in Penrith would not have a significant impact on the vitality and viability of the town centre. It would also meet a qualitative need for bulky goods shopping in Penrith. But any out-of-centre retail warehouse development should be controlled by conditions to restrict it to the sale of bulky goods only and with a minimum size of retail units. Retail warehouse development must not be allowed to prejudice the successful development of the New Squares scheme.

10.13 We predict that the New Squares scheme will have an overall trade diversion from Penrith town centre of 18% of the turnover of existing shops in 2012. However, clawback of leakage and increased inflow and visitor spending will bring additional trade into the town centre, more than offsetting the trade diversion. Total trade in the town centre in 2012 could increase by over 30%. The new Sainsbury’s foodstore will have spin-off benefits for other shops and services in the town centre. The New Squares scheme is unlikely to have any significant effect on the Alston, Appleby and Kirkby Stephen district centres.

10.14 If there are relocations of shops from the Middlegate area of Penrith into the New Squares development, there will be an opportunity to make the northern end of the town centre the focus for specialist independent retailers. We have concerns about traffic conditions in Middlegate. An improvement in the shopping environment in Middlegate and the establishment of a new role for the northern part of the town centre will depend to a large extent on a traffic management solution in this part of the town centre.

Area and Zones





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