London Borough of Barnet

Town Centres Floorspace Needs Assessment
Executive Summary

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Introduction

1.1 Peter Brett Associates LLP (PBA) was instructed by the London Borough of Barnet (LBB) in March 2017 to prepare an updated assessment of retail need for the borough addressing the requirements of the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (PPG).

1.2 The previous full assessment was published in April 2009 and subsequently updated in July 2010; since then, national policy for retail and town centres has been amended following the publication of the NPPF in March 2012.

1.3 This Town Centres Floorspace Needs Assessment (TCFNA) has been commissioned as a key evidence base document to inform the review of the Barnet Local Plan ('the Local Plan'). The report will provide an updated assessment of retail need for LBB in order to inform new retail and town centre policies for the borough. The study's specific terms of reference are set out below:

- Analyse national and regional planning policy and guidance on retail and town centres and identify existing evidence on retail needs in LBB;
- Analyse trends affecting the retail sector which may impact and influence local retailing with the Borough and how this may change over time;
- Identify recent planning permissions for town centre uses ('commitments') within and without the Borough which have the potential to impact on designated town centres;
- Undertake a new household survey of shopping patterns to provide an updated picture of shopping habits in the study area in order to identify the catchment area of each town centre and the occurrence of under/over trading of convenience floorspace;
- Analyse the quality of existing comparison and convenience retail provision and other town centre uses within LBB's 30 Major, District and Local / Neighbourhood town centres;
- Identify existing and projected consumer expenditure levels for the study area taking into account the latest industry standard expenditure data and the latest available GLA population projections;
- Assess future needs for comparison and convenience retail floorspace and other town centre uses to 2036 based on an existing market share and an increased market share, to take account of the effect of existing commitments;
- Review the existing hierarchy and network of centres and make recommendations including identifying any deficiencies and potential for growth to meet identified needs where appropriate;
- Assess potential site opportunities in and on the edge of existing centres;
- Allied to the above, make recommendations on the appropriateness of town centre boundaries including primary shopping areas and primary; and
- Recommend appropriate retail planning policies for the new local plan, including a local threshold for retail impact assessments.

1.4 LBB's existing town centre hierarchy is shown in Table 1.1 below.

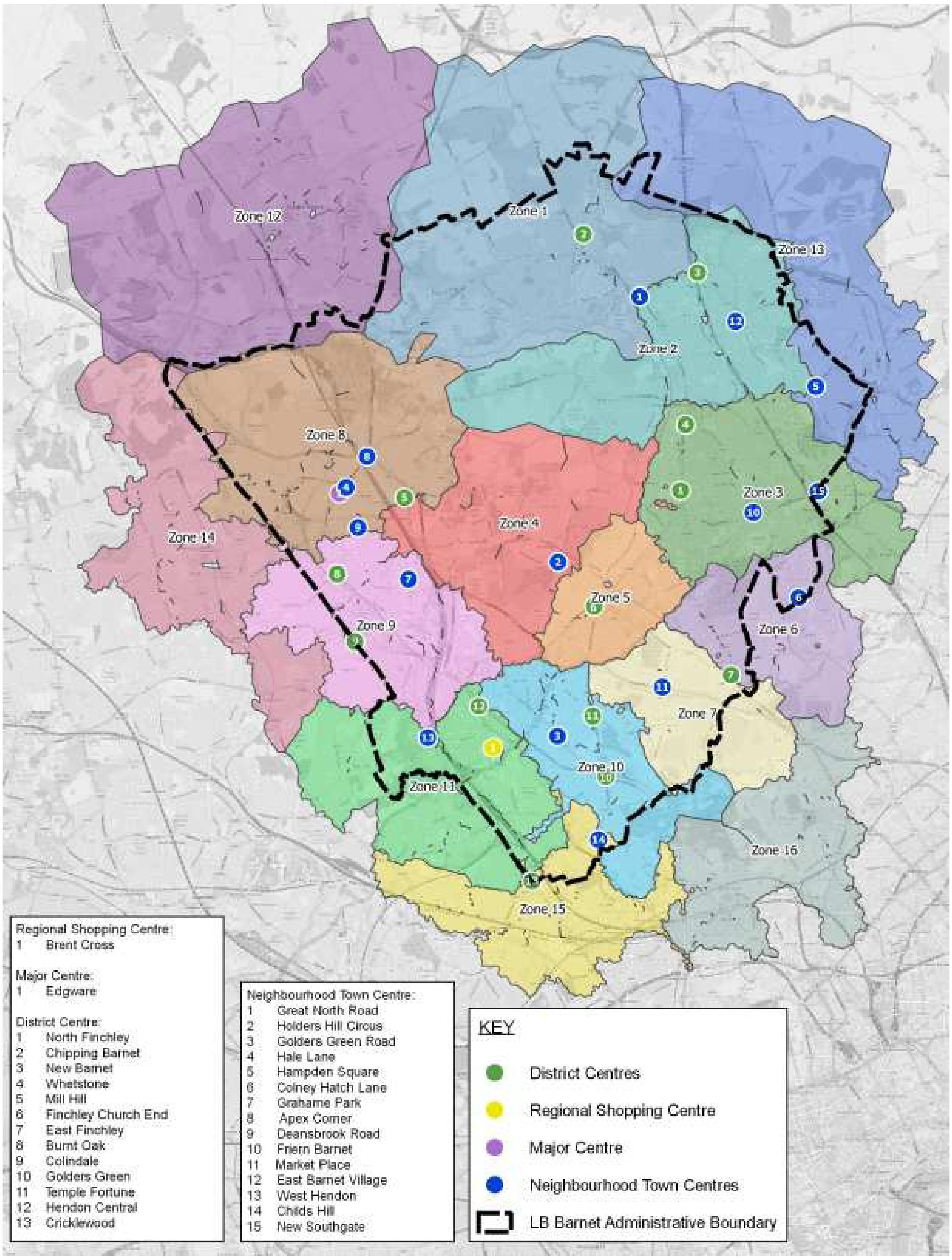
Table A Current town centre classifications

Classification	LBB town centres	Floorspace (sq.m gross)	Types of uses
International	-	Over 100,000	Globally renowned retail destinations with a wide range of high-order comparison goods.
Metropolitan	-	At least 100,000	Significant proportion of high order convenience goods in addition to leisure and service floorspace.
Major	Edgware	50,000	Retail, leisure and service floorspace with a relatively high proportion of comparison goods.
District	Brent Street Burnt Oak (partly within LB Brent and LB Harrow) Chipping Barnet Church End, Finchley Colindale - The Hyde (partly within LB Brent) Cricklewood (partly within LB Brent) East Finchley Golders Green Hendon Central Mill Hill North Finchley New Barnet Temple Fortune Whetstone	10,000 – 50,000	Retail, leisure and service floorspace with some specialist retail.
Neighbourhood/local	Apex Corner Childs Hill Colney Hatch Lane Deansbrook Road East Barnet Village Friern Barnet Golders Green Road Grahame Park Great North Road Hampden Square Hale Lane Holders Hill Circus Market Place New Southgate West Hendon	-	Small supermarket (up to 500sq.m), post office, pharmacy, laundrette and other local services.

Source: Table A2.1, the London Plan (2016)

1.5 A new household telephone survey of 1,600 respondents over 16 zones was undertaken to identify patterns of comparison and convenience retail and leisure spending. The study zones are similar to those surveyed in the 2008 household survey which also allows us to assess how the performance of LBB centres has changed over the last nine years. The catchment area, study zones and location of existing town centres are shown in Figure 1.1 below.

Figure A Study area and study zones



Source: PBA (2017)

1.6 The key findings of the analysis of spending patterns are as follows:

- LBB has a strong comparison retention rate; 69% of comparison expenditure is retained within the borough;
- The main competing comparison destinations across LBB are Watford, Borehamwood and Enfield;

- Brent Cross remains the dominant comparison shopping destination in study area although its performance has stayed relatively stable since 2008;
- The performance of North Finchley as comparison destination has improved significantly since 2008;
- The performance of Edgware as comparison destination has improved significantly since 2008;
- LBB has a strong convenience retention rate; 74% of convenience expenditure is retained within the borough; and
- LBB residents are well served by the existing network of centres in the borough which largely meet local residents needs for convenience shopping.

Recommendations

Need

1.7 In calculating retail needs, the study has considered both a constant market and increased market share scenario; the latter reflects the role the substantial commitment at Brent Cross will have on shopping patterns. While the commitment at Brent Cross has been expected to come forward for some years, it is reasonable to expect it will be realised in the medium term. On this basis, we consider the increased market scenario to be the most robust basis upon which to plan.

1.8 Under this scenario, capacity only begins to emerge after 2021. We recommend that the outputs to 2026 should be used as a guide and that capacity identified thereafter treated as indicative. Our health checks of the centre have not identified any substantial deficiencies in the existing network of centres. To ensure this remains the case, LBB should seek to ensure that retail development is focused to existing centres to enable the consolidation of space that is not fit for purpose rather than allocating additional sites.

1.9 In convenience terms, there is no quantitative requirement for LBB to plan for any new floorspace over the plan period (to 2036). This is because any additional expenditure growth is as a result of population growth and, while this does generate an increase in available convenience spending across the study period, this is more than absorbed by the convenience commitments. However, it is recognised that as there is substantial housing growth planned, including the creation of new neighbourhoods and in those instances, planning for some small-scale convenience provision may be warranted. However, LBB should seek to ensure that these uses are concentrated rather than scattered across developments. This will improve prospects for commercial space being let to operators. The risk of approving ancillary commercial space as part of larger developments is that the specifications can be unsuitable for operators, either in terms of configuration and/or location and can result in vacant units.

Town centres strategy

1.10 Periphery or under-performing areas in the centres can either be released from retail use, or redeveloped to ensure that the core of the town centres perform better, improving their overall performance. LBB should consider such applications on their merits and provided there will not be a significantly adverse impact on the health of the centres through loss of viable existing uses, such applications should be supported, particularly where redevelopment may increase footfall in town centres through new residents or workers. While it is recommended that LBB should support such applications, in doing this they should also have regard to the fabric of the town centres and should therefore treat applications for development away from retail uses in any defined primary shopping area with some caution.

1.11 In relation to leisure uses, A3-5 uses are identified as accounting for the main proportion of leisure expenditure. The study has highlighted that all of the major and district centres would benefit from improvement to the leisure offer; LBB should therefore treat any applications received positively.

1.12 Gambling, betting and payday loan shops are a common feature of town centres and a number of centres in the borough include these uses. While we have not considered these in detail as part of this commission because they do not raise any explicit concerns against the PPG health check indicators, it is acknowledged that such uses can have negative health implications for those using these services. LBB could consider imposing Article 4 directions to control their presence in the borough; however, this would need to be underpinned by separate evidence.

1.13 Finally, we note that in a number of the borough's centres, there are active town teams which are promoting the role of those centres. In light of the shift in retail trends towards digital retailing, it is recommended that LBB should seek to promote the digital technologies in order to futureproof town centres from increasing competition by continuing to drive footfall and offer a seamless shopping and leisure experience.

Local impact floorspace threshold

1.14 Finally, LBB currently have a 500 sqm local impact threshold in place through the supporting text in its Development Management DPD. On the basis that this threshold applies to all orders of allocated centres in the borough which include a number of smaller local centres, PBA agree that this threshold should be retained but it is recommended that it should be enshrined in a specific policy rather than in supporting text.

General conclusions

- The average of all LBB district centres in comparison to the UK national average reveals that the general pattern is for a higher level of convenience (16.7% compared to 9.4%) and service provision (54.1% compared to 38.2%). This is consistent with – though higher than - national trends which have seen gradual increases in both convenience retail and service provision.

- Comparison retail provision on average in the borough is lower than the UK average (23.6% compared to UK average of 39.1%).
- The average level of vacancies in LBB's district centres (6.8%) is approximately half the current UK national average (12.1%).
- The largest district centres (Chipping Barnet, Cricklewood, Burnt Oak, Finchley Church End, North Finchley and Golders Green) are at the upper end of the scale of the London Plan's identified criteria for a district centre, and service a wider catchment, including in a number of cases from neighbouring boroughs.
- A common thread amongst all district centres in the borough is the level of convenience retail provision being well above the UK average and the level of comparison retail being well below the UK average, reflecting the national trends and the configuration of units within these centres.

1.15 In relation to commercial leisure uses:

- Food and drink uses (A3-A5) uses account for a significant amount (approximately 77%) of total leisure spending growth in LBB. The quantitative food & drink assessment indicates that there is sufficient expenditure capacity in LBB to support an additional 4,120 sq.m Class A3-A5 floorspace up to 2021.
- The survey results suggest that the introduction of night tube and ride sharing services has not had a significant impact on evening leisure spending patterns in LBB.
- Spending on recreational and sporting services accounts for 12% of total leisure spending growth in LBB.
- Spending on cinemas and theatres accounts for 5% of total leisure spending growth in LBB. LBB is currently served by three cinemas and the experiences a high level of expenditure leakage (57%). The cinema screen capacity assessment suggests there is capacity to support an additional 10 screens up to 2021 in LBB, equivalent to a large multiplex cinema or up to five boutique cinemas.
- The Brent Cross development will account for a significant element of the indicated capacity, however there may be potential for localised boutique style cinemas at the major and larger district centres dependent on occupier interest. Existing cinema provision is focused in the east of the borough, additional provision should be encouraged in the west of the borough to improve current retention rates.

Centre-specific conclusions

Hierarchy of centres

1.16 In relation to the adopted town centre hierarchy, we recommend that LBB should closely monitor the performance of Brent Cross which is expected to attain metropolitan centre status in the future.

1.17 Understanding Brent Cross's evolving role will be an important consideration for the town centre hierarchy of the borough, not least because while it is likely to increase

Brent Cross's attraction, there are risks to nearby centres including Brent Street, Cricklewood and Hendon Central which will need to be closely monitored.

1.18 The health checks suggest that LBB should consider planning for a reduced role for Colindale – The Hyde as a current district centre which is performing a role more closely aligned with that of a local centre.

1.19 Conversely, there is extensive work underway to plan for growth at North Finchley. In addition, our health checks show that the centre is performing well both in quantitative and qualitative terms. On this basis, it may be appropriate to plan for North Finchley to achieve major centre status and as such, LBB should consider identifying the centre as a key location for accommodating any emerging capacity over the plan period, both in retail and leisure terms.

Brent Cross

1.20 Brent Cross is the foremost comparison shopping destination in north west London. The survey results have confirmed its extensive catchment area which has remained relatively unchanged despite improvements in the retail and service offer at Westfield London as the key competitor to Brent Cross.

1.21 While not currently a town centre, it is anticipated that during the period of the next plan, Brent Cross will attain metropolitan centre status. As part of this change, there will be substantial expansion which will absorb much of the identified need in the period to 2026. Indeed, the Brent Cross Cricklewood regeneration scheme accounts for nearly 80% of committed comparison space and over 60% of committed convenience space in the Borough.

1.22 Growth at Brent Cross, while absorbing quantitative capacity, should not be seen to preclude enhancement of other centres. We discuss this further below but particularly given the long lead-in times associated with delivering not just the enhancement of the main shopping centre (Brent Cross North) but also the scheme at Brent Cross South now being taken forward by Argent, it will be important for LBB to support improvements of nearby centres to ensure that they are best placed to compete with these new developments are they come on line and cater to the needs of new business and residents in the area.

1.23 If the development at Brent Cross does not come forward, the increased market share capacity figures outlined in Section 6 of the report become irrelevant being premised on a significant expansion to Brent Cross's existing function and attraction.

Edgware

1.24 Our health check identified that the centre is vital and viable. It has good representation from national multiples, including Marks and Spencer, which attract shoppers to the centre from the north western part of the borough. While the centre's comparison turnover is lower than North Finchley's despite that centre being smaller in overall terms, its location means that it primarily serves a different catchment, and their roles should be seen as spatially complementary.

1.25 There are a number of opportunities within the centre which if brought forward would assist in bolstering the role and function of Edgware, particularly if these developments were to enhance the centre's leisure and night-time economy, or provide larger-floorplate retail units which the centre is currently lacking. Notably, permission has now been granted on part of the Forumside, adjacent to Broadwalk Shopping Centre for mixed-use development to include a hotel.

1.26 There is a need for environmental improvements to improve circulation within the centre, to encourage shoppers out of the Broadwalk Shopping Centre into the rest of Edgware.

District centres

1.27 Our analysis shows that Chipping Barnet, Cricklewood, East Finchley, Golders Green, Mill Hill, North Finchley, Temple Fortune and Whetstone are vital and viable. Specifically:

- Chipping Barnet: the centre is healthy and is fulfilling its role as a district centre in the hierarchy. The Spires Shopping Centre, which is in the process of being redeveloped/enhanced anchors Chipping Barnet, including a range of convenience (Waitrose) and comparison multiples, including fashion. In overall terms, the centre is attractive and accessible. The only concern noted was that vacancies have risen in the centre and therefore opportunities for reuse should be supported, including potentially considering alternative uses beyond retail or temporary meanwhile/pop up uses.
- Cricklewood: is one of the smaller district centres in the borough, but within it there is significant convenience floorspace, catering particularly to specialist/kosher needs. Like many of the borough's centre, its location on the main road means that the environment is very traffic dominated but there has been investment in the centre to improve the shop fronts and general streetscape. Opportunities to encourage non-town centre uses beyond the defined boundaries of the centre should be taken: the linear nature of the centre means that it sprawls along the main road; allowing changes of use away from retail and other town centre uses outside the defined frontages would assist on focusing the centre. While there is appears to be little in the way of crossover, the centre's health should be closely monitored as development progresses at Brent Cross
- East Finchley: the centre is performing well. The physical environment is high quality, characterised by good quality buildings and smaller units, and there are few vacancies, and while the convenience and comparison offer is could be improved, it is fulfilling its function as a district centre. The presence of a cinema in the centre is a significant strength and bolsters the town centre's leisure offer. While currently well-occupied, LBB may consider adopting a more flexible approach to the northern part of the centre which is some distance from the tube station to allow non-retail uses.
- Golders Green: the centre is highly accessible and has a notable level of convenience offer, including both multiples (Sainsbury's and Tesco) and independent stores (kosher/ethnic). It fulfils a predominantly day-to-day role,

including meeting service needs, including cafes and local restaurants, and as such, has little comparison offer because of its proximity to Brent Cross. There is scope to improve the quality of the existing offer through small reconfiguration and redevelopment opportunities. The development at Brent Cross, has the potential to have some impact on the centre; however, because the role and function of Brent Cross is long established, we do not consider that the current position of the centre's existing offer being largely complementary to Brent Cross will change. This complementarity should serve to insulate it from the more significant impacts from Brent Cross; however, investment in the centre should be encouraged to ensure that this remains the case. While there are few obvious larger scale opportunities, not least because vacancies are low, opportunities to reduce the prominence of traffic and improve usable public realm at the junction of Golders Green Road and Finchley Road should be supported.

- Mill Hill: the centre is performing well against the main indicators. While the convenience turnover of the centre is limited, pointing to underperformance in the in-centre Marks and Spencer; this is likely to be as a consequence of the proximity to Edgware and the larger, competing foodstores located there. Similarly, while there are a number of national multiples, including food and drink operators, the function of the centre remains that of a district centre with good public transport connections. There is evidence of recent investment and the household survey results indicate that while its attraction is largely confined to its home zone, it plays an important role in meeting local comparison shopping needs. The centre does have several long-standing vacancies, including as a consequence of bank closures. The proximity of the centre to the Saracens rugby stadium mean that there are some opportunities to capture the benefits on major inflows to the centre in terms of leisure provision; however, this would need to be balanced against the fact this is an occasional use and, if suitable sites became available in what is a constrained centre, any development should not compromise the role of Mill Hill as a district centre meeting local needs.
- North Finchley: is the main centre in the eastern part of the borough and it is recommended that it should be promoted to a major centre within the hierarchy. The household survey has shown the centre is a significant attractor of retail and leisure spending, with its comparison floorspace and turnover exceeding that of Edgware, and the presence of two foodstores within the centre generating significant convenience spending in the centre. The centre's food and drink offer is well established. However there has been limited recent investment in the centre, and there is potential for further improvement. The North Finchley Town Centre Framework SPD is currently being prepared and will provide further detail on how a number of the opportunity sites within the centre could be delivered to consolidate the centre's offer. This could include allowing the release of more peripheral sites for alternative uses, including residential, in order to focus offer and footfall as much as possible in what is a linear town centre.
- Temple Fortune: the centre has a diverse offer, including convenience anchor stores (Waitrose and M&S), reasonable comparison retailer representation and strong service offer. Vacancies are well below average. While the centre is

located on a busy road, it has a parade-type arrangement and the environment is improved by crossings and wide pavements. There are few development opportunities beyond continued upgrading of existing space which should be supported to ensure the centre continues to function as a district in the hierarchy.

- Whetstone: the town centre is anchored by the in-centre Waitrose and while there have been reductions to the comparison offer through the redevelopment of the Homebase, the centre's strengths remain its convenience and service offer. It has a pleasant environment, with good quality buildings and a tree-lined high street. However, its health should be closely monitored as the effect of office to residential development, including the loss of LBB as a significant employment in Whetstone, is likely to have change the profile of expenditure in the centre.

1.28 We identified that Burnt Oak, Finchley Church End, Hendon Central and New Barnet all have potential to improve their performance.

- Burnt Oak: the centre's comparison influence remains relatively local. While the centre has few vacancies and when visited appeared busy and well-used, there are significant qualitative deficiencies in its retail and service offer, which is dominated by low-value and unhealthy occupiers. By virtue of its location and the dominance of the Edgware Road, much of the centre's environment is challenging. While Watling Avenue has more scope for improvement, the present arrangement of many shops which extend their offer onto the pavement serve to reduce the overall perception of the centre. Opportunities should be taken to improve the centre's appearance; this could include shopfront upgrades and discouraging A5 uses which often present inactive daytime frontages.
- Finchley Church End: the centre's offer is focused on convenience, including an anchor Tesco store, and service uses. At present, the centre is performing adequately but could be improved. Therefore the performance of the centre should be carefully monitored: the centre has a number of office users within it which will have supported the convenience and service function of the centre but it is understood that some are subject to prior approval for conversion to residential. This may result in a different profile of shopper in the future as available daytime spending may reduce but conversely opportunities for enhancement to the night-time economy may arise.
- Hendon Central: although there is no clear anchor store, the centre includes a number of small-format foodstores; in comparison terms, there is little or no multiple offer which is likely to be as a consequence of its proximity to Brent Cross. Because of the scale of programmed investment at Brent Cross, it is not reasonable to expect the centre's comparison role to significantly improve over the plan period. However, it is clear that the centre fulfils an important role in meeting day-to-day needs of both residents and daily visitors. There has been investment to try to improve physical environment at the heavily trafficked Watford Way/Vivian Way junction, as well as frontage improvements. Furthermore, it is highly accessible and, as with Brent Street, the presence of Middlesex University in the area ensure that there is critical mass of available spending in the area.

- New Barnet: the presence of Sainsbury's as a large store in the town centre means it performs a strong convenience role and while this has not been bolstered as anticipated by the redevelopment of the former gas works site, opportunity will be created through the additional residential population and some additional town centre floorspace. By contrast, the comparison offer is limited and this means that the centre's role is in meeting lower order needs. The disjointed layout of the town centre as a result of the railway line means that while footfall to the Sainsbury's is high, the ability for spin off benefits to the rest of the centre are more limited. However, the centre is expected to fulfil a district centre role.

1.29 We identified Brent Street and Colindale – The Hyde as underperforming against the key health check indicators for the following reasons:

- Brent Street: while the centre is currently underperforming, including poor comparison provision, high number of takeaways, relatively high vacancy levels and poor quality streetscape, we see that there are sufficient opportunities, most notably the location of the university campus to the west of the centre, which could allow the centre's performance could be improved over the plan period. In Brent Street's case, policy support and investment will be particularly important as the impacts of the enhanced role of Brent Cross become felt. While we consider there is little overlap in function between the two locations, the proximity of Brent Cross and the large-scale residential and office development expected should be an opportunity for Brent Street to improve its role by capturing pass-by trade and local shopping.
- Colindale – The Hyde: the centre's service offer includes a large number of takeaways but is deficient in other respects such a few financial services. Similarly, although there is strong international convenience offer, the comparison retail offer is very poor and subject to out-of-centre competition from the retail park. The centre, while on a number of bus routes, does not have a tube station so is relative less accessible than other nearby centres. Additionally, the centre's environmental condition is poor and its location on the main road mean that opportunities for enhancement are constrained. At present, the centre is not performing a district centre role and it is recommended that in discussion with LB Brent, within which the western part of the centre is located, the centre is downgraded to a local centre.

Local and neighbourhood centres

1.30 Turning to the local and neighbourhood centres, we concluded that the vast majority (13) were either performing well or tolerably against the key indicators given their position in the hierarchy. Only two centres were identified as underperforming.

1.31 East Barnet Village, Friern Barnet Village, Great North Road, Holders Hill Circus, Market Place and Colney Hatch Lane are vital and viable local/neighbourhood centres. We concluded that Apex Corner, Childs Hill Heath, Deansbrook Road, Golders Green Road, Hale Lane, Hampden Square, New Southgate were performing their role adequately. In the case of all these centres, small-scale improvements, including public realm and streetscape to reduce the dominance of traffic, to the centres should be supported, particularly in those identified as performing adequately.

Grahame Park and West Hendon are currently underperforming. In the case of Grahame Park, this is currently undergoing redevelopment and there is a longer-term programme of estate renewal in place which is likely to improve the centre during the plan period. West Hendon suffers from poor quality offer and high vacancies; while it is recommended that the centre should remain designated, there may be opportunities through the planning application process to shrink the frontages of what is a linear local centre on a busy road.