



Executive Summary

GVA
81 Fountain Street
Manchester
M2 2EE



Carlisle Retail Study

Carlisle City Council

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CARLISLE
CITY COUNCIL



www.carlisle.gov.uk

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1. EXECUTIVE SUMMARY

- 1.1 GVA was appointed by Carlisle City Council in February 2012 to prepare a city-wide retail study. The study seeks to provide a comprehensive picture of current local shopping and leisure patterns and identify the potential requirements for new floorspace within the city in accordance with the emerging Local Plan.
- 1.2 The main terms of reference for the assessment are as follows:
- To understand the existing shopping and leisure behaviour of local residents living within the city and the wider sub-region and to identify convenience, comparison and bulky expenditure patterns through commissioning a detailed household survey.
 - To undertake a healthcheck assessment of the city centre, qualitatively appraising it against previous healthcheck exercises.
 - To assess the future quantitative capacity and qualitative need for additional retail and leisure floorspace within the city, having regard to new and planned developments / commitments.
 - To provide strategic advice on the overall future retail need and confirm an appropriate forward development strategy for Carlisle.
- 1.3 The study is informed by detailed independent survey exercises, including a full shopper survey of visitors to Carlisle city centre to inform a qualitative review and a catchment-wide household telephone survey to inform quantitative modelling.

HEALTHCHECK

- 1.4 A detailed healthcheck assessment has been completed for Carlisle city centre. Floorspace (fascia) surveys have been undertaken for Longtown and Brampton in addition to existing defined local centres. The existing GOAD survey plan (May 2011) was updated to take account of changes in floorspace / fascia composition. The survey is based on the city centre boundaries defined in the adopted Local Plan and takes account of upper trading floors.

CARLISLE CITY CENTRE – FLOORSPACE SURVEY (GVA UPDATE)

Retail Sector	Floorspace (gross)	City Centre Average (%) ¹	National GOAD Average (%)
Convenience	6,950 sqm ²	5.83%	11.49%
Comparison	100,780 sqm	62.38%	29.65%
Retail Service	4,730 sqm	2.93%	5.76%
Leisure Service	24,420 sqm	15.11%	18.19%
Financial Service	6,330 sqm	3.92%	6.72%
Vacant	15,880 sqm	9.83%	8.07%
TOTAL	159,090 sqm	100%	-

1.5 The proportion of convenience provision in the city centre is below the national GOAD average; this is to be expected given that Carlisle city centre performs a sub-regional comparison shopping role rather than for convenience goods. Comparison retail provision is significantly above the national GOAD average in terms of floorspace. The quantum of vacant floorspace is slightly above the national GOAD average.

CARLISLE CITY CENTRE – MULTIPLE RETAILERS FLOORSPACE

Retail Sector	Floorspace (gross)	City Centre Average (%)	National GOAD Average (%)	No. Outlets	City Centre Average (%)	National GOAD Average (%)
Convenience	4,097	5.53%	21.13	13	6.37%	10.55%
Comparison	48,560	65.50%	46.21%	112	54.90%	42.67%
Retail Service	1,728	2.33%	4.82%	16	7.84%	9.70%
Leisure Service	11,130	15.01%	14.84%	34	16.67%	18.86%
TOTAL	65,515			175		

1.6 The comparison (non-food) retail offer in the city centre reflects its sub-regional status. As a sub-regional centre, Carlisle lacks prominent operators such as Primark (the in-centre shopper survey indicates local residents demand for a Primark store), Zara and mid-to-higher range international fashion retailers (All Saints, Reiss, Ted Baker, Diesel etc.).

¹ City centre average based on quantum of floorspace relative to the overall total and therefore does not correspond with the Experian GOAD figures (should not be compared on a like-for-like basis) given that floorspace relating to Public Services, Health & Medical Services, Religious Services, Transport Services, General Offices, Industrial Activities, Unclassified Buildings and Wholesale Trade categories not taken into account.

² Excludes City Centre Markets (GOAD estimate: 2,470 m² gross).

QUANTITATIVE ANALYSIS

- 1.7 The quantitative assessment adopts a conventional step-by-step methodology, drawing upon the results of the household telephone survey (1,125 surveys) to understand existing shopping patterns and to model existing flows of available expenditure to the main retail destinations within Carlisle and the wider sub-region.
- 1.8 The study area and individual catchment zones for the study have been defined on the basis of local geography and with reference to the catchment zones defined within the 2009 Carlisle Retail Study (update to 2000 Study). The original catchment zones in and around Carlisle have been maintained although the eastern catchment zones (Rural North and Yorkshire Dales) have been extended to include Haltwhistle and Alston.
- 1.9 All catchment zones are defined on the basis of individual postcode sectors, so as to generate population and expenditure data from the *Experian Micromarketer* system (derived from ONS 2010 mid-year estimates)³.

CONVENIENCE

- 1.10 There is a main food expenditure pot of £110.9m in the Carlisle catchment (zone 1); this is projected to rise to £133.9m by 2030 (£13.0m total growth). Existing convenience provision in Carlisle city centre performs a relatively minor main food function with a 7.2% (£8.0m) market share from the immediate Carlisle catchment (survey zone 1). The Tesco Metro (4.1% / £4.5m) is the most popular city centre convenience location.
- 1.11 Outside of the city centre, main food shopping is largely dominated by three large out-of-centre foodstores:
- **Tesco Warwick Road** (east of the city centre); the store claims a 30.6% (£33.9m) market share from the Carlisle catchment (survey zone 1). This is in addition to notable market shares from the Rural North (18.9% / £6.7m) and Rural South (63% / £9.5m) catchments; the market share draw from these catchments reflects the stores prominent location adjacent to the M6 (junction 43).
 - **Morrison's Kingstown** (north of the city centre); the store claims a 32.1% (£35.6m) market share from the Carlisle catchment. The store also draws strongly from the Rural North (33.7% / £11.9m) and Langholm (24.3% / £1.6m) catchments.

³ Experian Retail Planner Note 9 (September 2011)

- **Asda Kingstown** (north of the city centre); given that the store is located at the northern extent of city, the store only secures a 15.8% (£17.5m) market share from the Carlisle catchment. The store does however draw a notable trade from the Rural North (25.3% / £8.9m), Gretna (20.4% / £5.0m) and Langholm (38.6% / £2.6m).

1.12 When the market share of smaller stores outside of the city centre (including discounters) are taken into account along with the main foodstores and the city centre, then the city as a whole retains 98% (£108.5m) of all main food expenditure arising in zone 1. The overall retention level does however vary across the other survey zones, as follows:

- **Carlisle West (survey zone 2)** - 50.7% (£22.4m) main food retention;
- **Rural North (survey zone 3)**; - 84.2% (£29.7m) main food retention;
- **Rural North (survey zone 4)**; 89% (£13.4m) main food retention;
- **Gretna (survey zone 9)**; 39.8% (£9.7m) main food retention; and
- **Langholm (survey zone 10)**; 81.4% (£5.4m) main food retention.

1.13 In all other zones the overall retention level for provision in Carlisle is below 10%. Given the extremely high levels of main food retention, there are negligible outflows of expenditure (leakage) to other centres. Brampton, Longtown and Dalston perform extremely limited main food shopping roles.

1.14 On the basis of the main food and top-up expenditure patterns identified through the household survey exercise, the capacity modelling exercise identifies the following trading performance of the three main foodstores within Carlisle as follows:

- **Tesco Warwick Road (out-of-centre)**; achieves a survey-based turnover of £63.4m. This is £29.5m above its benchmark of £33.8m and suggests that the store is significantly overtrading.
- **Morrisons Kingstown (out-of-centre)**; achieves a survey-based turnover of £67.2m. This is £28.5m above its benchmark of £38.7m and suggests that the store is significantly overtrading.
- **Asda Kingstown (out-of-centre)**; achieves a survey-based turnover of £52.3m. This is £7.9m above its benchmark of £44.4m and suggests that the store is overtrading.

1.15 Whilst the overtrading position of the three mainstream foodstores in the city would ordinarily generate a quantitative and qualitative justification to explore the need for new

foodstore provision, there are a number of foodstore commitments which are likely to come forward and rebalance existing convenience shopping patterns, as follows:

- **Tesco Upper Viaduct Estate (out-of-centre)⁴**; new foodstore of 3,715 m² gross (2,415 m² net sales of which 80% dedicated to convenience). The store is projected to have a benchmark turnover of £24.8m (2012).
- **Sainsbury's Caldewgate (out-of-centre)⁵**; new foodstore of 8,886 m² gross (5,514 m² net sales of which 68% dedicated to convenience). The store is projected to have a benchmark turnover of c. £47m (2012).
- **Morton District Centre (new centre allocation)⁶**; new district centre development comprising mainstream foodstore anchor extending to 8,175 m² gross (5,574 m² net sales of which 60% dedicated to convenience). The store is projected to have a benchmark turnover of £40.1m (2012). There is presently no end occupier.
- **St Nicholas Gate Retail Park (out-of-centre)**; amalgamation of units 4 to 6 of the existing retail park to create a foodstore unit of 4,300 m² gross (2,975 m² net sales of which 63% dedicated to convenience). The store is projected to have a benchmark turnover of £22.5m (2012). There is presently no end occupier.

1.16 The development of a new Tesco foodstore in Wigton (Allerdale BC)⁷ within the Carlisle West catchment is also likely to have a notable impact on turnover performance.

1.17 On the basis of current foodstore commitments, the capacity assessment identifies no requirement for the Council to proactively plan for new convenience provision in the city over the emerging Local Plan period through to 2030. However, this position should be monitored through an update to this study once the committed foodstore schemes are trading and regular main food shopping patterns are established.

1.18 The main strategic implication arising from the study is the need to ensure the delivery of the Morton district centre scheme in order to address the existing spatial deficiencies in foodstore provision in the south of the city. The existing district centre allocation for Morton should therefore be retained through the emerging replacement Local Plan. The retained allocation will ensure that the site / scheme benefits from appropriate policy protection as an 'in-centre' location in sequential terms.

⁴ LPA ref. 99/0842

⁵ LPA ref. 09/0512

⁶ LPA ref. 10/0917

⁷ LPA ref. 2009/0500 – subject to S106 Agreement

COMPARISON

- 1.19 There is a total of c. £1,067.6 million of comparison goods expenditure arising within the study area as a whole (survey zones 1 to 12) in 2012; this is projected to rise to £1,263.5 million by 2018 and £1,920.9 million in 2030. The Carlisle catchment (survey zone 1) which is drawn tightly to the existing urban area has a total of £193.4m available in 2012, rising to £233.6m in 2018 and £369.4m by 2030.
- 1.20 The modelling exercise identifies the following overall comparison market shares:
- **Zone 1 – Carlisle;** the city centre retains 70.3% (£135.9m) of all comparison expenditure arising in its immediate catchment (survey zone 1). Retail parks in the city retain a further 21.6% (£41.8m). There are extremely limited outflows of expenditure from the Carlisle zone to surrounding centres and retail destinations in the sub-region (i.e. Gretna Gateway 1.1% / £2.1m draw).
 - **Zone 2 – Carlisle West;** the city centre retains 56.1% (£44.8m) of all comparison expenditure arising in the zone. Retail parks in Carlisle claim a further 17.9% (£14.3m). The main alternative destinations in the zone are Wigton (6.6% / £5.3m) and Workington (3.7% / £3.0m).
 - **Zone 3 – Rural North;** the city centre retains 46.4% (£30.1m). Longtown and Brampton retain 0.9% (£0.6m) and 1.3% (£0.8m) respectively. Retail parks in Carlisle perform a more prominent role with a 31.3% (£20.4m) overall market share. The main alternative destination is Newcastle-upon-Tyne (4.3% / £2.8m).
 - **Zone 4 – Rural North;** the city centre retains 65.2% (£18.4m). Retail parks secure a further 20.5% (£5.8m). Newcastle-upon-Tyne claims a 2.4% (£0.7m) market share.
- 1.21 As to be expected, the overall comparison market share of the city centre decreases from the most distant catchment zones in the sub-region. The survey results do however indicate that the city centre claims a 40.5% (£30.8m) market share from the Yorkshire Dales catchment (survey zone 6), 50.3% (£21.0m) from Gretna (survey zone 9) and 53.5% (£6.1m) from Langholm (survey zone 10). The city centre market share from Allerdale, Copeland and Dumfries catchments in particular is below 15%.
- 1.22 Overall, the city centre secures a £373.6m market share from the study area; this equates to 35.3% of all comparison goods spend. Retail parks secure £108.0m of expenditure (10.1% market share).

- 1.23 The overall market share secured by the city centre does however hide variances in retention levels for 'high street' style comparison goods (principally clothing and personal goods) and bulky based goods (furniture, major household appliances, DIY goods and audio-visual goods).

COMPARISON GOODS	ZONE 1 (CARLISLE)	ZONE 2 (CARLISLE WEST)	ZONE 3 (RURAL NORTH)	ZONE 4 (RURAL SOUTH)
CLOTHING	86.2% (£46.4m)	80.6% (£16.6m)	65.9% (£5.9m)	81.5% (£5.9m)
PERSONAL GOODS	85.1% (£14.9m)	60% (£4.4m)	61.0% (£3.3m)	76.8% (£2.1m)
BOOKS, CDs & DVDs	86.1% (£11.1m)	80.4% (£5.0m)	58.0% (£3.0m)	80.4% (£1.8m)
FURNITURE	73.1% (£16.2m)	59.5% (£5.5m)	56.4% (£4.5m)	74.1% (£2.6m)
DIY	41.5% (£7.3m)	23.6% (£2.1m)	12.2% (£0.9m)	19.8% (£0.7m)
MAJOR HOUSEHOLD	58.3% (£2.6m)	31.1% (£0.4m)	38.6% (£0.4m)	59.0% (£0.3m)
AUDIO-VISUAL	47.6% (£8.6m)	27.3% (£1.9m)	25.3% (£1.5m)	53.0% (£1.2m)

- 1.24 The city centre performs strongly in relation to 'high street' comparison but weaker in relation to bulky goods. The lower levels of market share retention for bulky goods is however to be expected given that there is a concentration of out-of-centre retail parks.
- 1.25 When the existing turnover of the city centre (c. £373.6m in 2012) is projected forward on a constant market share basis, the assessment identifies relatively limited short term need until the latter phases of the emerging Local Plan:

	2014	2018	2021	2030
NET SALES REQUIREMENT [WITH COMMITMENTS]	-5,700 m ²	-1,700 m ²	c. 1,400 m ²	c. 11,500 m ²

THE POTENTIAL FOR IMPROVEMENT – MARKET SHARE ENHANCEMENT

- 1.26 The modelling exercise identifies that the city centre is performing well with a c. 70% overall comparison goods market share from its immediate catchment (survey zone 1 drawn tight to Carlisle urban area). When the market share of existing out-of-centre provision in the city is taken into account (21.6%), there is extremely limited leakage.

1.27 Importantly, the city centre achieves high market shares for key individual goods sectors including clothing (86.2%), personal goods (85.1%) and recreational goods (74.2%) from its immediate catchment (survey zone 1). The positive performance in quantitative terms does however mask several deficiencies in the city centre offer identified through in the qualitative elements of the study (healthcheck and in-centre survey), as follows:

- Although the city centre accommodates most mainstream high street fascias (River Island, M&S, Next etc.), the retailers currently trade from very small retail units which reduce the fashion product lines that can be stocked in comparison to larger stores. There is potentially latent demand for existing comparison retailers to 'up-size'.
- With the exception of Debenhams which occupies a modern unit adjoining The Lanes shopping centre, existing department stores in the city centre (particularly M&S and House of Fraser) presently occupy historic units over multiple floors. The M&S store for example comprises three separate but interlinked buildings.
- There is a stated desire by local residents and visitors for an enhanced range of multiple shops including a Primark department store in Carlisle.
- The city centre lacks some of the mid-to-higher range fashion retailers normally associated with higher order sub-regional centres; this may in part be attributable to a lack of suitable available retail accommodation in the city centre.

1.28 Consequently, whilst the historic nature of the city centre is a significant asset and attraction in itself, it is also restricting the ability of existing retailers to expand their offer whilst also constraining realistic development opportunities to create new modern retail floorspace. On this basis, we consider that there is realistic potential to improve the market share performance of the city centre in order to better enable it to assume its intended sub-regional role for the wider local area. A step-change in the city centre fashion offer is particularly required to address current constraints / deficiencies.

1.29 An incremental but realistic enhancement in the market share performance of the city centre from 35.3% at present to 37.5% generates an additional c. £26.8m of comparison expenditure to support new retail provision; this generates the following capacity:

	2014	2018	2021	2030
NET SALES REQUIREMENT [WITH COMMITMENTS]	-200 m ²	c. 4,000 m ²	c. 7,400 m ²	c. 18,200 m ²

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- 1.30 The increase in market share will however only be achieved if any new city centre scheme which emerges is of sufficient quality to genuinely facilitate an improvement in comparison retail provision. The primary aim of any potential quantitative expansion should be to provide new modern retail units to attract new retailers (i.e. Primark).

FORWARD STRATEGY

- 1.31 A key requirement of NPPF is to ensure an appropriate supply of suitable sites to meet identified needs. It is therefore recommended that the Council seek to commission a masterplan of the city centre to establish potential site opportunities for new comparison retail-led development and the capacity of such sites. Subject to completing this masterplanning exercise, if appropriate deliverable sites are identified then the Council should promote the opportunities on a 'twin track' basis in terms of site allocation through the emerging Local Plan and through preparation of site-specific development briefs.
- 1.32 However, if no realistic opportunities to expand or complement the existing city centre primary shopping area are identified within realistic timescales then the Council should seek to identify suitable edge-of-centre or failing that out-of-centre sites which are in the most sustainable / accessible locations to accommodate the need identified.
- 1.33 Any proposals for comparison retail (high street style in particular) in out-of-centre locations which emerge outside of the initial masterplan and subsequent Local Plan process should, in accordance with NPPF, demonstrate that it would not generate a significant adverse impact on in-centre trade or undermine planned investment in the city centre if appropriate sequentially preferable site opportunities which are suitable and deliverable within realistic defined timescales are identified.
- 1.34 There is a real prospect that new out-of-centre high street comparison retail provision could have significant adverse impacts on the city centre by either attracting existing key retail anchors to relocate or absorbing the current demand from retailers not presently represented within the city (thereby impacting on the potential commercial viability of delivering in-centre regeneration opportunities which have longer gestation periods).

LEISURE

- 1.35 The city centre has a well established leisure offer with a modern Vue cinema multiplex and a number of national chain family orientated restaurants. Notwithstanding the existing provision, there are a number of national chain restaurants not presently

represented in the city and the Council should actively investigate the physical potential and commercial demand to incorporate new leisure uses as part of any retail-led expansion of the city centre should an appropriate site be identified.

- 1.36 In terms of health and fitness provision, the realisation of The Sands redevelopment would deliver qualitative benefits in terms of an enhanced modern facility. With respect to private sector facilities there may be qualitative advantages in securing a new facility within the city centre. The benefits of a new private facility, particularly a budget gym operator, would however need to be balanced against the potential impacts on the delivery of redeveloped Sands facility.
- 1.37 The main suggested improvement to the city centre leisure however arising from the survey exercises is the provision of enhanced music and theatre destinations. The Council should investigate the potential for enhancement as part of its wider cultural strategy.

DEVELOPMENT MANAGEMENT

CITY CENTRE BOUNDARIES

- 1.38 The existing city centre primary shopping area boundaries defined in the existing adopted Local Plan remain appropriate. The continued inclusion of the southern part of Lowther Street and around The Crescent within the city centre PSA should however be reviewed given the limited retail offer within this area. Any proposed extensions to the city centre PSA should emerge from the outcome of the masterplanning exercise.

LOCAL CENTRE BOUNDARIES

- 1.39 The boundaries for defined local centres should be formalised as either separate inset plans or on the proposals map to ensure certainty should any applications come forward.

IMPACT THRESHOLD

- 1.40 On the basis of our on-site survey fieldwork, which included a floorspace and fascia surveys, we recommend that the Council should adopt a local floorspace threshold of 200 m² (gross) for both convenience and comparison retail.

FASCIA POLICIES

- 1.41 Fascia policies should be maintained and enhanced through the emerging Local Plan as appropriate. The secondary area around Botchergate should be effectively managed given the existing concentration of evening leisure uses (particularly bars and takeaways).