

Retail Capacity Study

November 2009





Nathaniel Lichfield and Partners

Planning Design Economics

LONDON BOROUGH OF LEWISHAM

RETAIL CAPACITY STUDY

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INTRODUCTION

The Study

1.1 Nathaniel Lichfield & Partners (NLP) was commissioned by the London Borough of Lewisham (LBL) to prepare a Retail Capacity Study (RCS) for the Borough. This RCS 2009 updates the original Retail Capacity and Site Allocations Study (RCASAS) which was published in July 2004 and was also undertaken by NLP.

1.2 The RCS 2009 responds to the consultants brief prepared by LBL and is informed by the RCASAS 2004. The RCS 2009:

- assesses the existing supply, and the capacity for additional retail floorspace within the Borough (convenience and comparison goods) and the role played by each of the nine Major and District town centres;
- assesses the potential future role and capacity within existing town centres over the period to 2025;
- identifies potential sequential opportunities to accommodate growth within centres, and outside, if necessary, over the period to 2025;
- provides a review of the existing retail hierarchy and identifies any deficiencies in the existing network together with future development strategies;
- identifies issues and options for the future of Lewisham's town centres;
- provides an assessment of, and likely timescale for, individual identified sites to meet the retail need as well as efficiency increases and other policy objectives to assess residual capacity to 2025. Reference is made to the GLA Experian Retail Reports entitled "Convenience Goods Floorspace Need in London (June 2005)" and "Consumer Expenditure and Comparison Goods Retail Floorspace Need in London (March 2009);
- takes full account for the floorspace needed to achieve the policy objective of moving Lewisham Town Centre up the retail hierarchy to a Metropolitan Centre and whether the joining of New Cross and New Cross Gate centres into one is consistent with the strategy for Lewisham Town Centre and other centres.

Content of the Study

1.3 This Study responds to the consultants brief and is informed by the format of the RCASAS 2004. Section 2.0 provides an overview of the national, strategic and Unitary Development Plan policy context. Section 3.0 sets out the shopping hierarchy in and around the LBL.

1.4 Section 4.0 summarises current shopping patterns based on the results of a household survey undertaken by NEMS as part of this Study and compares

these to the results obtained in 2004. Section 5.0 sets out the quantitative analysis of the scope for further retail floorspace and Section 6.0 reviews how this may be accommodated, including potential retail development sites in the Borough.

- 1.5 Our recommendations and conclusions arising from this are contained at Section 7.0.

PLANNING POLICY CONTEXT

National Retail Planning Policy

2.1 PPS6: Planning for Town Centres (March 2005) sets out the Government's policies on town centres, retail, commercial leisure and other town centre uses.

2.2 The Government's key objective for town centres (this covers city, town, district and local centres) is to promote their vitality and viability by planning for growth and development of existing centres and promoting and enhancing existing centres, by focusing development in such centres and encouraging a wide range of services in a good environment, accessible to all.

2.3 Other Government objectives that need to be taken account of in the context of the key objective are set out in paragraph 1.4 of PPS6:

- Enhancing consumer choice by making provision for a range of shopping, leisure and local services, which allow genuine choice to meet the needs of the entire community and particularly socially excluded groups;
- Supporting efficient, competitive and innovative retail, leisure, tourism and other sectors, with improving productivity; and
- Improving accessibility, ensuring that existing or new development is, or will be, accessible and well served by a choice of means of transport.

2.4 Regional planning bodies (RPB's) and local planning authorities (LPAs) are advised in paragraph 1.6 to implement the Government's objectives for town centres, by planning positively for their growth and development. They should therefore:

- develop a hierarchy and network of centres;
- assess the need for further main town centre uses and ensure there is capacity to accommodate them;
- focus development in, and plan for the expansion of, existing centres as appropriate, and at the local level identify appropriate sites in development plan documents;
- promote town centre management, creating partnerships to develop, improve and maintain the town centre and manage the evening and night-time economy; and
- regularly monitor and review the impact and effectiveness of their policies for promoting vital and viable town centres.

2.5 Paragraph 2.1 states that in order to deliver the Government's key objective, RPB's and LPA's should actively promote growth and manage change in town

centres, define the network and a hierarchy of centres, each performing their appropriate role to meet the needs of their catchment, and adopt a pro-active, plan-led approach to planning for town centres, through regional and local planning.

2.6 The main town centre uses to which PPS6 applies are outlined in paragraph 1.8:

- retail (including warehouse clubs and factory outlet centres);
- leisure, entertainment facilities and the more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, night-clubs, casinos, health and fitness centres, indoor bowling centres and bingo halls);
- offices, both commercial and those of public bodies; and
- arts, culture and tourism (theatres, museums, galleries and concert halls, hotels and conference facilities).

2.7 Paragraph 1.9 of PPS6 also acknowledges that housing will be an important element in most mixed-use, multi-storey developments.

2.8 PPS6, paragraphs 2.15 to 2.17 offers specific guidance to LPA's on the role of plans at local level, including the need to work in conjunction with stakeholders and the community to:

- assess the need for new floorspace for retail, leisure and other main town centre uses, taking account of both quantitative and qualitative considerations;
- identify deficiencies in provision, assess the capacity of existing centres to accommodate new development, including, where appropriate, the scope for extending the primary shopping area and/or town centre, and identify centres in decline where change needs to be managed;
- identify the centres within their area where development will be focused, as well as the need for any new centres of local importance, and develop strategies for developing and strengthening centres within their area;
- define the extent of the primary shopping area and the town centre, for the centres in their area on their Proposals Map;
- identify and allocate sites in accordance with the considerations on site selection and land assembly e.g. assessment of need, appropriate scale of development, sequential approach, impact and accessibility (set out in para. 2.28-2.51 of PPS6);
- review all existing allocations and reallocate sites which do not comply with PPS6;

- develop spatial policies and proposals to promote and secure investment in deprived areas by strengthening and/or identifying opportunities for growth of existing centres, and to seek to improve access to local facilities; and
- set out criteria based policies, in accordance with PPS6, for assessing and locating new development proposals, including development on sites not allocated in development plan documents.

2.9 PPS6 also indicates that:

“In addition to defining the extent of the primary shopping area for their local centres, LPA’s may distinguish between primary and secondary frontages. These frontages should be realistically defined. Having regard to the need to encourage diversification of uses in town centres as a whole, primary frontages should contain a high proportion of retail uses, while secondary frontages provide greater opportunities for flexibility and diversity of uses. Where frontages are identified the appropriate local development documents should includes policies that make clear which uses will be permitted in such locations.”

(Para.2.17, PPS6)

Demonstrating Need for development

2.10 PPS6 requires Councils to undertake assessments of need for retail and other non-retail town centre uses. Paragraph 2.33 states that:

“In assessing the need and capacity for additional retail and leisure development, local planning authorities should place greater weight on quantitative need for additional floorspace for the specific types of retail and leisure developments. However local planning authorities should also take account of qualitative considerations. In deprived areas which lack access to a range of services and facilities, and there will be clear and demonstrable benefits in identifying sites for appropriate development to serve the communities in these areas, additional weight should be given to meeting these qualitative considerations”.

2.11 In assessing quantitative need for additional development, local planning authorities should assess the likely future demand for additional retail and leisure floorspace, having regard to a realistic assessment of the existing forecast population levels, forecast expenditure for specific classes of goods to be sold, within the broad categories of comparison and convenience goods and for main leisure sectors and forecast improvements in productivity in the use of floorspace.

2.12 With regards to assessing the qualitative need for additional development, paragraph 2.35 states:

“In assessing the qualitative need for additional development when preparing its development plan documents, a key consideration for a LPA will be to provide for consumer choice, by ensuring that:

- *an appropriate distribution of locations is achieved, subject to the key objective of promoting the vitality and viability of town centres and the application of the sequential approach, 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 the needs of those living in deprived areas.”*

2.13 Other issues, although not necessarily elements of ‘need’, can be important material considerations.

Appropriate Scale of Development

2.14 PPS6 also requires that local planning authorities ensure that the scale of opportunities identified is directly related to the role and function of the centre and its catchment. Paragraph 2.41 states:

“The aim should be to locate the appropriate type and scale of development in the right type of centre, to ensure that it fits into that centre and that it complements its role and function.”

2.15 For city and town centres, PPS6, paragraph 2.43 states that where a need has been identified, LPA’s should seek to identify sites in the centre, or failing that on the edge of the centre, capable of accommodating larger format developments. Paragraph 2.42 indicates that in most cases it is likely to be inappropriate to include local centres within the search area to be applied under the sequential approach for large scale developments.

2.16 The guidance places greater emphasis on the regeneration of town centres, particularly smaller centres and the need to define a network of centres, and where appropriate to plan for the decline of some centres. Local authorities are expected to set indicative upper limits on the scale of new floorspace appropriate in different types of centres.

The Sequential Approach

2.17 PPS6 sets out the sequential approach to site selection for new retail development (paragraph 2.44), namely that first preference should be existing centres where suitable sites or buildings for conversion are, or are likely to become available, taking account of an appropriate scale of development in relation to the role and function of the centre, followed by edge-of-centre locations, with preference given to sites that are or will be well-connected to the centre and only then out-of-centre sites, with preference given to sites which are or will be 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.

2.18 Further to this LPA's should, in consultation with stakeholders (including the development industry) and the community, identify an appropriate range of sites to allow for accommodation of the identified need. Paragraph 2.45 emphasises the need for flexibility and realism from both LPA's and developers and operators in discussing the identification of sites,

"LPA's should be sensitive to the needs of the community and stakeholders, including developers and operators and identify sites that are, or are likely to become available for development during the development plan document period and which allow for the accommodation of the identified need, including sites capable of accommodating a range of business model."

2.19 The factors that should be taken into account in considering business models are scale, format, car park provision and the scope for disaggregation.

2.20 In selecting sites for allocation, the LPA should also consider the degree to which other considerations, including specific local circumstances, may be material to the choice of appropriate locations for development, and these include physical regeneration, employment, economic growth and social inclusion.

2.21 The guidance clearly states that local planning authorities should plan positively for growth by making provision for a range and choice of shopping and services. If a 'need' for new development is established, it will be necessary to identify opportunities to meet that need. PPS6 indicates that local authorities should allocate sufficient sites to meet anticipated demand for the next five years. PPS6 also suggests that an apparent lack of sites of the right size and in the right location should not be construed as an obstacle to site allocation and development to meet this need. Local planning authorities should consider the scope for effective site assembly using their compulsory purchase order (CPO) powers, to ensure that suitable sites within or on the edge of centres are brought forward for development.

2.22 This suggests the onus is placed on the Council to identify sites to accommodate the 5-year demand for development. This Study provides floorspace projections up to 2025. Therefore, it is not likely to be appropriate for the Council to seek to identify opportunities to accommodate projections up to 2025 at this stage.

2.23 PPS6 also suggests that where growth cannot be accommodated in identified existing centres, local planning authorities should plan for the extension of the primary shopping area if there is a need for additional retail provision or, where appropriate, plan for the extension of the town centre to accommodate other main town centre uses. Extension of the primary shopping area or town centre may also be appropriate where a need for large developments has been identified and this cannot be accommodated within the centre. Larger stores may deliver benefits for consumers and local planning authorities should seek to make provision for them in this context. In such cases, local planning authorities should seek to identify, designate and assemble larger sites adjoining the primary shopping area (i.e. in edge-of-centre locations).

Draft PPS4: Planning for Prosperous Economies (May 2009)

2.24 On 5th May 2009, the Department for Communities and Local Government published a consultation paper on a new PPS4: Planning for Prosperous Economies. This follows the publication of the “Proposed Changes to PPS6” in July 2008 which sets the context for emerging retail planning policy as set out in draft PPS4. Draft PPS4 incorporates the town centre and retail policy statements contained in PPS6 and the policies on economic development in urban and rural areas in PPG4, PPG5 and PPS7 into a single PPS. The aim of the document is “to make planning policies clearer, more concise, more businesslike and easier to use” and brings together all the Government’s key planning policies relating to the economy.

2.25 The Good Practice Guide on Need, Impact and the Sequential Approach was published alongside PPS4 as a “living draft” to help practitioners implement its policies. PPS4 places retail and other town centre development in a wider context, as “economic development” which provides employment, generates wealth and/or economic growth. This brief summary and comment deals with the retail and town centre elements of PPS4 only.

Plan Making

2.26 In common with PPS6, there remains considerable emphasis on the plan-led approach and the “town centres first” policy.

2.27 The roles and responsibilities for regional planning bodies and local planning authorities in preparing the evidence base that will underpin development plan policy are clearly specified. Regional planning bodies will focus on the requirements for comparison retail, leisure and office uses, and must define a network and hierarchy of higher level centres.

2.28 New requirements for local planning authorities include the need to:

- identify deficiencies in floorspace provision, including the provision of local convenience shopping and other facilities which serve day-to-day needs;
- define the network and hierarchy of lower order centres and set out a spatial vision and strategy for the management and growth of centres in their Core Strategy;
- consider setting thresholds for the scale of edge-of-centre and out-of-centre development which should be the subject of an impact assessment, specify the areas where this will apply and the types of impacts having particular local importance; and
- prepare policies for the scale of development likely to be permissible in different centres.

Decision Making

- 2.29 With the removal of the need test, the two key tests for applications are the expanded impact test and the sequential test. The assessment of each should be proportionate to the scale and nature of proposals and their likely impact.
- 2.30 The sequential test remains largely unchanged from the July 2008 draft PPS6 changes. There is no additional clarification on the test, for example on the ambiguity between operators' business models and the need to consider the scope for disaggregation, however the Guide explains how this tension should be assessed.
- 2.31 Impact assessments are to consider positive and negative impacts, including cumulative effects. The list of impact issues to be considered is longer and more stringent than that which first appeared in the draft PPS6.
- 2.32 Eight "key impacts" are defined to assess proposals. These include whether the proposal has been planned over the lifetime of the development to limit carbon dioxide emissions. In addition, scale and accessibility have been added.
- 2.33 Unless the local planning authority has identified locally important impacts in its development plan, it must also consider impact on allocated sites outside centres, deprived areas and social inclusion objectives, local employment and economic and physical regeneration.
- 2.34 Where there is clear evidence that a proposal is likely to lead to a significant adverse impact in relation to any of the "key impacts", the recommendation is that the application be refused. Conversely, proposals should be considered favourably where any adverse impacts are likely to be outweighed by their significant wider economic, social and environmental benefits.
- 2.35 The Guide proposes the introduction of an impact evaluation matrix to help to weigh and balance the impact considerations when determining planning applications.

Planning Policy Guidance Note 13: Transport (PPG 13, March 2001)

- 2.36 The key objectives, set out at paragraph 4 of PPG13 are to integrate planning and transport, in order to:
- *"promote more sustainable transport choices for both people and for moving freight;*
 - *promote accessibility to jobs, shopping, leisure facilities and services by public transport; and*
 - *reduce the need to travel, especially by car."*
- 2.37 The Guidance advises that planning policies should seek to promote the vitality and viability of existing town centres, which should be the preferred locations for new retail and leisure developments. When this development cannot be

accommodated in or on the edge of existing centres, it may be appropriate to combine the proposal with existing out-of-centre developments.

The London Plan

2.38 The London Plan: Spatial Development Strategy was published in February 2004, and Alterations were consolidated in 2008. One of the strategic priorities for South East London (Policy 5D.1) is to:

“ensure that town centre capacity is available to accommodate increased demand for retail, leisure, community and business services associated with a substantial increase in population and to consolidate the strategic office offer in appropriate centres.”

2.39 Policy 3D.1 relates to town centres stating that the Mayor and London Boroughs should: “enhance access to goods and services and strengthen the wider role of town centres, including UDP policies to:

- *Encourage retail, leisure, and other related uses in town centres, and discourage them outside the town centres;*
- *Encourage forms of development, operational practice and consumer behaviour which will help to reduce carbon dioxide emissions;*
- *Improve access to and within town centres by public transport, cycling and walking;*
- *Enhance the competitiveness and quality for retail and other consumer services in town centres*
- *Support a wide role for town centres as locations for leisure and cultural activities, as well as business and housing;*
- *Require the location of appropriate health, education and other public and community services in town centres;*
- *Designate core areas primarily for shopping uses and secondary areas for shopping and other uses and set out policies for the appropriate management of both types of area;*
- *Undertake regular town centre health check and integrated strategic and local consumer need and capacity assessments; and*
- *Support and encourage town centre management, partnerships and strategies including the introduction of Business Improvement Districts in appropriate locations and appropriate provisions to support the safety and security of the centres.”*

2.40 Policies 3D.2 and 3D.3 are consistent with advice set out in PPS6, regarding maintaining town centres and focusing development within centres.

2.41 The London Plan sets out a hierarchy/classification of centres across London, i.e. international centres (2), metropolitan centres (11), major centres (35) and district centres (146). Catford and Lewisham are classified as *major centres*. Deptford, Sydenham, Forest Hill, New Cross, Lee Green, Downham and Blackheath are classified as *district centres*. The London Plan indicates that

the broad classification of centres should be refined in the light of local circumstances through development plans.

- 2.42 The Mayor produced the draft replacement London Plan in October 2009 and the consultation period ends in January 2010. In terms of retail policy, Policy 4.7 deals with retail and town centre development and essentially supports the approach in PPS6. It confirms that LDFs should identify future levels of retail floorspace and undertake regular health checks, take a proactive approach to bringing forward town centre development and manage out-of-centre retail development. Policy 4.8 supports a successful and diverse retail sector.

Consumer Expenditure and Comparison Goods Retail Floorspace Need in London (March 2009)

- 2.43 Supporting the London Plan the Mayor has published the Consumer Expenditure and Comparison Goods Retail Floorspace Need in London (CECGRFL) which sets out the future requirement for comparison retail floorspace. It was prepared by Experian and published in March 2009.
- 2.44 In terms of comparison goods, the CECGRFL uses two different scenarios to estimate need; scenario 1 is based on existing floorspace remaining the same and scenario 2 incorporates allowances for retail commitments and proposals in the planning pipeline. Scenario 2 is considered to more accurately reflect future floorspace requirements. Experian incorporates high, mid-range and low floorspace estimates based on differing productivity growth rates of 1.5%, 2.2% and 2.8% respectively.
- 2.45 The estimated requirement for additional comparison goods floorspace in Lewisham, South East London (which this document considers to include LB Lewisham) and the wider London area, based on Scenario 2, is shown in Table 2.1 below. It should be noted that Experian only include major pipeline developments of over 20,000 sqm gross such as White City, Bromley, Croydon and Woolwich, and therefore do not make any allowance for any retail commitments in LBL.

Table 2.1 Gross comparison goods floorspace requirements

Year	Productivity Growth %	Space required (sqm gross)		
		Lewisham	South East London	London
2011	1.5	8,257	59,039	476,732
	2.2	4,563	34,057	272,656
	2.8	1,516	13,446	104,288
2016	1.5	19,029	137,550	1,075,378
	2.2	11,051	83,215	629,645
	2.8	4,675	39,794	273,435
2021	1.5	37,253	264,597	2,087,461
	2.2	23,702	172,018	1,330,595
	2.8	13,211	100,356	744,723
2026	1.5	33,261	286,335	2,872,429
	2.2	36,551	268,158	2,076,553
	2.8	21,343	163,351	1,220,566

Source: CDCGRFL (March 2009)

Convenience Goods Floorspace Need in London (June 2005)

- 2.46 The Convenience Goods Floorspace Need in London (CGFNL) document provides detailed strategic guidance on the need for additional convenience goods floorspace in Greater London over the 2001 to 2016 period. It was also produced by Experian. This study is based on retail data that has now been superseded given the length of time that has elapsed since its production. On this basis, the findings of this report should be viewed with caution and hold limited weight.
- 2.47 Similarly to the CECGRFL, the CGFNL estimates future convenience requirements based on a 'timeline' approach within which an allowance is made for committed and proposed retail developments. Three different productivity growth rates of 0.15%, 0.5% and 1.0% are applied to the results and two different sales densities of £5,500 per sqm and £9,400 per sqm are used to estimate the turnover of pipeline developments.
- 2.48 The predicted requirement for additional convenience goods floorspace in Lewisham, East London and the wider London area is shown in Table 2.2. It should be noted that although Lewisham was included in the 'South East' sub-region in the CECGRFL it is classified as forming part of the 'East' sub-region according to the CGFNL.

Table 2.2 Gross convenience goods floorspace requirements at 2016

Productivity Growth	Space required (sqm gross)		
	Lewisham	East London	London
Scenario 1- assumes £5,500 psm for additional floorspace			
0.15	15,227	113,101	457,829
0.5	10,281	76,775	313,939
1.0	3,675	28,268	121,799
Scenario 2- assumes £9,400 psm for additional floorspace			
0.15	8,909	66,176	267,879
0.5	6,015	44,922	183,688
1.0	2,150	16,540	71,265

Source: CGFNL (June 2009)

East London Sub-Regional Development Framework (2006)

- 2.49 The East London Sub-Regional Development Framework (ELSRDF), was adopted in May 2006 and aims to provide guidance on the implementation of policies in the London Plan in East London. It is divided into two parts: Part One concerns the overall direction of the Sub-Region whilst Part Two looks at implementation.
- 2.50 With regard to retail, Part Two states that planned, strong retail growth will be a major driver of town centre regeneration and, incorporated in mixed use development, provide opportunities to address other priorities (Para 45).
- 2.51 The document recognises that there is an important network of Major Centres in the East London area and notes that significant capacity for additional retail floorspace has been identified in Lewisham. The potential growth summary for Lewisham states that the role of the centre should be assessed once the retail offer has been expanded, whilst the ELSRDF advocates supporting the Major Centre role of Catford by exploiting its mixed-use potential.

Lewisham Unitary Development Plan

- 2.52 The Lewisham Unitary Development Plan was adopted in July 2004. Following the Planning and Compulsory Purchase Act (2004), some policies contained within the UDP were not “saved” beyond September 2007 and only the saved policies are referred to below.
- 2.53 The hierarchy of shopping centres in the Borough is defined in Policy STC1 as follows:

Major Town Centres: Catford and Lewisham;

District Town Centres: Deptford, Sydenham, Forest Hill, New Cross, Lee Green, Downham and Blackheath;

Neighbourhood or Local Centres: New Cross Gate, Lewisham Way, Grove Park, Crofton Park, Brockley Cross and Downham Way; and

Local Parades and Corner Shops: these are not named in the UDP.

Out-of centre retail/ business parks: Bell Green and Bromley Road (Ravensbourne Retail Park)

- 2.54 The supporting text states that although the hierarchy recognises Lewisham and Catford as major centres for the Borough, the Council considers Lewisham as the most important in retail terms with by far the largest amount of retail floorspace.
- 2.55 It further states that the Council considers that Lewisham has the potential to rise up the retail hierarchy and become a Metropolitan Centre and will take action to help realise this potential.
- 2.56 The UDP also recognises that each of the District Centres and Major Centres has its own individual character, and their future lies in developing these strengths
- 2.57 Policy STC 2 is a criteria-based policy relating to the location of new stores. This states that:
- “The Council will grant planning permission for additional retail use, and in particular substantial additional retail development, in the Major and District Town Centres as defined on the Proposals Map. If no suitable, viable or available sites are present in these locations then edge of centre sites should be considered, followed only then by out of centre sites in locations that are or can be made accessible by a choice of means of transport. Proposals for substantial* retail provision on the edge or outside of these Centres will only be considered if the following criteria are satisfied:*
- (a) there is a quantitative and qualitative need for the proposal;*
- (b) there are no other sites available in accordance with the sequential test;*
- (c) the proposal, either by itself or together with other recent or committed developments would not demonstrably harm the vitality and viability of an existing Shopping Centre;*
- (d) the proposal is sited so as to reduce the number and length of car journeys and can serve not only car journeys but also those on foot, bicycle or using public transport;*
- (e) the proposal is not on land allocated for employment purposes on the Proposals Map and for which a demand can be established; and*
- (f) if planning permission were to be granted then a S106 may be negotiated for relevant improvements.*
- * For Guidance developments of 1,000 sq.m gross floorspace or more will normally be considered substantial.*
- 2.58 Other policies within the UDP (policies STC 4, STC 5 and STC 6) relate to permitted uses within core, non core and other shopping areas. They also encourage town centre regeneration (STC 11) and mixed use development (STC 12).
- 2.59 Policy STC 15 states that LBL will promote Lewisham Town Centre as the Borough’s premier shopping area, and will aim to improve its position within the London hierarchy of centres. It states that it will give favourable consideration to applications for new or refurbished retail floorspace (particularly comparison

floorspace), as well as supporting proposals which add to the variety and vitality of the Town Centre, including those related to the evening economy.

Local Development Framework

2.60 LBL is in the process of preparing its Local Development Framework (LDF) in line with the provisions of the Planning and Compulsory Purchase Act 2004. When adopted, the LDF will replace the UDP and will cover the period to 2025. The latest Local Development Scheme adopted April 2008 anticipates that the LDF will completely replace the existing UDP in 2011, although the Core Strategy is due to be adopted at the end of 2010. The Lewisham LDF will comprise the following:

- Statement of Community Involvement (adopted June 2006);
- Core Strategy (Options Report consultation occurred February 2009);
- Proposals Map (Preferred Options consultation occurred April 2007);
- Development Policies and Site Allocations DPDs (Preferred Options consultation occurred June 2007); and
- Catford and Lewisham Area Action Plans (Preferred Options consultation occurred June 2007 and April 2007 respectively).

2.61 The LDF will also contain Supplementary Planning Documents (SPDs) which explain the application of the policies outlined in the Development Plan Documents (DPDs).

THE SHOPPING HIERARCHY

Major Shopping Centres in the London Borough of Lewisham and the Surrounding Area

- 3.1 Lewisham is the main shopping centre within the LBL and is of sub-regional importance in providing goods and services to residents of the Borough and beyond. Catford is the second largest shopping centre in the Borough. It is situated within close proximity to Lewisham and also provides an important role in the provision of goods and services, although it has a lesser range of retail facilities. These two town centres compete with major shopping destinations outside of the Borough such as Bromley and Croydon as well as facilities further afield including the West End and Bluewater. Supporting these two centres are the seven smaller district town centres in the Borough, smaller local shops and the freestanding retail and business parks.
- 3.2 Management Horizons Europe's UK Shopping Index 2008 provides an index of retail centres on the basis of a weighted score for multiple retailers represented in each centre. Management Horizon's rank for centres in Lewisham catchment area and other shopping centres in the sub-region is shown in Table 3.1 below.

Table 3.1 Management Horizons Europe Shopping Index (2008)

MHE Venue	MHE Index	Rank	Rank change since 2003/04
London, West End	1,143	1	-
London, Oxford St	625	4	Going Up
Croydon	349	20	Going Up
Bluewater	321	25	Going Down
Bromley	300	32	Going Down
Lewisham	168	156	Going Up
Docklands	161	163	Going Up
Eltham	111	271	Going Down
Woolwich	110	274	Going Down
Streatham	100	314	Going Up
Greenwich	99	322	Going Up
Peckham	96	332	Going Down
Brixton	92	350	Going Up
Catford	77	440	Going Down
Surrey Quays	62	553	Going Down
Bermondsey	61	565	Going Up
Blackheath	40	896	Going Up
East Dulwich	37	959	Going Up
Sydenham	34	1,066	Going Down
Forest Hill	29	1,247	Going Down
Elephant & Castle	24	1,481	Going Down
South Norwood	24	1,481	Going Up
New Cross	19	1,950	-
Deptford	17	1,950	-
Downham	13	2,356	-
Ravensbourne Retail Park	9	2,988	-

- 3.3 The catchment areas of the centres listed above overlap to a large extent. London West End is ranked as the highest shopping destination and is 1st nationally, attributable to the concentration of national multiple retailers, the range of goods available and strength of anchor stores.
- 3.4 According to the MHE Index 2008, Lewisham is ranked 156th nationally with a score of 168. This is significantly lower than the rankings achieved by the nearby centres of Croydon (20th) and Bromley (32nd) albeit these are defined as Metropolitan Centres in The London Plan compared to the Major Town Centre status of Lewisham. Catford is ranked significantly further down the MHE hierarchy at 440th with a score of 77. Catford is thus ranked lower than Docklands (163rd). Eltham (271st), Woolwich (274th), Streatham (314th), Greenwich (322nd), Peckham (332nd) and Brixton (350th).
- 3.5 Although the Management Horizons Europe (MHE) is only one indicator of the performance of a centre, it suggests that Lewisham is performing reasonably well compared to other Major Town Centres in the local catchment, but still has a lower number of national multiples compared to that provided in the nearby Metropolitan Centres. Catford appears to be under-performing in terms of its provision of national multiple representation compared to competing centres in the sub-region, and in particular representation from high order multiples that would ensure it is more competitive in relation to its rival centres.
- 3.6 Of the District Centres in Lewisham, Blackheath achieves the highest rank of 896th. This is followed by Sydenham (1,066th), Forest Hill (1,247th), Lee Green (1,247th), New Cross (1,950th), Deptford (1,950th) and Downham (2,356th). These centres appear to be performing adequately compared with other centres outside Lewisham of a similar size and function, given that their role is predominately in the provision of convenience goods and services, and to a lesser extent lower order comparison goods.
- 3.7 Ravensbourne Retail Park is also included in the MHE rankings, although it achieves a low score of 9 which equates to a national ranking of 2,988th.
- 3.8 The relative performance and importance of town centres can be demonstrated by reviewing commercial yields and Zone A rental levels achieved for retail property. Retail yields for the established centres in the sub-region are shown in Table 3.2 and a comparison of Zone A rental levels is shown in Table 3.3.
- 3.9 Commercial yields are a measure of property values, which enables the values of properties of different size, location and characteristic to be compared. The level of yield broadly represents the market's evaluation of risk and return attached to the income stream of shop rents. Broadly speaking low yields indicate that a centre is considered to be attractive and, as a result, more likely to attract investment and rental growth than a centre with high yields.

Table 3.2: Retail Yields in Lewisham

Centre	Yield (%)										
	04/03	01/04	07/04	01/05	07/05	01/06	07/06	01/07	07/07	01/08	07/08
Croydon	6	6	6	6	6	6	6	6	5.75	5.75	6
Bromley	6	6	6	6	6	6	6	6	5.75	5.75	6
Lewisham	7.5	7.5	7.5	7.5	7.5	7	7	7	7	7	7
Eltham	7.5	7.5	7.5	7.5	7.5	7	7	7	6.5	6.5	7

Source: Valuation Office Agency (April 2008)

- 3.10 The Valuation Office Agency (VOA) record trend data relating to retail yields in established centres. It should be noted that the reporting of locations with a yield of 10% or over throughout the time series are not included on the assumption that such locations are not of major interest in terms of retail property investment. Lewisham is the only destination in the Borough which records yield levels lower than 10%.
- 3.11 Table 3.2 outlines the yields in Lewisham and other competing centres in the sub-region over the April 2003 to July 2008 period. According to the VOA, Lewisham had a yield of 7.5% at the beginning of the period, which declined marginally to 7% at the end of the period. This is higher than the latest yields recorded in Croydon and Bromley (6% each), although both these centres' yields reduced to 5.75% between July 2007 and January 2008. Eltham recorded yields of 7.5% in April 2003 which declined to 6.5% at January 2008, although yields in the centre had fallen to 7% at July 2008. On this basis, Lewisham appears to have performed favourably compared to rival centres in the sub-region in terms of the recorded yields.
- 3.12 Prime Zone A retail rents in shopping centres are recorded by Colliers CRE, and the only centres in Lewisham for which such information is recorded are Blackheath, Catford and Lewisham. This data is shown in Table 3.3 below, together with the rents achieved in other centres in the sub-region.

Table 3.3: Retail Rents in Blackheath, Catford, Lewisham and Other Centres

Centre	Annual Zone A Retail Rents £ per Sq M										
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Blackheath	-	-	-	538	592	592	592	592	646	700	700
Bluewater	-	3,767	3,875	3,498	3,552	3,875	4,306	4,413	4,413	4,467	4,467
Bromley	1,453	1,722	2,153	1,884	2,260	2,260	2,368	2,368	2,422	2,476	2,530
Catford	-	-	-	-	-	-	431	431	431	484	538
Croydon	2,691	3,229	3,229	2,960	2,906	2,906	2,906	2,906	2,906	2,906	2,906
Eltham	-	-	-	807	969	969	969	969	969	969	969
Greenwich	538	538	592	592	700	700	700	700	753	807	807
Lewisham	1,076	1,076	1,076	1,130	1,238	1,292	1,345	1,345	1,345	1,399	1,399

Source: Colliers CRE

- 3.13 Table 3.3 highlights the disparity between the rents achieved in Bluewater (£4,467 per square metre at 2008) compared to other centres in the sub-region. This reflects high demand from national multiples for representation in Bluewater, in light of the wide catchment from which it draws shoppers and the high levels of footfall recorded.

- 3.14 Lewisham achieves rents of £1,399 per sqm at 2008 which is much lower than its main competitor centres of Bromley (£2,530 per sq m) and Croydon (£2,906 per sq m). Rents from Lewisham have risen over the last ten years albeit by a modest amount. At 1998 rents were £1,076 per sqm, rising to £1,130 per sqm at 2001, £1,238 per sqm at 2002, £1,292 per sqm at 2003, £1,345 per sqm at 2004 and finally £1,399 per sqm at 2008. Over the 1998 to 2008 period rental levels in Lewisham have risen by 30%, which compares to a rise of 74% in Bromley, but only 8% in Croydon.
- 3.15 Catford recorded the lowest Prime Zone A rents out of any centre in Table 3.3 at £538 per sqm at 2008. Rents for this centre have only been recorded since 2004 when they were £431 per sqm indicating a small rise over the 2004 to 2008 period. The smaller retail centre of Blackheath achieves rental levels of £700 per sqm at 2008 reflecting the concentration of national multiples and specialist retailers. This compares to £538 per sqm recorded in 2001 representing a 30% rise over the 2001 to 2008 period.

Centre Audits

- 3.16 NLP has undertaken a detailed PPS6 compliant health-check, including a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis of the two Major Town Centres and seven District Town Centres defined in the Borough. The detailed health-checks for the centres are included in this Study at Appendix A and these are summarised below.

Lewisham Major Town Centre

- 3.17 Lewisham is the dominant retail destination in the Borough and contains a total of 80,490 sqm gross of retail and service floorspace in 330 retail units at April 2009, based on the Goad centre survey, as updated by NLP. The provision of convenience retailers and A2 services in Lewisham, in terms of the proportion of units, is above the Goad national average, although comparison retailers, A1 services and A3 and A5 services are under represented compared to the national average.
- 3.18 The centre contains good representation of national multiple retailers which account for nearly half of all retail occupiers. The EGi database of retailer requirements records strong demand for representation in the centre from national retailers, with some 70 requirements at May 2009. This compares to 33 requirements recorded in the RCASAS 2004, although some requirements listed in 2004 remain unsatisfied at 2009 which may reflect a lack of appropriate premises.
- 3.19 The proportion of vacant units in Lewisham is nearly double the national average, although to some extent this may be due to voids created by securing the site for the Lewisham Gateway scheme which has been granted outline planning consent. The centre is accessible by a range of means of transport with public transport connections by bus, railway and DLR. The centre provides a safe pedestrian environment.

3.20 The SWOT analysis for Lewisham Town Centre based on our site surveys is shown in Table 3.4 below

Table 3.4: Lewisham Major Town Centre SWOT Analysis 2009

Strengths	Weaknesses
<ul style="list-style-type: none"> • Large quantum of retail/ service units and floorspace; • Above average proportion of convenience units; • Good representation of national multiple retailers; • High number of retailers seeking to locate in the centre • Excellent accessibility by a range of transport modes; • Declining yields. 	<ul style="list-style-type: none"> • The number of A1 units in Lewisham is at the lowest recorded level since 1999; • Below average proportion of comparison units; • High proportion of vacant units when compared against the national average, and vacancies have grown significantly since 2004; • Lack of modern floorspace for new potential occupiers.
Opportunities	Threats
<ul style="list-style-type: none"> • Improved links between the Shopping Core Area and the rest of the centre, particularly Lee High Road; • Intensification of retail uses in the Lewisham Shopping Centre; • New investment in the centre such as the Gateway Scheme and the current leisure development; • Increase catchment population and town centre dwellings; • Continued success of the street market. 	<ul style="list-style-type: none"> • Increased competition from competitor centres outside of the Borough such as Bromley; • Increase in internet sales; • Lack of investment in new floorspace which could prevent new retailers investing in the centre; • Decline in spending associated with the credit crunch/ recession; • Further decline of the centre's peripheral retail/ service units.

3.25 Based on the NLP health check Lewisham is a relatively healthy centre, although it suffers from a high vacancy rate and a below average proportion of comparison goods retailers. The development of the Lewisham Gateway scheme, if implemented, would strengthen the retail offer of the town centre particularly for comparison goods.

Catford Major Town Centre

3.26 Catford is the second largest retail centre in the Borough and is defined as a Major Town Centre. It contains some 48,800 sqm gross retail/service floorspace in 233 units at April 2009 based on the Goad Town Centre survey and NLP update. Although the proportion of retail units occupied by comparison retailers is less than half the national average, the proportion of convenience units and all types of services are above the national average. The proportion of vacant units is only marginally above the national average. The retail offer of Catford is supplemented by a strong civic role played by the centre.

3.27 The centre has a good balance between national multiple retailers and independents, the latter being aided by the presence of the market. EGi records 9 retailer requirements for town centre or edge-of-centre floorspace requirements in Catford from a range of predominately comparison goods retailers, which compares to 7 requirements recorded at the time of the previous health-check,

3.28 The centre is served by two railway stations and a number of local bus routes. Pedestrian movement around the centre is unproblematic. The health-check notes that although occupied units in Catford are generally adequate in terms of environmental quality, some of the vacancies are of poor quality and the busy nature of Rushey Green and Catford Road detracts from the environment in these areas.

3.29 Our SWOT analysis of Catford Town Centre is shown below.

Table 3.5: Catford Major Town Centre SWOT Analysis 2009

<p>Strengths</p> <ul style="list-style-type: none"> • Good provision in the convenience goods sector; • All types of services in Catford are above the national average in terms of the proportion of units which they occupy; • Strong civic role; • Contains a good balance between independent retailers and national multiples. 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Comparison goods provision in the centre is significantly below the national average; • Catford has fallen in the MHE Rankings since 2003/04; • Lack of vacant large-format retail units could prevent new national multiples locating in the centre; • Poor environmental quality in parts of the centre.
<p>Opportunities</p> <ul style="list-style-type: none"> • Regeneration/ redevelopment of the Catford Centre; • Improvements to the environmental quality of the centre; • Diversifying the retail offer of the centre particularly in the comparison goods sector; • Building on the civic role of Catford. 	<p>Threats</p> <ul style="list-style-type: none"> • Lack of investment in the centre or in new retail floorspace; • Increased competition from competing centres; • Increase in internet sales; • Decline in spending associated with the credit crunch/ recession.

3.34 Catford is trading reasonably well and plays a strong civic role, although there is a need to enhance its comparison goods offer and the centre is likely to be vulnerable to the improvement of the retail offer of competing centres. It has declined in the MHE retail rankings since 2003/04, and there is a danger that the centre could fall further in the national rankings if there is no new investment in the centre.

Blackheath District Centre

3.35 The district centre of Blackheath transcends the boundaries of LB Lewisham and LB Greenwich, although the majority of the centre falls within LB Lewisham. When compared against the national average, all sectors of retail and service provision are above the national average except for comparison goods. The centre contains a wide range of goods and services, although it includes only small-format convenience traders. The number of retail units in the centre has increased since 2008, and at April 2009 Blackheath contained 13,170 sqm (gross) retail floorspace in 125 units.

3.36 The centre has a vacancy rate nearly two-thirds lower than the national average indicating strong demand for representation from retailers. This is reflected in an extremely high number of expressions of interest from national retailers for representation in the centre as recorded by EGi. The centre contains good representation from national multiples given its size, and the range of traders is

improved by a number of high quality niche retailers. Prime Zone A rents in the centre are reasonably high at £700 per sqm and have risen 30% since 2001.

3.37 The centre contains a railway station and a number of bus services operate through Blackheath. Surface level car parking facilities are provided, and movement around the centre on foot is unproblematic, albeit roads in the centre can be busy with vehicular traffic. Environmental quality in the centre is good.

3.38 Our SWOT analysis for Blackheath District Centre is shown below.

Table 3.6: Blackheath District Town Centre SWOT Analysis 2009

Strengths	Weaknesses
<ul style="list-style-type: none"> • Above average representation of convenience retailers and all types of services in terms of the proportion of units occupied; • Many high quality niche retailers offering high order goods which are not found in other district town centres in the Borough and provide an independent retail offer; • Good balance between independents and national multiples; • High number of retailers seeking to locate in the centre. 	<ul style="list-style-type: none"> • The proportion of units in comparison goods use are below the national average; • Lack of medium-sized supermarket/superstore; • Limited opportunities for new traders to locate in the centre as shown by the high number of retail requirements; • Limited scope to expand the centre.
Opportunities	Threats
<ul style="list-style-type: none"> • Provision of a supermarket in the centre would diversify its retail offer; • Marketing of the centre on the basis of the individual and good quality retailer offer that it contains; • Development of new larger format retail units to allow new retailers to locate within the centre. 	<ul style="list-style-type: none"> • Lack of suitable units/ sites may restrict future opportunities to grow the centre; • Increased competition from other centres nearby such as Greenwich; • Decline in spending associated with the credit crunch/ recession; • Increased competition from the internet.

3.43 Blackheath is a vital and viable centre, although there are limited opportunities to accommodate new retail floorspace which could affect the centre's longer term viability/ attraction.

Deptford District Centre

3.44 Deptford District Centre is situated in the north of the Borough within close proximity to New Cross District Centre which is located some 300 metres to the west. The centre contains 27,760 sqm gross retail/service floorspace at April 2009 provided in 224 units. Deptford contains above average representation of convenience retail units at more than double the national average, although no supermarket or superstore is present. The proportion of A1 and A5 services is also greater than the national average. Comparison retail units and A3 and A5 units are under represented when compared to the national average. In addition to this provision, the centre contains an open-air market which operates along Deptford High Street, Douglas Way and Griffin Street.

3.45 The majority of retailers in the centre are independents and there are very few national multiples present and no key attractors. The number of vacant units in

the centre is above the national average, with some of these being of poor quality and almost all being in small retail units. EGi records just 4 requirements for representation in Deptford at May 2009.

3.46 The Shopping Core Area of Deptford is pedestrianised and is used for the open-air market. As a consequence, it provides a safe environment for shoppers. Deptford train station is located within the town centre, with Deptford Bridge DLR station in close proximity to the south-east. No bus services operate through the centre, although bus stops are located on the north and south periphery.

3.47 Our SWOT analysis of Deptford District Centre is shown in Table 3.7 below

Table 3.7: Deptford District Town Centre SWOT Analysis 2009

Strengths	Weaknesses
<ul style="list-style-type: none"> • Above average proportion of convenience units and A1 services; • The open air market appears to be thriving and is a unique offer compared to other centres; • Easily accessible. • Good range of independent retailers. 	<ul style="list-style-type: none"> • Lack of national multiples; • Comparison goods provision, in terms of the number of occupied units, is below the national average; • The proportion of vacant units is slightly higher than the national average; • Environmental quality is variable.
Opportunities	Threats
<ul style="list-style-type: none"> • Provision of modern, larger units could encourage national multiple retailers to locate in Deptford; • Further expansion of the market; • Additional residential development in the area could support local businesses. 	<ul style="list-style-type: none"> • Lack of suitable and available units may prevent new retailers, and in particular national multiples, locating in the centre; • Continued focus of the centre's retail offer on lower order, poor quality goods; • Increased competition from other centres nearby, including Greenwich; • Continued lack of key national multiple retailers will reduce the attractiveness of the centre to shoppers.

3.52 Deptford plays an important role in the provision of convenience goods, lower order goods and services to its catchment population, but it appears vulnerable with few national multiples and a variable environmental quality.

Downham District Centre

3.53 Downham is the smallest district centre defined within the Borough containing a total quantum of 7,630 sqm gross retail/service floorspace in 66 units. Despite its modest size it contains a range of goods and services, with the proportion of convenience retail units, A1 services and A3 and A5 units above the national average. The proportion of vacant units in the centre is well below the national average. EGi does not record any current retail requirements for Downham.

3.54 The centre contains a good number of national multiple retailers, particularly in the convenience goods sector, with occupiers including Marks & Spencer, Tesco, Co-op and Londis. Four bus services operate through the centre and free on-street car parking is available. Environmental quality in the centre is generally good, although Bromley Road is busy with vehicular traffic.

3.55

Our SWOT analysis for Downham District Centre is shown in Table 3.8 below.

Table 3.8: Downham District Town Centre SWOT Analysis 2009

Strengths	Weaknesses
<ul style="list-style-type: none"> • Contains a good range of convenience retailers for its size; • Good provision of A1 services which are above the national average in terms of the number of units which they occupy; • Low proportion of vacant units. 	<ul style="list-style-type: none"> • Low level of national multiples selling comparison goods within the centre. It is ranked second lowest District Town Centre in the Borough by MHE (although Lee Green is not listed by MHE); • No representation in A4 use sector; • Comparison retail units and A2 service representation are both below the national average; • Closure of the Woolworths store.
Opportunities	Threats
<ul style="list-style-type: none"> • Diversification of the range of uses available in the centre; • Provision of larger retailer units through the amalgamation of existing premises to encourage national multiples; • Reuse of vacant Woolworths unit. 	<ul style="list-style-type: none"> • Limited opportunities for expansion of the centre; • Increased competition from competing centres and out-of-centre foodstores; • Decline in spending associated with the credit crunch/ recession.

3.60

On balance Downham appears to be a healthy district centre, given its size and function.

Forest Hill District Centre

3.61

According to the Goad Plan, as updated by NLP, Forest Hill contains some 19,670 sqm gross of retail floorspace in 155 retail units at April 2009. The centre has a marginally lower proportion of convenience retail units compared to the national average. All categories of services are above the national average in terms of the proportion of units that they occupy, with the proportion of comparison retail units being significantly below the national average.

3.62

The proportion of vacant retail/ service units in the centre is well above the national average. Sainsbury's is the key retail anchor in the centre and this store has recently been refurbished and extended. Other national multiples in the centre are generally limited to services, although the centre contains a branch of WH Smith. EGi records five requirements for retail floorspace in the centre.

3.63

The centre contains a railway station and a number of bus services operate through it. The busy nature of the South Circular Road (A205) which runs through the centre presents a barrier to pedestrian movement. Environmental quality in the centre is variable and poor in parts.

3.64

Our SWOT analysis for Forest Hill District Centre is shown below.

Table 3.9: Forest Hill District Town Centre SWOT Analysis 2009

Strengths	Weaknesses
<ul style="list-style-type: none"> • Convenience trade representation including the Sainsbury's foodstore; • Strong service sector; • Reasonable representation of national multiple retailers; • Good public transport links. 	<ul style="list-style-type: none"> • Poor representation in the comparison goods sector; • The proportion of vacant units in Forest Hill is above the national average; • The centre is spread out over a wide geographical area and separated by the railway line.
Opportunities	Threats
<ul style="list-style-type: none"> • Improve the comparison offer of the centre to attract more shoppers; • Consolidation of retail uses in the centre; • Additional residential development is occurring in and around Forest Hill which will increase available expenditure for local businesses. 	<ul style="list-style-type: none"> • Continued lack of focus for the centre; • Improved retail offer in other competing centres and at out-of-centre foodstores/ retail parks; • Decline in spending associated with the credit crunch/ recession; • Increase in competition from the internet.

3.69 Forest Hill benefits from its convenience offer and strong service sector although it has a poor representation in the comparison goods sector. Any measures to increase connectivity between different parts of the centre should be supported.

Lee Green District Centre

3.70 As with Blackheath, Lee Green district centre straddles the authority boundaries of both LB Lewisham and LB Greenwich. No Goad information is available for the centre, although it contains 80 retail/service units. Half of these units are in the service sector which is above the national average. The proportion of convenience retail units in the centre is marginally lower than the national average (although the centre's retail offer is dominated by the Sainsbury's store), with the proportion of comparison retail units being less than half of the national average. No requirements for representation in the centre are recorded by EGi.

3.71 The proportion of vacant units in Lee Green is well above the national average. These are particularly concentrated in the Leegate Shopping Centre. Vacancies, however, have declined since 2008. The centre is served by a number of bus routes, although Lee Green railway station is situated some 600m to the south of the defined Shopping Core Area. Car parking in the centre is provided adjacent to the Sainsbury's store and by the Leegate multi-storey car park. Environmental quality in the centre is good in parts, but the Leegate shopping centre is in need of investment.

3.72

Our SWOT analysis for Lee Green District Centre is shown below.

Table 3.10: Lee Green District Town Centre SWOT Analysis 2009

Strengths	Weaknesses
<ul style="list-style-type: none"> • Plays an important role in providing goods and services to local residents; • Strong convenience offer - Sainsbury's store trades very well; • Good accessibility by public transport and on foot; • Recent investment in the Lee Green junction. 	<ul style="list-style-type: none"> • Poor provision of comparison goods units; • High proportion of vacant units; • Leegate Shopping Centre is of poor environmental quantity and detracts from the rest of the centre; • Lack of national multiples.
Opportunities	Threats
<ul style="list-style-type: none"> • Redevelopment/refurbishment of the Leegate Shopping Centre to provide modern retail units; • Strengthening links between the Sainsbury's and the rest of the centre; • Enhancement of the A3/4/5 role to provide a niche offer. 	<ul style="list-style-type: none"> • Continued decline of the Leegate Shopping Centre; • Increased competition from other centres nearby such as Eltham and Blackheath; • Continued lack of good quality, modern units will prevent new national multiples locating in Lee Green,

3.77

Lee Green is a vulnerable district centre, although the convenience offer is strong. Any measures to secure investment in the Leegate shopping centre should be encouraged.

New Cross District Centre

3.78

New Cross contained 23,160 sqm gross retail floorspace in 155 retail units at April 2009 according to the Goad Town Centre survey as updated by NLP. It should be noted that the Goad Town Centre boundary includes units located outside of the district centre boundary as defined in the UDP; however given that these units still form part of the overall retail offer of New Cross all of the units surveyed by Goad have been included in this assessment. The Goad Town Centre boundary extends along New Cross Road from the junction with Harts Lane in the west to the junction with Deptford High Street (i.e. Deptford District Centre) in the east. It is linear in nature.

3.79

The centre is well provided for by convenience retailers with the proportion of units accounted for by such traders being above the national average. The main foodstore operator is Sainsbury's which is located close to New Cross Gate railway station. The proportion of comparison units is well below the national average. A1 services and A3 and A5 services are both above the national average, with the proportion of A2 services being comparable to the national average.

3.80

New Cross benefits from the presence of the Goldsmiths University of London, with many retail and service units catering specifically for the local student population who live or study in the area. The centre is dominated by independent traders, but the low level of vacant units (below the national average) indicates demand for representation in New Cross. Notwithstanding this, EGi records only 3 retail requirements for floorspace representation in New Cross.

3.81 New Cross is served by two railway stations at either end of the defined centre. New Cross Road is busy in nature and forms a barrier to unconstrained pedestrian movement, although the eastern and western ends of the centre are some distance apart. Environmental quality in the centre is generally reasonable, although the busy nature of New Cross Road detracts from it.

3.82 Our SWOT analysis for New Cross District Centre is shown below.

Table 3.11: New Cross District Town Centre SWOT Analysis 2009

Strengths	Weaknesses
<ul style="list-style-type: none"> • Convenience, A1 service and A3/5 service representation above the national average; • Low level of vacancies; • The presence of Goldsmiths University of London in the centre; • Easily accessible by a range of transport modes. 	<ul style="list-style-type: none"> • Comparison retail provision in the centre is well below the national average; • The key anchor tenant, Sainsbury's, is somewhat divorced from the rest of the centre; • Low proportion of national multiple representation
Opportunities	Threats
<ul style="list-style-type: none"> • Opportunity to enhance links between the centre and Deptford; • Strengthening the comparison goods offer of the centre; • Building on the Class A3/4/5 role of the centre; • Increasing links between the Sainsbury's and the wider district centre; • Building further on the presence of Goldsmith's University and the associated student population. 	<ul style="list-style-type: none"> • Continued focus of the centre on providing for the student population at the expense of facilities for other local residents; • Increased competition from other centres nearby; • No improvement to linkages between retailers in New Cross and the Sainsbury's store/ Deptford District Town Centre; • Continued lack of key national multiple retailers will reduce the attractiveness of the centre; • Decline in spending associated with the credit crunch/ recession.

3.87 New Cross performs relatively well given its position in the retail hierarchy. However, additional provision of national multiple retailers particularly in the comparison goods sector would strengthen its overall offer.

Sydenham District Centre

3.88 This district centre is located in the south-west of the Borough and is linear in nature. It contains a total of 22,340 sqm gross retail/ service floorspace in 166 units. Convenience retail units and the proportion of A1 services and A2 Services are all above the national average, with the proportion of comparison units below the national average. The centre contains a good range of goods and services, and includes Somerfield and Lidl foodstores.

3.89 The number of retail units in Sydenham has increased since 2000. Most retailers in the centre are independent, although it contains some national multiples which are predominately concentrated on the Shopping Core Area. Vacant units in the centre are above the national average, although these tend to be concentrated on the centre's periphery. Eight national multiple requirements for floorspace in Sydenham are recorded by EGi at May 2009.

3.90 Sydenham is served by a railway station and a number of bus routes. It is easy to navigate on foot, although the eastern and western ends of the centre are some distance from each other. Limited on-street car parking is available.

3.91 Our SWOT analysis for Sydenham District Centre is shown below.

Table 3.12: Sydenham District Town Centre SWOT Analysis 2009

Strengths	Weaknesses
<ul style="list-style-type: none"> • The proportion of units in convenience retail use is greater than the national average; • Sydenham is ranked the second highest District Centre in the Borough by MHE based on the type and number of national multiple retailers that it contains; • Sydenham plays an important role in the provision of services to local residents. 	<ul style="list-style-type: none"> • The provision of comparison retail units is below the national average in terms of the proportion of units occupied; • The proportion of vacant units is above the national average and higher than the levels recorded since 2003; • Given the linear nature of the centre the eastern and western ends feel disconnected from each other;
Opportunities	Threats
<ul style="list-style-type: none"> • Strengthening of the comparison goods offer of the centre; • Investment in the centre by further national multiple operators would increase its attractiveness to shoppers; • Provision of modern larger-format units to encourage new investment and retailers. 	<ul style="list-style-type: none"> • Increased competition from competing centres and out-of-centre stores; • Increase in internet sales; • Lack of diversification in the centres retailer offer e.g. with regard to comparison goods; • Decline in spending associated with the credit crunch/recession.

3.96 On the basis of our analysis, Sydenham is a reasonably healthy centre, which plays an important role in the provision of services to local residents.

HOUSEHOLD SURVEY

Survey Structure

4.1 NEMS Market Research carried out a telephone survey of 1,002 households in the study area between 20th April and 2nd March 2009. The survey results are attached at Appendix C and summarised in this section. The study area was split into ten zones based on postcode boundaries and was identical to the survey area used in the 2004 household survey. A plan of the study area is included at Appendix B. The survey zones used were:

- Zone 1 Rotherhithe;
- Zone 2 Peckham/ New Cross;
- Zone 3 Greenwich/ Blackheath;
- Zone 4 Lewisham Town Centre;
- Zone 5 Catford;
- Zone 6 Downham/ Bromley;
- Zone 7 Forest Hill/ Sydenham;
- Zone 8 Norwood;
- Zone 9 Beckenham; and
- Zone 10 Dulwich.

4.2 These sectors reflect the extent of the primary catchment areas of the main shopping centres in LB Lewisham. A copy of the survey questionnaire is attached at Appendix C. The main aims of the survey were to establish patterns for the following:

- Main food and grocery shopping;
- Top-up food and grocery shopping; and
- Non-food shopping, including:
 - clothing and footwear;
 - domestic electrical appliances;
 - other electrical goods (TV, Hi-Fi and computers)
 - furniture, soft furnishing or carpets;
 - DIY/garden items and hardware; and
 - Other non-food items.
- Leisure Activities, including:
 - cinema;
 - theatre;
 - pub/restaurant;
 - swimming;
 - bingo;
 - health club; and
 - ten-pin bowling.

Food and Grocery Shopping

Main Food Shopping

- 4.3 The household survey results indicate that the majority of residents in the study area undertook their last main food and grocery shop at large format national multiple foodstores located within close proximity to their home.
- 4.4 Table 4.1 below shows the responses recorded for main food shopping in each of the ten survey zones. These are compared to the survey results from the previous household survey undertaken in 2004. It should be borne in mind when comparing the main food shopping household survey results from 2004 and 2009, that this question is worded slightly differently. In 2004, the main food shopping question asked 'which store or shop *do you do most of your household's main food and grocery shopping?*', whilst in 2009 the question asked 'which store or shop *did you last undertake your household's last main food and grocery shopping?*'. Notwithstanding this, these results still provide a useful comparison of the change in main food shopping patterns that has occurred over the period.

Table 4.1 Main Food Shopping Destinations

Zone	Primary Main Food Shopping Destinations	
	2009 Household Survey	2004 Household Survey
Zone 1 Rotherhithe	Tesco, Surrey Quays (52%)	Tesco, Surrey Quays (63%)
Zone 2 Peckham/ New Cross	Sainsbury's, New Cross (20%) Sainsbury's, Dog Kennel Hill (12%) Morrison's, Aylesham Centre, Peckham (19%)	Sainsbury's, New Cross (29%) Safeway, Peckham (10%) Sainsbury's, Dog Kennel Hill (9%)
Zone 3 Greenwich/ Blackheath	Sainsbury's, Lee Green (28%) Sainsbury's, Bugsby Way Greenwich (17%) Asda, Woolwich Road, Charlton (13%) Tesco, Lewisham Road (7%)	Sainsbury's, Lee Green (32%) Sainsbury's, Bugsby Way, Greenwich (12%) Tesco, Lewisham Road (10%)
Zone 4 Lewisham Town Centre	Tesco, Lewisham Centre (26%) Sainsbury's, Lee Green (18%) Sainsbury's, Lewisham Centre (17%)	Tesco, Lewisham Road (33%) Sainsbury's, Lewisham Centre (15%) Sainsbury's, Lee Green (14%)
Zone 5 Catford	Sainsbury's, Lee Green (25%) Tesco, Catford (14%) Co-op, Downham Way (7%)	Tesco, Catford (19%) Sainsbury's, Bromley (10%) Sainsbury's, Lee Green (10%) Co-op, Downham Way (10%)
Zone 6 Downham/ Bromley	Sainsbury's, Bromley (37%) Waitrose, Bromley (14%)	Sainsbury's, Bromley (57%) Waitrose, Bromley (25%)
Zone 7 Forest Hill/ Sydenham	Sainsbury's, Bell Green (32%) Tesco, Catford (13%) Sainsbury's, Forest Hill (9%)	Savacentre, Bell Green (22%) Tesco, Catford (15%) Safeway, Sydenham (13%) Sainsbury's, Forest Hill (12%)
Zone 8 Norwood	Sainsbury's, Streatham (17%) Sainsbury's, Upper Norwood (11%) Sainsbury's, Croydon (11%)	Sainsbury's, Streatham (16%) Tesco, Thornton Heath (10%) Sainsbury's, Dog Kennel Hill (8%) Safeway, Streatham (7%)
Zone 9 Beckenham	Tesco, Elmers End (23%) Sainsbury's, Penge (15%) Waitrose, Beckenham (11%) Sainsbury's, Croydon (11%)	Tesco, Elmers End (22%) Sainsbury's, Beckenham (19%) Sainsbury's, Penge (10%)
Zone 10 Dulwich	Sainsbury's, Forest Hill (27%) Sainsbury's, Dog Kennel Hill (23%)	Sainsbury's, Dog Kennel Hill (39%) Sainsbury's, Forest Hill (16%)

4.5 Nearly 86% of households across the study area indicated that they undertake small-scale or top-up shopping trips to supplement their main food shopping trips. Most of these shopping trips were also accounted for by large foodstores, however residents indicated a greater propensity to shop at smaller shopping facilities than for main food shop.

Mode of Travel and Origin of Trips

4.6 Table 4.2 shows the modes of travel used when undertaking main food shopping at 2009 and compares these to the results recorded in the 2004 household survey. At both 2004 and 2009 the car was the most popular means of undertaking their main food shop, although its relative importance has declined from 62% in 2004 to 57% in 2009. There was however variation in transport modes across the ten zone surveys.

Table 4.2 Mode of Travel to Main Food Shopping Destinations

Mode	% of Respondents	
	2009 Household Survey	2004 Household Survey
Car – Driver	45.9	56.3
Car – Passenger	10.7	5.5
Bus/Coach	15.6	13.2
Train/Underground	1.0	1.2
Taxi	0.7	0.9
Walk	23.5	20.5
Bicycle	1.4	0.5
Other	1.1	1.9
Total	100	100

4.7 Most respondents (94%) start their main food shopping trip from home. Just 32% of respondents indicated that they combined their main food shopping trips with visiting other shops or services.

Non-Food Shopping

4.8 Households were asked in which town or centre they buy most of their household's non-food shopping. Across the study area as a whole Bromley is the most popular non-food shopping destination attracting 22% of non-food shopping trips, followed by Lewisham Town Centre (15%) and Croydon Town Centre (13%).

4.9 The main results derived from the 2009 household shopping survey in terms of the non-food shopping patterns are replicated in Table 4.3. These are compared to the results recorded in the 2004 survey, and the wording of these questions is identical. It should be noted that this type of question tends to overstate the role of the major higher order centres, and understate the role of the lower order centres.

4.10 In both 2009 and 2004 West End/Central London is popular and attracts customers from across the study area. At 2009, as in 2004, Bromley is the

most popular destination for non-food shopping in the south east of the study area (zones 5, 6 and 7) as well as zone 10. Croydon is the most frequently visited non-food shopping destination in the south west of the study area (zones 8 and 9) in 2009 which is comparable to the situation in 2004. Lewisham Town Centre is only the main destination in zones 2 and 4 in both 2009 and 2004.

Table 4.3 Non-food Shopping Destinations

Zone	Non-Food Shopping Destinations	
	2009 Household Survey	2004 Household Survey
Zone 1 Rotherhithe	Surrey Quays (28%) Lewisham TC (16%) West End/ Central London (15%) Bromley TC (4%)	Surrey Quays (24%) West End/ Central London (24%) Lewisham TC (10%) Bromley TC (10%)
Zone 2 Peckham/ New Cross	Lewisham TC (30%) West End/ Central London (19%) Peckham (11%) Bromley (6%)	Lewisham TC (28%) Peckham (21%) West End/ Central London (17%) Bromley TC (9%)
Zone 3 Greenwich/ Blackheath	Lewisham TC (13%) Bromley TC (9%) West End/ Central London (8%) Eltham (7%)	Bromley TC (18%) Lewisham TC (15%) West End/ Central London (15%) Eltham (11%)
Zone 4 Lewisham Town Centre	Lewisham TC (48%) Bromley (11%) West End/ Central London (11%)	Lewisham TC (53%) Bromley TC (8%) West End/ Central London (7%)
Zone 5 Catford	Bromley (45%) Lewisham TC (17%) Catford (9%)	Bromley TC (57%) Catford (16%) Lewisham TC (16%)
Zone 6 Downham/ Bromley	Bromley (82%)	Bromley TC (92%) West End/ Central London (6%)
Zone 7 Forest Hill/ Sydenham	Bromley TC (32%) Lewisham TC (16%) Catford TC (14%)	Bromley TC (34%) Lewisham TC (18%) Catford (16%)
Zone 8 Norwood	Croydon TC (44%) West End/ Central London (13%)	Croydon TC (33%) West End/ Central London (17%) Bromley TC (12%)
Zone 9 Beckenham	Croydon (35%) Bromley TC (26%) Beckenham (8%) West End/ Central London (6%)	Croydon TC (38%) Bromley TC (34%) Beckenham (11%)
Zone 10 Dulwich	Bromley TC (23%) West End/ Central London (18%) Dulwich (13%) Croydon (9%)	West End/ Central London (18%) Dulwich (12%) Forest Hill TC (12%) Bromley TC (10%)

4.11 Table 4.4 shows the modes of travel used when undertaking non-food shopping in 2009 and in 2004. Although travelling by car (either as driver or passenger) is the most popular means of travelling to non-food shopping destinations, the proportion of residents who travel via this method (39%) is much lower than the proportion who travel by car to undertake their main food shop (57%). Travelling by bus/coach (29%) and by train/ underground/ tram (15%) are also popular ways to undertake non-food shopping. Since 2004, the proportion of residents travelling to undertake their non food shop by car has declined, whilst the proportion of residents who undertake this trip by public transport has increased.

Table 4.4 Mode of Travel to Non Food Shopping Destinations

Mode	% of Respondents	
	2009 Household Survey	2004 Household Survey
Car – Driver	32.3	46.1
Car – Passenger	6.3	4.0
Bus/Coach	28.6	26.3
Train/Underground/Tram	14.6	8.0
Taxi	1.1	0.8
Walk	12.4	13.4
Bicycle	1.6	0.4
Other	3.1	1.1
Total	100.0	100.0

- 4.12 Households were asked where they normally go to shop for different types of non-food comparison goods. The main shopping destinations for each type of non-food goods are shown in Table 4.5 within which they are compared to the results recorded in the 2004 household survey.
- 4.13 It should be noted that, as with main food shopping, the wording of the questions used in the 2009 and 2004 household survey are different. The 2004 survey asked respondents ‘*at which town or centre does your household spend most money on...*’ whilst the 2009 household survey asked ‘*at which location did you last buy...*’. We consider that the choice of wording used in the 2009 household survey provides a more accurate reflection of household shopping habits because ‘*where do you spend most...*’ tends to favour larger comparison goods destinations. Notwithstanding this, we have provided a comparison of the results below and this provides a useful indicator of the changes in shopping patterns that have occurred over the 2004 to 2009 period.
- 4.14 Table 4.5 indicates the most popular destinations for different types of goods and the relatively low market shares recorded for the most popular destinations reflects residents shopping at a wide variety of different shopping destinations for different types of goods. There has been some change in the popularity of different destinations in 2009 compared to 2004, but generally the most popular destinations at 2004 remain so at 2009 (albeit with changed market shares). The increasing importance of the internet/ mail order for purchasing comparison goods, particularly for electrical equipment and furniture/ floor coverings is demonstrated. Overall, Bromley, Croydon Town Centre/Purley Way and West End/ Central London are the most popular destinations for non-food shopping.

Table 4.5 Non-Food Shopping Destinations by Type of Goods

Mode	% of Respondents	
	2009 Household Survey	2004 Household Survey
Clothes and shoes	Bromley TC (22%) West End/ Central London (15%) Croydon (11%) Lewisham TC (11%)	Bromley TC (21%) West End/ Central London (17%) Croydon TC (14%) Lewisham TC (13%)
Domestic electrical appliances	Internet/ mail order (15%) Croydon TC/ Purley Way (9%) West End/ Central London (7%)	Croydon TC/ Purley Way (15%) Bromley TC (14%) Lewisham TC (5%)
TV/ HiFi and Computers	Internet/ mail order (18%) West End/ Central London (8%) Croydon TC/ Purley Way (7%) Bromley TC (5%) Bromley Road, Catford (5%)	Croydon TC/ Purley Way (15%) Bromley TC (12%) West End/ Central London (5%) Lewisham TC (4%)
Furniture, floor coverings	Croydon TC/ Purley Way (11%) West End/ Central London (7%) Bromley TC (6%) Internet/ mail order (5%) Lewisham TC (5%)	Croydon TC/ Purley Way (15%) Bromley TC (12%) West End/ Central London (7%) Lewisham TC (3%)
DIY/ hardware	Homebase, Catford (8%) B&Q, Old Kent Road (8%) Croydon TC/ Purley Way (6%)	Homebase, Catford (12%) Bromley TC (6%) Croydon TC/ Purley Way (11%) Old Kent Road (4%)
Other comparison goods	Internet/ mail order (27%) Bromley TC (12%) West End/ Central London (8%) Lewisham TC (6%)	Bromley TC (20%) West End/ Central London (10%) Croydon TC (8%) Lewisham TC (9%)

Likes and Dislikes about Shopping

- 4.15 Respondents were asked what they like and dislike about shopping in their main non-food shopping destination. The results for all centres are summarised in Tables 4.6 and 4.7 and compared to the results obtained from the 2004 household survey. The proximity of the centre to the respondents' home was the main factor people like about their main comparison goods shopping destination at 2009 followed by the choice and quality of shops. These two factors were also the most popular at 2004.
- 4.16 In terms of factors which respondents disliked about comparison goods shopping, over half of respondents indicated that there was 'nothing in particular' which they disliked at 2009 as shown in Table 4.7. This response aside, respondents disliked crowded/ busy centres.

Table 4.6 Factors Liked about Shopping Centres

Reason	% of Respondents	
	2009 Household Survey	2004 Household Survey
Convenient to Home/ easy to get to	36.5	32.9
Choice of shops and services	34.4	28.5
Nothing in particular	16.2	29.6
Quality of shops	10.8	11.4
Attractive environment	6.2	5.1
Plenty of car parking	5.7	5.5
General character/ ambience	2.7	6.3
Specialist shops	1.5	7.0

Table 4.7 Factors Disliked about Shopping Centres

Reason	% of Respondents	
	2009 Household Survey	2004 Household Survey
Nothing in particular	51.0	65.5
Too crowded/ busy	11.3	5.0
Poor choice of shops and services	5.8	7.4
Traffic congestion	5.4	6.3
Lack of parking	4.1	5.0
Lack of specialist shops	4.5	2.8
Lack of large shops	4.8	3.9

4.17 The nine main centres in LB Lewisham were the main non-food shopping destination for 214 respondents within the study area (compared to 279 respondents in the 2004 survey). The sample size for most centres are too small to draw significant conclusions relating to customers likes and dislikes, with the exception of Lewisham Town Centre (145 respondents) and Catford (33 respondents).

4.18 The main factors 'liked' and 'disliked' in Lewisham Town Centre were:

Liked

- Close to home (53.1%);
- Choice of shops and services (25.5%);
- Nothing in particular (15.2%);
- Good Market (11.0%); and
- Quality of shops (8.3%).

Disliked

- Nothing in particular (48.9%);
- Poor choice of shops and services (11.0%);
- Too crowded/ busy (9.7%);
- Lack of large shops (8.3%);
- Traffic congestion (7.6%); and

- Lack of specialist shops (6.9%).

4.19 The main factors ‘liked’ and ‘disliked’ in Catford Town Centre were:

Liked

- Close to home (54.5%);
- Nothing in particular (24.2%); and
- Plenty of parking (9.1%).

Disliked

- Nothing in particular (42.4%);
- Lack of large shops (18.2%);
- Poor choice of shops and services (12.1%); and
- Unsafe/ poor security/ dangerous (9.1%).

4.20 Additional questions were asked about whether there were any measures that would make them shop in Catford, Deptford and Lewisham Town Centres more often. Across the study area as a whole most respondents stated that there was ‘nothing that could be done to encourage them to use these centres more often. The main results for each centre are shown below

Table 4.8 Measures to encourage more frequent use of Catford, Deptford and Lewisham Town Centres

Reason	% of Respondents		
	Catford	Deptford	Lewisham
Nothing	64.6	74.9	66.2
Better choice of non-food shops	6.1	3.3	7.7
More car parking	4.6	2.2	3.5
Better Maintenance/ cleanliness	3.6	2.4	2.7
Improved bus services/ public transport	2.4	2.6	2.4
Better quality shops	2.4	1.0	3.5
More traffic free areas/ pedestrianisation	1.6	0.6	2.9
Other	14.7	13.0	11.1

Markets

4.21 The household survey asked respondents specific questions regarding their use of markets. Most respondents (54.8%) indicated that they visited nearby markets, with 18.7% of these visiting once a week or more and 38.5% visiting once a month or more.

4.22 Respondents’ use of different markets is shown in Table 4.9 below. Food shopping is more frequently undertaken at markets than non-food shopping, with 85.4% of respondents who visit markets doing so for food compared to

51.6% for non-food shopping. Overall Lewisham is the most popular market attaining a 28.2% market share for food and 10.5% for non-food.

Table 4.9 Usage of Markets for Food and Non-Food Shopping

Market	% of Respondents	
	Food Shopping	Non-Food Shopping
Lewisham	28.2	10.5
Borough Market	6.6	0.9
Bromley	6.3	4.6
Deptford	5.6	7.4
Croydon	5.3	2.6
Blackheath	4.5	0.0
Catford	4.1	2.6
Peckham	3.4	1.5
Greenwich	2.5	6.5
Dulwich	2.5	0.9
Brockley	0.6	0.0
Lee Green	0.5	0.0
Don't visits markets for food/ non-food	14.6	48.4
Other	15.2	14.1

N.B based on those respondents who indicated that they shop at markets

4.23

All household survey respondents were asked what improvements would encourage them to shop in Catford, Deptford and Lewisham markets for often. The results are shown in Table 4.10.

Table 4.10 Improvements to markets to encourage more frequent use

Reason	% of Respondents		
	Catford Market	Deptford Market	Lewisham Market
Nothing	68.5	69.4	67.1
More stalls	5.8	1.4	3.1
Better car parking	4.8	3.5	2.6
Better range of food goods	4.1	2.8	3.8
Better environment	4.0	1.4	3.0
Better range of non-food goods	3.9	1.8	3.5
Other	8.9	19.7	16.9

4.24

Most respondents indicated that there was nothing that could encourage them to shop in the Boroughs' main markets more often. More stalls in Catford market would encourage shoppers to visit this market more often (5.8%), whilst the most popular measure in Deptford was better car parking (3.5%) and in Lewisham it was a better range of food goods (3.8%).

Leisure Activities

4.25

Households were asked which destination they last visited to undertake a range of different leisure activities. The results of these questions are shown in Table 4.11, within which they are compared to the results from the 2004 Household Survey which are directly comparable.

Table 4.11 Leisure Destinations

Type of Activity	% of Participating Households in the Study Area	
	2009 Household Survey	2004 Household Survey
Cinema	Greenwich (19%) Beckenham (16%) West End/ Central London (12%) Greenwich Peninsula/ O2 (10%) Surrey Quays (9%)	Greenwich (19%) Beckenham (13%) West End/ Central London (13%) Bromley (11%) Surrey Quays (10%)
Theatre	West End/ Central London (68%) Bromley (8%) Greenwich (5%) Catford (5%)	West End/ Central London (76%) Bromley (8%) Catford (4%) Greenwich (4%)
Health Club	Greenwich (11%) Lewisham (10%) West End/ Central London (8%) Beckenham (8%) Bromley (6%) Sydenham (6%)	Bromley (11%) Lewisham (10%) Beckenham (8%) Sydenham (7%) Dulwich (6%) Surrey Quays (5%)
Ten Pin Bowling	Lewisham (33%) Surrey Quays (24%) Croydon (19%)	Lewisham (39%) Surrey Quays (18%) Streatham (15%) Croydon (10%)
Bingo	Catford (33%) Surrey Quays (15%) Croydon (9%) Crystal Palace (9%) Eltham (7%)	Catford (40%) Surrey Quays (19%) Lewisham (8%) Crystal Palace (6%) Beckenham (4%)
Concerts	West End/ Central London (37%) Greenwich Peninsula/ O2 (21%) Croydon (5%) Brixton (5%)	West End/ Central London (53%) Brixton (5%) Croydon (5%) Bromley (3%)
Swimming Pools	Beckenham (13%) Greenwich (9%) Deptford (7%) Downham (6%) Bromley (6%)	Beckenham (13%) Bromley (11%) Peckham (9%) Greenwich (7%)
Pubs/ Restaurants	West End/ Central London (14%) Blackheath (9%) Bromley (8%) Greenwich (7%) Forest Hill (5%)	West End/ Central London (16%) Bromley (12%) Greenwich (9%) Beckenham (7%)

4.26

The 2009 household survey results indicate that residents are prepared to travel some distance to undertake certain leisure activities, such as visiting the theatre, concerts and pubs/ restaurants with the West End/ Central London being the most popular destination across the study area. For other types of leisure activity, such as health clubs, bingo halls and ten-pin bowling, local destinations are the most popular.

- 4.27 It is evident that there has not been a significant change in the leisure patterns of residents since the 2004 Household Survey was undertaken, with all of the top leisure destinations remaining the same at 2004 and 2009 except for health-clubs where Greenwich Town Centre has replaced Bromley Town Centre as the most popular destination across the study area. The impact of the Greenwich Peninsula/ O2 development on leisure patterns is also evident in relation to cinema and concerts.
- 4.28 Table 4.12 shows the proportion of respondents in the study area who undertake certain leisure activities. The most popular leisure activity was pubs/ restaurants which over three quarters of residents (76.1%) undertake, followed by visiting the theatre (62.7%). Bingo, with a participation rate of 4.6%, was the least popular leisure activity. Since 2004 participation rates in all leisure activities have increased expect for participation in bingo.

Table 4.12 Leisure Activities

Leisure Activity	% of Respondents	
	2009 Household Survey	2004 Household Survey
Cinema	60.2	49.9
Theatre	62.7	37.9
Health Club	26.5	23.0
Ten Pin Bowling	19.4	14.6
Bingo	4.6	5.2
Concerts	51.3	28.5
Swimming Pools	44.1	32.3
Pubs/ Restaurants	76.1	64.2

5.0 **QUANTITATIVE & QUALITATIVE SCOPE FOR NEW RETAIL DEVELOPMENT**

Introduction

5.1 This section assesses the quantitative and qualitative scope for new retail floorspace in LB Lewisham in the period from 2009 to 2025. It sets out the methodology adopted for this analysis and provides a quantitative capacity analysis in terms of levels of spending for convenience and comparison shopping. A qualitative assessment of the range and scale of existing shopping facilities has also been undertaken.

5.2 All monetary values expressed in this analysis are at 2007 prices, consistent with Experian's base year expenditure figures for 2007.

Methodology and Data

5.3 The quantitative analysis is based on a defined study area that covers the LB Lewisham together with parts of the neighbouring authorities of Bromley, Croydon, Greenwich Lambeth and Southwark. The study area is sub-divided into 10 zones as shown in Appendix B and set out in para 4.1 above.

5.4 The study area is based on postcode area boundaries. The extent of the study area is based on the previous study area in the RCASAS 2004 and reflects the proximity of competing shopping destinations, i.e. shopping facilities within the Borough are expected to attract the majority of their trade from residents within the study area, although there will still be limited inflow from outside of the study area.

5.5 The level of available expenditure to support retailers is based on first establishing per capita levels of spending for the study area population. Experian's local consumer expenditure estimates for comparison and convenience goods for each of the study area zones for the year 2007 have been obtained.

5.6 Experian's EBS national expenditure information has been used to forecast expenditure within the study area in the short term (2007 to 2011). Unlike previous expenditure growth rates provided by The Data Consultancy (formerly URPI), which were based on past trends, Experian's projections are based on an econometric model of disaggregated consumer spending. This model takes a number of macro-economic forecasts (chiefly consumer spending, incomes

and inflation) and uses them to produce forecasts of consumer spending volumes, prices and value, broken down into separate categories of goods. The model incorporates assumptions about income and price elasticities.

- 5.7 For longer term projections Experian's ultra long term growth rate has been adopted (0.7% for convenience goods and 4.6% for comparison) to project expenditure between 2011 to 2016 and beyond. We believe the Experian's lower EBS growth rates reflect the current economic downturn and provide an appropriate growth rate for the short term. In the longer term it is more difficult to forecast year on year changes in expenditure, and in our view past trend line growth rates provide the most appropriate average growth rate and the potential post recession recovery.
- 5.8 To assess the capacity for new retail floorspace, penetration rates are estimated for shopping facilities within the study area. The assessment of penetration rates are based on a range of factors, but primarily information gathered through the 2009 household survey.
- 5.9 The total turnover of shops within LB Lewisham is estimated based on penetration rates. These turnover estimates are then compared to average company benchmark or average sales floorspace densities derived from Verdict information and Mintel's Retail Rankings 2008, which provides an indication of how individual retail units and centres are performing against expected turnover averages. This allows the identification of potential surplus or deficit capacity for retail sales floorspace.

Population and Spending

- 5.10 The study area population for 2009 to 2025 is set out in Table 1D in Appendix D. Experian provides population estimates for each of the survey zones at 2001 based on Census data. These have been projected forward between 2001 and 2025 based on the Greater London Authorities low population projections (March 2009) interpolated and apportioned on the basis of Borough boundaries. The GLA recommends the use of the low projections for planning purposes at a Borough level. This is consistent with the approach adopted in the RCASAS 2004.
- 5.11 On this basis, the population within the study area is expected to increase between 2009 and 2025 by 15%. There are variations between individual zones, for example the population in Zone 10 (Dulwich) is anticipated to increase by 22%, whilst the population in Zone 6 (Downham/ Bromley) is anticipated to increase by 6%.

- 5.12 Table 2D in Appendix D sets out the forecast growth in spending per head for convenience goods within each zone in the study area up to 2025. Forecasts of per capita spending on comparison goods are shown in Table 1E in Appendix E.
- 5.13 The levels of available spending are derived by combining the population in Table 1D and per capita spending figures in Tables 2D and 1E. For both comparison and convenience spending, a reduction has been made for special forms of trading such as mail order, e-tail (non-retail businesses) and vending machines.
- 5.14 Special Forms of Trading (SFT) and non-store activity is included within Experian's Goods Based Expenditure (GBE) estimates. "Special forms of trading" includes other forms of retail expenditure not spent in shops e.g. mail order sales, some internet sales, vending machines, party plan selling, market stalls and door to door selling. SFT needs to be excluded from retail assessments because it relates to expenditure not spent in shops and does not have a direct relationship to the demand for retail floorspace. The growth in home computing, Internet connections and interactive TV may lead to a growth in home shopping and may have effects on retailing in the high street. Experian provides projections for Special Forms of Trading and E-tailing (Retail Planner Briefing Note 6.0 – October 2008).
- 5.15 This Experian information suggests that non-store retail sales in 2008 is:
- 5.9% of convenience goods expenditure; and
 - 11.3% of comparison goods expenditure.
- 5.16 Experian predicts that these figures will increase to 8.1% and 13.9% by 2016. For convenience expenditure 5.8% of the 5.9% is estimated to be E-tailing, and the rest 0.1% is other forms of SFT e.g. mail order. E-tailing in 2004 was broken down into E-tailing through retail businesses (e.g. Tesco and Sainsbury) at 1.1% and non-retail businesses (0.5%). The E-tailing split for retail and non-retail businesses was approximately 70:30 in 2004.
- 5.17 For comparison expenditure in 2008, 9.1% of the 11.3% is estimated to be E-tailing, and the rest 2.2% is other forms of SFT e.g. mail order. E-tailing through retail businesses (e.g. Next and Argos) was 1.3% and for non-retail businesses 1.8% (e.g. Amazon) in 2004. The E-tailing split for retail and non-retail businesses was approximately 40:60 in 2004.
- 5.18 Experian provide projections for E-tailing and other SFT. These projections have been used to exclude expenditure attributed to e-tailing through non-retail businesses, which will not directly impact on the demand for retail floorspace. Based on Experian data SFT (including non-retail e-tailing but excluding e-tail through retail businesses) is 1.8% and 7.7% of total convenience and comparison goods expenditure respectively in 2008. The projections provided by Experian suggest that these percentages could increase to 2.8% and 8.9%

by 2016. The amount of e-tail expenditure through non-retail businesses is expected to increase significantly in proportional terms, but as a proportion of total expenditure this sector is expected to remain relatively insignificant for the foreseeable future.

- 5.19 Home/electronic shopping has also emerged with the increasing growth in the use of personal computers and the Internet. Trends within this sector may well have implications for retailing. Therefore, it will be necessary to carefully monitor the growth within this sector particularly in the long term and the effect that it may have on diverting expenditure that might otherwise be spent in shops.
- 5.20 On-line shopping has experienced rapid growth since the late 1990s but in proportional terms the latest available data suggests it remains a small percentage of total retail expenditure. Recent trends suggest continued strong growth in this sector. However, there is still uncertainty about its longer-term prospects. Experian's figures suggest that the growth in e-tailing has to a certain extent been at the expense of other forms of home shopping such as catalogue and mail order shopping.
- 5.21 The implications on the demand for retail space are unclear. For example, some retailers operate on-line sales from their traditional retail premises e.g. food store operators. Therefore, growth in on-line sales may not always mean there is a reduction in the need for retail floorspace. Given the uncertainties relating to internet shopping and the likelihood that it will increase in proportional terms, this assessment has adopted relatively cautious growth projections for retail expenditure.
- 5.22 As a consequence of growth in population and per capita spending, convenience goods spending within the study area is forecast to increase by 25.7% from £1,098.31 million in 2009 to £1,380.28 million in 2025, as shown in Table 3D.
- 5.23 Comparison goods spending is forecast to more than double between 2009 and 2025, increasing from £1,676.72 million in 2009 to £3,586.19 million, as shown in Table 2E. These figures relate to real growth and exclude inflation.

Existing Retail Floorspace 2009

- 5.24 Existing convenience goods floorspace within LB Lewisham is estimated at 39,424 sq m net as set out in Table 1B, Appendix B. This floorspace figures excludes comparison sales floorspace within food stores (7,581 sq m net).

- 5.25 Comparison goods retail floorspace within LB Lewisham is estimated as 79,335 sq m net as shown in Tables 2B, Appendix B.
- 5.26 It should be noted that these figures do not take into account convenience and comparison floorspace provide in local centres in the Borough which will increase the quantum of existing retail floorspace.

Existing Spending Patterns 2009

Convenience Goods Shopping

- 5.27 The results of the household shopper survey undertaken by NEMS in April 2009 have been used to estimate existing shopping patterns within the study area. The estimates of market share or penetration for convenience goods spending within each study area zone are shown in Table 4D, Appendix D.
- 5.28 In order to ensure consistency with the previous Study we have made no allowance for inflow of convenience goods expenditure into the Borough. We believe that this approach is realistic given the presence of large convenience retail facilities beyond the Borough boundaries but within close proximity to it, and we consider that the study area is an accurate reflection on where convenience facilities in LB Lewisham will draw their trade.
- 5.29 The level of convenience goods expenditure attracted to shops/stores in LB Lewisham in 2009 is estimated to be £464.47 million as shown in Table 5D, Appendix D. LB Lewisham's market share of total convenience expenditure in the study area as a whole is estimated to be about 42% (£464.47 million of £1,098.31 million). This compares to a market share of 35% for convenience goods retention recorded in the RCASAS 2004. The wider study area as a whole retains some 86% of available convenience goods expenditure at 2009 (£939.26 million).
- 5.30 As would be expected, the retention of convenience goods expenditure by destinations in LB Lewisham varies across the zones, with retention being greatest in Zone 4 Lewisham (94%) and Zone 7 Forest Hill/ Sydenham (85%) and lowest in Zone 8 Norwood (5%) and Zone 9 Beckenham (5%).
- 5.31 Company average turnover to sales floorspace densities are available for major food store operators and are compiled by Verdict. Company average sales densities (adjusted to exclude petrol and comparison sales and include VAT) have been applied to the sales area of the large food stores listed in Table 1B, Appendix B, and a benchmark turnover for each store has been calculated. This benchmark turnover is not necessarily the actual turnover of the food store, but it provides a useful benchmark for assessing existing shopping patterns and the adequacy of current floorspace in quantitative terms.

- 5.32 The estimated convenience goods sales areas have been derived from a combination of Experian Goad data, the Council's own floorspace surveys, Institute of Grocery Distribution (IGD) and NLP estimates based on site visits. Estimates for comparison sales floorspace within large food stores has been deducted from the figures in Table 1B in Appendix B, for consistency with the use of goods based expenditure figures.
- 5.33 Average sales densities are not widely available for small convenience shops, particularly independent retailers. An average sales density of £4,500 per sq m has been adopted for small convenience shops in the defined town centres in the Borough (2009). The total benchmark turnover of existing convenience sales floorspace within the nine town centres in LB Lewisham (including the Sainsbury's, Bell Green) is £295.32 million at 2009.
- 5.34 We have made some adjustments to the market shares recorded in the household survey. This is because household survey results, particularly in London, often overestimate the expenditure attracted to the large foodstores compared with smaller local convenience facilities. On this basis, a small proportion of the convenience goods expenditure directed to some of the large national multiple retailers in the Borough which appear to be trading particularly well, such as the Sainsbury's stores in Lee Green, Forest Hill, and Lewisham, has been redirected to the smaller convenience facilities. The amount deducted varies depending upon the level of overtrading of each store/ location compared to the benchmark.
- 5.35 The assessment of shopping patterns, based on the household survey results, suggests that convenience goods expenditure attracted to LB Lewisham (excluding local shops and small freestanding facilities) in 2009 is £377.96 million (Table 5.1). These figures suggest that collectively convenience retail facilities in LB Lewisham are over-trading significantly. The identified available expenditure is 28.0% (or +£82.63 million) above benchmark levels. Although it is likely that a number of the large foodstores in Lewisham are trading very well, the figures need to be treated with some caution as it is arguable whether some of the stores are trading at the levels suggested by the survey.
- 5.36 It should be noted that these trading level figures exclude the £86.51 million convenience goods expenditure directed to other facilities in Lewisham such as local centres, small freestanding convenience stores and other convenience facilities such as petrol filling stations. This is because no accurate floorspace data is available for some of these stores and therefore it is difficult to estimate the benchmark that these stores should achieve. This approach is consistent with that adopted in the RCASAS 2004. This relatively high level of convenience goods expenditure attracted to other convenience floorspace is unsurprising given the high number of freestanding national multiples present in the Borough such as the Tesco Express stores at Hither Green, Loampit Vale, Lewisham Way, Forest Hill, Catford and Sydenham, the Marks & Spencer store on Lee High Road and the Somerfield store in Grove Park amongst other local facilities.

Table 5.1 Convenience Trading Levels in 2009 (£ million)

Centre/ Facility	Actual Turnover	Benchmark Turnover	Difference
Blackheath	13.13	4.44	+8.69
Catford	53.80	60.05	-6.25
Deptford	10.67	18.30	-7.63
Downham	9.42	8.54	+0.88
Forest Hill	34.93	20.33	+14.60
Lewisham	80.61	61.00	+19.61
Lee Green	54.53	28.85	+25.68
New Cross	34.10	34.72	-0.62
Sydenham	20.66	11.15	+9.51
Sainsbury's, Bell Green	65.20	46.40	+18.80
Lidl, Bellingham	0.90	1.54	-0.64
Sub-Total	377.95	295.32	82.63
Other in Lewisham	86.51	n/a	n/a

Comparison Goods Shopping

5.37 The estimated comparison goods expenditure currently attracted by shopping facilities within LB Lewisham is £363.56 million in 2009, as shown in Table 3E, Appendix E. This includes an allowance for the inflow of expenditure to comparison goods destinations in the Borough from residents outside of the study area. The level of inflow is consistent with that assumed in the RCASAS 2004 and comprises £11.13 million (or 3% of total comparison goods expenditure attracted to facilities in Lewisham). A further 29% of expenditure (£489.61 million) is directed to other facilities within the study area of which the majority (£292.03 million) is directed to Bromley town centre. Based on the comparison goods expenditure retained in the study area only and excluding inflow (£352.43 million) this equates to a market share of 21%, which compares to a market share of 24% recorded in the RCASAS 2004. This is likely to reflect the lack of additional floorspace developed within the Borough since 2004 and the development of additional floorspace in some of the competing centres.

5.38 Based on the total estimated comparison goods expenditure excluding 'other floorspace, Lewisham' (£21.80 million) as no floorspace data is available, which totals £341.76 million, the average sales density for existing comparison sales floorspace (79,335 sq m net) is £4,308 per sq m net which is close to the benchmark figure in Table 2B (Appendix B) of £4,283. Mintel's Retail Rankings 2008 provides company average sales density information for a selection of national retailers. This data suggests a notional average sales density for national comparison retailers (£5,220 per sq m). However, the performance of different centres differs and Table 5.2 demonstrates the indicative sales densities achieved by different destinations in LB Lewisham.

Based on our recent experience across the country average sales densities for comparison floorspace can range from £2,000 to £7,000 per sq m net. The higher end of this range is usually only achieved by very successful shopping centres, which reflects the higher proportion of quality multiple retailers. Table 5.2 indicates that the largest centres in the Borough, Lewisham Town Centre and Catford Town Centre, achieved the highest turnovers of £6,175 per sq m net and £6,594 per sq m net respectively reflecting the strength of retail provision and the presence of key attractor national multiple retailers. Blackheath, with a sales density of £5,569 per sq m net, also performs well. The smaller centres in the Borough record much lower sales densities with Downham Town Centre (£1,623) and Deptford Town Centre (£1,780 per sq m net) recording the lowest. The sales density of retail warehouse floorspace in the Borough is also low, at £2,479 per sq m net. We consider that the survey underestimates the performance of these lower order centres which is not untypical of the results of household surveys in London. In reality we consider that these lower order centres are trading at higher levels than those suggested by the survey.

Table 5.2 Comparison Goods Trading Levels in 2009, (£m)

Centre/ Facility	Actual Turnover	Net Floorspace (sqm)	Resulting Turnover (£ per sq m net)
Blackheath	11.85	2,128	5,569
Catford	56.87	8,625	6,594
Deptford	9.58	5,383	1,780
Downham	2.17	1,337	1,623
Forest Hill	11.88	2,416	4,917
Lewisham	158.06	25,593	6,175
Lee Green	3.87	1,901	2,035
New Cross	5.62	2,227	2,524
Sydenham	19.62	4,614	4,252
Retail Warehouses in LB Lewisham	62.24	25,111	2,479
Sub-total	341.76	79,335	4,308
Other Facilities in Lewisham	21.80	n/a	n/a

Quantitative Capacity for Additional Convenience Floorspace

The level of available convenience goods expenditure in 2014, 2019 and 2025 is shown at Tables 6D to 8D, in Appendix D. These tables assume existing 2009 market shares will be maintained in the future. The total level of convenience goods expenditure available for shops in LB Lewisham between 2009 and 2025 is summarised in Table 9D. This table takes into account the population and expenditure projections shown in Table 1D to 3D in Appendix D. The benchmark turnover of existing convenience floorspace has been subtracted from the estimates of available expenditure to provide deficit/surplus expenditure estimates, as shown in Table 9D, Appendix D.

5.41 Convenience goods expenditure available to shopping facilities in LB Lewisham is expected to increase from £464.47 million in 2009 to £591.05 million in 2025.

5.42 The following commitments in LB Lewisham have been taken into account:

- a Lidl foodstore of 1,700 sqm gross/ 1,286 sqm net (1,040 sqm net convenience goods) at 102- 104 Lee High Road;
- a convenience retail unit of 408 sqm gross/ 286 sqm net permitted at 262-274 Lewisham High Street;
- the Lewisham Gateway scheme which has outline planning permission for 12,000 sqm gross/ 8,400 sqm net (10% of the approved floorspace is assumed to comprise convenience floorspace);
- the Loampit Vale redevelopment which includes 1,230 sqm gross/ 861 sqm net Class A1, A2 and B1 floorspace. Given that no further clarification of the split of floorspace is available and to ensure robustness, for the purposes of this assessment we have assumed that all of the floorspace will be used for Class A1 purposes and 30% of this floorspace is assumed to be convenience floorspace;
- Convoys Wharf which has a resolution to grant planning permission subject to a Section 106 agreement. This scheme incorporates 6,945 sqm gross/ 4,862 sqm net Class A1/ A2 floorspace. For the purposes of this assessment all of this floorspace is assumed to be Class A1 floorspace and based on guidance from LB Lewisham we have assumed that 75% of this floorspace will be used for the sale of convenience goods;
- Catford Greyhound Stadium has outline planning permission for a predominantly residential scheme which includes 508 sqm gross/ 356 sqm net A1 floorspace of which 50% is assumed to be convenience floorspace.

5.43 The assumed turnovers of these facilities are set out in Table 3B, Appendix B and Table 9D, Appendix D. For all of these commitments except for the Lidl foodstore and Convoys Wharf we have used an indicative sales density of £7,491 per sqm at 2009. This is the average benchmark sales density of convenience goods facilities in the Borough derived by dividing the benchmark turnover of convenience goods facilities (£295.32 million) by the quantum of floorspace for which they account (39,424 sqm net) as shown in Table 1B, Appendix B. For Lidl, the convenience goods sales density at 2009 has been derived from Mintel Retail Rankings (2009) whilst for Convoys Wharf, given the quantum of convenience floorspace proposed which may be suitable for a national multiple retailer, an indicative sales density of £11,000 per sqm at 2009 has been used.

5.44 Table 9D assumes that the benchmark turnover of convenience floorspace will not increase between 2009 to 2011 due to the recession and limited projected expenditure growth. In the longer term existing floorspace within the Borough is expected to increase its benchmark turnover in real terms. A growth rate of 0.3% per annum is adopted, which we believe is realistic if an expenditure growth rate of 0.7% per annum is achieved.

5.45 Table 9D subtracts the benchmark turnover of existing and proposed floorspace from available expenditure to calculate the amount of surplus expenditure that may be available for further new development. This is summarised in Table 5.3 below. This indicates that, once commitments are taken into account there is £60.00 million excess convenience goods expenditure by 2014 to support additional convenience goods facilities in the Borough, which increases to £97.38 million by 2019 and £135.94 million by 2025.

Table 5.3 Convenience Goods Surplus/Deficit Expenditure Projections by Centre (£m)

Centre	2009	2009- 2014	2009- 2019	2009- 2025
Blackheath	+8.69	+9.97	+11.20	+12.28
Catford	-7.58	-4.45	-0.56	+3.32
Deptford	-7.63	-6.92	-6.14	-5.23
Downham	+0.88	+1.35	+1.95	+2.58
Forest Hill	+14.60	+17.32	+20.58	+24.47
Lewisham	+6.46	+12.19	+18.89	+25.72
Lee Green	+25.68	+29.99	+34.66	+39.06
New Cross	-0.62	+1.93	+4.91	+8.41
Sydenham	+9.51	+10.81	+12.48	+14.18
Other Lewisham*	-21.95	+12.19	-0.60	+11.16
TOTAL	+28.06	+60.00	+97.38	+135.94

* Includes Convoys Wharf proposal
Based on Table 9D, Appendix D

5.46 It is important to note that these estimated capacity figures should not be taken as literal interpretations of the amount of additional convenience floorspace that should be accommodated in each centre, but should be viewed on the basis of accommodating capacity within the most appropriate centre within the Borough. For example, although the quantitative figures indicate surplus convenience goods expenditure at 2009 of £25.68 million in Lee Green, given the retail hierarchy in the Borough it is likely to be more appropriate for some of this expenditure to be accommodated in Lewisham Town Centre which would still serve shoppers in the local area. It should also be reiterated that the capacity identified at 2009 is due to the levels of overtrading in a number of the larger stores in the Borough. We consider that some of these shops may be trading at slightly below the levels suggested by the household survey and as such the capacity figures attained above should be treated as maxima.

5.47 We note that the soon to be published draft Core Strategy for Lewisham uses 2016 as a test year. The convenience goods expenditure surplus at 2016 is £77.13 million.

5.48 On this basis, for the purposes of assessing the quantum of additional convenience floorspace that this surplus expenditure could accommodate we have divided the Borough into three different sub-areas as follows:

- Lewisham North: comprising Deptford and New Cross.
- Lewisham Central: comprising Lewisham, Blackheath and Lee Green.
- Lewisham South: comprising Catford, Downham, Forest Hill and Sydenham.

5.49 Other Lewisham is divided evenly between each of the three Sub-Areas.

5.50 Table 5.4 below demonstrates the surplus convenience expenditure available to support additional floorspace in the Borough on the basis of these sub-areas.

Table 5.4 Convenience Goods Surplus/Deficit Expenditure Projections by Sub-Area (£m)

Centre	2009	2009- 2014	2009- 2019	2009- 2025
Lewisham North	-15.57	-9.06	-1.42	+6.90
Lewisham Central	+33.52	+48.09	+64.54	+80.78
Lewisham South	+10.10	+20.96	+34.26	+48.27
TOTAL	+28.06	+60.00	+97.38	+135.94

5.51 These surplus expenditure projections have subsequently been converted into potential new floorspace estimates in Table 5.5 below, based on an assumed sales density of £11,000 per sqm at 2009 (increased by floorspace efficiency of 0.3% from 2011 onwards). By comparison the 2004 RCASAS used a sales density of between £10,000 and £11,000 per sqm net to assess the capacity for additional convenience floorspace. This sales density is higher than the average sales density for existing convenience floorspace in the Borough (£7,491 per sqm at 2009) but we believe that this is a realistic estimate of the level that modern convenience floorspace can achieve. These projections take into account commitments (including schemes with a resolution to grant planning permission), but exclude emerging development proposals such as the Sainsbury's in New Cross which is outlined in Section 6.0 of this Study.

Table 5.5 Convenience Goods Floorspace Projections by Sub-Area (sqm net)

Centre	2009	2009- 2014	2009- 2019	2009- 2025
Sales Density (£ per sqm net)	11,000	11,099	11,267	11,471
Lewisham North	-1,415	-816	-126	+601
Lewisham Central	+3,047	+4,333	+5,729	+7,042
Lewisham South	+918	+1,889	+3,040	+4,208
TOTAL	+2,551	+5,406	+8,643	+11,851

- 5.52 Any predictions for the period beyond 2014 should be treated with a high degree of caution. This is because it is very difficult to forecast how the retail landscape will change over the period to 2025, for example the long term impact on internet/ home shopping and the potential impact of future schemes in centres, and these will affect future need and capacity, as will the levels of population and expenditure growth that actually occur. As such, it is essential that the need/capacity for retail floorspace is assessed at regular intervals and at least once every five years. Forecast need/capacity for retail floorspace in the medium and long-term is not sufficient justification to support new retail floorspace in the period to 2014, and the medium and long-term floorspace estimates should be viewed as indicative only.
- 5.53 Based on our assumptions there is immediate global capacity for up to 2,551 sqm (net) of convenience floorspace in the Borough as a whole, which increases to 5,406 sqm (net) at 2014, to 8,643 sqm (net) at 2019 and 11,851 sqm (net) at 2025 as shown in Table 5.5. At 2016, the global capacity figure is 6,908 sqm (net). The quantum of convenience floorspace required would, however, depend upon the type and nature of convenience floorspace operator.
- 5.54 There are variations in the quantum of convenience floorspace required across the Borough at a sub-area level. The greatest amount of floorspace is required in the Lewisham Central area within which there is a need for 3,047 sqm net at 2009, rising to 4,333 sqm net at 2014. By comparison a predicted 918 sqm net is required in Lewisham South at 2009 rising to 1,889 sqm net at 2014, whilst in Lewisham North there is an oversupply of convenience floorspace by an estimated 1,415 sqm net at 2009, falling to a deficit of 816 sqm net at 2014. The deficit in Lewisham North is a direct result of our assumption regarding the provision of a significant amount of convenience goods floorspace as part of the Convoys Wharf scheme.
- 5.55 In order to provide indicative guidance on the amount of convenience goods floorspace that could be accommodated in each of the nine defined Major and District Town Centres in the Borough, we have apportioned the surplus/ deficit convenience floorspace projections on the basis of the benchmark turnovers of each of the centres within a sub-area shown in Table 1B Appendix B. For example, in the Lewisham North Sub-Area at 2009 Deptford has an estimated benchmark turnover of £18.30m and New Cross has an estimated benchmark of £34.72m. Cumulatively this equates to a benchmark turnover of £53.02m of which 35% is accounted for by Deptford and 65% is accounted for by New Cross. As such, the deficit/ surplus expenditure in the Lewisham North Sub-Area is allocated on a proportional basis with 35% being attributed to Deptford and 65% being attributed to New Cross.
- 5.56 Table 5.6 below demonstrates the indicative amount of convenience floorspace that could be allocated within each of the defined Major and District Town Centres in the Borough using this method of assessment. However, if these figures are used to identify capacity within certain centres, it needs to be

recognised that the figures for Lewisham Central and South must be considered in the context of a deficit in Lewisham North i.e. the global capacity figure needs to be taken into account.

5.57

As previously discussed additional convenience floorspace should be distributed across the Borough in line with the retail hierarchy i.e. Lewisham and Catford should be the preferred locations for a significant proportion of the additional convenience floorspace.

Table 5.6 Convenience Goods Surplus/Deficit Floorspace Projections by Centre (sqm net)

Centre	% benchmark in the sub area	2009	2009-2014	2009-2019	2009-2025
<i>North Lewisham</i>					
Deptford	35	-495	-286	-44	+210
New Cross	65	-920	-530	-82	+391
<i>Sub-Total</i>	<i>100</i>	<i>-1,415</i>	<i>-816</i>	<i>-126</i>	<i>+601</i>
<i>Central Lewisham</i>					
Blackheath	5	+152	+217	+286	+352
Lewisham	64	+1,950	+2,773	+3,666	+4,507
Lee Green	31	+945	+1,343	+1,776	+2,183
<i>Sub-Total</i>	<i>100</i>	<i>+3,047</i>	<i>+4,333</i>	<i>+5,729</i>	<i>+7,042</i>
<i>South Lewisham</i>					
Catford	60	+551	+1,133	+1,824	+2,525
Downham	9	+83	+170	+274	+379
Forest Hill	20	+184	+378	+608	+842
Sydenham	11	+101	+208	+334	+463
<i>Sub-Total</i>	<i>100</i>	<i>+918</i>	<i>+1,889</i>	<i>+3,040</i>	<i>+4,208</i>
GRAND TOTAL	-	+2,551	+5,406	+8,643	+11,851

Quantitative Capacity for Additional Comparison Floorspace

5.58

The household survey suggests that LB Lewisham's retention of comparison expenditure is lower than for convenience goods, i.e. ranging from between 2% in Zone 8 to 44% in Zone 4. In overall terms, the Borough retains 21% of the comparison goods expenditure which is a significant reduction in its market share based on the 2004 RCASAS of 24%. The lower level of comparison expenditure retention is due to the strength of competing comparison goods facilities in neighbouring authorities, particularly Bromley, Croydon and Central London and reflects the fact that there has been no significant new comparison goods retail development in the Borough since the 2004 RCASAS.

5.59

Further improvements to comparison retail provision within the Borough could help to claw back expenditure leakage from the study area. However, major development proposals in competing authorities may limit the ability of shopping facilities in the Borough to significantly increase their market share of expenditure in the long term. The strategy for LB Lewisham should seek to

increase its market share in the face of increasing future competition and in view of its objective in achieving Metropolitan Centre status for Lewisham Town Centre.

5.60 The retail capacity projections in this report assume as a starting point that LB Lewisham will maintain its market share of comparison expenditure in the future. Available comparison goods expenditure has been projected forward to 2014, 2019 and 2025 based on 2009 penetration rates in Tables 4E to 6E in Appendix E, and summarised in Table 7E. Available comparison expenditure for facilities in LB Lewisham is expected to increase from £363.56 million in 2009 to £787.38 million in 2025.

5.61 The growth in comparison goods expenditure available for shops in the Borough between 2009 and 2025 is summarised in Table 7E, in Appendix E. Future available expenditure is compared with the projected turnover of existing and proposed comparison retail facilities within the Borough in order to provide estimates of surplus expenditure, as shown in Table 7E. Committed/ proposed comparison retail developments are also taken into consideration and taken off the need for additional comparison goods floorspace over the period. In this regard we have taken into consideration the following commitments:

- the Lewisham Gateway scheme which has outline planning permission for 12,000 sqm gross/ 8,400 sqm net;
- the Loampit Vale redevelopment which includes 1,230 sqm gross/ 861 sqm net Class A1, A2 and B1 floorspace. Given that no further clarification of the split of floorspace is available and to ensure robustness, for the purposes of this assessment we have assumed that all of the floorspace will be used for Class A1 purposes and have assumed that 70% of this floorspace will be used for the sale of comparison goods;
- retail warehousing at the Thurston Road Industrial Estate which comprises 6,771 sqm gross/ 5,417 sqm net floorspace;
- retail units at 36-56 Lee High Road, Lewisham which will occupy 922 sqm gross/ 645 sqm net floorspace;
- the comparison goods element of the Lidl foodstore at 102- 104 Lee High Road, Lewisham, which we estimate will comprise 246 sqm net;
- Convoys Wharf which has a resolution to grant planning permission subject to a Section 106 agreement. This scheme incorporates 6,945 sqm gross/ 4,862 sqm net Class A1/ A2 floorspace. For the purposes of this assessment all of this floorspace is assumed to be Class A1 floorspace and based on guidance from LB Lewisham, 25% of the floorspace will be used for the sale of comparison goods;

- Catford Greyhound Stadium has outline planning permission for a predominantly residential scheme which includes 508 sqm gross/ 356 sqm net A1 floorspace of which 50% is assumed to be comparison floorspace;
- extant planning permissions at Bell Green for 7,394 sqm gross bulky goods units (including the Toys Unit), 5,760 sqm gross DIY unit and an external garden centre as part of Phase II, and 1,247 sqm gross of commercial (A1/A2/A3/B1/D1) floorspace as part of Phase III. For the purposes of this assessment we have assumed that all of this floorspace will be used for non-food Class A1 purposes.

5.62 The estimated turnover of these commitments is shown in Table 3B, Appendix B and Table 7E, Appendix E. In total, the committed comparison goods floorspace in the Borough is 44,477 sqm gross. Table 7E assumes that the benchmark turnover of existing comparison floorspace will not increase between 2009 to 2011 due to the recession and the limited projected expenditure growth. In the longer term existing floorspace within the Borough is expected to increase its benchmark turnover in real terms. A growth rate of 2% per annum is adopted, which we believe is realistic if an expenditure growth rate of 4.6% per annum is achieved. Trends indicate that comparison retailers historically will achieve some growth in trading efficiency. This is a function of spending growing at faster rates than new floorspace provision and retailers' ability to absorb real increases in their costs by increasing their turnover to floorspace ratio. The results of Table 7E in terms of expenditure are replicated in Table 5.7 below.

Table 5.7 Comparison Goods Surplus Expenditure Projections (£m)

	2009	2014	2019	2025
Available Expenditure	363.56	437.99	577.22	787.38
Benchmark turnover of existing shops	361.63	383.77	423.71	477.17
Commitments	93.43	103.15	113.89	128.26
Surplus	-91.50	-48.93	39.62	181.96

5.63 The projections in Table 5.7 suggest that at 2014 there is a deficit of comparison goods expenditure and that no additional comparison goods floorspace is required. However, it is important to reiterate that these figures include the significant level of committed comparison floorspace identified in Table 3B, Appendix B. As noted previously, any projections for the period beyond 2014 should be treated with caution, however continued population and expenditure growth will result in an estimated comparison goods expenditure surplus at 2019 of £39.62 million increasing to £181.96 million in 2025.

5.64 Need at a local level varies with some centres such as Catford and Sydenham having an under-supply of comparison floorspace and other centres such as Lewisham having an over-supply of comparison goods floorspace. The reason for the over supply in Lewisham town centre is due to the significant levels of committed floorspace, including the Gateway Scheme.

5.65 Deficit/surplus comparison expenditure has been converted into net/ gross in Table 5.8 below. The surplus expenditure capacity projections suggest that there is no requirement for additional retail development in the Borough to 2014, based on current market share (over and above existing commitments). Notwithstanding the uncertainty surrounding projections beyond 2014, in Table 5.8 we have indicated the quantum of comparison goods floorspace that could be required over the period to 2019 and 2025.

5.66 Surplus expenditure estimates for high street comparison shops have been converted into net sales floorspace projections based on a benchmark turnover density of £4,500 per sq m net at 2009, which we consider is a reasonable benchmark turnover of modern comparison goods floorspace for the Borough as a whole. A benchmark turnover of £4,250 per sqm was used in the 2004 RCASAS. This sales density has been increased on the basis of the floorspace efficiencies set out above. The figures (Table 5.8) suggest that, with commitments, at 2019 there will be an under-supply of 10,736 sqm gross comparison goods floorspace, increasing to 43,806 sqm gross by 2025. It should be noted however that the floorspace requirement will depend on the comparison retailers that would occupy the units. For example, retail warehousing type occupiers will often trade at lower sales densities than high street retailers and consequently the surplus comparison goods expenditure identified would permit a greater quantum of this type of comparison floorspace to be developed.

5.67 We have also estimated capacity at 2016 in accord with the draft Core Strategy. The deficit at 2016 is just - £14.46 million which shows that capacity for new floorspace will emerge just after this date.

Table 5.8 Comparison Goods Floorspace Projections

	2014	2019	2025
Surplus Expenditure (£m)	-48.93	39.62	181.96
Turnover Density (£/sqm)	4,775	5,272	5,934
Sales Floorspace (sqm net)	-10,247	7,515	30,664
Gross Floorspace (sqm)*	-14,639	10,736	43,806

* 70% net to gross assumed

5.68 The capacity for comparison goods floorspace in individual centres varies as shown in Table 7E, Appendix E. The only centre with a significant amount of comparison goods capacity at 2014 is Catford (£22.98 million), although across Lewisham Borough as a whole this is counter balanced by the capacity deficit elsewhere. But at 2019 both Catford and Lewisham show a significant need for additional comparison goods floorspace.

5.69 The London Plan’s Consumer Expenditure and Comparison Goods Retail Floorspace Need in London (CECGRFL) suggests a future requirement for

comparison retail floorspace of between 4,675 to 19,029 sq m gross in LB of Lewisham by 2016. This is based on differing productivity growth rates of 2.80% and 1.50% respectively (in comparison this Study has used an assumed productivity growth rate of 0% to 2011 and 2.0% beyond 2011). The CECGRFL projection for 2021 is between 13,211 to 37,253 sq m gross and for 2026 between 21,343 and 36,551 sq m gross is anticipated to be required.

- 5.70 The CECGRFL projections take into account major retail developments that are either committed, approved or proposed in the short to medium term, however it is unclear when Experian have assumed the retail developments will come forward. Our capacity assessment, including commitments but not proposals, identifies a surplus of £39.62 million at 2019. On a basis of a sales density of £4,500 per sqm at 2009, this equates to a requirement for some 10,736 sqm gross comparison floorspace at 2019. This is slightly lower than the minimum requirement of 13,211 sqm gross recorded by Experian at 2021. On this basis NLP's projections are considered to be broadly consistent with the lower end of the range suggested within the CECGRFL.

Scope for Additional Comparison Floorspace with increased retention for Lewisham Town Centre

- 5.71 The household survey identifies that significant levels of comparison expenditure originating within the study area is currently being spent beyond the Borough boundary and of concern is the fact that this level of outflow has increased since the 2004 RCASAS. Although, given the proximity of the major centres of Bromley and Croydon as well as Bluewater and the West End a significant level of outflow is to be expected.
- 5.72 Notwithstanding this, in view of the aim within planning policy for shopping requirements to be met by reducing the need to travel, as well as for Lewisham town centre to establish itself as a Metropolitan Centre within the retail hierarchy, we have undertaken a sensitivity test which assumes that the town centre increases its market share within the study area by reducing the level of outflow.
- 5.73 In the event that this level of claw back is achieved, it would be because in the period to 2014, additional floorspace within Lewisham town centre would be brought forward of sufficient quantum and of a sufficiently higher order nature to increase the attractiveness of the centre relative to other centres such as Bromley and Croydon. If all the committed developments come forward, this would significantly improve the retail offer of the Borough and is likely to have a resultant increase in the market share achieved by destinations within it.
- 5.74 We emphasise however, that this is against a background where there are a number of retail commitments and proposals beyond the study area (eg. the recently developed Tesco foodstore in Orpington and the redevelopment commitments/ proposals for Stratford, Surrey Quays, Woolwich and the

Elephant and Castle Shopping Centres). These would increase the relative attractiveness of these centres.

5.75 In view of this, some caution must be exercised in considering the scope for Lewisham to increase its penetration rate at a time when the competing centres are also seeking to increase their market shares by improving their retail offer. Despite this, we consider that Lewisham Town Centre is in a position whereby it can increase its market share in the medium term.

Sensitivity Analysis

5.76 Table 3E identifies that in 2009 the penetration rate for Lewisham town centre within Zones 1 to 10 is 9.2% (ie. of £1,676.72 million total available expenditure in Zones 1 to 10, Lewisham Town Centre accounts for £154.90 million).

5.77 We have tested an assumption that Lewisham town centre increased its penetration rate by 10% within the study area (ie. from 9.2% to 10.1%). This is not a significant increase and is consistent with that used in the sensitivity test which informed the previous RCASAS 2004. Table 5.9 below identifies the additional expenditure which would be available to Lewisham Town Centre. This is translated into a floorspace requirement on the basis of the additional floorspace achieving a turnover consistent with that identified in Table 5.8.

Table 5.9 Scope for additional floorspace with increased penetration rate in Lewisham town centre

	2014	2019	2025
Increase in available expenditure (£m)	18.10	23.74	32.28
Residual capacity based on current market share (£m)	-48.93	39.62	181.96
Revised residual capacity (£m)	-30.83	63.36	214.24
Turnover Density (£/sqm)	4,775	5,272	5,934
Sales Floorspace (sqm net)	-6,457	12,018	36,104
Gross Floorspace (sqm)*	-9,224	17,169	51,577

* 70% net to gross assumed

5.78 On the basis of an increased market share being achieved by Lewisham Town Centre, at 2014 there remains no capacity for additional comparison goods if all committed schemes come forward. At 2019 and 2025 surplus comparison goods expenditure increases to £63.36 million and £214.24 million respectively.

5.79 The London Plan (consolidated with alterations since 2004, February 2008) indicates at Annex 1 that Metropolitan Centres:

“...typically have over 100,000 square metres of retail floorspace, including multiple retailers and department stores. They also have significant employment, service and leisure functions”

Annex 1, para 3

- 5.80 It should be noted that the London Plan does not define what constitutes 'retail floorspace', although following discussions with LBL officers, we understand that this refers to all floorspace in Class A use as well as any vacant retail or service floorspace. Although the London Plan recognises the characteristics of Metropolitan Centres as outlined above, it does not specify requirements which should be fulfilled in order for a centre to qualify for such status.
- 5.81 Based on the quantum of floorspace in Class A use present in Lewisham Town Centre according to the latest Goad Town Centre Survey (updated by NLP), and including vacant retail and service floorspace, the centre contains approximately 80,000 sqm gross retail/service floorspace. The level of floorspace requirement at 2019, if converted into floorspace using a sales density of £4,500 per sqm at 2009, when considered in conjunction with the existing Lewisham Gateway commitment (12,000 sqm gross) and the other convenience and comparison floorspace commitments in Lewisham Town Centre, would be enough for the centre to qualify for Metropolitan Centre status i.e. it would contribute more than the additional 20,000 sqm required. However, this will be dependent upon the Gateway scheme being implemented together with new schemes to accommodate the capacity identified. Notwithstanding this, some of the identified capacity for additional floorspace could be accommodated in existing vacant floorspace which is included in the total retail floorspace figure for Lewisham Town Centre previously quoted.
- 5.82 It should also be recognised that the indicative floorspace requirement of a Metropolitan Centre, outlined in Annex 1 of the London Plan, could be revised by the time the Town Centre reaches the current threshold.

Qualitative Need

Socio-Economic Characteristics within Lewisham

- 5.83 Shopping needs may vary considerably, often related to socio-economic characteristics. For example, residents without access to a car or those on low incomes will have different needs to those who are mobile by car or who enjoy higher income. Lower income groups without access to a car may be less able to travel to shopping facilities and may also be socially excluded from high priced shops, therefore, the availability of discount or value retail facilities may be important for these groups. The socio-economic characteristics of the LB Lewisham have been examined and compared with the county and national averages.
- 5.84 Car ownership in LB Lewisham (57.3% of households) is below the average for London (62.6%) and significantly below the UK average (73.2%), as shown in Table 5.10, which partly reflects the location of the Borough and the good public transport network. However, it is above the average for Inner London. The proportion of households with two or more cars in LB Lewisham is similar to the

London average, above the Inner London average, but below the national average, which is an indication of the socio economic profile of the Borough.

Table 5.10 Car Ownership 2001

Characteristic	% Households 2001			England and Wales Average
	Lewisham	Inner London	London	
Two or more	13.8	10.0	19.5	29.4
One	43.5	39.3	43.1	43.8
None	42.8	50.7	37.5	26.8

Source: 2001 Census of Population (Table KS 17)

5.85 Table 5.11 shows that Lewisham has a higher unemployment rate (5.4%, based on the proportion of the working age population claiming job seekers allowance) than both the London-wide (4.4%) and national average (4.2%). However long-term unemployment, which is defined as the proportion of those claimants who have been claiming job seekers allowance for greater than 12 months (8.7%), is lower than both the London-wide (10.7%) and national average (9.8%).

Table 5.11 Economic Activity August 2009

Unemployed	% Households		
	Lewisham	London	Great Britain
JSA Claimants	5.4	4.4	4.2
JSA Claimants claiming for > 12 mths	8.7	10.7	9.8

Source: Nomis August 2009

5.86 As shown in Table 5.12, the age structure in Lewisham is generally similar to Inner London and London as a whole. However, it differs from the UK average in that Lewisham has a higher proportion of children aged 0-14 and adults aged between 15 and 44. Correspondingly it has a lower number of adults aged 45 and upward.

Table 5.12 Age Structure 2001

Status	% of Population			UK Average
	Lewisham	Inner London	London	
Children 0-14	19.9	18.4	19.0	18.9
Adults 15 to 29	22.8	26.4	22.9	18.8
Adults 30 to 44	28.3	27.4	25.7	22.6
Adults 45 to 59	14.5	14.0	16.0	19.0
Adults 60 to 74	9.2	9.1	10.5	13.0
Adults 75+	5.3	5.4	5.9	7.4

Source: 2001 Census of Population (Table KS 02)

5.87 This socio-economic analysis indicates there are differences between the profile of residents in Lewisham and the UK as a whole. LB Lewisham has below average levels of car ownership and above average unemployment.

These characteristics suggest that many households in Lewisham are both less affluent and less mobile and more reliant upon public transport. Further to this there are a number of households, including young people and young families who may have lower incomes and limited access to transport. These households may not have the ability to choose between competing retail centres and will not be able to travel to all shopping destinations.

- 5.88 Local residents will generally want access to all forms of shopping, although more affluent households are often more selective and may be prepared to travel further for certain types of shopping.
- 5.89 The level of accessibility to shopping centres/stores, in terms of the convenience to the home or work, is an important consideration for shoppers. The distance (or time) customers are prepared to travel for each type of shopping will vary. For example, residents in the main towns might reasonably expect to have easy walking access to local shops (for daily top up purchases). Employees working within or near the town centres may also expect to find shopping facilities within easy walking distance to meet their lunchtime needs.
- 5.90 For bulk or main food shopping, residents should be able to visit a supermarket that provides a reasonable range of goods by car or public transport within the wider locality. Residents may be prepared to travel further for higher order comparison goods purchased on an occasional basis, such as Christmas gifts, fashion, furniture or electrical goods. For example, customers will be prepared to travel to larger centres for these occasional shopping trips.
- 5.91 The household survey results demonstrate that residents tend to visit a diverse selection of shopping centres. A high proportion of residents in Lewisham regularly shop in centres including the West End, Bromley and Croydon. Bromley attracts significant trade from Zones 5, 6, 7 and 9 and Croydon draws a significant proportion of residents from Zones 8. The West End attracts trade from across the study area. In addition, the internet is increasingly used to purchase comparison goods from residents across all of the survey zones. These shopping patterns are likely to continue in the future.

SCOPE FOR ACCOMMODATING GROWTH

Floorspace Projections

The floorspace projections set out in the previous sections assume that new shopping facilities within LB Lewisham can, as a minimum, maintain their current market share of expenditure within the study area, recognising that other competing centres are likely to improve in the future. There are a number of issues that may influence the scope for new floorspace and the appropriate location for this development, as follows:

- major retail developments in competing centres;
- the re-occupation of vacant town centre floorspace;
- the availability of land to accommodate new development;
- the reliability of medium and long term expenditure projections, particularly after 2014;
- the effect of internet/home shopping on the demand for retail property;
- the acceptability of higher than average trading levels;
- the likelihood that LB Lewisham's existing market share of expenditure will change in the future in the face of increasing competition;
- the potential impact new development may have on existing centres.

The floorspace projections shown in Section 5.0 should be treated with caution and should only be used as a broad guide, particularly when translated into the development plan allocations or when used to guide development control decisions. Medium and long term forecasts may be subject to change due to unforeseen circumstances. Projected surplus expenditure is primarily attributable to projected growth in spending per capita. If the growth in expenditure is lower than that forecast then the scope for additional space will reduce. Long term projections should be monitored and kept under-review. Recommendations on monitoring and updating projections are set out in later in this study.

The expenditure projections in this study take into account home shopping made through non-retail businesses, because special forms of trading have been excluded. The study assumes that special forms of trading will increase in the future, including the growth of internet shopping. However, the impact of Internet growth on the demand for retail floorspace is unclear. Some retailers' home delivery and Internet services utilise existing stores rather than warehouses, for example Tesco Direct. Therefore, Internet sales will not always significantly reduce the demand for shop floorspace. In addition, some of the

growth in Internet sales may divert trade away from mail order companies rather than retail operators. Overall the long term impact of home shopping on expenditure projections is uncertain.

- 6.4 The quantitative and qualitative assessment of the potential capacity for new retail floorspace within the previous sections suggests that there is scope for new retail development within LB Lewisham, over and above existing commitments, although this is after 2014 for comparison goods floorspace. This section examines the opportunities for accommodating this projected growth and assesses potential opportunities to accommodate this floorspace.

Accommodating Future Growth

- 6.5 The sequential approach suggests that designated town centres should be the first choice for retail and leisure development. In considering this important issue the following factors should be assessed.

- What is the locational area of need the development seeks to serve and what existing centre could potentially fulfil the identified area of need?
- Is the nature and scale of development likely to serve a wide catchment area?
- Is a site available in one of the designated centres, including vacant premises and will this site meet the identified need?
- If the development has a more localised catchment area, is a site available in a local centre and will this site meet the identified need?

- 6.6 Some forms of retail or leisure facilities, which serve more localised catchment areas, may be more appropriate within local centres, rather than the main centres. However, all development should be appropriate in terms of scale and nature to the centre in which it is located.

- 6.7 The existing stock of premises may have a role to play in accommodating projected growth. The retail capacity analysis in this report assumes that existing retail floorspace can, on average, increase its turnover to sales floorspace densities. A growth rate of 2% per annum is assumed for comparison floorspace after 2011 and 0.3% per annum for convenience floorspace after 2011. The adoption of these growth rates represents a balanced approach. The floorspace projections reflect these assumptions. In addition to the growth in sales densities, vacant shops could help to accommodate future growth.

Table 6.1 Vacancy levels in existing centres

Name of Centre	Number of Vacant Units	Vacant Floorspace (sqm)
Lewisham	66	11,450
Catford	26	3,460
Blackheath	5	410
Deptford	28	2,940
Downham	4	580
Forest Hill	26	3,110
Lee Green	15	-
New Cross	12	1,470
Sydenham	21	2,530
TOTAL	203	25,950

Based on Goad Town Centre Surveys as updated by NLP (April 2009) except Lee Green which is based entirely on NLP survey (April 2009)

Blackheath and Lee Green include units within LB Greenwich

6.8 Table 6.1 indicates that there were 203 vacant shop units within the nine main centres in LB Lewisham, a vacancy rate of about 13.8%, which is above the Goad national average (11.2%). These vacant premises could help to accommodate some of the capacity identified in the previous section. For example, if the current vacancy level fell from 13.4% to 10.0% (i.e. the reoccupation of around 50 vacant properties) this could accommodate about 5,000 sq m gross of commercial space (assuming 100 sq m gross per unit).

6.9 The short term priority during the recession should be the reoccupation of vacant floorspace, but this should not preclude investment within appropriate town centre locations.

Potential Development Opportunities

6.10 A review of potential development sites has been undertaken in the nine main centres in LB Lewisham. This considers all sites considered in the RCASAS 2004 and any additional sites which may have come forward over the 2004 to 2009 period. We have only looked at in-centre or edge-of-centre sites as defined in retail terms. Some of the sites previously considered have since been developed and have therefore not been appraised for future retail development in this update. Sites have been identified by the following means:

- sites identified in the 2004 Retail Capacity Study;
- retail commitments and proposals;
- retail (and other) allocations within the UDP;
- sites identified within planning briefs;
- sites put forward following discussions with Planning Officers; and
- sites identified by NLP from our on the ground survey.

6.11 The search identified a total of 59 sites within the Borough of these, 19 were in Lewisham, 12 in Catford, 8 in Forest Hill, 6 in New Cross, 5 in Deptford, 3 in Sydenham and 2 each in Downham, Blackheath and Lee Green.

6.12 We subsequently undertook an initial sieving process. This excluded sites which we do not consider form viable or appropriate retail locations. The reasons for sites being excluded were sites:

- not available for development (i.e. either not likely to come forward as subsequently developed or allocated for other uses);
- not well located to the existing retail area; and/or
- constraints in site location, size, topography or ownership which was likely to constrain development.

6.13 We have also excluded sites which are of limited size or if redeveloped are unlikely to lead to a significant net increase in retail floorspace.

6.14 As a result of this analysis 45 of the initially identified sites have been discounted. The remaining 14 sites have been evaluated, in terms of their implications on the scope and need for additional retail facilities in the authority, and have been assessed against the following factors:

- existing land uses and availability, categorised as follows:
 - short to medium term – up to 2016;
 - long term - likely to be completed after 2016;
- commercial potential for retail development and the most likely form of development, categorised as follows:
 - prime site - likely to attract a developer and occupiers;
 - secondary site – which may generate limited demand or only demand for a specific kind of use.
- potential scope to accommodate additional retail floorspace (net increase), categorised as follows:
 - small scale - under 1,000 sq m gross floorspace;
 - medium scale – 1,000 to 2,500 sq m gross floorspace;
 - large scale - over 2,500 sq m gross floorspace;
- potential development constraints; and
- possible alternative uses.

6.15 The overall development prospects of each opportunity, taking on board all of the factors listed above, has been categorised as follows:

- Good - development sites that have good prospects for providing additional retail floorspace, and should be considered for implementation in the short to medium term;

- Reasonable - development sites which are well located and may provide potential for additional floorspace, although obstacles to development will need to be overcome, but implementation may only be achieved in the long term; and
- Poor - development sites that may be unattractive or unsuitable for retail development where their delivery is very uncertain.

6.16 This overall rating is based on an initial evaluation for each site. The level of analysis undertaken at this stage is limited, i.e. detailed appraisals of development constraints, land ownership and potential development costs have not been undertaken. More detailed examinations of each site will need to be undertaken before sites can be brought forward for development or ruled out as viable options. The evaluations undertaken for each opportunity site are not detailed planning appraisals and they do not imply that planning permission should be granted or refused for retail development on any site. However, the evaluation is expected to identify potentially suitable development opportunities that may be worthy of further consideration by the Council. This evaluation provides a framework within which the Council can consider the implementation of a development strategy for each centre.

Evaluation of Potential Development sites

6.17 Each opportunity site identified has been evaluated based on the factors listed earlier in this section. An assessment of each site (including the rejected sites) is provided in Appendix F, and is summarised in Table 6.2 overleaf.

Table 6.2: Site Evaluation Summary

Site	Potential Scale of Retail Development	Type of Retail Anticipated	Potential Availability	Overall Development Potential	Quantum of Floorspace Anticipated (sqm gross)
LEWISHAM					
L 3 Model Market, Lewisham	Small	Small Comparison unit	Medium term	Poor/reasonable	Small scale increase in retail floorspace
L 5 Lewisham Gateway	Large	High Order Comparison	Short to medium term	Good	12,000 sqm retail 5,000 sqm Class A3 to A5 uses 3,000 sqm hotel (1)
L 6a and 6b Thurston Road	Large	Retail (as part of a mixed use development)	Short term	Good	6,771 sqm non-food floorspace on Site L6a (2) over and above existing floorspace on Site L6b
L 9 Land north of Sundermead (Loampit Vale)	Small	Small convenience/ comparison retail as part of a larger mixed-use scheme	Short term	Good	1,230 sqm Class A1, A2 and B1 floorspace (3)
L 11 Tesco Site	Small/ medium	Extension of existing foodstore. Convenience/ comparison floorspace (assumed even split)	Medium term	Good	3,000 sqm in total (4)
L 12a Lee High Road	Small	Small scale retail units	Short to medium term	Good	922 sqm gross comparison floorspace at 36-56 Lee High Road (6) 1,000 sqm on remainder of site
L12b Lee High Road	Medium	Medium sized retail unit	Short to medium term	Good	1,700 sqm gross / 1,286 sqm net (1,040 sqm convenience/ 246 sqm comparison) Lidl at 102- 104 Lee High Road (5)
L 17 Lewisham Shopping Centre	Large	Food store - Potential to provide an enlarged Sainsbury's food store	Medium Term	Good	8,500 sqm (4) Net increase in convenience floorspace likely to be lower
CATFORD					
C 3 Old Market Site	Large	Food and Non Food	Medium/ Long term	Reasonable, achieving a comprehensive development is dependent on a number of	3,716 sqm Food 18,580 sqm Non-Food (7)

					factors including the relocation of a large number of residential occupiers	
DEPTFORD						
D 3 Deptford Railway Station, Rose Apple Day Centre and car park	Small	Food/ Non Food	Medium term	Reasonable	Limited increase in retail floorspace	
NEW CROSS						
NC 5 Sainsbury's	Medium	Food/ Non Food – extension to existing store	Short/ Medium term	Good	1,000- 1,500 sqm (4)	
NC 6 New Cross Gate Retail Park	Medium/ Large	Comparison goods units	Short/ Medium term	Good	500 sqm above existing (4)	
LEE GREEN						
LG 1 Lee Gate Centre and multi-storey car park	Large	Food/ Non Food	Medium/ Long term	Poor, subject to commercial attraction/ viability	7,000 sqm (4)	
LG 2 Sainsbury's	Medium	Foodstore extension	Medium/ Long term	Reasonable	1,000- 1,500 sqm (4)	

Sources:

- 1 Based on planning application ref: 06/62375
- 2 Based on planning application ref: 07/65251
- 3 Based on planning application ref: 09/71246
- (4) Based on NLP estimate
- (5) Based on planning application ref: 06/63854
- (6) Based on planning application ref: 06/62788
- (7) Based on Donaldson's estimates (consistent with 2004 RCASAS) – The net increase in floorspace is uncertain at this stage.

6.18 Therefore, the analysis above has identified the following scope for each type of additional floorspace within the Borough. We would emphasise that the amount of floorspace which is capable of being accommodated is an approximation.

Convenience Floorspace

6.19 The following represent potential sites (all figures are gross floorspace unless stated).

- i Tesco extension, Lewisham (1,500 sqm gross) – medium term.
- ii Lee High Road (Lidl foodstore of 1,700 sqm gross) – short term.
- iii Lewisham Shopping Centre reconfiguration (8,500 sqm gross) – medium term. The net increase in convenience floorspace taking into consideration the closure of the existing Sainsbury's store is estimated to be 3,600 sqm gross.
- iv Sainsbury's, New Cross (1,000- 1,500 sqm gross) – short/ medium term.
- v Sainsbury's extension, Lee Green (1,000- 1,500 sqm gross) – medium/ long term.
- vi Old Market Site, Catford (3,716 sqm gross) – medium/ long term.

Comparison Floorspace

- i Tesco extension, Lewisham (1,500 sqm gross) – medium term.
- ii Lewisham Gateway (12,000 sqm gross comparison) – short/ medium term.
- iii Land north of Sundermead (Loampit Vale) (1,230 sqm gross) majority of which is anticipated to be comparison goods floorspace – short-term.
- iv Lewisham Shopping Centre reconfiguration (8,500 sqm gross of which assumed to be comparison floorspace) – medium term. The net increase in comparison floorspace taking into consideration the closure of the existing Sainsbury's store is estimated to be 1,100 sqm gross.
- v Lee High Road (922 sqm gross comparison floorspace at 36-56 Lee High Road and the additional comparison floorspace element provided in the Lidl foodstore. An additional 1,000 sqm could be accommodated) – short/ medium term.
- vi Old Market Site, Catford (18,580 sqm gross) – medium/ long term.
- vii New Cross Gate Retail Park (500 sqm gross above existing) – short/ medium term.
- viii Lee Green (7,000 sqm gross) – medium/ long term (but doubts as to its commercial viability).
- vx Thurston Road (6,771 sqm gross permitted) – short term.

6.20 The remaining sites are unlikely to lead to a significant increase in the floorspace on site, in the event that they are developed for retail purposes e.g the Model Market (Lewisham) and Deptford station site. Nevertheless, they form sites which have the potential to comprise preferable sites in terms of the sequential approach.

Summary of Capacity

6.21 Table 6.3 below summarises the previous analysis and identifies the capacity identified for convenience and comparison floorspace and the potential scope for this to be accommodated in vacant units, committed developments and on the sites identified. For comparison goods, this assumes that the Lewisham Gateway scheme will come forward and increase the Town Centre's market share in line with our sensitivity analysis outlined above (see Table 5.9).

Table 6.3: Summary Capacity Table

	2014	2019	2025
Convenience Goods			
Convenience Expenditure (£m)	60.00	+97.38	135.94
Floorspace Capacity net	5,406	8,643	11,851
Floorspace Capacity gross	7,723	12,347	16,980
Capacity of identified sites gross*	6,600	11,816	11,816
Residual convenience capacity gross	1,123	531	5,164
Comparison Goods			
Comparison Expenditure (£m)	-30.83	63.36	214.24
Floorspace Capacity net	-6,457	12,018	36,104
Floorspace Capacity gross	-9,224	17,169	51,577
Capacity of identified sites gross*	4,100	28,680	28,680
Residual comparison capacity gross	-13,324	-11,511	22,897
Vacant Units			
Capacity of vacant units gross	5,000	5,000	5,000

i.e. at
* N.B. these figures exclude sites on which retail development has already been permitted Lewisham Gateway, Thurston Road, Loampit Vale, 36-52 Lee High Road and the Lidl store 102- 104 Lee High Road as these are already allowed for.

6.22 On the basis of the above it would appear to be adequate sites available to support additional comparison goods floorspace over the period to 2019, at least.

6.23 In terms of convenience goods, there is a need for just over 1,000 sqm gross convenience floorspace by 2014, once the identified sites have been taken into account. Some, if not all of this floorspace could be accommodated in existing vacant units in the Borough's town centres. This assumes, however, that the Tesco and Lewisham Centre Schemes come forward in the period to 2014. At 2019, the requirement for additional convenience goods floorspace reduces to 531 sqm gross.

6.24 By 2025 there may be a need for sites to accommodate some 5,164 sqm gross convenience goods floorspace and 22,897 sqm gross comparison goods floorspace.

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- 6.25 We emphasise that if all the potential locations for additional floorspace (ie. specific sites and the reuse of vacant units) did not come forward during these time frames then the residual floorspace capacity would increase. Alternatively, if any of the larger potential sites such as those at Catford (Old Market site) and Lee Green (Leegate Centre) were progressed sooner than expected then this would further reduce total capacity beyond 2014. It is also reiterated that the figures used for schemes such as the Market site in Catford are indicative. The net increase in floorspace could be less than that forecast which would impact upon the longer term capacity figures.
- 6.26 The above demonstrates the need to review the Study in 4/5 years as advised in the next section.

RECOMMENDATIONS AND CONCLUSIONS

Introduction

This Study has been prepared by Nathaniel Lichfield and Partners and provides a Retail Capacity Study. It replaces the 2004 RCASAS. In brief, NLP has undertaken the following work:

1. Review of existing retail provision in the Borough.
2. Health-check of each of the nine town centres.
3. Assessed the retail need and capacity for additional convenience and comparison retail floorspace in the Borough to 2025.
4. Undertaken a sequential approach of all town centres and examined potential sites that may be capable of accommodating additional comparison and convenience retail floorspace.
5. Drawing on the above including an assessment of the scope of, and likely timescale for, individual identified sites to meet the retail need as well as efficiency increases and other policy objectives, assessed residual capacity to 2025.

The preceding sections consider the above issues. To inform the assessment, current shopping patterns have been forecast based on the results of a household survey undertaken by NEMS as part of this study.

The principle conclusions of the assessment contained within this study are summarised below.

Meeting Shopping Needs within the London Borough of Lewisham

In order to meet projected growth in expenditure, there is some need for additional shopping facilities in the London Borough of Lewisham. Consistent with the 2004 RCASAS, we consider that the minimum objective of the retail strategy should be to safeguard the Borough's existing shopping role and market share within the sub-region, in the face of increasing competition from centres outside the Borough, in particular Bromley and Croydon. However, in line with LB Lewisham's overall objectives of Lewisham Town Centre becoming a Metropolitan Centre, we have undertaken a sensitivity test which assesses an increased penetration rate for the centre in terms of comparison goods retailing. We consider that this is an achievable aim and we recommend that the Council pursues a strategy which supports this objective and encourages retail investment in the Borough's Town Centres, and Lewisham Town Centre in particular.

Future planning policy and site allocations should therefore seek to identify opportunities to accommodate identified growth up to 2014. Longer term

growth beyond 2014 and up to 2025 should be monitored and updated as necessary.

Convenience Goods Floorspace

7.6 On the basis of a constant market share, our analysis shows that there is global capacity for additional convenience goods floorspace across the Borough. The benchmark turnover of existing convenience floorspace has been subtracted from the estimates of available expenditure. This calculation has taken account of existing convenience floorspace commitments in the Borough. As such, the surplus expenditure is made up of both existing overtrading and growth in expenditure. As outlined in Section 5.0, the need for new floorspace will be influenced by a number of issues including the acceptability of higher than average trading levels in some stores. Such factors need to be considered on a site by site basis, in the context of a particular centre. However, in general terms, the failure to address overtrading may result in worsening conditions in existing stores leading to increased leakage from the Borough.

7.7 The identified surplus expenditure of £28.06 million at 2009 indicates that there is immediate global capacity for up to 2,551 sqm net of additional convenience goods floorspace in the Borough. At 2014, the estimated surplus convenience expenditure of £60.00 million could support up to 5,406 sqm net of convenience goods floorspace. This is a significant quantum of floorspace and as noted above should be treated as a maximum figure. Some of this could be provided through extensions to existing town centre and edge of centre food stores in the Borough and redevelopment of existing foodstores sites. One site opportunity to accommodate a significant proportion of this need would be through a reconfiguration of the Lewisham Shopping Centre to possibly provide a larger foodstore for Sainsbury's.

Comparison Goods Floorspace

7.8 The expenditure capacity projections show that, based on the large amount of comparison goods floorspace that is committed and in particular the Lewisham Gateway, Bell Green and Thurston Road retail commitments, there is no capacity for additional comparison goods floorspace at either 2009 or 2014, assuming that the existing market share of facilities in the Borough remains the same. As indicated, we believe that it is possible that not all the committed development will come forward over the 2009 to 2014 period. This, combined with the fact that new comparison goods floorspace will increase the attractiveness of the Borough (and therefore increase its market share) there may be additional capacity for comparison goods facilities over the period to 2014. In the medium and long-term there will be capacity for additional comparison goods facilities; at 2019, there is a surplus of £39.62 million comparison goods expenditure rising to £181.96 million at 2025 based on current market shares

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- 7.9 For comparison goods floorspace, we have also undertaken a sensitivity test which assumes that Lewisham Town Centre increases its penetration rate from residents within the study area. We have assumed that the market share of the Town Centre will increase by 10% which we believe is realistic if committed developments are implemented. This reflects the aim within planning policy for shopping requirements to be met by reducing the need to travel, as well as for Lewisham Town Centre to establish itself as a Metropolitan Centre within the retail hierarchy.
- 7.10 The effect of this modest increase in the Town Centre's penetration rate would reduce the deficit of comparison goods expenditure at 2009 and 2014 and increase the surplus at 2019 and 2025.
- 7.11 As noted above, we consider that the Council should pursue policies within emerging LDF documents which proactively plan for this increase in market share. The successful implementation of the Gateway scheme is a key element of this strategy.
- 7.12 At present Lewisham Town Centre contains around 80,000 sqm of retail/ service floorspace (gross). A minimum of an additional 20,000 sqm is required to satisfy Metropolitan Area status. This can be achieved through the successful implementation of current commitments/proposals and would be aided by the increase in market share referred to above.

Existing Centres and Current Strategies

- 7.13 This Study analyses the role and function of all the centres within the Borough, and considers their relative positions within the retail hierarchy. Lewisham Town Centre is the Borough's premier shopping destination. In terms of catchment population, available development opportunities and future retail development plans, Lewisham provides the main opportunity to improve comparison goods shopping in the Borough. At present, the centre does not provide the quantity and quality of retailers to enable it to function as a Metropolitan Centre. The national MHE Retail Rankings (2008), which is based on national multiple representation, indicates that the centre is ranked significantly lower than other Metropolitan Centres in the Sub-Region such as Croydon and Bromley and that there is a need to attract additional national multiples if Metropolitan Centre status is to be achieved.
- 7.14 A number of schemes in Lewisham have obtained planning consent and are in various stages of the development pipeline. The key scheme is Lewisham Gateway which has now obtained outline planning permission for a development of 12,000 sqm gross of A1 retail floorspace in addition to office, residential, education and leisure uses. This will enhance an underused area of the centre and provide good quality modern retail floorspace which should attract new national multiples into the Centre and significantly increase its retail offer. The Thurston Road scheme would

supplement the retail offer of the centre by providing new retail warehouse floorspace, however given that this permission has been extant since November 2006 (albeit with a revision approved in February 2008) it is unclear when or in what form this will eventually be built. Other retail developments have also been approved in the centre, including a Lidl store on Lee High Road.

- 7.15 The Council has pursued a strategy which seeks to consolidate major new development in Lewisham Town Centre. The above permissions form part of this strategy and if implemented will significantly enhance the quantum and quality of comparison goods floorspace in the Town Centre. The Council is progressing an Area Action Plan for Lewisham Town Centre which represents a holistic strategy for its future development. The scope for additional floorspace has been identified through an analysis of potential development opportunities and this is dealt with in the next sub-section.
- 7.16 Catford Town Centre is the second largest centre in the Borough. It provides a wide range of services to Borough residents and a more local convenience and comparison shopping offer. It performs important functions as a civic and entertainment centre attracting visitors from across the Borough and beyond. However there has been no notable change in the retail offer of the Town Centre even though other centres, particularly outside the Borough, have enhanced their offer. It is important that the Centre improves its retail offer in the future if it is to maintain its position in the retail hierarchy and new investment should be encouraged. Schemes such as that proposed at the former Greyhound Stadium will help by introducing a significant number of new residents in close proximity to the Town Centre.
- 7.17 The Council is also progressing an Area Action Plan for Catford containing seven aspirational objectives. This provides a comprehensive strategy for supporting the Centre and recognises the importance of five key development sites to the support the wider regeneration of the Centre. This will form the basis of the future strategy to encourage investment and enhance its retail role.
- 7.18 In addition to the two main centres of Lewisham and Catford, there are seven other centres within the Borough which range in size from Deptford (224 units) to Downham (66 units). These centres serve their local areas with day-to-day shopping needs and generally the comparison goods offer is limited to lower order goods, provided predominately by independent operators. Any development within these centres should be commensurate with the scale of each centre and its role in the retail hierarchy.
- 7.19 The Study found that neither Blackheath nor Deptford has a supermarket despite their District Town Centre status. Although a medium sized food store would improve the convenience offer of these centres, it is noted

that in Blackheath in particular there is a lack of available sites to accommodate additional retail floorspace. In addition, both Blackheath and Deptford already has an above average representation of convenience goods retailers and Deptford also benefits from its strong independent retail offer. On this basis, we do not consider that a medium sized food store is vital to the future health of these two centres.

- 7.20 In response to the project brief this Study has considered the feasibility of combining New Cross District Town Centre and New Cross Gate Neighbourhood/ Local Centre into one District Town Centre. Although residential uses are present in-between the two centres, given their proximity their amalgamation in retail terms is feasible. The Council could pursue a strategy through LDF documents to encourage greater investment in the extended centre. In the interim, opportunities to improve connectivity between the two centres should be encouraged.

Scope for Accommodating Growth

- 7.21 Section 6.0 of this study considers the opportunities for accommodating the projected surplus expenditure. Six sites are identified for convenience goods floorspace. One of these sites comprises the current Lidl commitment on Lee High Road, another relates to a possible reconfiguration of the Lewisham Shopping Centre and the remaining four sites are existing supermarkets which are capable of being extended or redeveloped. Only the Lidl is anticipated to come forward in the short-term i.e. up to 2012. In addition, it is possible that sites identified within the analysis for non food development may be suitable for food or a mixed food/non food development. We consider that the re-use of vacant units within the Borough will also assist in meeting the identified need for convenience floorspace.

- 7.22 In terms of comparison goods floorspace, based on a constant market share, there is no requirement for additional floorspace in the Borough to 2014 (assuming all commitments are implemented). However, if all the committed developments do not come forward or the market share of Lewisham Town Centre or other facilities in the Borough increase significantly, there may be some need for additional comparison goods floorspace. This can be accommodated in existing vacant units or on the identified sites. In this respect, we have assumed that the Bell Green permission will be implemented in its current, or very similar, form. Clearly, at present there is some uncertainty over the scheme, although we understand that National Grid will be taking the site forward.

- 7.23 In our view, the Council should continue to focus new retail development in the Borough on Lewisham Town Centre and in particular on the shopping core and non-core areas. The development of the Gateway site is key to improving the centre's retail offer and the implementation of this scheme should not be prejudiced by the development of significant comparison

floorspace elsewhere (i.e. outside of core and non-core frontages). A key issue will be the successful integration of the Gateway site with the remainder of the town centre to maximise the benefits of this development. Reconfiguration or expansion of the Lewisham Shopping Centre to provide additional retail floorspace and increase the quality of existing floorspace is the only other option, at the current time, that offers the potential to significantly enhance the retail offer within the Town Centre and any proposals which achieve this aim should be supported (subject to normal development control criteria).

- 7.24 In Catford, the only site which could provide a significant level of comparison goods floorspace is the Old Market site. The net increase in floorspace will depend upon the scheme that is eventually granted planning permission. If the existing site is redeveloped (including the existing Tesco, multi storey car park, surrounding land and potentially existing retail units), it is likely to provide a longer term option, given the need to relocate existing residential occupiers. However, the redevelopment of this site is recognised as a priority in the emerging Catford AAP and as we have identified securing investment in Catford is crucial if it is to maintain and hopefully enhance its role in the retail hierarchy in the future. If the realignment of the South Circular (A205) can be secured, this could open up several other development sites and would improve the legibility of the centre for shoppers.
- 7.25 In the District Town Centres, the only other major site which could accommodate a significant level of comparison floorspace is the Leegate Centre at Lee Green. This site could potentially be redeveloped in whole or in part, although the commercial viability of such a scheme is uncertain. The redevelopment proposals at New Cross have the potential to improve the Centre and provide much needed modern floorspace, however given that the site is in existing retail use it is doubtful that the final scheme would result in a significantly increased quantum of comparison goods floorspace over the existing level.
- 7.26 In terms of the potential development opportunities identified above, we have considered likely timescales and the potential scale of the development. Table 6.3 provides a summary capacity table which takes account of potential development sites. There is a need to accommodate additional convenience floorspace over the period to 2014, based on the level of surplus convenience goods expenditure identified. A number of sites in the Borough have been identified which could accommodate this need, however it is not clear when these sites will come forward for redevelopment to provide additional facilities. The main opportunity for additional convenience floorspace is through a reconfiguration of the Lewisham Centre to provide a larger Sainsbury's store. For the purposes of this analysis we have assumed that this scheme will come forward in the period to 2014.

7.27 There is no quantitative need for additional comparison goods floorspace over the period to 2014, based on the assumption that all the existing commitments are implemented. If some of these commitments do not come forward it may provide the opportunity to permit additional comparison goods schemes. An increase in market share for Lewisham town centre, created by the implementation of the Gateway scheme, may also create additional capacity. There could also be qualitative arguments for permitting additional comparison goods floorspace over the 2009 to 2014 period.

7.28 Other sites that have not been considered may come forward over the period to 2014 and other redevelopment opportunities may be identified by the Council. As noted above, support should be given to proposals which comply with the requirements of national, London Plan and UDP policy, as well as the emerging Core Strategy and AAP documents. It is important, however, that the Council ensures that any new scheme located outside a town centre would not prejudice the implementation of other town centre sites. In this respect, although the Bell Green proposals will certainly improve the retail warehouse offer of the Borough, if implemented in its current form, the Council will need to carefully consider any proposals which may come forward to relax the current restrictions on the sale of goods. It is important that any such proposals are considered in the context of protecting existing centres within the Borough and in particular ensuring that any such proposals do not prejudice investment in schemes such as the Gateway.

Future Strategy Implementation and Monitoring

7.29 Given the current uncertainty surrounding national retail planning guidance (draft PPS4), it is not possible to provide a definitive approach towards strategy implementation. It will be necessary to review the Council's approach towards its defined centres and retail development subsequent to any new guidance being introduced.

7.30 Notwithstanding this, there are a number of areas which the Council could pursue in order to maintain and enhance the role of shopping centres in Lewisham:

- application of guidance within PPS6 (as currently exists), particularly relating to scale, need, the sequential approach and impact in determining edge and out-of-centre retail and other development proposals that generate significant numbers of trips;
- measures to improve accessibility and public transport to the defined centres in order to encourage more residents to shop within their nearest centre;

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- the continued implementation of public realm improvements to improve the attractiveness of shopping environments within all centres;
 - the creation and continued support for town centre management activities; and
 - measures to bring forward development opportunities which accord with the planning policy tests (PPS6), and in particular the Gateway site. We see the Gateway site as key to helping Lewisham Town Centre to achieved Metropolitan Centre status. The Council should formulate a strategy which ensures, as far as possible, that this scheme is implemented.

7.31 The recommendations and projections within this Study are expected to assist the Council in preparing the emerging LDF documents and to assist development control decisions during this period. The Study provides a broad overview of the potential need for further retail development up to 2014, and longer-term forecasts to 2019 and 2025. It should be reiterated that projections are subject to uncertainty and forecasts will need to be amended to reflect emerging changes as and when new information becomes available and at a maximum of five years. Long-term projections beyond 2014 should be treated with a high degree of caution and should be viewed as indicative only.

7.32 We would recommend that this Study should be updated again in five years time or sooner and the floorspace projections rolled forward. The following key assumptions should be updated as necessary:

- population projections;
- local expenditure estimates (information from Experian or other recognised data providers);
- growth rate assumptions for expenditure per capita (information from Experian or other recognised data providers);
- the impact of potential increases in home and internet shopping;
- existing retail floorspace and average turnover to floorspace densities (floorspace surveys and turnover data from Management Horizons Retail Ranking);
- implemented development within and around the study area;
- the role and function of defined centres; and
- national retail guidance.

7.33

These key inputs into the Retail Capacity Study can be amended to provide revised capacity projections. We do not envisage that the structure of the Study set out here will need to be amended. A new household survey is likely to be required in order to accurately assess shopping patterns at the time of any future study.