

Lewisham Planning Service



Town and District Centres Retail Report 2014 Part I: Issues and trends

February 2015

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1 Introduction

1.1 The Town and District Centre Survey

1.1.1 Lewisham Borough Council undertakes an annual survey of the town and district centres within the Borough:

- Lewisham
- Catford
- Blackheath
- Deptford
- Downham
- Forest Hill
- Lee Green
- New Cross / New Cross Gate
- Sydenham

1.1.2 The 2014 survey took place in August 2014. The survey recorded the name and use of each ground floor unit within each of the town and district centres.

1.2 The Town and District Centre Retail Report

1.2.1 The Town and District Centre Retail Report analyses the data gathered from the Town and District Centre Survey.

1.2.2 The report is split into two sections; part I and part II:

- Part I is a topic-based summary analysis of the key issues facing centres in the Borough.
- Part II individually presents the full data for each centre, including a brief analysis of use classes within each centre. Part II also repeats the key findings in Part I in order to present them by centre name as opposed to by topic.

1.3 Part I: Retail Issues and Trends

1.3.1 Part I identifies the topical retail issues facing town centres in the Borough, and analyses the trends relating to those issues.

1.3.2 The issues that have been identified are based on concerns that have been raised in relation to town centres and retail by local people, by local elected members, by central government, and by national media:

- Vacancy rates;
- The proportion of units within town centres that are in use as A1 units (shops), as opposed to other uses such as food, entertainment, and services;
- The number of betting shops in centres;

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- The number of takeaways in centres;
- The number of public houses in centres.

1.4 Part II: Centre Analysis

1.4.1 Part II of the report is arranged by centre. The full survey data is presented for each centre in table format.

1.4.2 Analysis is also undertaken regarding uses classes and business types. For each centre the following analysis is undertaken:

- The proportion of units by use class is identified in a pie chart;
- The change in the proportion of units by use class over the time period 1993 – 2014 is identified on a line chart;
- The adherence to local plan targets relating to the percentage of primary shopping units in A1 use and the percentage of all units in A5 use;
- The number of units categorised by use class and sub-categorised by business type is presented in a table..

1.4.3 The key findings from Part I are also repeated in Part II, in order to present them by centre name as opposed to by topic.

2 Vacancy rates

2.1.1 Vacancy rates are the most immediate indication of a struggling town centre, however the majority of centres within the Borough are faring well compared with the national and regional statistics.

2.2 Vacancy rates

2.2.1 The national mean vacancy rate is currently estimated to be 11.8%, with the London vacancy rate estimated at 7.8%¹. The mean vacancy rate for the Borough's two major town centres and the seven district centres compares favourably, being 7.3% in 2014 (figure 1).

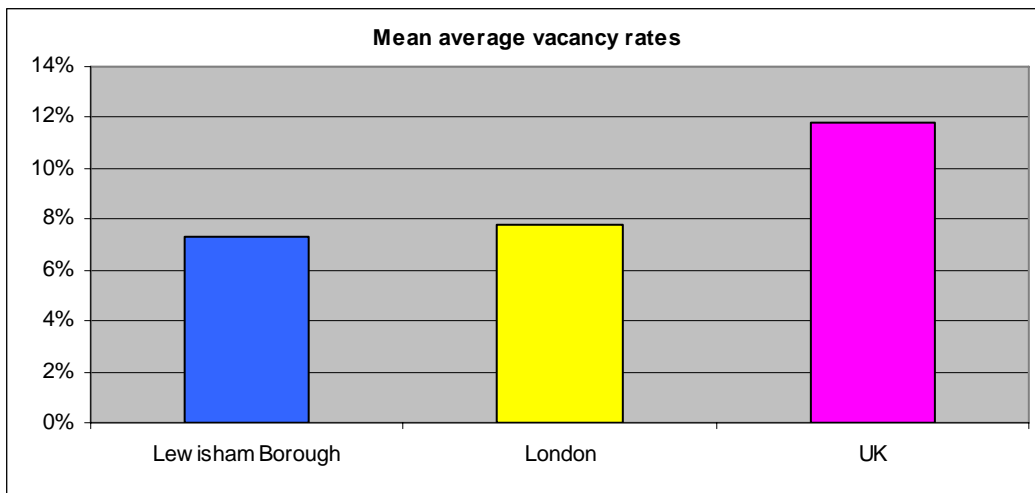


Figure 1 Mean average vacancy rates locally, regionally and nationally

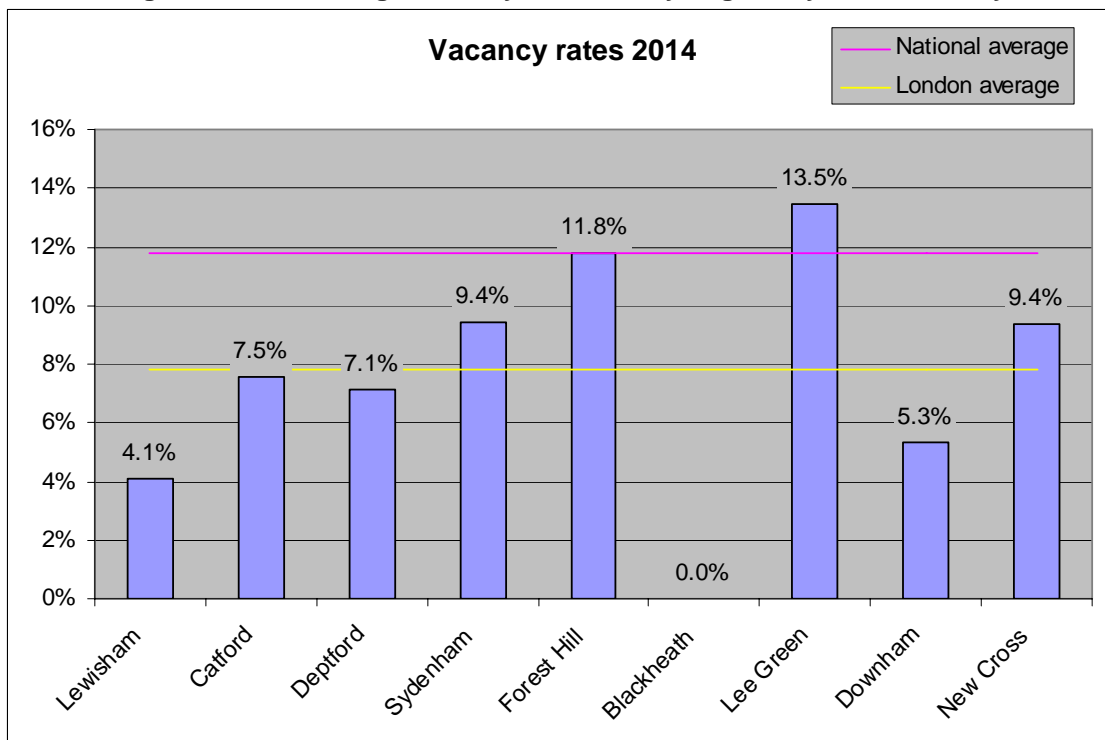


Figure 2 Vacancy rates in Lewisham Borough

¹Vacancy Report Summary H2 2014, Local Data Company, February 2015

2.2.2 Figure 2 compares each of the Borough's retail centres with each other, and with the regional and national averages.

2.2.3 The Borough's two major town centres, Lewisham and Catford, outperform the national and regional averages; with the two centres having vacancy rates of 4.1% and 7.5% respectively.

2.2.4 Amongst the district centres, Blackheath stands out as particularly a strong performer, with no vacant units at the time of the survey.

2.2.5 Sydenham, Forest Hill and Lee Green have vacancy rates higher than the regional average, with Lee Green's also being higher than the national average.

2.2.6 Based on the data outlined above, Lee Green district centre is the centre in the Borough which stands out as having notably high vacancy rate, being significantly higher than the London average, and higher than the national average.

2.3 Vacancy rate trends

2.3.1 The vacancy rate of a town centre can also be judged against rates of previous years, to identify if centres are in ascent or decline.

2.3.2 The average figures for the Borough are encouraging, showing a significant reduction in the proportion of vacant units found in the town and district centres since the beginning of the survey. Vacancy rates have improved markedly since the financial crisis of 2008, in 2013 reaching the lowest level since our survey began 20 years ago. There has been a slight increase in vacancy rates between 2013 and 2014, however the increase does not currently appear significant.

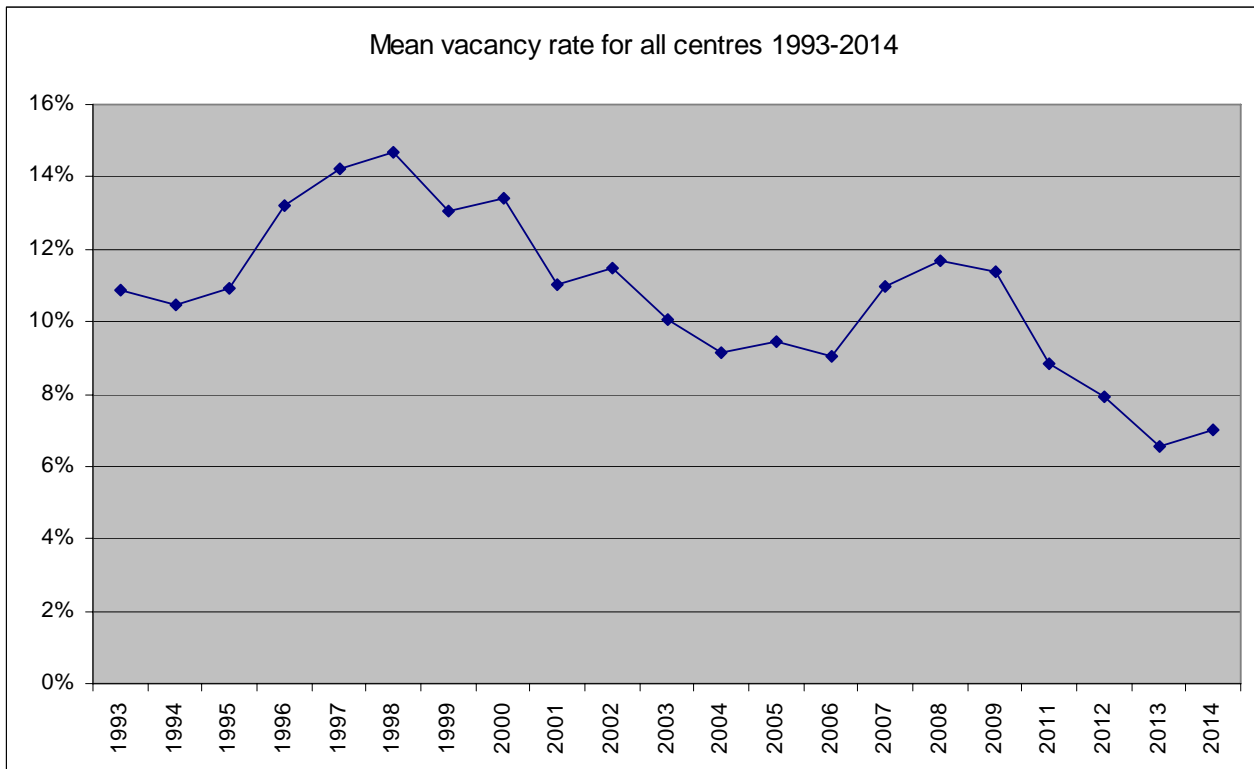


Figure 3 Mean vacancy rates for all centres 1993-2014

2.4 Vacancy rate trends

2.4.1 The majority of centres have seen vacancy rates dropping or remaining stable over a six year period.

2.4.2 Only Downham has ended the six year period 2008-2014 with a higher vacancy rate than it began, rising from 2.8% to 5.3%, however the vacancy rate has improved between 2013-2014, and is now the third lowest in the borough.

2.4.3 Lewisham and Blackheath centres are notable for having significant reductions in vacancy rates over the period, with Blackheath now having no empty units.

2.4.4 Catford is notable for experiencing a significant increase in vacancy rates between 2013-2014, with the rate increasing from 3% to 7.6% in one year.

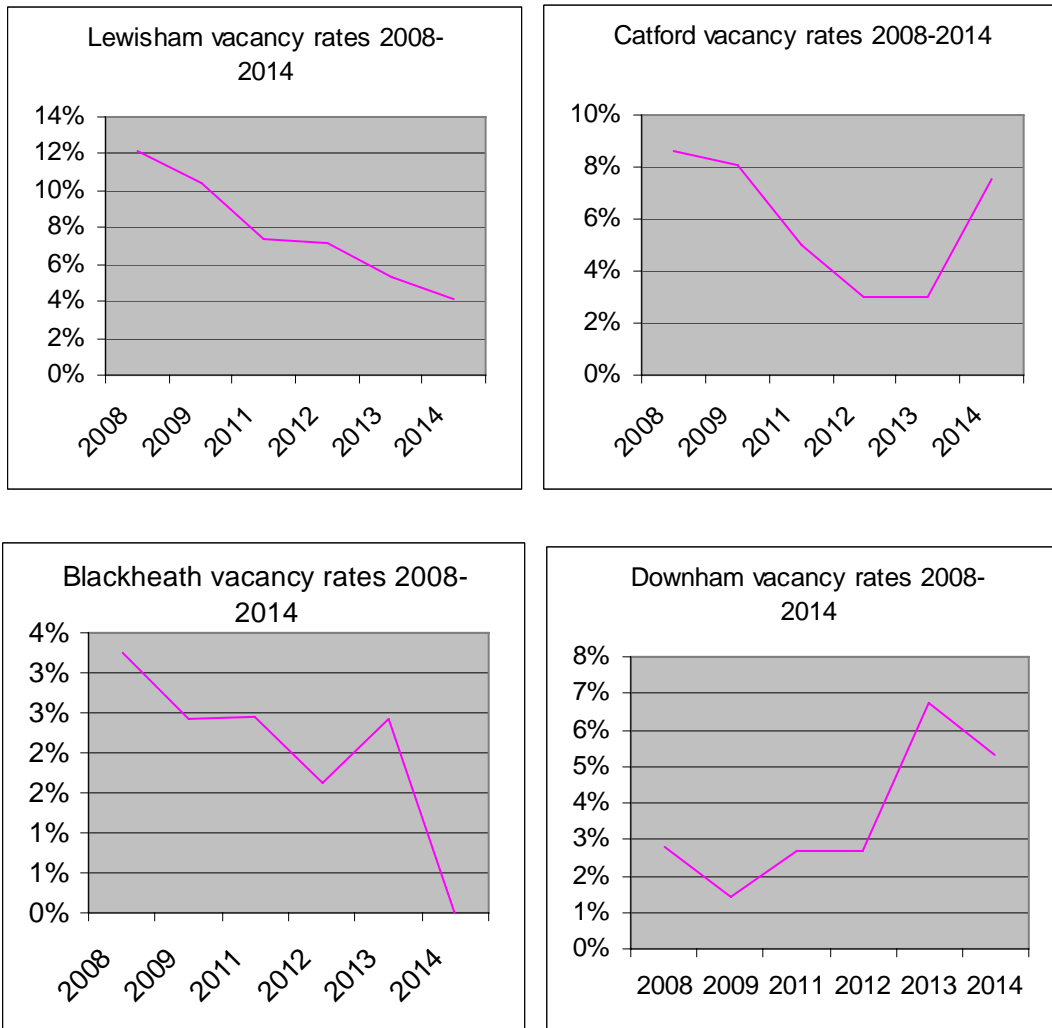


Figure 4 Vacancy rates for Lewisham, Catford, Blackheath and Downham

2.4.5 Lee Green is the only centre which has seen a sustained increase in its vacancy rate over the entirety of the 20 year period (figure 5). The general trend for increasing vacancy rates in this district centre is likely to be associated with the planned redevelopment of the Leegate Centre.

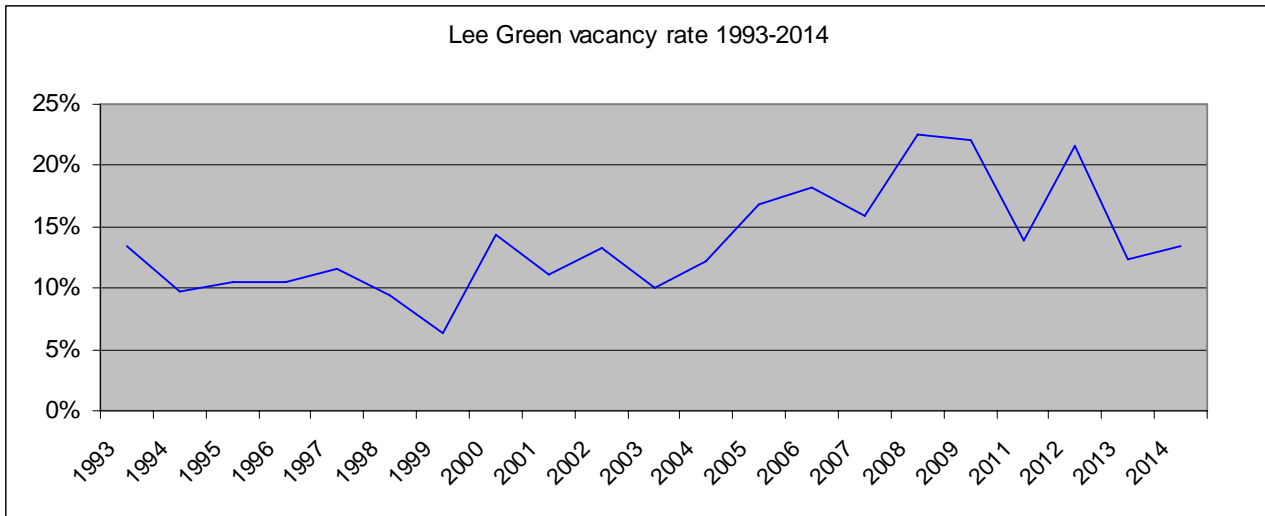


Figure 5 Vacancy rate for Lee Green 1993-2014

3 Proportion of units in A1 use

3.1.1 Town and district centres are traditionally considered to be primarily shopping destinations, with additional ancillary functions such as banking, food, drink, and other services playing a supporting role in the vitality of a centre.

3.1.2 Concerns are raised if the proportion of shops (use class A1) drops in a centre, as this may result in the centre losing its ability to meet the retail needs of the local population. With this in mind, the Development Management Local Plan, alongside the Lewisham Town Centre Local Plan, set a target of 70% of units within the primary shopping frontage of each centre to be in A1 use.

3.2 A1 uses in primary frontages

3.2.1 The majority of centres fail to meet the target of 70% A1 units in the primary shopping frontages. Only Lewisham, Deptford and Downham exceed the target. Catford and Blackheath are within 10% of the target.

3.2.2 Forest Hill and Lee Green both have less than 50% of primary shopping frontage units in A1 use, and therefore there it appears that the primary shopping frontages of these centres no longer have a predominantly retail function.

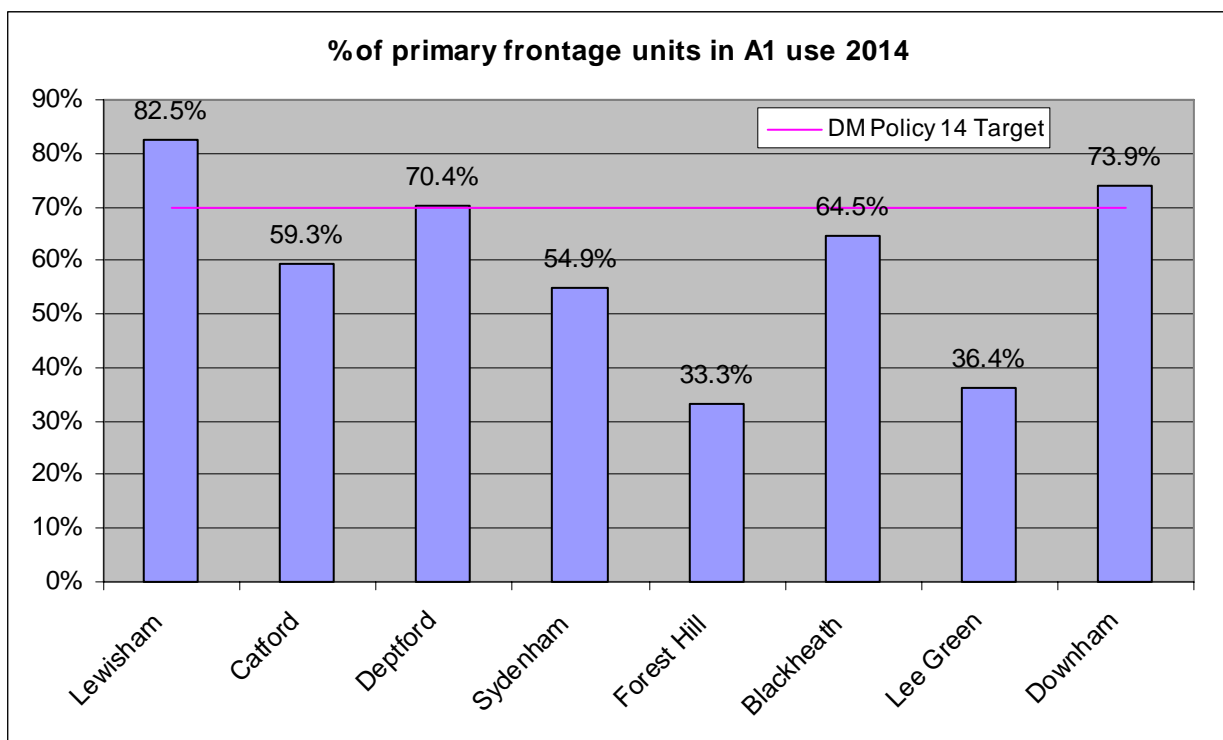


Figure 6 Percentage of primary frontage units in A1 use 2014

3.3 A1 and other uses long term trends

3.3.1 The proportion of units in A1 use in all town and district centres (primary, secondary and other frontages) has gradually decreased from 58% in 1993 to 51% in 2014 (figure 7). During the same period A2 uses (such as banks, betting shops and high street solicitors) have increased from 9% to 15%, and A3/A4/A5 uses (restaurants, cafés, pubs and takeaways) from 13% to 18%.

3.3.2 The shift in uses within the centres has been gradual and fluctuating, therefore the loss of A1 units is not considered to currently pose a threat to the Borough’s centres as a whole.

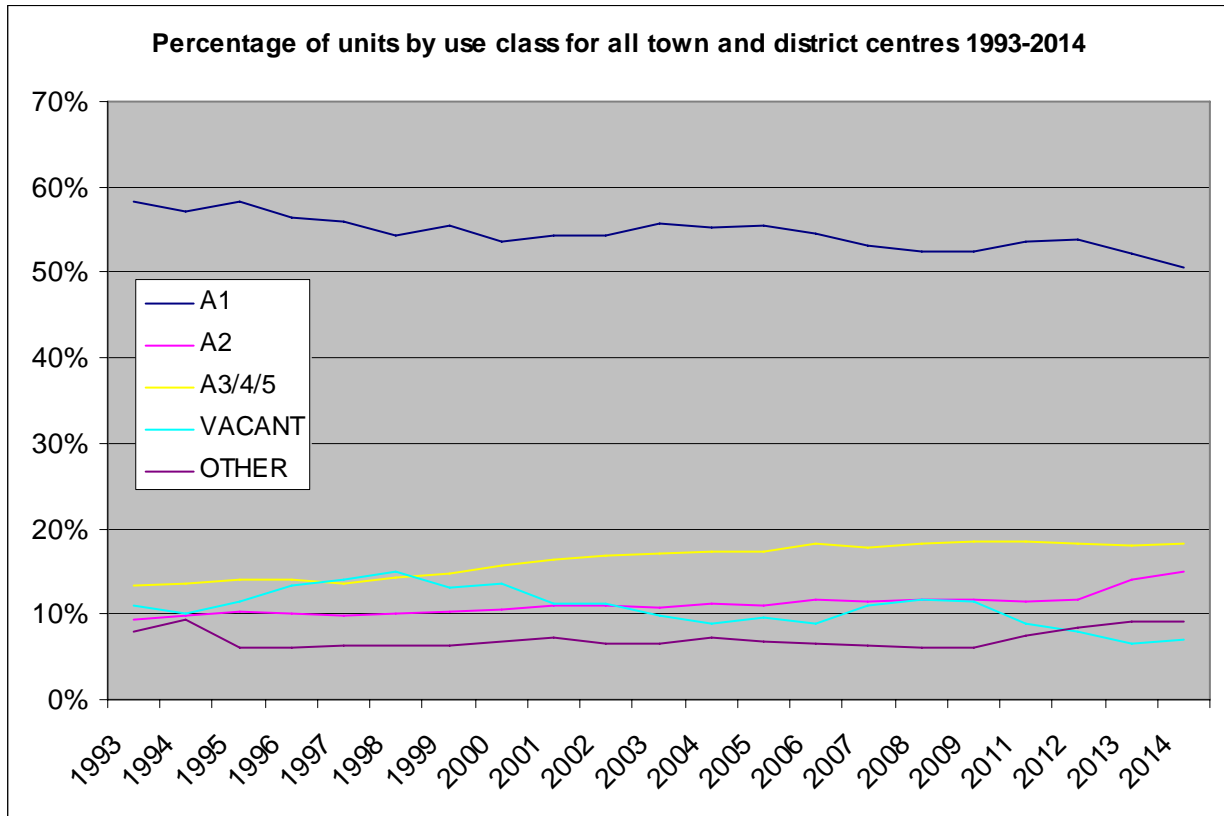


Figure 7 Percentage of units by use class 1993-2014

4 Betting shops

4.1.1 There are currently well publicised concerns that there is a proliferation of betting shops on the nation's high streets, and it is perceived by many that this is having negative consequences for town centres.

4.2 Betting shop trends

4.2.1 The local data shows that there was a notable increase in the number of betting shops within the Borough's town centres in the period succeeding the liberalisation of gambling licensing via the Gambling Act 2005. The total number of betting shops within the borough's town centres increased from 19 in 2004 to 31 in 2009 (figure 8).

4.2.2 The rate of increase has slowed between 2009 and 2014, however there remains an upward trend in the number of betting shops in the borough's centres. Two additional betting shops opened between 2013 and 2014.

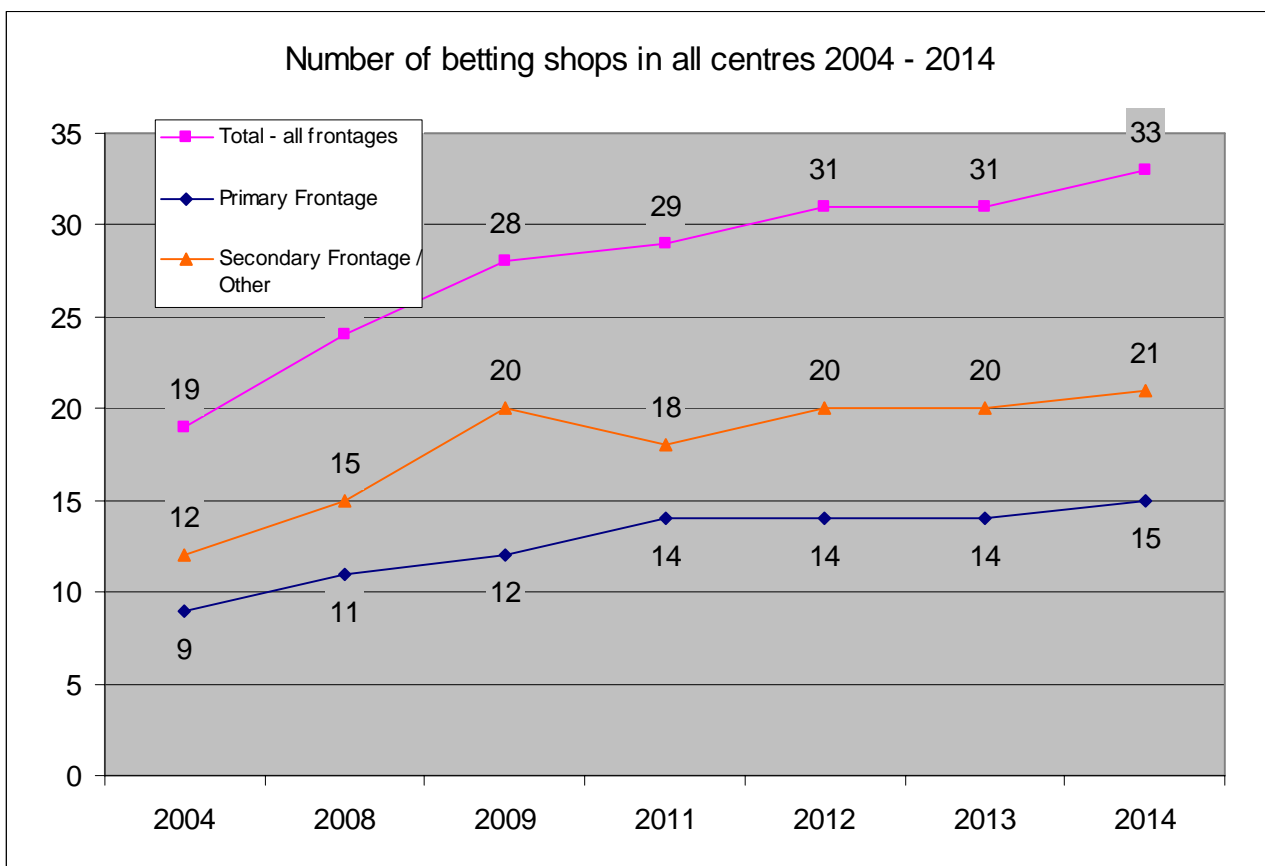


Figure 8 Number of betting shops in all centres 2004-2014

4.3 Betting shops trends

4.3.1 The data for individual centres shows a general split between the three largest centres – Lewisham, Catford and Deptford which have generally experienced significant increases in the number of betting shops, and the remainder of the smaller centres (table 1 and figure 9).

4.3.2

	2004	2014	Gain / loss
Lewisham	3	8	5
Catford	4	6	2
Deptford	4	7	3
Sydenham	3	4	1
Forest Hill	1	2	1
Blackheath	1	1	0
Lee Green	2	2	0
Downham	1	3	2
Total	19	33	14

Table 1 Number of betting shops for each centre, 2004 and 2014

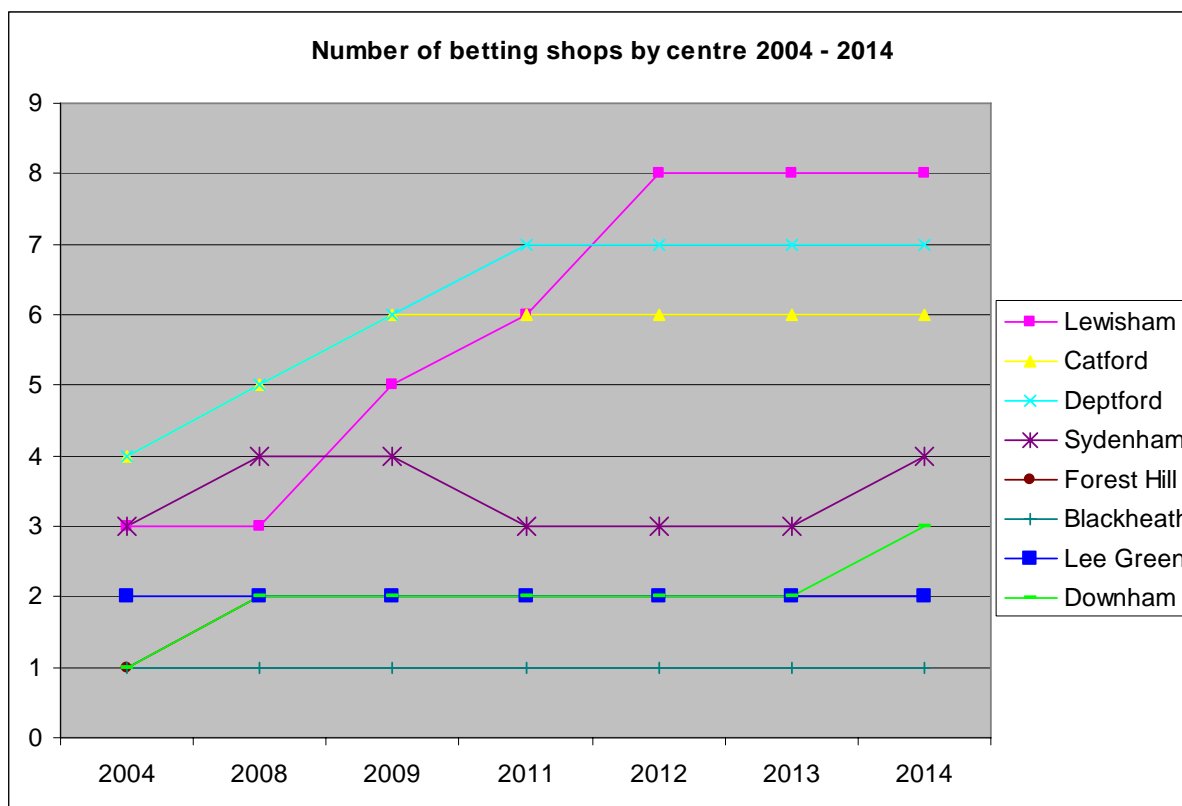


Figure 9 Number of betting shops for each centre 2004-2014

4.3.3 Bookmakers have generally focused on the larger centres within the Borough, with Lewisham and Deptford both experiencing a notable influx of new gambling establishments.

4.3.4 The smaller centres have generally experienced less of an increase in bookmakers, however both Downham and Forest Hill have seen one new unit open in the past year. It is also notable that Downham has experienced a threefold increase in the number of bookmakers in the period 2004 to 2014, increasing from 1 unit to 3.

5 Takeaways

5.1.1 There have been recent concerns regarding the number of takeaways in the Borough, and their potential health consequences. These concerns have led to the inclusion of DM Policy 18 in the Development Management Local Plan (adopted November 2014). This policy seeks to limit the number of takeaways in major and district centres to 5% of the total number of units.

5.2 Takeaway trends

5.2.1 The number of takeaways in the Borough's centres increased by 2 units in the period 2013-2014. This follows a 5 unit increase in the period 2012-2013, and a period of zero net increase in the number of takeaways over the three year period 2009-2012.

5.2.2 Over the longer period 2008-2014 there has been a net increase of 10 takeaways in all of the Borough's centres.

5.2.3 Therefore the perception that the number of takeaways in the Borough is increasing is correct. It is too early to comment on the success of DM Policy 18, as the policy was formally adopted after the 2014 survey was carried out.

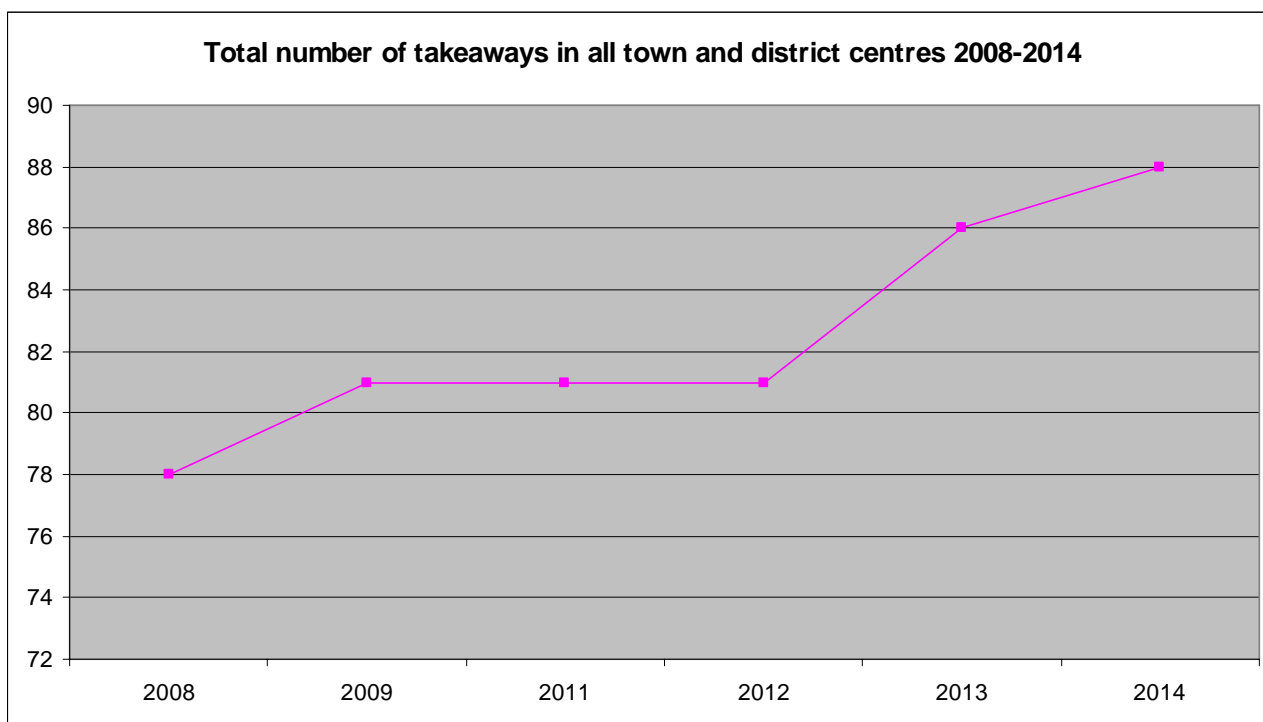


Figure 10 Total number of takeaways in all of Lewisham Borough's town and district centres 2008-2014

5.3 Takeaway trends

5.3.1 The survey data shows the number of takeaways decreased in three centres over the period 2008-2014, remained the same in one centre, and increased in five centres (table 2 and figure 11).

5.3.2 Catford, Deptford and Downham experienced significant increases over this period, all possessing four more takeaways in 2014 than in 2008.

5.3.3 Lewisham, Forest Hill and Blackheath all saw a decrease of one unit over the period.

5.3.4 The experiences of different centres demonstrates that the increase in takeaway units is not consistent over all centres.

Number of takeaways by centre

	2008	2014	Gain / loss
Lewisham	19	18	-1
Catford	12	15	3
Deptford	13	16	3
Sydenham	8	11	3
Forest Hill	14	13	-1
Blackheath	2	1	-1
Lee Green	4	5	1
Downham	6	9	3
Total	78	88	

Table 2 Number of takeaways for each centre, 2008 and 2014

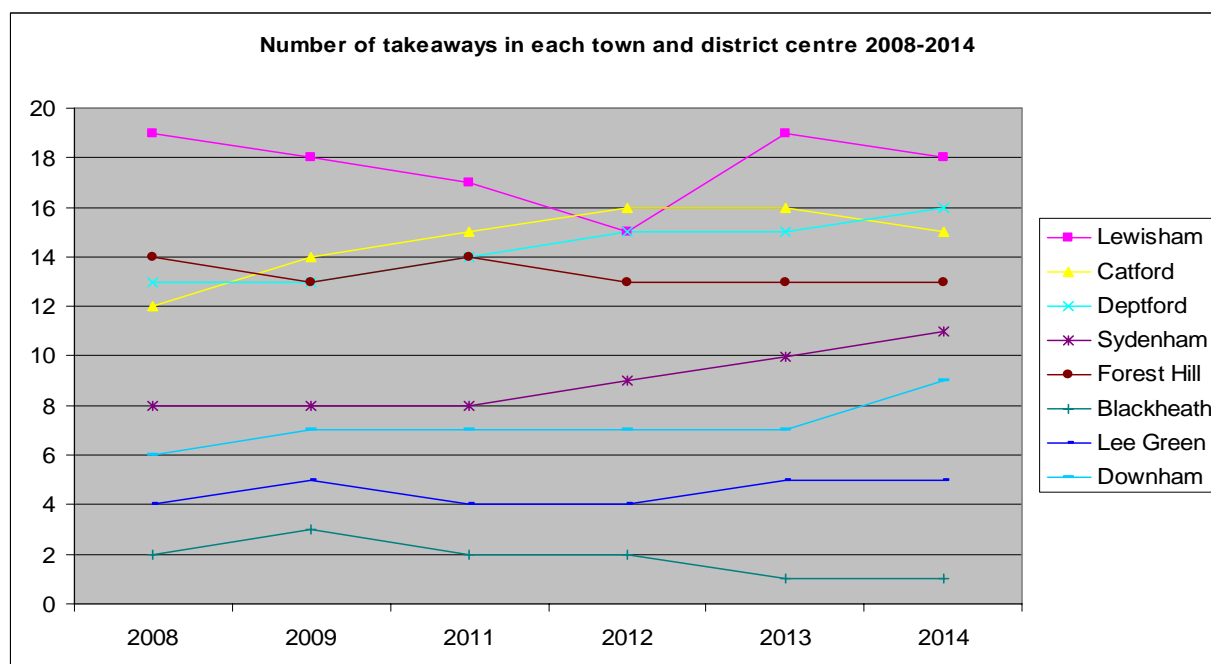


Figure 11 Number of takeaways for each centre 2008-2014

5.4 Takeaways: Proportion of commercial units in A5 use

5.4.1 The data has been analysed to calculate the percentage of all units in each centre that are in takeaway use. This analysis shows that every town and district centre fails to meet the DM Policy 18 target of a maximum of 5% units in takeaway use, with the exception of Blackheath (figure 12).

5.4.2 The data shows New Cross and Downham to be significantly over the target, with Catford and Forest Hill also having a notably high percentage of takeaway units.

5.4.3 The adoption of DM Policy 18 will not necessarily see a reduction in the percentage of units used as takeaways in each of the centres, as the policy can only be applied to proposals for new takeaways, and cannot be used to regulate existing takeaways. However, the application of the policy should curtail the further growth of takeaways in eight out of the nine centres.

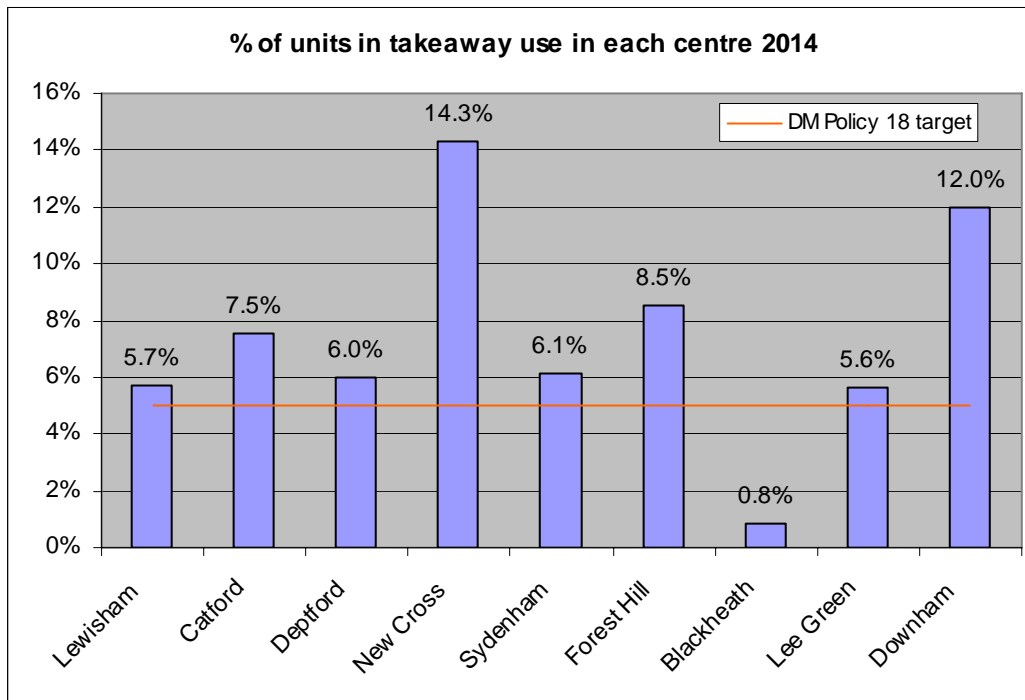


Figure 12 Percentage of units in takeaway use in each centre 2014

6 Public houses and bars

6.1.1 Public houses are considered to be community and recreational facilities, and the recent national decline in the number of public houses has been met with consternation.

6.1.2 Lewisham’s planning policies seek to protect community and recreational facilities, however public houses may still be lost where permitted development rights exist, or where the public house use is no longer viable.

6.2 Public house long term trends

6.2.1 The long-term data shows there has been a loss of 13 pubs and bars in the Borough’s centres during the period 2004-2014 (figure 13).

6.2.2 Every centre except Blackheath has experienced a loss of pubs during the period (table 3).

6.2.3 The losses range from one to three units in the various centres, aside from Lewisham centre which has seen a significant loss of six pubs.

6.2.4 Downham is unique in that it has possessed no pubs during the survey period.

Number of pubs/bars in each town and district centre 2004-2014

	2004	2014	Gain / loss
Lewisham	11	5	-6
Catford	7	4	-3
Deptford	6	5	-1
Sydenham	5	3	-2
Forest Hill	6	5	-1
Blackheath	4	5	1
Lee Green	4	3	-1
Downham	0	0	0
Total	43	30	-13

Table 3 Number of pubs/bars in each centre 2004 and 2014

6.3 Public house short term trends

6.3.1 The short-term data shows no overall loss of pubs and bars in the Borough's centres in the period 2011-2014 (figure 13).

6.3.2 Lewisham and Catford town centres have experienced a loss of one pub in this period, however this has been balanced out by a gain of one pub in Forest Hill and Blackheath (figure 14).

6.3.3 The short term data therefore shows promising signs that the decline in the numbers of public houses and bars may be subsiding, however it is too early to state this with any certainty.

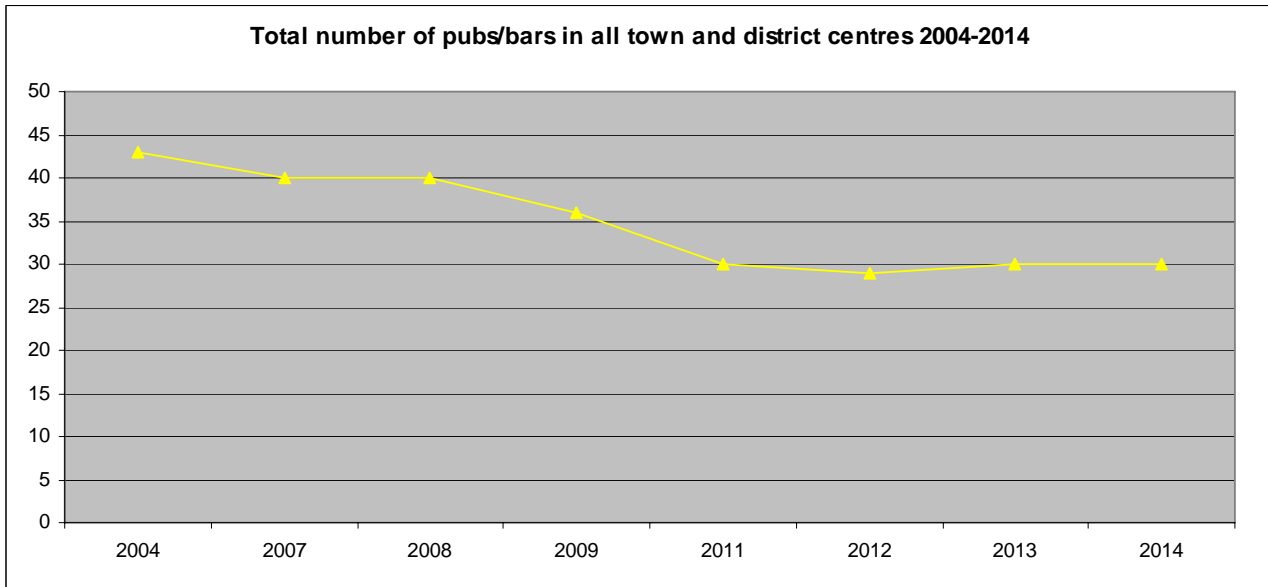


Figure 13 Total number of pubs/bars in all town and district centre 2004-2014

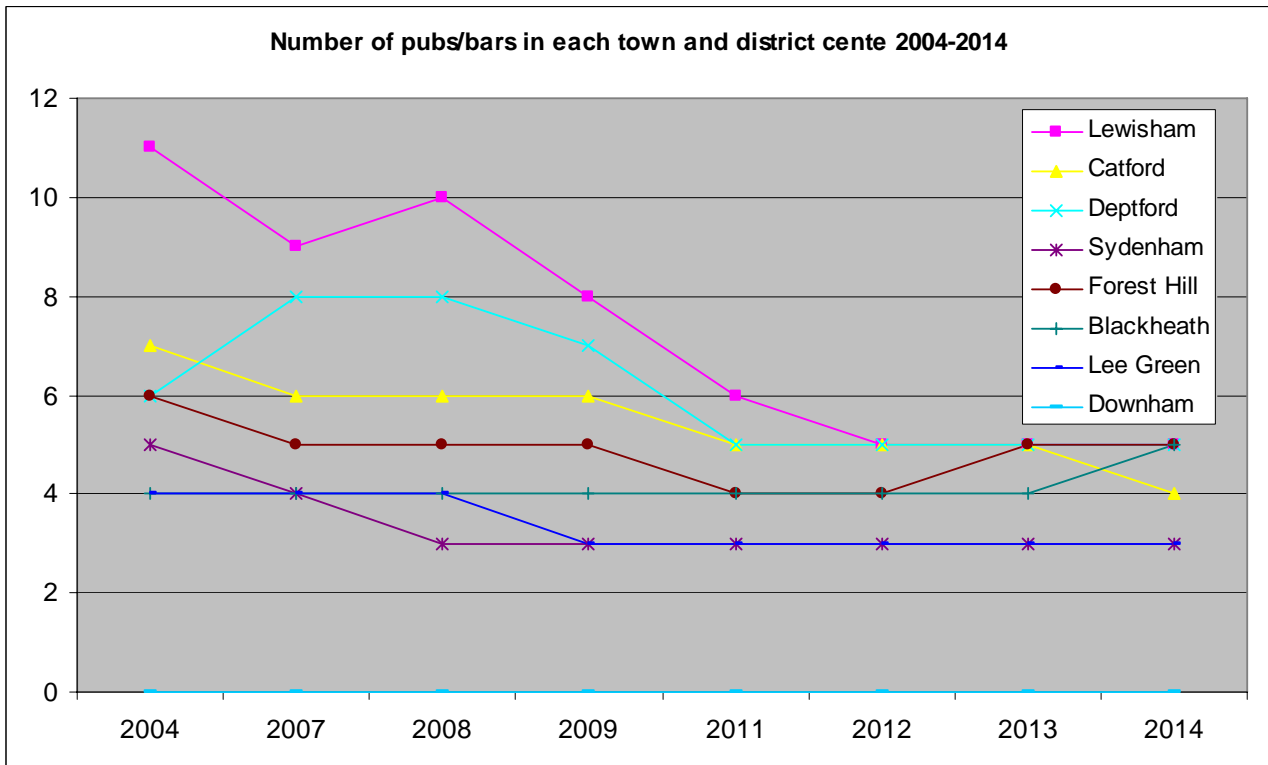


Figure 14 Number of pubs/bars in each centre 2004-2014

7 Summary

- 7.1.1 The Borough's town centres are generally in good health, and are not suffering from the type of rapid decline discussed recently in the national media.
- 7.1.2 Vacancy rates in the Borough are low compared with the national and regional averages, and furthermore the trend is for improving vacancy rates over the past six years in the majority of centres.
- 7.1.3 There is a concern for the Borough's centres as a whole regarding the low proportion of A1 units found within the primary shopping frontages. Only Lewisham, Deptford and Downham meet the target of at least 70% of primary shopping units being in A1 use. Forest Hill and Lee Green both have less than 50% of primary shopping units in A1 use. The next review of the local plan will consider whether the target is appropriate for all centres.
- 7.1.4 However, the decline in the percentage of units in A1 use is has been very gradual, occurring over a twenty year period, and there is no short term significant decline in A1 units. Therefore there is considered to be no general threat to the retail character of the majority of the Borough's centres.
- 7.1.5 Every centre except Blackheath and Lee Green has seen an increase in the number of betting shops over the period 2004-2014. This upward trend has continued over the last year, with two new bookmakers opening in Borough's centres in the period 2013-2014.
- 7.1.6 Blackheath is the only centre in the Borough which meets the Development Management Local Plan (DMLP) Policy 18 target of having no more than 5% of units in takeaway use, with all other centres failing to meet this target. Overall the number of takeaways has increased from 78 to 88 in all centres between 2008-2014. However, the experience of each centre has been different, with Lewisham, Forest Hill and Blackheath all seeing a reduction in the number of units during the period.
- 7.1.7 The number of public houses and bars within the Borough's centres has been in declined over the period 2004-2011. However, this decline appears to have come to a halt in the past three years, with no overall loss of public houses and bars within the Borough's centres in the period 2011-2014.
- 7.1.8 In conclusion, the Borough's town centres are in relatively good health, with generally low vacancy rates compared with the regional and national averages. The trends for losses of public houses has ceased over the past three years. However, there has been an increase in the number of betting shops and takeaways over the last year.
- 7.1.9 The introduction of Development Management Local Plan policy 18 in November 2014 should halt the growth of takeaways, however the Council is unable to control the number of betting shops due to the current limitations of planning legislation.