

Ryedale District Council RYEDALE RETAIL CAPACITY STUDY



ROGER TYM & PARTNERS
Planners and Development Economists

Main Report
May 2006

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1 INSTRUCTIONS AND OUTLINE OF REPORT

Instructions

- 1.1 In April 2005, Ryedale District Council commissioned Roger Tym & Partners to undertake a retail capacity study to inform the Council's Local Development Framework by assessing the role and contribution that the District's four largest centres - Malton, Pickering, Kirkbymoorside and Norton - can make towards meeting future retail needs. The study brief sets the following key aims to:
- determine the role and function of each of the town centres in Ryedale District, and their position in the retail hierarchy;
 - establish the catchment population that the centres currently serve, including an analysis of retail patterns;
 - undertake a qualitative assessment of the four study centres;
 - assess the current and future need for additional comparison and convenience retail floorspace in Ryedale District; and
 - identify appropriate means of securing the vitality and viability of Ryedale's town centres, by considering potential development opportunities in accordance with the sequential approach as set out in PPS6.
- 1.2 The Council intends to use this study to inform the development of a retail strategy, and accordingly the study brief does not require the formulation of a district-wide retail strategy as part of the Retail Capacity Study. Nevertheless, in Section 10 we pull together the principal findings from the Study in order to identify key quantitative and qualitative needs, and highlight potential locations/sites that the Council may wish to consider for accommodating the identified retail needs.
- 1.3 We submitted a draft report to the Council in August 2005 and provided a revised draft in September 2005. We should emphasise at the outset that the data collected for the centre health checks (Section 5 of this report) were collected in the early stages of the study. Some changes may have taken place since the data were collected that it has not been possible to incorporate in this final report, although we identify the date of relevant information wherever possible throughout the report and in the Appendices.

Structure of Remainder of Report

- 1.4 The remainder of our report is structured as follows:
- Section 2 outlines the requirements of the national and regional policy context.
 - Section 3 provides a review of local policies and town centre studies that have been undertaken recently in relation to the study centres.
 - Section 4 sets out the key national trends in various sub-sectors of the retail and leisure markets so as to provide a reference for the remainder of the study.
 - Section 5 sets out the findings of our assessment of the health of Ryedale's four main centres in relation to the indicators set out in PPS6, taking into account our appreciation of the key issues that are currently affecting - or which could have a bearing on - the centres' performance as foci of retail and leisure activity.
 - Section 6 details the findings from street-side surveys of 350 visitors to the four study centres, the primary purpose of which was to establish the overall catchment area (OCA) of Ryedale District.
 - Section 7 provides our assessment of the current patterns of retail spending in the comparison and convenience sectors and the pattern of leisure visits, based on the results of a comprehensive survey of 644 households resident within the OCA.

- Section 8 assesses the quantitative need for further comparison and convenience floorspace in the periods up to 2010 and 2015 under various scenarios taking into account claims on expenditure growth.
- Section 9 provides our assessment of the scope for further commercial leisure development in the study centres, based on our qualitative analyses and consultations with prospective developers/operators.
- Section 10 outlines our overall conclusions and recommendations, including our assessment of potential opportunities for accommodating the identified need for retail development in Ryedale, in accordance with the sequential approach.

1.5 The report is accompanied by four separately bound volumes entitled:

- i) Annex 1 - Appendices to the Main Report;
- ii) Annex 2 - Street-side Survey (NEMS Results);
- iii) Annex 3 - Household Survey (NEMS Results);
- iv) Annex 4 - Household Survey Technical Paper - Methodology and Results; and
- v) Annex 5 - Capacity Spreadsheets for the Comparison and Convenience Sectors.

2 THE REQUIREMENTS OF NATIONAL AND REGIONAL PLANNING POLICIES

National Policy Guidance

Introduction

- 2.1 The relevant national policy context, in so far as it relates to town centres and the location of new retail and leisure developments, is set, in the main, by PPS6 (March 2005) which replaces¹ PPG6 and the subsequent Parliamentary answers of 5 December 1997 (Raynsford), 11 February 1999 (Caborn) and 10 April 2003 (McNulty). PPS6 also replaces the Government's Responses to the Select Committees of July 1997 and May 2000.
- 2.2 The new PPS6 is structured under four sections which deal with:
- the Government's objectives;
 - the plan-led approach to positive planning for town centres;
 - the assessment of proposed developments; and
 - measuring and monitoring the vitality and viability of town centres.

The Government's Objectives

- 2.3 The very first paragraph of PPS6 makes it clear that *'sustainable development is the core principle underpinning planning'* and that *'the planning system has a key role in facilitating and promoting sustainable and inclusive patterns of development, including the creation of vital and viable town centres'*. The Government's key objective for town centres², therefore, is to promote their vitality and viability (paragraph 1.3).
- 2.4 The Government's second tier objectives are set out in paragraph 1.4; these can be summarised as:
- enhancing consumer choice;
 - supporting efficient, competitive and innovative retail and leisure sectors and improving their productivity; and
 - improving accessibility to existing and new development by a choice of means of transport.
- 2.5 Paragraph 1.5 then sets out the Government's wider objectives; these can be summarised as:
- the promotion of social inclusion by ensuring access to a range of town centre uses and rectifying deficiencies;
 - the regeneration of deprived areas;
 - the promotion of economic growth;
 - the delivery of more sustainable patterns of development; and
 - the promotion of high quality and inclusive design, enhanced public realm and an accessible and safe environment.

¹ See footnote on page 1 of PPS6.

² See footnote 3 on page 5 of PPS6 which states that references to 'town centres' and 'centres' throughout the policy statement apply to all types of centres described in Table 1 of Annex A, i.e. city, town, district and local centres, but not small parades of purely neighbourhood significance.

- 2.6 Regional planning bodies (RPBs) and local authorities (LPAs) are therefore required to implement these Government objectives by planning positively for the growth and development of town centres, whilst not restricting competition or innovation (paragraphs 1.6 and 1.7). The main town centre uses to which PPS6 applies are retail, leisure, offices and arts, cultural and tourism facilities (paragraph 1.8), with housing said to be *'...an important element in most mixed-use, multi-storey developments'* (paragraph 1.9).

Positive Planning for Town Centres: A Plan-led Approach

Introduction

- 2.7 The introduction to Section 2 of PPS6 calls upon RPBs and LPAs to :
- actively promote growth and manage change in town centres;
 - define a network and hierarchy of centres, each performing their appropriate role to meet the needs of their catchments; and
 - adopt a proactive and plan-led approach to planning for town centres through regional and local planning.
- 2.8 We consider it appropriate to summarise the requirements in a different and more logical order, starting with the role of regional plans.

The Role of Regional Plans

- 2.9 Paragraphs 2.12 to 2.14 of PPS6 set out the requirements placed on RPBs in developing their Regional Spatial Strategies (RSSs). The over-riding requirement is for RPBs to set out a vision and strategy for the region's growth, particularly for higher level centres, and provide a strategic framework for planning at the local level. In particular, RPBs must:
- develop a strategic framework for the development of a network of centres, taking into account the need to avoid an over concentration of growth in the higher level centres;
 - make strategic choices about those centres of regional and sub-regional significance where major growth should be encouraged;
 - identify the need for new centres to be developed in areas of planned major growth;
 - assess the need for additional floorspace in the comparison retail, leisure and office sectors over the period of the RSS and for five yearly periods within it and, having regard to capacity and accessibility considerations, they must identify where the identified needs would best be met; and
 - identify the need for major town centre development of regional or sub-regional significance.
- 2.10 However, PPS6 is clear that new or expanded regional or sub-regional shopping centres located in out-of-centre locations are unlikely to meet the requirements of national policy (paragraph 2.14).

Networks and Hierarchies

- 2.11 Paragraphs 2.9 to 2.11 of PPS6 provide further advice in relation to the development of the network and hierarchy of centres, but - in this part of the policy statement - the advice is in relation to both the regional and local levels. Thus, authorities must plan carefully how to distribute any identified growth at both regional and local levels. In defining their spatial objectives, RPBs and LPAs:

'...should consider whether there is a need to rebalance the network of centres to ensure that it is not overly dominated by the largest centres, that there is a more

even distribution of town centre uses, and that people's everyday needs are met at the local level' (paragraph 2.9).

- 2.12 Thus, in developing the network and hierarchy, RPBs and LPAs are required to consider:
- i) whether there is a need to avoid over concentration of growth in the higher level centres;
 - ii) the need for investment in those centres requiring to be regenerated; and
 - iii) the need to address deficiencies in the network (paragraph 2.9)
- 2.13 Any change in the role and function of centres - upward or downward - must come through the development plan process, rather than through planning applications, with higher order centres dealt with in the RSS and with lower order centres dealt with through development plan documents (paragraph 2.10).

Promoting Growth and Managing Change

- 2.14 Paragraphs 2.3 to 2.8 of PPS6 turn to the role of LPAs in promoting growth and managing change in town centres. Paragraph 2.3 states that LPAs should - within the regional planning context - actively plan for growth and the management of change in town centres over the period of their development plan documents by:
- i) selecting appropriate existing centres to accommodate growth, making the best use of existing land and buildings, but extending the centres where appropriate;
 - ii) managing the role of existing centres through the promotion of specialist activities, or specific types of uses; and
 - iii) planning for new centres of an appropriate scale in areas of significant growth, or where there are deficiencies in the existing network.
- 2.15 Paragraph 2.4 urges that growth should be accommodated, wherever possible, through *'...more efficient use of land and buildings within existing centres'*. However, LPAs *'...should also seek to ensure that the number and size of sites identified for development or redevelopment are sufficient to meet the scale and type of need identified'*.
- 2.16 Where growth cannot be accommodated within existing centres, paragraph 2.5 advises LPAs to plan for:
- i) the extension of the primary shopping area, if there is a need for additional retail provision; and
 - ii) the extension of the town centre, to accommodate other main town centre uses.
- 2.17 Of crucial importance, however, is the Government's recognition that:
- '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'* (paragraph 2.6).
- 2.18 However, whilst PPS6 gives recognition to the role of large stores, there is no replication of the provisions of paragraph 3.3 of the now replaced PPG6 which had stated that *'some types of retailers, such as large stores selling bulky goods, may not be able to find suitable sites either in or on the edge of the town centre'*.
- 2.19 Where existing centres are in decline, PPS6 advises LPAs to *'...assess the scope for consolidating and strengthening these centres by seeking to focus a wider range of uses there, promote the diversification of uses and improve the environment'* (paragraph 2.8). However, where a reversal of decline is not possible, LPAs are advised to consider a reclassification of the centre, so as to reflect its revised status in

the hierarchy, and the adoption of policies which allow retail units to change to other uses, whilst seeking to retain vital services such as post offices and pharmacies.

The Role of Plans at the Local Level

- 2.20 Paragraphs 2.15 to 2.18 of PPS6 deal, specifically, with the role of the forward planning system at the local level. Paragraph 2.15 requires LPAs to adopt a positive and proactive approach to planning for the future of all types of centres within their areas. Thus, in line with the RSS and their community strategies, LPAs should, prepare a core strategy development plan document which sets out *'...a spatial vision and strategy for the network and hierarchy of centres, including local centres, within their area, setting out how the role of different centres will contribute to the overall spatial vision for their area'*.
- 2.21 Paragraph 2.16 urges LPAs to work with stakeholders and the community so as to:
- i) assess the need for new floorspace for retail, leisure and other town centre uses, taking account of both quantitative and qualitative considerations;
 - ii) identify deficiencies in existing provision, assess the capacity of existing centres to accommodate new development and identify centres in decline where change needs to be managed;
 - iii) identify the centres where development will be focused, as well as the need for any new centres of local importance;
 - iv) define the extent of the primary shopping area and the town centre on their Proposals Map;
 - v) identify and allocate sites in accordance with the considerations set out in paragraphs 2.28 to 2.51;
 - vi) review existing land use allocations;
 - vii) promote investment in deprived areas by identifying opportunities for growth and improved access;
 - viii) set out criteria based policies for assessing proposals on sites not allocated in development plan documents; and
 - ix) distinguish between primary and secondary frontages.
- 2.22 Paragraphs 2.19 to 2.22 of PPS6 then proceed to highlight the need for high quality and inclusive design, the importance of accessibility and safety and the need for efficient use of land through the promotion of higher-density mixed-use development. Paragraphs 2.23 and 2.26 deal with the management of the evening economy and the need for a range of leisure, cultural and tourism activities and paragraph 2.27 seeks to promote the retention and enhancement of existing markets and, where appropriate, the creation of new ones.

Site Selection and Land Assembly

- 2.23 Paragraphs 2.28 to 2.52 deal with site selection and land assembly in the forward planning process. Paragraph 2.28 sets out the five key considerations for local authorities when they are selecting sites for development; these are to:
- a) assess the need for development (paragraphs 2.32-2.40);*
 - b) identify the appropriate scale of development (paragraphs 2.41-2.43);*
 - c) apply the sequential approach to site selection (paragraphs 2.44-2.47);*
 - d) assess the impact of development on existing centres (paragraph 2.48); and*
 - e) ensure that locations are accessible and well serviced by a choice of means of transport (paragraphs 2.49-2.50).'*

- 2.24 These considerations match the development control tests set out in paragraph 3.4 of PPS6. In applying them in the development plan preparation process, LPAs are required to work closely with retailers, leisure operators, developers, other stakeholders and the wider community and paragraph 2.31 makes it clear that LPAs may need to make choices between competing development pressures in their town centres.

Need for Development

- 2.25 Paragraph 2.32 states that need assessments should be carried out as part of the plan preparation and review process, that they should be updated regularly and that LPAs should take account of the regional spatial strategy. Indeed, the LPAs' assessments of need '*...should inform and be informed by the regional needs assessments and form part of the evidence base for development plan documents*'.
- 2.26 Further guidance on the assessment of need is to be published separately. Paragraphs 2.33 and 2.34 of PPS6 make it clear, however, that LPAs should place greater weight on quantitative need for specific types of retail and leisure developments taking into account population change, forecast change in expenditure for specific classes of goods and forecast improvements in productivity in the use of existing floorspace.
- 2.27 Nevertheless, an important qualitative consideration will be the need to improve the range of services and facilities in deprived areas (paragraph 2.35). Another consideration which may be taken into account in the assessment of qualitative need is the degree to which existing shops may be over-trading (paragraph 2.36). However, regeneration and employment impacts - whilst capable of being material considerations - are not indicators of retail need (paragraph 2.37).
- 2.28 LPAs are also required to assess the need for new office floorspace over the development plan document period. Paragraph 2.39 states that they should take account of the RSS which will incorporate employment forecasts and the identification of suitable broad locations where regionally significant office development should be located (paragraph 2.39). LPAs must also take account of the physical capacity of their town centres and their roles in the hierarchy in planning for new office development and they must consider the needs for other main town centre uses.

Appropriate Scale

- 2.29 Paragraph 2.41 states that:

'In selecting suitable sites for development, local planning authorities should ensure that the scale of opportunities identified are directly related to the role and function of the centre and its catchment'.

- 2.30 As a consequence, paragraph 2.42 states that '*...local centres will generally be inappropriate locations for large scale new development...*' and that LPAs '*...should therefore consider setting an indicative upper limit for the scale of developments likely to be permissible in different types of centres...*'. If a need is identified for larger format developments, paragraph 2.43 indicates that sites should be identified within or on the edge of 'city centres' and 'town centres', as defined in Table 1 of Annex A to PPS6.

Sequential Approach to Site Selection

- 2.31 Paragraph 2.44 of PPS6 sets the order of preference in applying the sequential approach, as follows:

- first, locations within existing centres, but subject to caveats relating to suitability, availability and scale in relation to the function of the centre;
- second, edge-of-centre locations, with a preference given to sites that are, or will be, well connected to the centre; and 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 those with a high likelihood of forming links with the centre.
- 2.32 It is important to note that the distance threshold for the purposes of the 'edge-of-centre' definition, varies from up to 300 metres from the primary shopping area for retail use, to within 300 metres of a town centre boundary for all other main town centre uses (as set out in Table 2 of Annex A of PPS6). It is also noteworthy that LPAs are required to give weight to those locations that best serve the needs of deprived areas when considering alternative sites at the same level in the sequential ranking (paragraph 2.44).
- 2.33 In line with the earlier advice in the now replaced PPG6, there is a requirement for flexibility and realism on the part of both LPAs and developers/operators when discussing the identification of sites for inclusion in development plan documents. Sites must be available, or likely to become available for development during the development plan document period, and capable of accommodating a range of business models, all parties having been flexible in relation to scale, format, car parking provision and the scope for disaggregation (paragraph 2.45).
- 2.34 A new requirement, however, is for development plan documents to include phasing policies so as to ensure that preferred locations are developed ahead of less central locations (paragraph 2.46).
- 2.35 Further guidance on the sequential approach is to be published separately (paragraph 2.47).

Assess Impact

- 2.36 If LPAs are proposing to allocate sites in 'edge-of-centre' or 'out-of-centre' locations, they must assess the potential impact on centres within the catchment area of the potential development (paragraph 2.48). In our assessment, this provision would seem to confirm that the Government is not seeking to impose a moratorium against 'out-of-centre' development, albeit that such development is likely to be rare. LPAs must also assess the potential impact on other centres of those allocations within a centre which would substantially increase its attraction vis-à-vis other centres (paragraph 2.48).

Ensure Locations are Accessible

- 2.37 Paragraph 2.49 of PPS6 confirms PPG13's aspiration to reduce the need to travel, to reduce reliance on the private car and to ensure that everyone has good access to a range of facilities. As a consequence, in selecting sites for allocation, LPAs are required to have regard to the accessibility of the site by a choice of means of transport and the potential impact of its development on car use, traffic and congestion. In rural areas the focus for development is to be in market towns and large villages.

Other Relevant Matters

- 2.38 After assessing the sites against the five considerations set out in paragraph 2.28 of PPS6, LPAs are able to consider other matters such as physical regeneration, the likely net employment impact, the potential impact on economic growth and the potential impact on social inclusion (paragraph 2.51).

Assembling Sites

- 2.39 Paragraph 2.52 states that LPAs '*...should allocate sufficient sites to meet the identified need for at least the first five years from the adoption of their development plan documents...*'. LPAs are also required to consider the scope for site assembly using their CPO powers in order to ensure that suitable sites are brought forward for development.

Designation of New Centres

- 2.40 Paragraph 2.53 repeats the advice that *'new centres should be designated through the plan-making process where the need for them has been established, such as in areas of significant growth, or where there are deficiencies in the existing network of centres, with priority given to deprived areas.....whether this is done at the regional or local level will depend on the size of the proposed centre and its proposed role in the hierarchy of existing centres...'* PPS6 is clear, however, that existing out-of-centre facilities must not be regarded as *'centres'*, unless they are identified as such in the RSS and/or in development plan documents (paragraph 2.54).

Providing for Local Shopping and Other Services

- 2.41 Paragraphs 2.55 to 2.59 are concerned with the provision for local shopping and other services. There is emphasis on the need for a network of local centres, so as to meet people's day-to-day needs and provide a focus for local services. LPAs are encouraged to seek to rectify any deficiencies in local provision, especially in deprived areas, through liaison with the local community, retail operators and other stakeholders. Further guidance on the preparation of strategies for smaller centres is to be published separately.

Rural Centres

- 2.42 Paragraphs 2.60 to 2.64 of PPS6 deal with rural centres. Market towns and villages, as expected, are to be the main service centres in rural areas and the focus for economic development. Paragraph 2.61 states that the Government is committed to helping market towns manage the process of change and to strengthen their role as service centres, but there is little guidance as to how this aspiration is to be achieved.

Development Control

- 2.43 Section 3 of PPS6 sets out the considerations to be taken into account by LPAs in determining planning applications for **all** proposals relating to main town centre uses - whether in the form of new development, redevelopment, extensions, changes of use, renewals of extant planning permissions or applications to vary or remove existing conditions (paragraph 3.1).

- 2.44 First, it is important to note the provisions of paragraph 3.3, which states that:

'The key considerations for identifying sites for allocation in development plan documents, as set out in Chapter 2, apply equally to the assessment of planning applications,' so that Chapter 3 *'...sets out only the additional detail relevant to the consideration of planning applications, and should be read in conjunction with Chapter 2'.*

- 2.45 Thus, paragraph 3.4 sets out the same five tests for applicants as apply to LPAs in allocating sites in the development plan preparation process (as set out earlier in paragraph 2.28). We discuss each test in turn, but before doing so we emphasise the provisions of paragraph 3.5, which states that *'...as a general rule the development should satisfy all these considerations'.*

Assessing the Need for Development

- 2.46 The first point to note is that applicants are not required to demonstrate the need for retail proposals located within the primary shopping area, or for other main town centre uses located within the town centre (paragraph 3.8). However, paragraph 3.9 states that *'...need must be demonstrated for **any** application for a main town centre use which would be in an edge-of-centre or out-of-centre location and which is not in accordance with an up to date development plan document strategy'* (our emphasis). There is no minimum floorspace size threshold below which the test of need does not apply.

- 2.47 Additional guidance on the assessment of quantitative need in relation to retail and leisure proposals is set out in paragraph 3.10, which states that the need assessment should be:
- i) based on the assessment carried out for the development plan document, updated as required;
 - ii) related to the class of goods to be sold;
 - iii) assessed, normally, no more than five years ahead; and
 - iv) based on a catchment area that is well related to the size and function of the proposed development and which takes account of competing centres.

Scale

- 2.48 There is no further advice in relation to the issue of scale and paragraph 3.12 merely refers to advice already set out previously in Section 2.

The Sequential Test

- 2.49 The sequential test applies to *'...all development proposals for sites that are not in an existing centre nor allocated in an up-to-date development plan document'* (paragraph 3.13, our emphasis). As is the case with the need test, there is no minimum floorspace size threshold below which the sequential test does not apply.
- 2.50 Paragraph 3.13 goes on to state that the relevant centres in which to search for sites will depend on:
- the overall strategy set out in the development plan;
 - the nature and scale of the development; and
 - the catchment that the development seeks to serve.
- 2.51 In applying the sequential approach developers and operators are required to demonstrate flexibility in relation to scale, format, car parking provision and the scope for disaggregation. The key purpose of the exercise *'...is to explore the possibility of enabling the development to fit onto more central sites by reducing the footprint of the proposal'* (paragraph 3.16); this may involve a reduction in floorspace, more innovative site layouts, multi-storey development and reduced car parking.
- 2.52 Nevertheless, PPS6 retains the onus on LPAs to *be '...realistic in considering whether sites are suitable, viable and available'* (paragraph 3.16). LPAs are also required to *'...take into account any genuine difficulties, which the applicant can demonstrate are likely to occur in operating the applicant's business model from the sequentially preferable site, in terms of scale, format, car parking provision and the scope for disaggregation, such as where a retailer would be required to provide a significantly reduced range of products'*.
- 2.53 Thus, PPS6 explicitly requires that, in determining applications, account be taken of the applicant's business model. Allied to this point, we consider it useful to refer to the definition of 'retail warehouses' provided in Table 3 of Appendix A to PPS6, namely: *'Large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering mainly for car-borne customers.'* There is an implicit recognition in the last part of the sentence - i.e. *'...catering mainly for car-borne customers'* - that retail warehouses require adjacent surface level car parking.
- 2.54 Paragraph 3.17 retains the requirement to apply the test of disaggregation so as to assess whether the constituent parts of a development proposal that comprises several components can be accommodated on sites in sequentially preferable locations. Whilst paragraph 3.18 would seem to reverse the provisions in draft PPS6 that would have enabled the promoter of a single retail unit to escape the test of disaggregation, we consider the new advice to be confusing and contradictory; the first

sentence of paragraph 3.18 seems to say, in effect, that a single retailer or single leisure operator should not be expected to disaggregate, provided the scope for disaggregation has been demonstrated. This is a nonsense and, in our opinion, an early clarification of the provisions of paragraph 3.18 is essential.

- 2.55 Paragraph 3.19 retains the PPG6 tests of 'availability within a reasonable period of time', 'suitability' and 'viability' in applying the sequential test. However, the phrase '*within a reasonable period of time*' is to be determined on the merits of each particular case.

Assessing Impact

- 2.56 Paragraph 3.20 requires impact assessments to be undertaken for any application for a main town centre use which would be in an edge-of-centre or out-of-centre location and which is not in accordance with an up-to-date development plan strategy. Paragraph 3.20 also provides that:

'Where a significant development in a centre, not in accordance with the development plan strategy, would substantially increase the attraction of the centre and could have an impact on other centres, the impact on other centres will also need to be assessed'.

- 2.57 Paragraph 3.21 retains the PPG6 requirement to assess impact on a cumulative basis, taking into account recent permissions, developments under construction and completed developments. There is also an assertion at the end of paragraph 3.21 that '*...the identification of need does not necessarily indicate that there will be no negative impact*'.

- 2.58 In assessing potential impacts LPAs are required to consider the likelihood of:

- risk to the spatial planning strategy for the area;
- effects on future public or private investment;
- negative and positive (through clawback) impacts on the turnover of existing centres;
- changes to the range of services provided by centres;
- impact on the number of vacant properties in the primary shopping area;
- changes to the physical condition of the centre and to its role in the economic and social life of the community; and
- implications for the evening and night-time economy.

- 2.59 The level of detail and type of evidence required is to be proportionate to the scale of the proposal, but impact assessments will be required for all retail and leisure proposals of over 2,500 sq.m gross and occasionally for smaller developments (paragraph 3.23).

Accessibility

- 2.60 In determining whether proposed developments are genuinely accessible, LPAs should assess distance from existing/proposed public transport facilities, frequency and capacity of public transport services and whether access for pedestrians, cyclists and disabled people is easy, safe and convenient.
- 2.61 LPAs must also assess whether the proposal is likely to have impacts on the overall distance travelled by car, local traffic levels and congestion, having taken account of any public transport and traffic management measures secured as a result of the development.

Local Issues and Material Considerations

- 2.62 Paragraph 3.28 confirms the advice in Chapter 2 in stating that material considerations may include physical regeneration, employment considerations, economic growth and social inclusion.

Extensions to Existing Development

- 2.63 Paragraph 3.29 confirms that all of the development control tests apply equally to proposals for extensions to facilities which are located in edge-of-centre and out-of-centre locations, but there is a floorspace threshold for extensions of 200 sq.m below which the sequential approach does not apply.

Ancillary Uses

- 2.64 Shops proposed as ancillary elements to petrol filling stations, motorway service areas, sports stadia, rail stations, airports and so on must be limited in scale, genuinely ancillary and have a limited range of goods.

Conditions

- 2.65 Paragraphs 3.31 and 3.32 retain PPG6's stance in relation to the use of conditions which are designed to ensure that the character of a development cannot change over time so as to create a form of development which is unacceptable. Such conditions include:

- prevention of sub-division;
- controls on ancillary elements;
- limits to internal alterations designed to increase floorspace by specifying the maximum floorspace to be permitted, including any floorspace created by mezzanines; and
- limits to the ranges of goods to be sold and the mix of convenience and comparison goods.

- 2.66 Conditions are also advocated as a means for resolving issues relating to impacts on traffic and the amenity of local residents - for example, controls on the timing of deliveries.

Monitoring and Review

- 2.67 Paragraph 4.1 of PPS6 suggests that comprehensive monitoring is essential to the effective planning and management of town centres. Reference is made to the provisions of the Planning and Compulsory Purchase Act 2004, which requires RPBs and LPAs to submit Annual Monitoring Reports that include analysis of performance against defined core output indicators, those of most relevance being:

- the amount of completed retail, office and leisure development (Indicator 4a); and
- the percentage of completed retail, office and leisure development in town centres (Indicator 4b).

- 2.68 Paragraph 4.3 identifies three further matters to be kept under review, as follows:

- *'the network and hierarchy of centres (at both the regional and local levels);*
- *the need for further development (as set out in Chapter 2); and*
- *the vitality and viability of centres (at the local level)'*

Measuring Vitality and Viability

- 2.69 The final paragraph of PPS6 sets out the key indicators to be used in measuring the vitality and viability of town centres and in monitoring their health; these can be summarised as follows:
- the diversity of main town centre uses (by number, type and amount of floorspace);
 - the amount of retail, leisure and office floorspace in edge-of-centre and out-of-centre locations;
 - the potential capacity for growth or change in the network;
 - retailer representation;
 - shopping rents;
 - the proportion of vacant street level property;
 - commercial yields;
 - pedestrian flows;
 - accessibility;
 - customers' and residents' views and behaviour;
 - perception of safety and occurrence of crime; and
 - the state of the town centre's environment.

Conclusions and Changes in Emphasis

- 2.70 In our assessment, the key changes in national policy emphasis arising as a result of PPS6 are:
- i) a requirement for a much more proactive plan-led approach to planning for town centres through regional and local planning;
 - ii) much more emphasis on the need to develop a network and hierarchy of centres at both the regional and local levels; and
 - iii) a much greater involvement on the part of the public sector in the management and implementation of changes in town centres and in the monitoring of their vitality and viability.
- 2.71 Thus, RPBs are required to:
- i) set a vision and strategy for the region's growth and a strategic framework for planning at the local level;
 - ii) develop a strategic framework for the development of a network of centres;
 - iii) make strategic choices about those centres of regional and sub-regional significance where major growth is to be encouraged;
 - iv) identify the need for new higher order centres;
 - v) assess the need for additional floorspace in the comparison retail, leisure and office sectors;
 - vi) identify where needs would best be met having regard to capacity and accessibility considerations; and
 - vii) identify the need for major town centre development of regional or sub-regional significance.
- 2.72 In turn RPBs and LPAs are required to consider:

- i) whether there is a need to avoid an over-concentration of growth in the higher level centres;
 - ii) the need for investment in those centres requiring to be regenerated; and
 - iii) the need to address deficiencies in the network.
- 2.73 In preparing their development plan documents within the context set by the RSS, LPAs, in turn, must:
- i) select appropriate existing centres to accommodate growth, making the best use of existing land and buildings, but extending the centres where appropriate using tools such as the Action Plans, CPOs and strategies to address transport, land assembly, crime prevention and enhanced design;
 - ii) manage the role of existing centres through the promotion of specialist activities, or specific types of uses; and
 - iii) plan for new centres of an appropriate scale in areas of growth, or where there are deficiencies in the existing network.
- 2.74 Where growth cannot be accommodated within existing centres, LPAs are to plan for the extension of the primary shopping area, if there is a need for retail provision, and for the extension of the town centre as a whole to accommodate other main town centre uses.
- 2.75 The key considerations to apply in selecting sites for development remain similar to those identified in PPG6 and subsequent ministerial statements. However, there is more emphasis given to the issue of scale, so that LPAs are to consider setting indicative upper limits for the scale of development likely to be permissible in different types of centres.
- 2.76 Strong emphasis continues to be given to the sequential approach, but it does not appear that the Government is seeking to impose a moratorium against out-of-centre development, albeit that such development will be rare. If there is a need for larger stores, and they cannot be accommodated within the existing primary shopping area, they are to be directed to edge-of-centre locations. The guidance is unclear as to whether an individual retailer or leisure operator faces the test of disaggregation (paragraph 3.18), but all parties must demonstrate flexibility in relation to scale, format, design and the amount of car parking in seeking to promote development within existing centres.
- 2.77 We consider, however, that the new guidance is not particularly informative for LPAs that have town centres which face significant physical and environmental constraints to their expansion, such as spa towns, cathedral cities and so on. Nor is the policy statement of much assistance in helping RPBs and LPAs to choose between competing uses where the needs in the retail, leisure, office and cultural sectors are projected to substantially exceed the ability of existing centres - or indeed expanded centres - to accommodate them.
- 2.78 Finally, we consider that the guidance given in the new PPS6 in relation to the creation of new centres is totally inadequate. How are such new centres to become 'town centres' for the purpose of the Annex A typologies; how are RPBs and LPAs to benefit from the negative experience of some of the new towns; and how is the scale of such new centres to be determined?

Regional Spatial Strategy for Yorkshire & The Humber (RSS)

- 2.79 The Regional Spatial Strategy for Yorkshire and the Humber (RSS) was published in December 2004 following a selective review of previous regional guidance to address issues including rural regeneration, coastal communities, culture and tourism, climate change, renewable energy, flood risk, waste management and transport. Previous regional guidance was provided by Regional Planning Guidance for Yorkshire and the

Humber (RPG12), which was adopted in 2001. Since the Planning and Compulsory Purchase Act came into effect in September 2004, RPGs have been prescribed as Regional Spatial Strategies (RSS), which now form part of the statutory development plan.

2.80 The RSS provides a broad strategy for the development and use of land in Yorkshire and the Humber up to 2016. The shared vision for the region, which is endorsed by RSS and originally established by 'Advancing Together into the Millennium' in 1998, is for '*a world class region, where the economic, environmental and social well-being of all our people is advancing more rapidly and more sustainably than our competitors*'. More specifically, the vision for the physical fabric of the region consists of the following ideals:

- cities and towns which are economically robust, able to provide jobs for all their people, offer well-designed, attractive and safe environments for all social groups as places to live and work and no longer suffering large-scale, selective out-migration;
- rural areas that provide an attractive, high quality and safe environment and lifestyle, different from and complementary to that of urban areas, also able to provide jobs for all their people and contributing in a distinctive way to the development of the region;
- a wide range of choices of places to live, that offer opportunities for work, for using services and enjoying leisure without having to travel great distances;
- the choice of good quality public transport and walking and cycling routes for most travel needs, allowing an uncongested road system to support other requirements without costly additions or damage to local and global environments; and
- a restored and protected natural and manmade heritage that the present generation will be proud to pass on to its successors.

2.81 The RSS is divided into four strategic themes, which provide the framework for the policies set out in the Strategy. The four guiding themes for Yorkshire and the Humber are:

- **Economic Regeneration and Growth** - supporting the adaptation of the regional economy to changing world markets and extending the benefits of successful sectors to currently excluded social groups and areas in need of regeneration;
- **Promoting Social Inclusion** - maximising the contribution to regional development of each part of the region and each social group;
- **Urban and Rural Renaissance** - countering dispersion of homes and businesses and fostering urban and rural renaissance; and
- **Conserving and Enhancing Natural Resources** - limiting the claim on non-renewable resources of land and energy and reducing the need to travel.

2.82 One of the core components of RSS is that development should be located so as to secure urban and rural renaissance and to minimise both the need to travel and the development of greenfield sites. As such Policy S3 states that local development policies should focus on fostering the '*renaissance of existing urban and rural settlements of all sizes, making them more attractive, healthy, high quality and safe places to live, work, shop, spend leisure time and invest*'. Accordingly, development is to be directed towards the region's existing main cities and towns, as well as towards market and coalfield towns in rural areas. Policy P1 recognises that although the majority of development will be focused on main urban areas, there is also a need for development in smaller towns and rural areas to maintain their vitality and viability.

2.83 Policy E1 focuses on town and city centres and takes a two-pronged approach to their renewal and development. Policy E1 requires development plans to ensure that

existing town and city centres remain the focal point for shopping, cultural, social, leisure and business services and that adequate provision is made for these activities. Policy E1 also contains provisions for qualitative improvements to town and city centres, stating that existing centres '*will be the focus of efforts to upgrade environment, attractiveness and accessibility*'. Policy SOC3 reinforces Policy E1, prohibiting the expansion of and/or development of, new out-of-centre shopping centres, and reiterating that further retail and leisure provision should be located in existing town centres. With regard to retail and leisure facilities, Policy SOC3 suggests that local authorities should:

- maintain a good quality, level and range of provision for retail and service needs appropriate to serve the catchment area;
- minimise the need for travel, especially by car;
- seek to encourage joint planning and collaborative action by public and private service providers to promote innovative ways of maintaining or re-introducing local services in town and village centres which are identified as having a weak or limited range, while having regard to the size and character of the catchment area; and
- promote and support the local service centre role that certain towns and villages play for surrounding areas to retain essential services and facilities for rural communities.

2.84 The RSS explains that a major issue which has emerged over recent years concerns out-of-centre development for leisure uses. It indicates that such development can reduce the range of activities offered by town centres, further undermining their attractiveness; reduce the access enjoyed by those without a car; increase traffic levels; and use land which would otherwise be particularly well-suited to industrial purposes. Local planning authorities are encouraged by RSS to '*plan positively for leisure provision in or on the edge of existing centres*'.

2.85 As well as outlining topic-based regional priorities, the RSS contains more detailed guidance with respect to the region's four sub-areas. The Ryedale study centres fall within the 'North Yorkshire Sub-Region', which includes the main urban areas of Harrogate, Scarborough and York. In the consideration of strategic patterns of development within the sub-region, the RSS categorises Malton alongside towns such as Northallerton, Ripon, Settle and Whitby, as market towns which should be the focus for economic and housing development to enhance their role as service/employment centres. The RSS adds that development should be of a scale and type appropriate to rural areas, and states that the '*potential for mixed-use conversions of existing buildings in these settlements should be exploited*'.

Draft Regional Spatial Strategy: The Yorkshire and Humber Plan (December 2005)

2.86 Before the current RSS was issued, work had already started on developing a new RSS for the region - 'The Yorkshire and Humber Plan'. Preparation of a fully revised RSS commenced in July 2003, and a draft was submitted to the Government in December 2005. Public consultation on the draft RSS took place between January and March 2006, prior to an Examination in Public, which is scheduled to take place in Autumn 2006. The Yorkshire & Humber Assembly anticipates that the new version of the RSS will be formally approved and fully operational by late 2007.

2.87 The emerging RSS provides a comprehensive revision of the current RSS for Yorkshire and the Humber and guides development in the region to 2021 and beyond. The draft RSS identifies five key spatial priorities for the region, which are set out in Policy YH3:

- to transform economic, environmental and social conditions in the older industrialised parts of South Yorkshire, West Yorkshire and the Humber;
 - to manage and spread the benefits of continued growth of the Leeds economy as a European centre of financial and business services;
 - to optimise the opportunities provided by the Humber Ports as an international trade gateway for the region and the country;
 - to support towns as hubs for the rural economy and as service centres; and
 - to enhance the environmental character and qualities of the region's coast and countryside including for economic and social development.
- 2.88 The emerging RSS intends to direct a '*more concentrated pattern of development in the region compared to recent times*', with development focused on the larger centres, which benefit from better transport infrastructure. As such, draft RSS notes that the majority of new development will be concentrated in the Regional and Sub-Regional Centres (for example; York and Scarborough). Malton is defined by draft RSS as a Principal Service Centre. Policy YH6 states that Principal Service Centres should be the main local focus for housing, jobs and services across rural areas. Policy YH8 explains that '*sufficient development*' should take place in Principal Service Centres to enable them to fulfill their service centre roles. Pickering and Kirkbymoorside are defined by the draft RSS as Local Service Centres, in which development should be more limited, focusing only on meeting local needs for affordable housing and economic diversification.
- 2.89 Policy E2 sets out the draft RSS's approach to town centres and major facilities. Policy E2 reiterates the stance taken in the adopted RSS, stating that city and town centres should be the '*main focus for office, comparison shopping, health, education, casino, leisure, recreation, entertainment, cultural, public services, business services and other uses which generate a high level of people movements*'. Furthermore, Policy E2 stresses the importance of strengthening the role and performance of existing town centres, noting that '*development, environmental enhancements, accessibility improvements, and town centre management and promotional activities should take place to create a distinctive, attractive and vibrant sense of place and identity for each centre*'.
- 2.90 The draft RSS sets out a 'sub-area' approach to development within the region, which intends to provide a more meaningful and functional basis for spatial planning that can respond to the issues and characteristics of different parts of the region. Although the adopted RSS considers the region's four 'administrative' sub-regions (North Yorkshire, West Yorkshire, South Yorkshire and the Humber), it does not include any sub-area policies. The emerging RSS provides a shift towards identifying more functional sub-areas, with associated spatial strategies and policies. The draft RSS thus identifies seven sub-areas: Leeds City Region; South Yorkshire; Humber Estuary; York; Coast; Vales and Tees Links; and Remoter Rural.
- 2.91 Ryedale's market towns are split between two sub-areas, with Malton/Norton forming a Principal Service Centre within the York sub-area, and Kirkbymoorside and Pickering acting as Local Service Centres within the Remoter Rural sub-area. The draft RSS explains that the seven sub-areas are not fixed geographically, they do not function independently of each other, and that '*in effect all sub-areas overlap with each other*'.
- 2.92 The draft RSS explains that Malton is the Principal Service Centre for much of the eastern part of the York sub-area, in addition to parts of the eastern Remoter Rural sub-area. As such, the draft RSS advises that Malton should form the main focus of local growth in the eastern part of the sub-area. The draft RSS notes that the aim for Malton should be to widen the mix and choice of housing, with particular emphasis on increasing the supply of affordable housing. In addition, the draft RSS suggests strengthening the Principal Service Centre role of Malton and creating further local

employment opportunities in the market town to counter out-migration by younger people and reduce long-distance commuting. Policy Y1 therefore supports '*an appropriate scale of development at Malton to support local regeneration and the role of York*'.

- 2.93 The environmental sensitivities of the Remoter Rural sub-area preclude any major development. Indeed, the aim for the sub-area is to safeguard and enhance its environmental and built assets through a conservation-led approach. However, within the overall policy of restraint, the draft RSS notes that '*very small-scale development* will be permitted in Local Service Centres such as Kirkbymoorside and Pickering, to address local affordable housing needs, foster economic diversification and maintain the roles of the centres (Policy RR1).

3 LOCAL PLANNING POLICY, AND REVIEW OF PREVIOUS TOWN CENTRE STUDIES

Ryedale District Council - The Ryedale Local Plan (March 2002)

- 3.1 The Ryedale Local Plan was adopted in March 2002 and has since been followed by a selective alteration which was adopted in 2004. The alteration focused upon updating the Council's affordable housing policy and as such the retail policies have remained unchanged since 2002.
- 3.2 The Statement of Strategy highlights the key objective of the Local Plan, to provide sufficient land and opportunity for development to create a strong and prosperous economy, whilst ensuring that development does not conflict with the aim of providing a high-quality environment. Housing, employment and retail development is to be located primarily in the four market towns of Malton/Norton, Pickering, Kirkbymoorside and Helmsley, which have more capacity to accommodate larger-scale development than the surrounding villages. However, the Plan notes that '*the market towns of Ryedale do not have unlimited capacity to accommodate new development, either in terms of the effect on their character and setting or the capacity of their infrastructure and services*'. The District Council aims to achieve quality and local distinctiveness in new development and seeks to avoid development which would detract from the high-quality environment of the District.
- 3.3 With regard to retail developments, therefore, the Local Plan aims to maintain the vitality of market towns and villages, for example by considering the impact on local shops of major new retail developments. The Local Plan describes the pattern of retailing within the Plan area as '*centred upon traditional high street shops [which] provide a wide range of convenience and a reasonable selection of comparison goods*'. The main retail areas of all four market towns are centred upon high quality historic environments which are a key factor in the attractiveness of the market towns for visitors and tourism, the latter of which makes a small but significant contribution to the retail economy of the District, particularly in Pickering. The Local Plan notes that many residents in Ryedale currently depend on shops outside the Plan area - particularly for comparison goods - in the sub-regional centres of York and Scarborough, and that this trend is likely to remain.
- 3.4 A retail study undertaken on behalf of the District Council in 1995 indicated that there was likely to be little scope for additional floorspace for either comparison or convenience shopping in any of the market towns until the end of the Plan period (2006). As a result, the Plan identifies no additional sites for retail development within any of the settlements.
- 3.5 The Plan notes that existing supermarkets and large comparison stores within the four market towns are by national standards relatively small (the largest, Sainsbury's in Malton³, being about 14,000 sq.ft gross. The store was extended in 2000 to provide a sales area of some 19,500 sq.ft). The District Council is keen to ensure that any proposals which come forward for large-scale retail development will not threaten the vitality or viability of any of the existing town centre shopping areas. For the purposes of the Plan, 'large retail developments' are defined as those of 10,000 sq.ft gross or more.
- 3.6 The Local Plan lists as the main objectives of its retail policies:
- to sustain and enhance the vitality and viability of the town centres of the market towns;

³ This store has since been re-branded as a Morrisons.

- to safeguard existing shops and to encourage the development of new facilities to meet the local shopping needs of rural areas, villages and of residential areas;
 - to provide for retail development within the market towns which will extend the number and range of shops and will enable a better service and choice to be given to the public where this will not adversely affect the vitality and viability of the town centre;
 - to encourage retail proposals which will contribute to the repair and maintenance of existing historic buildings within the town centres; and
 - to encourage other uses within the town centres which contribute to their variety and vitality.
- 3.7 The Local Plan concedes that whilst there is unlikely to be a need for significant additional retail floorspace in any of the main settlements in the Plan area, it is still important that new shops and non-retail uses such as banks, building societies and other financial and professional services are encouraged within the town centres, particularly where they will enhance the variety and diversity of shops and enable a better service to be given to the public. The Plan also suggests that additional facilities for convenience goods could potentially stem some of the leakage of local expenditure to shopping areas outside of the District.
- 3.8 The main shopping areas of all four study centres are situated within conservation areas of considerable townscape quality containing high concentrations of listed buildings. The Plan considers that new shopping and other related development can assist the conservation objectives of the Plan by providing viable uses for the older properties, improving the appearance of under-used sites and bringing about environmental improvements.
- 3.9 The Local Plan has defined 'Town Centre Commercial Limits' around each of the town centres in order to indicate precisely the areas within which the District Council will seek to focus future retail development and other uses appropriate to a shopping area.
- 3.10 Tourism makes a significant contribution to the local economy and in 1995 supported 2,860 direct and 500 indirect tourism-related jobs. Since 1987, the District Council has pursued a tourism strategy based upon the 'quality end' of the tourism market, developing a sustainable form of tourism that has regard to the high-quality environment of the District. Many tourists continue to come to Ryedale because of the picturesque market towns and villages, its countryside and the rich historic heritage. The County Structure Plan has consequently identified Malton/Norton, Pickering, Kirkbymoorside and Helmsley as 'touring bases', to which the majority of new tourist accommodation and related facilities should be directed.
- 3.11 As well as outlining issue-based local policies, the Local Plan contains more detailed descriptions of and proposals for each of the District's main market towns. The specific proposals relating to each of the four Ryedale Retail Capacity Study centres are highlighted below.
- Malton/Norton*
- 3.12 Malton and Norton are separated from one another by the River Derwent and, taken together, form the largest settlement in the Plan area.
- 3.13 In Malton, the central Market Place occupies a large, elevated site. The majority of the buildings surrounding the Market Place and lining the streets leading from it are listed as being of architectural or historic importance. The majority of the historic core of the town falls within the Malton Conservation Area. The main shopping area is centred on the triangle formed by Yorkersgate, Wheelgate and the Market Place and along the northern half of Castlegate.
- 3.14 Norton, located south of the River Derwent, possesses less townscape quality than Malton, although Church Street and Commercial Street are located within a

conversation area and contain a number of listed buildings and some excellent shop fronts. Commercial Street is the main shopping street for Norton. The northern side of the street contains a range of small shops (catering, essentially, for local needs) and a number of restaurants/hot-food takeaways.

- 3.15 The largest housing allocation of the Local Plan is directed at Norton, with a 5.6ha site allocated for residential development to the south of Scarborough Road, Norton. In addition, 3.6ha of land at Norton Grove Industrial Estate is allocated for industrial and business development.
- 3.16 In 1990, the District Council approved an initiative aimed at encouraging inward investment into, and regeneration of, the previously neglected area alongside the River Derwent between the centres of Malton and Norton. In 1990, the area was occupied by a mixture of industrial, warehousing, vehicle repair yards and a number of small commercial activities. One of the aims of the initiative, known as 'The Malton-Norton Riverside Project', was to provide opportunities for new housing and compatible commercial activities such as shops and offices to become established along the riverside. In 2002 there still remained a number of uses within the area which the District Council believed would be better located on an industrial estate and where redevelopment for uses such as housing, retailing or offices could have positive environmental benefits for this part of the settlement. A section of the Malton-Norton Riverside Project Area falls within the boundary of Malton town centre.

Pickering

- 3.17 Pickering is the second largest of Ryedale's market towns and also the oldest. Pickering town centre has developed around a market place, which now forms the centre of a conservation area surrounded by listed buildings. The western edge of the town centre also falls within the floodplain of the River Beck.
- 3.18 Pickering has two main shopping areas; the Market Place with access to the town's main convenience store (Co-op) via Champley Mews, and the mixed housing/retail development known as Eastgate Square.
- 3.19 The Local Plan notes that the main traffic thoroughfare in Pickering is often congested, due to large numbers of tourists and local traffic travelling north/south from Whitby/Malton, together with east/west traffic from Thirsk/Scarborough. In addition, Pickering town centre suffers from severe car parking problems.
- 3.20 The District Council proposes to direct the second largest share of housing and employment land within the Plan area to Pickering. Two sites have been allocated for housing development, with 2.7ha east of Goslipgate, which has now been developed, and 1.4ha east of Whitfield Avenue.

Kirkbymoorside

- 3.21 Kirkbymoorside is the smallest of the Retail Capacity Study centres with a population, in 1999, of only 2,770. The town is located on the southern edge of the North Yorkshire Moors and is surrounded by sensitive landscape.
- 3.22 Kirkbymoorside has retained a traditional and highly attractive Market Place at its centre, which accommodates almost 60 listed buildings. Much of the central area is designated as a conservation area and any new development is expected to reflect the historic character and appearance of the settlement.
- 3.23 Only two small sites (both less than 1ha in size) have been allocated in Kirkbymoorside to provide for new housing and employment development. The Development Limits for Kirkbymoorside have been drawn tightly around the town to exclude the highly sensitive open countryside that surrounds the town. Land to the north, east and west of the town is designated in the Local Plan as an 'Area of High Landscape Value', while land to the north and east is designated as a 'Visually Important Undeveloped

Area'. Kirkbymoorside town centre borders these designated areas to the centre's east, strictly preventing eastward expansion of the town's retail and leisure heart.

- 3.24 In addition to the town itself, the Parish of Kirkbymoorside extends to include the two nearby settlements of Keldholme and Kirkby Mills. Both of these two small hamlets have no facilities to meet the needs of their resident population.

Ryedale District Council - Local Development Scheme (March 2005)

- 3.25 Under the terms of the Planning and Compulsory Purchase Act 2004, Local Development Plans and Unitary Development Plans are to be replaced by Local Development Documents (LDDs) set within Local Development Frameworks (LDFs).
- 3.26 Ryedale District Council submitted its Local Development Scheme (LDS) to the Government Office in March 2005, outlining the form that the Ryedale LDF will take and the timetable for its production over the following three years. The LDS explains that the adopted Ryedale Local Plan will be 'saved' for three years until September 2007, during which time new LDDs will be consulted upon and adopted to replace the Local Plan.
- 3.27 The Core Strategy of the new LDF will set out a vision and strategy for the spatial distribution of development in Ryedale up to 2021. The LDF will also contain a specific Malton and Norton Action Area Action Plan (AAP) to '*promote significant development opportunities in the twin towns*', and possibly also a Pickering AAP.

Ryedale District Council - Ryedale Local Development Framework: Issues and Options Consultation Paper (January 2005)

- 3.28 As a first step towards producing an LDF, Ryedale District Council has produced an Issues and Options Consultation Paper, framing broad spatial development questions for local debate and discussion.
- 3.29 As with the existing Local Plan, the LDF will be devised to strike an appropriate balance between the need for development and the need to protect Ryedale's environment. The Issues and Options Paper asks for early impressions of what the development needs of Ryedale are, and how these can best be met between 2005 and 2021.
- 3.30 With respect to retail policies, the Issues Paper acknowledges that none of Ryedale's market towns can or should be able to compete with the range of shops available in York and Scarborough. Instead the Issues Paper notes that strategies produced for Malton and Norton identify the need to develop speciality retailing, restaurants, bars and entertainment. A possible policy that could be pursued through the LDF would be to create quality and distinctive town centres, to provide attractive alternatives to the large shopping centres nearby.
- 3.31 In line with the existing Local Plan the LDF will focus new retail development within the existing town centres and prevent out-of-centre development that could harm the vitality and viability of the town centres.

Ryedale District Council - Responses to 'Ryedale Local Development Framework: Issues and Options Consultation Paper' (2005)

- 3.32 Ryedale District Council has produced a summary report of the responses received from the public to the 'Local Development Framework: Issues and Options Consultation Paper'.

- 3.33 The summary report reveals that public opinion is divided on the subject of the need for additional retail floorspace in Ryedale. A number of respondents suggest that Pickering would benefit from a new and larger supermarket, to reduce the need of local residents to travel to York and Scarborough for convenience food shopping and to claw back trade to Pickering town centre. Similarly, a handful of respondents suggest that more national multiple retailers should be encouraged to locate in Ryedale, particularly in Malton. However, on the other hand, a larger proportion of respondents argue that the focus of the emerging LDFs should be on protecting existing local shops, encouraging local businesses and local food suppliers, and creating distinctive town centres characterised by speciality retailing rather than chain stores.
- 3.34 A number of respondents suggest that Malton/Norton would benefit from environmental improvements. One respondent notes that *'the main thoroughfares in Malton look very dingy and dilapidated, putting off people who may have potentially stopped.'* Another respondent comments that the LDF should merely *'concentrate on making market towns attractive, as they can never compete with out of town retail parks'*.
- 3.35 In addition, there is a general consensus amongst respondents on the need for more and free car parking in both Malton and Pickering. A few respondents suggest that parking should be removed from Market Place in Malton, to create a more pleasant town centre atmosphere, and two respondents cite the cattle market as a good site for either retail development or car parking.

Ryedale District Council - Core Strategy (November 2005)

- 3.36 The Core Strategy will act as the 'linchpin' of the new Local Development Framework (LDF) as it sets out the long-term spatial vision, objectives and strategy to guide development within Ryedale District up to 2021. The Core Strategy has been prepared following consultation on the 'Issues and Options' paper.
- 3.37 The Core Strategy seeks to address a number of underlying issues in order to ensure the maintenance of balanced and sustainable communities within Ryedale. The key issues highlighted in the Strategy are:
- **Housing** - ensuring access to suitable housing that is affordable;
 - **Employment** - diversifying the economy of the District by stimulating new and existing growth sectors;
 - **Environment** - protecting and enhancing the landscapes and townscapes that are valued by the local community;
 - **Transport** - maximising opportunities to access a wide range of jobs, shops and services by public transport;
 - **Population** - providing opportunities for younger people to live and work in the District; and
 - **Retail** - creating roles for Ryedale's towns and villages that are appropriate in scale and offer a wide range of quality shops and services that are accessible to local residents.
- 3.38 The key issues are summarised in the Vision that has been set for the LDF, which is *'to establish a network of key service centres, directing new development to the most sustainable and accessible locations, and facilitating change where it would result in a clear benefit to the local community. Responding to the needs of the community, in particular, for affordable housing and a diverse and robust economy, whilst reinforcing the character of Ryedale as a rural district with a high quality natural and historic environment'*.
- 3.39 The Core Strategy also details eight objectives, which underpin the Spatial Strategy and Core Policies for the District:

- to enhance the role of the market towns as accessible service centres within the District and emphasise the role and regeneration of Malton and Norton as the Principal Service Centre;
 - to focus development in those settlements where it will enhance accessibility to local services, shops and jobs by promoting the use of public transport, walking and cycling, while reducing the need to travel by private car;
 - to protect and, where appropriate, enhance the distinctive character of the District's settlements, landscapes and biodiversity, safeguarding those elements of the historic and natural environment that are recognised as being of local or national importance;
 - to deliver new development alongside the provision of the necessary community and transport infrastructure;
 - to substantially increase the delivery of affordable housing, encouraging an appropriate mix and type of housing that will meet local housing needs throughout Ryedale;
 - to provide for a suitable range, and quality, of employment sites and premises, principally in the market towns, supporting the need to diversify the District's economic and skill base and to build links with the York economy;
 - to protect and enhance the provision of community facilities, recognising the particular importance they play in supporting the District's rural and village communities; and
 - to promote development that has as low an impact upon the environment as is practicable, minimising the use of natural resources and energy.
- 3.40 The Core Strategy contains a 'Spatial Strategy' element, which focuses on the broad locations within the District where development should take place. The Spatial Strategy emphasises that the majority of new development in Ryedale will be focused within the market towns. The Strategy notes that *'in promoting the market towns as the best location for new development, it is not considered appropriate to attempt to fundamentally change the role that each of the towns plays within the District'*. Instead, the Spatial Strategy seeks to build on the current roles and functions of each town.
- 3.41 Within this context, the Strategy outlines a hierarchy of settlements within Ryedale to guide investment decisions in the District. The Strategy places Malton/Norton at the top of the hierarchy, labeling the settlement as a 'Principal Service Centre', followed by Pickering which is described as a 'Local Service Centre', and then Kirkbymoorside and Helmsley which are both labeled as 'Other Local Service Centres'.
- 3.42 The Spatial Strategy emphasises that Malton/Norton is the most appropriate focal point for housing and economic growth. In combination Malton/Norton is the largest town, has the widest range of shops, the largest number of employers and the best public transport links in the District. Furthermore, the greatest proportion of brownfield land within Ryedale is located in and around the centres of Malton and Norton. The sub-regional investment plan for North Yorkshire seeks to link Malton/Norton to the York economy, providing, for example, Science-City type developments. The Spatial Strategy for Malton/Norton, therefore, seeks to make the towns more outward-looking, in order to stimulate these links and sectors of the economy.
- 3.43 While a lower level of development is therefore to be allocated to the other market towns, the Strategy recognises that these settlements still offer opportunities for sustainable growth. Pickering is identified as a Local Service Centre, which provides a key range of shops, services, tourism activities and employment opportunities for northern Ryedale. There are fewer employment opportunities and services within Kirkbymoorside and Helmsley and the towns serve much more localised needs.

- 3.44 The Spatial Strategy outlines a list of actions and projects that should be delivered through the LDF. The actions relating to the four study centres are presented in Table 3.1 below, which is reproduced from Ryedale District Council's Core Strategy.

Table 3.1 - Suggested Actions and Projects for Malton/Norton, Pickering and Kirkbymoorside Identified in Ryedale District Council's Core Strategy (2005)

Location	Key Projects	
Malton/Norton	High Growth	Upgrade accesses onto the A64 and reduce congestion in the town centres
		Provide for B1 office developments, business incubator units and encourage Science City developments
		Support the metals industry by creating a new Advanced Engineering Park
		Redevelopment of the River Rail Corridor brownfield sites
		Environmental improvement of town centre and regeneration of key sites
		Support the development of a bus/rail interchange facility
Pickering, Kirkbymoorside, Helmsley & Service Villages	Medium/ Low Growth	Redevelopment of the brownfield sites surrounding the Coal Yard, Pickering
		Support Pickering's role as a gateway to sustainable tourism and recreational opportunities
		Support traffic management measures and projects, especially where they would reduce congestion within Pickering and along the A170
		Employment and housing opportunities to meet the needs of the local community
		Safeguard existing community and leisure facilities

- 3.45 In addition to the Spatial Strategy, the Core Strategy presents nine proposed Core Policies to provide a strategic planning framework for Ryedale. Core Policy 9 (CP9), 'Community Vitality and Viability', focuses on the provision of services, facilities and retail opportunities to meet the aspirations of the local community. The Strategy explains that CP9 aims to reverse decline in rural service provision and the deterioration of retail/leisure choice and quality in the town centres, which has resulted from the expansion of larger centres that neighbour the District.
- 3.46 CP9 comments that it is important that the LDF seeks to enhance the vitality and viability of the retail areas within the market towns. The LDF will, therefore, plan positively for the towns, making provision for new retail development where there is an identified need. In addition, the LDF will create the basis for delivering improvements to the town centres.
- 3.47 CP9 outlines seven actions, which if implemented through the LDF could promote vital and viable local communities within Ryedale. The seven proposed actions are:
- encouragement of environmental improvements in the town centres and re-development of key town centre sites in Malton/Norton and Pickering;
 - encouragement of retail developments that reinforce the roles of the market towns, being appropriate to their character, and that create a good balance of quality retail premises;

- encouragement of new community, education/training, health, leisure, sport and informal recreation facilities;
- support for the provision of a leisure/sports centre facility in the Malton/Norton area;
- safeguard existing community, cultural and leisure facilities, including village shops and halls, post offices, public houses, playing fields, open space and allotments;
- support for the establishment of multi-purpose outlets, or the co-location of services, in villages; and
- encouragement of improved design and public realm enhancements in the town centres.

Ryedale Strategic Partnership - Imagine Ryedale (2003)

3.48 Imagine Ryedale is a Community Plan, which sets out a ten-year vision for Ryedale until 2013, following consultation with local people. The Vision of local people for Ryedale in 2013 comprises six main themes:

- **Vibrant Communities** - where everyone is respected; where all generations have opportunities to express themselves; where diversity is welcomed and encouraged;
- **Strong Safe Communities** - that are home to welcoming and familiar neighbourhoods, where people and friendships are valued. Community spirit is strong, underpinned by security and safety;
- **Access and Communication** - in which it is easy to access any part of Ryedale, and all other places, for work and play. Communication is dealt with in flexible and innovative ways;
- **Health and Wellbeing** - where people enjoy life, work and leisure at their own pace;
- **Landscape and Environment** - with a cherished mixture of towns, villages and landscapes; and
- **Developing Opportunities** - where everyone in Ryedale is involved in and can influence planning for the community; increasing opportunities to meet, learn and have fun.

3.49 Imagine Ryedale emphasises the outstanding environmental quality of Ryedale's countryside, villages and market towns, with all town centres having a conservation area at their heart. The Community Plan also acknowledges that providing and maintaining '*decent shopping facilities*' is a vital element of ensuring a good quality of life. As such the Ryedale Strategic Partnership recommends the production and implementation of a Town Centre Renaissance Strategy for Malton, which would include an enhancement of the Market Place; the development of proposals for key sites such as the cattle market and Greengate; action to develop speciality retailing, restaurants, bars and entertainment; the implementation of urban design and traffic improvements; and new tourism projects and new public open space.

AMION Consulting - Economic Impact and Needs Analysis: Malton and Norton Market Towns Initiative (May 2002)

3.50 The towns of Malton and Norton, and their surrounding area, were identified by the Countryside Agency and Yorkshire Forward in 2000 as a pilot for the Market Towns Initiative (MTI). In Malton and Norton, a local partnership (The Malton and Norton Area Partnership) has been established to administer the MTI, bringing together key local agencies from the public, private and voluntary sectors.

3.51 The Partnership undertook an initial healthcheck of the twin towns and produced an Action Plan in October 2001, which identified objectives and key actions to assist in

revitalising the towns. One of the suggested actions was to undertake an Economic Impact and Needs Analysis, to identify the current economic position, analyse the local economic future and assist the Partnership in establishing funding priorities.

- 3.52 At first glance, Malton/Norton and its surrounding hinterland appears to be economically healthy. The population of Malton itself grew significantly between 1991 and 2000, increasing by 10 per cent and reinforcing the role of the town as a key location. The wider area surrounding Malton also appears to be economically healthy, with an unemployment rate as low as 1.8 per cent. However, there has been a significant decline in the level of young people in the District as a whole between 1991 and 2000, with population levels falling by 1,700 (31.5 per cent) in the 20 to 29 age group. The Report notes that an economy with a limited proportion of people of working age may be hampered in its ability to attract and retain investment.
- 3.53 The quality and choice of town centre services is also an important factor in the strength of a local economy. Malton town centre is identified as the key retail centre within the MTI study area and it functions as a key local economic driver. Other locations such as Norton town centre provide essentially local services meeting day to day needs only and with limited trade drawn beyond Norton residents.
- 3.54 The Report finds that Malton town centre is '*strongly characterised by its Conservation Area status*', possessing small traditional shop units and an attractive central market square. Approximately 9 per cent of shop units in Malton were vacant in 2001, although this had fallen dramatically from the 20 per cent vacancy rate in 1998. In Norton town centre, unit vacancy levels remained high in 2001 at approximately 22 per cent.
- 3.55 Malton has suffered from the rise in car borne out-of-centre shopping facilities, such as Clifton Moor and Monks Cross in York. Multiple retailer representation (18 per cent of all units in Malton) was significantly below the national average of 34 per cent in 1998. The Report suggests that while it would be unrealistic to expect Malton to be able to compete with the facilities offered in the York area, there could be an opportunity for it to develop as a quality local service centre, based on the trade drawn to the town through the presence of a modern Safeway store, livestock market and the level of tourism activity surrounding the area.
- 3.56 AMION found through conducting local consultations that the retail and leisure offer in Malton faces a number of constraints, including small unit sizes and strict conservation regulations. While AMION suggests that there is interest in the town from multiple retailers, the small unit sizes and servicing difficulties acts as a deterrent to potential investors. In addition, the quality of retail provision, particularly for items such as clothing, was considered by the consultees to be poor.
- 3.57 Similarly, whilst almost 20 per cent of the town centre units were occupied by food and drink uses in 2002, AMION found that consultees viewed Malton as lacking an overall 'quality' offering. Although in 2002 there were a number of good quality restaurants and cafes in Malton town centre, there were no wine bars or higher quality public houses. AMION concluded that the result is a town centre which cannot provide the full range of facilities to meet the requirements of all age groups.
- 3.58 There are three markets in Malton including the livestock market, general market and farmers' market. The livestock market is a major town centre facility drawing significant trade to the town, with the number of traders often exceeding 500 per week, based on several days trading. However, the Report finds that the potential of the market is being hampered by a combination of poor quality accommodation unfit for modern requirements and a reduction in the quality of goods sold. AMION also reports a local concern regarding the future of the market on its current site.
- 3.59 In terms of leisure provision, both Malton and Norton have limited facilities for both recreational sport and commercial activity such as cinemas and theatres. The lack of a

local sports complex and modern swimming pool facility in Malton/Norton have been identified as key issues in the Ryedale Local Plan.

- 3.60 Within Malton town centre, the efficiency of the transport network is compromised by a number of specific issues. The impact of a train arriving and closing the County Bridge level crossing can cause localised queuing and congestion in the town centre and acts as a significant constraint on both public and private transport movement in and around the existing transport interchange. Traffic problems are also created within Malton town centre due to extensive HGV use of Wheelgate and Yorkersgate associated with Grampian Country Foods, and because of limited access onto the A64 around the towns. As a result, this can cause significant time delays and congestion and negative effects on the shopping experience in Malton town centre. A further local issue relates to car parking. Although there is adequate car parking provision in Malton, with 690 spaces, the Report notes concerns over the location of spaces in relation to the town centre and also the current charging regime.
- 3.61 AMION's report concludes with the recommendation that Malton town centre could develop growth around a 'quality' offer. Malton should become known as the 'quality' location within North Yorkshire, for business, leisure and also as a place to live. The future for Malton, therefore, involves Malton becoming a quality retail location, characterised by an increasing number of specialist shops attractive to the visitor market. Through such a specialist offering, Malton could differentiate itself from York and Scarborough. AMION also recommends that a visionary solution to the current restricted provision of retail units be found, to provide units for both retail and commercial activity that will meet the needs of growth sectors of the economy. Malton could in addition seek to become a French market town, offering a quality market with a range of farm produce and other goods to provide a draw for tourism and also add to town centre vitality. AMION would also like to see the quality of commercial leisure provision improved, particularly the restaurants and bars.
- 3.62 As a local service centre, AMION suggests that Norton should not be promoted as an alternative retail location to Malton. However, a '*quality strategy*' should be devised for Norton town centre to '*seek to ensure that its retail presence is supported and maintained*'. The other overriding issue regards traffic congestion in Norton town centre, predominantly caused by HGVs. AMION highlights congestion as a key priority that should be addressed in the short term.

The Malton and Norton Area Partnership - Malton and Norton Healthcheck, Second Edition (March 2003)

- 3.63 The Malton and Norton Area Partnership produced the first healthcheck of Malton and Norton in January 2002, under the umbrella of the MTI. The healthcheck was revised in January 2003 to include changes which had occurred in the year since the first edition was drafted.
- 3.64 As with AMION's Economic Impact Study, a key issue arising from the healthcheck is the traffic congestion that occurs in Malton town centre. The problem arises due to the location of Norton Grove industrial estate to the east of Malton and Norton. Within the industrial area is Grampian Country Foods, which is the area's largest employer. Although a new link road to the industrial estate from Scarborough Road was completed in 1995, an access road was not provided for eastbound A64 traffic. The result is that all traffic (including significant HGV traffic) from the north and west must travel through both Malton and Norton town centres to access Norton Grove. Traffic from Hull also travels through the towns to access the A64, further adding to the congestion. The healthcheck re-emphasises the need for access improvements from the A64 to the area's existing industrial estates.
- 3.65 Malton is one of only a few market towns not to have a pedestrianised area in its centre. The healthcheck notes that a common response from the public to questions

about improvements to the town centre in Malton has been to provide more green areas in the town centre; more pedestrian and outside seating areas; to reduce or ban traffic from the marketplace area; and to have better signage for local attractions. The current traffic congestion in the centre of the town is seen as a '*definite put-off to locals and visitors*'. The healthcheck also finds that in the main streets of both Malton and Norton, many buildings are suffering from pollution caused by heavy traffic usage.

- 3.66 In terms of the retail sector, the healthcheck notes that the vacancy rate in Malton town centre has fallen since 1996. However, the healthcheck also reports that one of the reasons for reduction in vacancies can be attributed to the change of use of some retail units into residential.
- 3.67 Again, as with AMION's study, the healthcheck comments that while there is a constant demand for retail units in Malton from national multiple retailers (from well-known supermarkets and chain stores), the modern, purpose built units needed to meet their requirements are not available. The healthcheck comments that '*very little new development has occurred in recent times*'.
- 3.68 The Malton and Norton Area Partnership recommends that Malton needs to capture a niche market and good quality restaurants, wine bars and tea/coffee shops, which would make a good marketing platform for the town. A start was made on this endeavour in 2001 when a Town Centre Manager position was created, funded by the MTI, with responsibility for marketing Malton and Norton in order to increase footfall in the two town centres. The Manager also has the role of supporting the retail sector by identifying their needs and organising suitable support and training for the businesses.
- 3.69 Malton is often regarded as a traditional market town, since it continues to host livestock markets, general markets and farmers' markets. The healthcheck suggests that although the markets are well-attended, they could be upgraded with new stalls and more variety. The markets are an important part of Ryedale's economy, but the healthcheck queries whether there might be better locations in the town for the livestock markets and auctions to be held. The livestock markets are currently held in a dedicated area near the centre of Malton. The positioning of the markets and the traffic it attracts can cause traffic congestion in the town centre on market days. Relocation of the markets would have the additional benefit of freeing up prime land adjacent to the town centre, which has '*extremely attractive redevelopment potential*'.
- 3.70 The healthcheck suggests that there is a lack of good community facilities, especially facilities for sport and recreation, in both Malton and Norton. Norton has the only indoor public sports facility in the two towns; a swimming pool that is located on Commercial Street. However, the healthcheck finds that the facility is dated and unappealing, yet due to its situation, is also unable to be redeveloped on any meaningful scale. The swimming pool also has a small gym area, but there is no other indoor sports facility in the two towns. The healthcheck comments that '*the towns need a modern purpose built indoor sports facility with swimming pool which will attract patronage from a wide area*' and also suggests that locating such a facility on the large brownfield Woolgrowers site would be '*a practical, central and easily accessible venue*'.

Mouchel Parkman - Malton and Norton Transportation Strategy (April 2005)

- 3.71 The Malton and Norton Transportation Strategy, produced by Mouchel Parkman on behalf of North Yorkshire County Council, presents an integrated strategy for the two towns aimed at securing long-term transport improvements.
- 3.72 The Transportation Strategy identifies a number of practical measures to improve transportation in Malton and Norton, including short term measures, junction improvements and strategic road improvements. The proposed actions include:

- dropped kerbs and tactile paving on key routes and at key pedestrian crossing points;
- upgrading of bus stops, including provision of signs, timetables, shelters and raised boarding kerbs;
- improvement of the junction at Newbiggin and Pasture Lane, Malton;
- realignment and improvement of the existing mini-roundabout at the junction of Church Street and Commercial Street, Norton;
- improvements at the level crossing;
- provision of an additional link at the junction of the A64 and Scarborough Road, allowing traffic traveling from York to access Norton (this measure is identified as a 'top priority');
- a new roundabout on the A64 to provide all turning movements between the A64 and York Road;
- provision of a direct link between Beverley Road and Scarborough Road through Norton Grove Industrial Estate; and
- a new link road between York Road, Malton and Welham Road, Norton via the Woolgrowers site, bridging both the River Derwent and the railway.

3.73 A Phasing Plan has been devised to implement the Transportation Strategy, which sets out the main measures and options, the timescale for implementation and the estimated costs of the projects. It is important to note that significant work is still required to secure the appropriate funding packages for the projects, and support must be gained from the Highways Agency to deliver schemes on the A64.

Nathaniel Lichfield and Partners, Carter Jonas and WSP - Malton/Norton River-Rail Corridor Study: Final Report (July 2004)

3.74 The Study, conducted from February to July 2004, sought to investigate the potential of six identified sites in the twin towns of Malton and Norton to meet the need for homes, jobs, community facilities and other land uses over a period of 10-15 years. The study identified the constraints on the development of the six sites and set out how the constraints could be overcome to enable development. A comprehensive masterplan, which took into consideration development constraints, market conditions and community/stakeholder aspirations, was produced for each of the sites.

3.75 Brief summaries of the constraints identified and the proposals put forward for each of the six River-Rail Corridor sites are provided below.

Sheepfoot Hill

3.76 The Sheepfoot Hill site is located to the east of Malton town centre and comprises two distinct elements. A small section of the site lies to the west of Castlegate (and is known as the Taylor & Brown site), while a larger section is located to the east of Castlegate. The Study suggests that the occupiers of the industrial building on the Taylor & Brown site may be considering relocation. The larger part of the site to the east of Castlegate is in a variety of uses, with up to 13 tenancies. The former gas works lies unused although several businesses are operating from other parts of the site.

3.77 Since the site suffers from a multiplicity of ownerships and occupation, site assembly is assumed by the consultants to be a complex and time-consuming task, particularly as a number of the tenants could be difficult to relocate to alternative accommodation. The site is also constrained to an extent by its location within the Malton Conservation Area. Some additional constraints faced at Sheepfoot Hill include contamination

issues, particularly the former gasholder site; the proximity of the site to the listed Castlegate Bridge; adjoining residential properties; the potential risk of flooding at the site; highways congestion and air quality problems; and the possible need for archaeological investigations in the area.

- 3.78 Notwithstanding these development constraints, the consultants consider that the site (particularly the smaller Taylor & Brown section) has potential for a mixed residential scheme of both open market and affordable dwellings. The site is well located for central facilities and does offer potential for the upgrading of the riverside frontage. An alternative scheme could incorporate restaurant/bar accommodation, although this could create a conflict between the residential and commercial usage.

Dewhirsts

- 3.79 The Dewhirsts site is situated on Welham Road in Norton, within a residential area. The site was previously used as a clothing factory but is now vacant and in single private ownership.
- 3.80 The site is defined by the housing which surrounds the majority of the boundary, with only a small access point in the north western corner. The site owner has indicated that it would prefer commercial development of the site, although the owner may also accept the principle of residential development. The site does have the potential to be brought forward for development in the short to medium term.

ATS

- 3.81 The ATS site is located behind the frontage of the shops to the north of Commercial Street in Norton. Part of the site is currently used by ATS as a car repair/maintenance workshop, although land to the east and west of the workshop is currently unused. The site is currently within three private ownerships, one of which opposes the notion of relocation at present.
- 3.82 Access to the site is confined to a narrow entrance/exit point which feeds onto a main road that runs along the southern side of the site. The site is also constrained by its location within the Norton Conservation Area; by its potential for flooding; and by the need for archaeological/ecological investigations prior to redevelopment.
- 3.83 The consultants suggest that if the three ownerships could be combined, the resultant site would be suitable for a three to four storey residential development of approximately 50 apartments, coupled with the provision of parking and a servicing area immediately behind the Commercial Street shops, for which very strong public support was identified by the consultation undertaken as part of the Study.

Travis Perkins

- 3.84 The Travis Perkins site is located immediately south of Yorkersgate to the south west of Malton town centre. The site includes an unused former depot to the west and part of the Water Street public car park to the east, although there is a significant change in levels between the two sites. The River Derwent runs along the southern boundary of the site. The site also contains several listed buildings and an historically important riverside warehouse to the south of the site. The buildings fronting Yorkersgate were being refurbished in 2004 to provide new retail space, with offices above. The site is owned in its entirety by the Fitzwilliam Estate and the adjoining car park is owned and managed by Ryedale District Council.
- 3.85 Access to the site is currently poor and is confined to an entrance/exit at the north-west corner of the site. This limited access could be improved if access was allowed through the neighbouring car park on the eastern boundary of the site. The main road (Yorkersgate) along the site's northern boundary is very busy, and the road already experiences traffic flow problems due to the poor movement allowed at junctions along the road. The site is also constrained by its location within the Malton Conservation

Area; by its potential for flooding; and by the need to retain provision of public car parking.

- 3.86 The Report suggests that development of the Fitzwilliam Estate's element of the site has potential for a small-scale residential development of approximately 14 open market dwellings. However, development of the extended site (incorporating the adjacent car park) would offer the opportunity for a more comprehensive treatment of the area. A comprehensive redevelopment scheme could include up to 50 apartments, offices and possibly a restaurant/coffee bar. A larger-scale development would allow the benefits of the river frontage to be maximised and new employment opportunities to be created.

Interchange

- 3.87 The Interchange site forms a long narrow strip of land extending from the bus and train stations along Norton Road. Much of the site is already in productive use for retail and other commercial uses, although part of the site is occupied by a vacant Northern Electric depot. The site has complicated ownership, with the Fitzwilliam Estate holding the freehold, subject to a number of long leasehold interests each with between 25 and 60 years outstanding. Any redevelopment of the site is dependent upon the full support of the parties involved and the relocation of several tenants.
- 3.88 The site is confined by the river and railway corridor, which creates its linear form. A skate park is located immediately to the east of the site and is a highly valued resource to the local community, which must be retained in any development scheme.
- 3.89 The Study finds that given the location of the site and its proximity to excellent transport connections, the site would be most suitable for office development with supporting uses, such as small scale retailing, crèche, gym and cafés. However, such a scheme is unlikely to take place in the short to medium term. The Study also suggests that the site may be appropriate for a single-storey retail-led scheme, to provide for the identified need for new shops with larger floor areas.

Woolgrowers

- 3.90 The Woolgrowers site is the largest of the six sites, being 12ha in size. The site stretches westwards from Welham Road, with the railway line forming its northern boundary and Park Road the southern boundary. Much of the site is currently occupied by two derelict factories, while the centre of the site is used as a bowling green and some small workshops. The eastern part of the site is an agricultural holding and there are some commercial premises along Welham Road. The site is jointly owned by (amongst others) the Fitzwilliam Estate, Harrison Developments and Bisca Developments Limited, and these interests have formed a consortium to promote the comprehensive development of the land.
- 3.91 The site is constrained by the railway line running along its northern boundary, and the series of Victorian Villas running along its southern boundary. Access to the site is currently only available from Park Road, which can support only limited additional development. The site is also constrained by its susceptibility to flooding and difficulties it faces with surface water drainage; nature conservation issues; problems faced by the loss of agricultural land; contamination issues; the excessive infrastructure costs involved in creating new access/highways; and by the landscape and ecological impact of any new link road and river crossing.
- 3.92 The landowners' consortium has suggested that a comprehensive development of the entire site could provide 930 sq.m (10,000 sq.ft) of office space, a leisure facility of 4,047 sq.m (43,500 sq.ft) and some 21,463 sq.m (231,000 sq.ft) of residential use, together with car parking for public use served by a footbridge over the railway. Large scale development of the site is dependent upon the provision of a new access road into the site from York Road.

Retail and Leisure Development

- 3.93 With respect to demand for new retail development, the Study finds that the majority of existing retail outlets in Malton and Norton are '*often seen as being either inadequate, or of the wrong size to attract national retailers*'. Nevertheless, despite the potential for new retail development in the two towns, the consultants regard the six subject sites (described above) as not appropriate for retail development, with the exception of the Interchange site. Yet the Interchange site is considered '*unlikely to come forward for any form of retail re-development*'. The Report, therefore, concludes that '*new shopping outlets will not form a significant, if any, part of the eventual development of the six sites*'.
- 3.94 The Study agrees with AMION's Economic Impact and Needs Analysis that the existing restaurants and bars in Malton/Norton lack 'overall quality', with only a few examples of more modern and fashionable facilities coming forward. The Study suggests that this form of leisure and recreational development will only emerge following a degree of residential development in the locality, to provide the potential clientele.

Safeway Stores PLC - Outline Application for Erection of a Supermarket, Pickering (1999)

- 3.95 In September 1999 Safeway Stores PLC submitted an outline planning application for the erection of a supermarket with associated parking on a 1.28ha site at Hungate/Vivis Lane, Pickering. The proposed supermarket would provide 2,415 sq.m (26,000 sq.ft) gross of convenience goods floorspace, replacing and extending the existing limited supermarket offering in Pickering, provided by a smaller Safeway store located within the 'Town Centre Commercial Limits'.
- 3.96 The site of the proposed supermarket contained a dwelling, a pumping station, an underground storage tank for surplus surface water, a joinery works and a former coal depot. The Pickering Beck crossed the site from its north-eastern to its south-western corners. The Pickering Conservation Area also flanked two-thirds of the site.
- 3.97 The applicant proposed to situate the supermarket building in the southern half of the site, while 148 car parking spaces would be situated on the northern half of the site. To accommodate the building and parking/servicing areas, the applicant proposed to construct a new river channel to redirect the Beck along the site's eastern boundary.
- 3.98 The application site was considered to be out-of-centre for the purposes of the sequential test as set out in PPG6 (as was). In the retail report which accompanied the application (prepared by DTZ Piedad), it was asserted that there were no suitable sites for the proposed development within Pickering's town centre area. DTZ found the application site to offer the closest available site to the town centre that could accommodate development to fulfil the need for a modern supermarket within Pickering; the proposed development would have its own parking; and that it would free up the Ropery car park for other town centre users and visitors to the town.
- 3.99 The proposed Safeway store was designed to offer shoppers in Pickering additional convenience goods floorspace and a 12 per cent increase in the lines stocked. The supporting retail report asserted that the new Safeway store would trade at a significantly improved level relative to the existing Safeway store, and that a significant proportion of the additional turnover would be derived from a clawing back of expenditure hitherto leaking to larger supermarkets, for example in Scarborough. The retail report suggested that only two per cent of trade would be likely to be transferred from existing town centre shops.
- 3.100 DTZ also asserted that local shopping would be further enhanced, since the existing Safeway supermarket would be converted into two or three comparison goods shops, which would encourage linked trips between the proposed store and the town centre.

- 3.101 A retail consultant, commissioned by Ryedale District Council to comment on the application and supporting retail statement, disagreed with many of DTZ's conclusions. Most notably, the Council-appointed consultant suggested that since the proposed store would have a floor area of only 1,393 sq.m net, the supermarket would not successfully claw back expenditure from shoppers who already travelled to larger stores in Scarborough, Malton and York. The consultant agreed with DTZ that there was a need for a new food store within Pickering, although it disagreed with DTZ about the location. The Council's consultant suggested that, rather than developing an out-of-centre site, it would be more beneficial to extend the existing town centre Safeway store, through assembly of land currently in use as an over 60s club, a United Reform Church, a car park, a cottage and outbuilding, a British Legion Club and the former Post Office yard. The officer's report on the application states that such a solution '*would provide the space to double the size of the existing store to provide dedicated car parking for shoppers and to provide a new service access and servicing area*'.
- 3.102 The application site lies on the route of the former Malton to Pickering railway line. In 2001 the District Council was considering the possibility of re-opening the line and linking it with the North York Moors Railway at Pickering Station. The Safeway proposal was not in accordance with such a plan as no diversion route would be available around the application site to allow reinstatement of a single line track.
- 3.103 The District Council considered the proposal and in April 2001 decided that it should be refused. The case officer did not consider that the applicant had carried out a sufficiently rigorous sequential testing exercise in relation to Pickering town centre and the edge-of-centre area, and did not believe that the option of extending the existing Safeway store had been fully explored. As the application site was located on the opposite side of the busy A170 to Pickering town centre, the case officer suggested it was likely that the proposed store would act as a 'one stop shop', to the detriment of the health of the town centre.

Safeway Stores PLC - Full Planning Application for Extension of the Safeway Store at Castlegate, Malton (1999)

- 3.104 In February 1999 Safeway Stores PLC submitted a full planning application for the extension of the existing Safeway store in Malton, to include an additional sales area, storage/loading/staff/preparation facilities, plant room, coffee shop/patio, additional car parking and formation of a new service access from Railway Street. The existing store had a net sales area of 1,158 sq.m (12,450 sq.ft) and 284 car parking spaces. The applicant proposed to increase the net sales area to 1,815 sq.m (19,537 sq.ft) and to provide an additional 43 car parking spaces.
- 3.105 A retail impact assessment (RIA) in support of Safeway's application was prepared by DTZ Piedad. The RIA found that the proposed extension would not adversely affect the vitality and viability of Malton town centre, but would instead serve to claw back trade that was being lost to larger supermarkets outside Ryedale District. DTZ found that there was a substantial surplus capacity of convenience goods expenditure within the District, of £7.4 million. The extended area of the Safeway store would only provide an additional annual turnover of £4.7 million.
- 3.106 Furthermore, the additional number of customers attracted to the extended supermarket would result in a greater number of linked trips, which would benefit other shops and services within the town centre. The RIA concluded that the proposed extension to Safeway would enhance the role of Malton as a town centre and would help to ensure that Malton does not lose further trade and retail functions to the larger towns/cities of York and Scarborough.
- 3.107 Ryedale District Council appointed Donaldsons to verify the findings of the applicant's RIA. Donaldsons agreed with DTZ that an extended Safeway store would stem some of the leakage of convenience expenditure out of Malton town centre; that the

extension may lead to an increase in linked trips to other businesses in the town centre; and that the proposed extension would be unlikely to have an unacceptable adverse impact on the vitality and viability of Malton town centre.

- 3.108 The District Council approved the application and the construction work has since been completed, with the extended store now open to the public as a re-branded Morrisons.

4 REVIEW OF KEY RETAIL TRENDS AND LEISURE MARKET TRENDS

Introduction

- 4.1 In this section, we outline the key national trends in various sub-sectors of the retail and leisure markets, highlighting, wherever appropriate, those that we consider could have - or are already having - an impact in Ryedale District. This review is drawn from a range of published data sources, including research by Verdict, the New Economics Foundation, CB Richard Ellis and Colliers CRE. The sector commentaries are prefaced by a résumé of overarching national trends in expenditure and sales.

Retail Sector

National Trends in Expenditure

- 4.2 Table 4.1 reports the short-term past trend in volume of retail sales (i.e. real change in constant prices) since 1996. Non-food retailers in general have secured significantly higher growth in their volume of sales than food retailers (+57.7 per cent versus +30.4 per cent). The growth in volume of sales has been highest (+85.0 per cent) amongst retailers of household goods, followed by textiles, clothing and footwear outlets (+66.7 per cent).

Table 4.1 Volume of Retail Sales in Great Britain at 2000 Prices (2000 = 100)

	All Retailers	Food Retailers	Non-Specialised Stores (Non-Food)	Textiles/Clothing/Footwear	Household Goods	Other Non-Food Retailers	All Non-Food
1996	85.4	89.3	86.9	82.7	73.2	86.9	82.1
2000	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2001	106.1	104.1	105.9	109.4	110.9	104.6	107.7
2002	112.7	108.1	110.8	120.9	120.8	112.1	116.5
2003	116.4	111.9	113.6	128.7	127.7	114.3	121.2
2004	123.3	116.4	117.3	137.9	135.4	124.3	129.5
% Change 1996 to 2004	44.4	30.4	35.0	66.7	85.0	43.0	57.7

Source: *Retail Sales*, ONS Economic Trends (February 2005), Table 5.8

- 4.3 Figure 4.1, which is reproduced from MapInfo's Information Brief 04/02, presents an analysis of per capita retail expenditure over a longer period, from 1980 to 2003. For the comparison sector, the high per capita growth rates of the mid to late 1980s were followed by a slump from 1989 to 1992 as the economy went into recession, but with recovery again from 1993 onwards. A similar pattern - although not as pronounced - is revealed in the convenience sector.

Figure 4.1 Long-term Per Capita Retail Expenditure Trends

Table 1: UK annual average consumer retail expenditure by goods type (2000 prices)

	Expenditure per capita (£)			Price Indices (2000=100)		
	(percentage change from the previous year)			Convenience Goods	Comparison Goods	All Goods
	Convenience Goods	Comparison Goods	All Goods			
1980	1,483	913	2,396	40.0	57.5	46.7
	-1.2%	-3.1%	-1.9%			
1981	1,445	904	2,348	44.4	61.4	51.0
	-2.6%	-1.1%	-2.0%			
1982	1,407	921	2,328	48.7	65.0	55.1
	-2.7%	2.0%	-0.9%			
1983	1,414	969	2,382	51.4	68.5	58.4
	0.5%	5.1%	2.3%			
1984	1,394	1,012	2,406	54.9	71.3	61.8
	-1.4%	4.5%	1.0%			
1985	1,397	1,066	2,463	57.9	75.1	65.3
	0.2%	5.4%	2.4%			
1986	1,418	1,155	2,573	60.6	77.4	68.1
	1.5%	8.3%	4.5%			
1987	1,440	1,240	2,680	62.7	79.9	70.7
	1.5%	7.3%	4.1%			
1988	1,458	1,335	2,793	65.2	82.9	73.7
	1.3%	7.6%	4.2%			
1989	1,475	1,370	2,845	68.7	86.6	77.3
	1.2%	2.7%	1.9%			
1990	1,470	1,388	2,859	74.0	90.8	82.2
	-0.3%	1.3%	0.5%			
1991	1,449	1,390	2,839	79.7	95.7	87.5
	-1.5%	0.1%	-0.7%			
1992	1,436	1,443	2,879	82.8	97.6	90.2
	-0.9%	3.8%	1.4%			
1993	1,441	1,500	2,941	85.2	98.7	92.1
	0.3%	4.0%	2.2%			
1994	1,443	1,606	3,049	86.6	98.4	92.8
	0.2%	7.0%	3.7%			
1995	1,429	1,657	3,085	90.3	100.9	96.0
	-1.0%	3.2%	1.2%			
1996	1,467	1,741	3,208	93.7	103.0	98.7
	2.7%	5.1%	4.0%			
1997	1,482	1,844	3,326	94.8	104.5	100.2
	1.0%	5.9%	3.7%			
1998	1,484	1,953	3,438	97.1	105.0	101.6
	0.2%	5.9%	3.4%			
1999	1,520	2,096	3,616	99.2	103.0	101.4
	2.4%	7.3%	5.2%			
2000	1,535	2,269	3,804	100.0	100.0	100.0
	1.0%	8.2%	5.2%			
2001	1,520	2,435	3,955	103.2	97.5	99.7
	-1.0%	7.3%	4.0%			
2002	1,538	2,623	4,161	104.2	96.3	99.2
	1.2%	7.7%	5.2%			
2003	1,584	2,762	4,346	105.8	96.5	99.9
	3.0%	5.3%	4.4%			
Average annual growth rates (calculated by fitting a log-linear regression line by the method of least squares to give a compound growth rate)						
1964-03	0.0%	3.7%	1.6%	7.6%	6.0%	7.0%
1973-03	0.1%	4.2%	2.0%	6.2%	4.4%	5.4%
1978-03	0.2%	4.7%	2.4%	4.6%	2.8%	3.8%
1983-03	0.5%	5.0%	2.8%	3.7%	1.8%	2.8%
1988-03	0.5%	5.2%	3.1%	3.1%	0.8%	1.9%
1993-03	0.9%	6.4%	4.0%	2.2%	-0.4%	0.7%
1998-03	1.0%	7.3%	4.8%	1.7%	-2.0%	-0.6%

Overall Development Pipeline

- 4.4 Planning policy has substantially reduced the flow of new out-of-centre retail development, with developers encouraged to regenerate the more complicated edge-of-centre and in-centre sites. As a consequence, the UK is in the midst of a construction boom in town centre-located shopping centres, surpassing even the building boom of the 1970s. Verdict predicts that in-centre shopping space will increase by an unprecedented 27.6 per cent between 2002 and 2007.
- 4.5 In 2004, schemes located within town centres accounted for over 78 per cent of the total shopping centre pipeline in the UK, which is significantly higher than in 1993 when schemes located in town centres accounted for just 64 per cent of the development pipeline⁴. Whilst these trend data relate to shopping centres (as opposed to all shops), they demonstrate the increasing popularity of town centre locations in the context of ever-tightening planning policy.

Location of Retail Investment

Permissions/Appeals

- 4.6 We undertook an analysis of appeal decisions in respect of outline planning applications for new retail parks in out-of-centre locations which were issued between Mr Caborn's parliamentary answer of 11 February 1999, when he introduced the 'need' test, and September 2004. Using the Development Control Services database, we identified 30 relevant appeal cases for new retail parks, or for freestanding retail warehouses - that is, excluding appeals in respect of extensions to existing parks, reserved matters applications and applications for changes to conditions⁵ - and we can report that 10 were permitted and 20 dismissed, indicating a failure rate of around two-thirds. This indicates that PPG6 and subsequent policy clarifications are having the desired effect, of making it more difficult to secure planning permission in out-of-centre locations vis-à-vis town centre locations.

Table 4.2 Analysis of Appeal Decisions in England (Out-of-Centre Sites), Post-Caborn Statement to Sept 2004 (Excluding Variation of Conditions, LDC and Reserved Matters Applications)

	Permitted	Dismissed	Total Appeals
A1 Food	0	0	0
A1 Retail Warehouses (Non-food)	10	20	30
A1 Other Non-food	0	0	0
A1 Mixed Food & Non-food	0	1	1
<i>Totals</i>	10	21	31

Source: Development Control Services

Sales and Number of Outlets

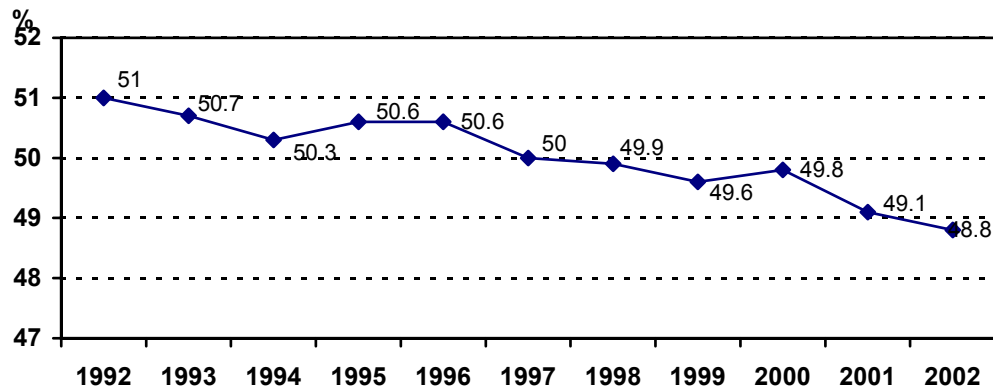
- 4.7 According to Verdict, the 'high street'⁶ accounted for 49 per cent of total retail sales in 2002, compared with 51 per cent in 1992 (Figure 4.2). Much of this erosion of 'high street' sales can be attributed to the continued strength of existing retail facilities in out-of-centre locations and the growth in e-commerce.

⁴ CB Richard Ellis, *UK Retail Briefing*, Q3 2004.

⁵ Since the principle of retail development in these locations has already been established, and retail development proposals in these locations are therefore more likely to succeed.

⁶ Verdict's definition of 'high street' is "deliberately broad"; it includes traditional high streets, in-town shopping centres and regional 'out-of-town' (Verdict's term) shopping malls such as Meadowhall, Merry Hill, the Trafford Centre, the Lakeside Mall and Bluewater. Verdict's 'out-of-town' definition includes retail parks (minimum three retailers/50,000+ sq.ft of trading space). We therefore consider that Verdict's 'out-of-town' definition embraces both 'out-of-centre' and 'out-of-town' locations as defined by Table 2 of PPS6.

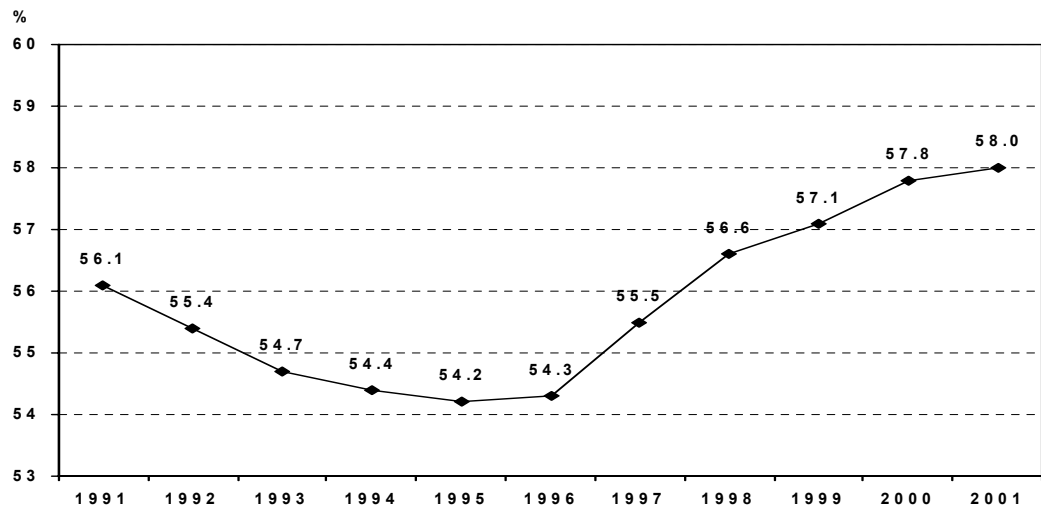
Figure 4.2 'High Street' Share of Total Retail Sales, 1992-2002



Source: Verdict

- 4.8 The larger format of out-of-centre stores means that retailers require fewer stores in order to increase sales, hence the relative decline of 'high street' sales share. Nevertheless, whilst the share of sales has drifted towards the out-of-centre retailers and e-commerce (Figure 4.2), the 'high street' increased its share of all retail outlets in the latter part of the decade, largely as a result of Government policy (Figure 4.3). This trend looks set to continue, particularly with the virtual end of the development of large out-of-centre regional shopping centres such as Lakeside and Bluewater and the focus instead on town centre schemes.

Figure 4.3 'High Street' Outlet Numbers - Share of All Outlets 1991-2001



Source: Verdict

- 4.9 National retail trends indicate a continuing contraction in the number of shop units. Total store numbers in the UK declined by 13.7 per cent between 1992 and 2002. This masks variations in the decline of different types of stores and different locations. With the emergence and growth of superstores during the 1990s, there has been a decline in the number of smaller and more specialist food retailers, which have declined in number by 19 per cent from 48,301 in 1992 to 39,131 in 2002. In contrast, the number of large superstores has increased by 50 per cent over the same period, from 860 in 1992 to 1,292 in 2002.

In-town Retail Development Trends

- 4.10 The space requirements of retailers on the 'high street' and particularly in shopping centre locations are being reconsidered and, increasingly, operators are requiring larger footprints. Demand is strongest for large units of 20,000 sq.ft and above, particularly from retailers such as Wilkinsons, TH Hughes and Primark. Demand is also robust for mid-sized units (5,000 to 20,000 sq.ft) from operators like Peacocks, New Look and HMV. The only segment of the market where there is reasonable availability is small units, although demand for these is said to be weaker.
- 4.11 Next is a good example of a retailer that has taken a strategic decision to relocate to larger units. In 1999, Next had 38 per cent of its stores in units of 5,000 sq.ft or less, but this proportion dropped to 23 per cent by 2003. Conversely, Next had 16 per cent of its stores in units of over 20,000 sq.ft in 2003, compared with just 6 per cent in 1999. Similarly, operators such as H&M and Zara are requiring large footprints in order to be able to compete with one another and with off centre locations, showcase extensive product ranges and provide sufficient in-store facilities.
- 4.12 In the past, much of the retailer demand could be met through a re-cycling of the existing retail stock. However, the supply of vacant units in primary and good secondary locations in UK high streets is extremely limited (under 5 per cent in most key locations, which is an historic low⁷). Hence, the need for new shopping developments so as to improve the supply of larger-floorplate units.
- 4.13 There is now increasing pressure from retailers for the benchmark lease term of fifteen years to be reduced to 10 years. This accords with operators' needs for greater flexibility, and shorter lease lengths will afford landlords more frequent opportunities to reconfigure and/or redevelop their units. Such flexibility will also assist in meeting the growing demand for larger sized units of over 5,000 sq.ft.

Out-of-Centre Retail Trends

- 4.14 One interesting recent trend is the switch back from out-of-centre to in-centre, by retailers such as PC World, Courts, Matalan and Allied Carpets. This is a consequence of the ever-increasing cost and lack of availability of suitable out-of-centre space, coupled with retailers' desire to add an in-centre dimension to their offer.
- 4.15 Nevertheless, a broadening range of traditional high street retailers occupy space in retail park locations, although this has almost exclusively been at the larger existing retail parks given the ever tightening planning policy. Next, TK Maxx and Argos continue to seek expansion both in and out-of-centre.
- 4.16 Increasingly, traditional high street retailers are seeking to diversify their formats and provide out-of-centre facilities. For example, Boots and WHSmith are investing in out-of-centre retail park stores, although they are finding it difficult to differentiate their offer sufficiently from their high street stores, and therefore tend to merchandise a greater proportion of lower value items in their out-of-centre stores. Clothing and footwear has also been moving into out-of-centre retail parks over the last 10 years. For instance, Next is focusing on out-of-centre development, using the Directory and online products to stock the larger format. However, while many leading high street retailers have opened out-of-centre stores, they often view it as exploiting an additional sales channel rather than an engine of growth, and the rate of new openings has been slow.
- 4.17 A number of large retailers have taken advantage of a loophole in the planning legislation which allows them to increase the floorspace of their units by installing mezzanine floors, which in some cases has enabled diversification into other product ranges. Currently, no planning permission is needed if there is no external change to the building. Both Next and TK Maxx have been utilising mezzanines as one means of satisfying their pursuit of larger stores. However, the Government is keen to close this

⁷ CB Richard Ellis, *UK Retail Briefing*, Q3 2004.

legal loophole, and the planning Minister, Keith Hill, announced at the beginning of March 2005 that the Government will invite views on whether to require retailers to apply for permission for mezzanines of over 2,150 sq.ft (200 sq.m). This would apply predominantly to the largest units - most of which are in out-of-centre locations - leaving smaller town centre businesses able to expand.

Polarisation Towards Larger Centres

- 4.18 A significant and long term trend is the continuing polarisation by retailers towards larger schemes in larger centres - to the detriment of smaller centres - driven by a number of factors. Retailers recognise that greater efficiency can be achieved by having a strategic network of large stores offering a full range, rather than having a large network of smaller stores, and are therefore increasingly seeking to serve larger population catchments from larger stores. It is also driven by consumers, who are becoming more discerning, and are prepared to travel further. According to Cambridge Econometrics, the number of shoppers visiting the top 50 UK retail centres is 10 per cent higher in 2004 than in 2002, and 20 per cent higher than in 2000, whilst the number of shoppers visiting towns outside the top 100 is 4 per cent lower in 2004 than in 2002, and 13 per cent lower than in 2000⁸.
- 4.19 There is therefore a concentration of comparison goods expenditure in a smaller number of larger centres; according to Cambridge Econometrics, 51 per cent of all comparison goods expenditure goes to the 100 largest centres. This is being reinforced by new development particularly in shopping centres and malls. Most of the shopping centre floorspace in the pipeline is destined for these same 100 centres, which will further reinforce their dominant market share. This concentration of retailing in larger centres is likely to threaten some medium and smaller towns.
- 4.20 The polarisation trend has profound implications for centres in Ryedale District, perhaps best illustrated by the continued dominance in the sub-region of York city centre and the emergence and growth of the large Clifton Moor and Monks Cross retail parks, also in York, which has not been matched by parallel growth of centres in Ryedale. The focus of retailers and developers is increasingly concentrated on larger developments in dominant city centres which are, or have the potential to become, 'top 50' destinations with strong catchments.
- 4.21 At the other end of the spectrum, the growth of the dominant foodstores and decline in unit numbers poses similar challenges for small town centres and district/local centres which rely on their convenience/service base. A clear picture is emerging nationally of a network of large dominant superstores, and corresponding decline/diversification in the traditional smaller centre. We discuss this in greater detail, below.

Trends in Key Retail Sectors

Clothing & Footwear

- 4.22 Clothing & footwear is the second largest area of retail spending in the UK after food & grocery and the most important for high street retail. However, spending in clothing & footwear is growing more slowly than spending in other sectors, for several reasons. The ageing population profile means that there is a declining population of young people and growth in the older population, which takes less interest in fashion. New technologies (such as MP3 players) have diverted spending away from clothing & footwear. Furthermore, the entry and success of grocers and value clothing & footwear specialists has exerted downward pressure on prices, thereby forcing traditional high street operators to adjust their pricing structure to compete.
- 4.23 Changes are occurring in the traditional 'high street' fascias as evidenced by closures and rationalisation and the emergence of new retailers, although these changes are

⁸Cambridge Econometrics, *UK Retail Report* (3rd Edition), BCSC, November 2004.

most likely to affect the larger centres, which the prominent retailers target. After a period of rationalisation and overall reduction in the number of outlets across the country, Arcadia - whose high street fascias include Top Shop/Top Man, Burton, Dorothy Perkins, Evans and Warehouse - is again actively looking for high street representation. New retailers have emerged in recent years, including international fashion stores such as Mango and H&M. Other fashion sector retailers including River Island, Alexon, Zara, French Connection, Monsoon, Next, Fat Face and Coast are all prospering and have stated an interest in securing additional stores.

- 4.24 Retailers which are expanding more generally on the high street include value orientated operators such as the clothing retailer Primark which has increasingly moved away from sites in more secondary locations to higher profile sites in town centres, and Peacocks. Overall, value orientated retailing looks to be a key growth area. As a reaction to this, middle market operators are segmenting their offer further, providing either more upmarket own brands such as Per Una and Blue Harbour in Marks & Spencer, or more heavily discounted offers such as in New Look. Diversification into other sectors is also occurring, particularly into homewares. For example Next and Monsoon are offering 'interior' products.

'Bulky' Goods

- 4.25 The DIY sector has performed strongly in recent years, boosted by greater media interest and a parallel increase in the public's interest in DIY and home improvement, as well as by growth in household numbers. Annual growth rates of around 7 per cent have been maintained since 1996 - making it the fastest-growing market - and Verdict predicts growth rate increases of around 6.7 per cent per annum in the period to 2007. Furthermore, demographics favour DIY retailers; in an ageing population key growth is forecast in the 60-64 age group, which typically has more time to devote to DIY projects.
- 4.26 Notwithstanding the general optimism surrounding the DIY sector, CB Richard Ellis's latest *Retail Market Monitor* (May 2005) states that during April 2005, retail warehouses did not experience any retail growth, which is the first time that this has happened. According to CB Richard Ellis, this indicates that the slowdown in consumer purchasing of 'big-ticket' bulky goods items - a consequence of increases in household expenses such as transport costs and utility outlays coupled with a fall in real disposable income - is starting to impact on occupier demand.
- 4.27 Weaker consumer spending also partly reflects a slowdown in the housing market, with Nationwide reporting annual house price inflation at 7 per cent in April 2005, the lowest level in four years. According to CB Richard Ellis's *Monthly Market Index* of May 2005, the potential for post-election tax rises, and weaker mortgage equity withdrawal and borrowing levels, remain a threat to the UK economy generally and, therefore, retail sectors whose offer includes a significant proportion of 'big-ticket' items, such as the DIY sector.

Other Comparison Sub-sectors

Department Stores

- 4.28 Department stores attract older, more affluent customers - whose numbers are growing as a result of demographic change - than other types of retail store. With improved trading potential - and the result of revised thinking in terms of the catchment sizes required by these stores - the major department store operators are keen to obtain additional sales space and the present period is one of unprecedented activity in the department store sector. It remains the case, however, that stand-alone department store developments are rarely viable; consequently, new store acquisition openings are restricted to shopping centre developments, where landlords/developers are prepared to contribute to the fit-out costs in order to secure an 'anchor' trader that will enhance the profile and lettable of the development.

- 4.29 Whilst Selfridges, Harvey Nichols and House of Fraser all require major city centre locations, other major store operators have recently revised their thinking and consider that even medium-sized centres will sustain their stores. Debenhams - which has a target of 130 stores by the year 2007, up from its current level of 105 stores - is considering smaller towns with populations of 75,000 for a mini department store format. The first of a three mini-Debenhams trial will open soon in Cornwall (Truro). Next is looking to enter the department store market, and reportedly wants larger stores in 75 per cent of its locations. However, the population of the towns in Ryedale District - both individually and cumulatively - is not sufficiently large to be attractive to any of these operators.

Electricals

- 4.30 The electricals market is the second-fastest growing after DIY and the third largest in size after food & grocery and clothing & footwear. Technological advances are the most important source of growth in the electricals market, with key drivers including MP3 hi-fi systems and the next generation of PCs.

Factory Outlet Centres

- 4.31 Factory outlet centres (FOCs) are retail developments that incorporate stores offering discounted brand goods which are typically out of season, or end of season, or slightly defective, or which represent excess stock. The retail units are owned and operated by:
- the manufacturers of the branded goods;
 - companies operating as exclusive licensees or franchisees of a brand; or by
 - vertically integrated retailers such as Next which manufacture their labels and retail them on the High Street or in out-of-centre locations.
- 4.32 As of mid-2002 there were 44 FOCs in the UK providing for about 560,000 sq.m (6.03m sq.ft) of floorspace and accounting for one per cent of all retail sales. FOCs typically house 50 to 100 tenants and the largest in the UK is Cheshire Oaks which provides 32,500 sq.m (350,000 sq.ft) of retail floorspace. Only one of these existing FOCs is located in a town centre location (the scheme at Aldershot). Providers of FOCs have not sought town centre locations because manufacturers are unwilling to run the risk of cannibalising their full price high street sales.
- 4.33 Usually fashion and sports goods represent around two thirds of the floorspace in FOCs because of their vulnerability to changing market trends. Increasingly FOC operators are seeking to attract commercial leisure operations, so as to extend visiting times. A high proportion of visitors to FOCs travel significant distances by car and coach, although catchment areas will shrink when the market becomes fully saturated.
- 4.34 Activity in FOC development continues, but at a much slower pace than in the 1990s, and confined to extensions to existing FOCs. In 2003 the First Secretary of State dismissed a major FOC proposal at an out-of-centre location at Burntwood, near Walsall, and the prospects for new FOC development have been made more remote given the publication of PPS6 in March 2005, which re-emphasises the Government's 'town centres first' policy. Furthermore, given the recent success of value operators such as TK Maxx, the 'uniqueness' of FOCs has been diluted. Press reports indicate that retailers are apparently less keen to seek representation in FOCs as a result of these trends.

Convenience Sector

- 4.35 Table 4.3 provides details of the total convenience sector market share between 1993 and 2003, broken down as 'larger superstores', 'smaller supermarkets and grocers', 'food specialists' and 'other stores'⁹. The table shows that in 1993, 'larger superstores' accounted for just under 32 per cent of total convenience sector sales, with 'smaller supermarkets and grocers' achieving a combined market share of 34 per cent. However, by 2003, 'larger superstores' accounted for 41 per cent of total convenience sector sales, compared to just over 30 per cent for 'smaller supermarkets and grocers'. This increase in the market share of 'larger superstores' can largely be attributed to their incursion into the higher-margin non-food goods sector. The overall market shares of 'food specialists' and 'other stores' also declined over the ten-year period.

Table 4.3 Convenience Market Share by Retailer Type, 1993-2003

	Larger Superstores		Smaller Supermarkets & Grocers		Food Specialists		Other Stores		Total Sales (£m)
	Sales (£m)	Market Share (%)	Sales (£m)	Market Share (%)	Sales (£m)	Market Share (%)	Sales (£m)	Market Share (%)	
1993	25,520	31.9	27,204	34.0	7,811	9.8	19,531	24.4	80,066
1994	28,595	34.2	27,765	33.2	7,431	8.9	19,853	23.7	83,644
1995	31,465	35.8	29,137	33.1	7,156	8.1	20,239	23.0	87,997
1996	34,055	36.7	30,789	33.2	7,028	7.6	20,960	22.8	92,832
1997	36,505	34.4	31,975	32.8	7,010	7.2	22,065	22.6	97,555
1998	38,951	38.1	33,165	32.4	7,167	7.0	22,987	22.5	102,270
1999	41,284	38.9	33,862	31.9	7,163	6.7	23,902	22.5	106,211
2000	43,469	39.7	34,102	31.2	7,472	6.8	24,378	22.3	109,421
2001	46,468	40.4	35,447	30.8	7,603	6.6	25,420	22.1	114,938
2002	48,705	40.8	36,813	30.8	7,681	6.4	26,228	22.0	119,427
2003	50,799	41.0	38,226	30.8	7,827	6.3	27,123	21.9	123,975
Change %									
1993-2003	99.1		40.5		0.2		38.9		54.8
1993-1998	52.6		21.9		-8.2		17.7		27.7
1998-2003	30.4		15.3		9.2		18.0		21.2

Source: Derived from Table 3 of *Verdict on Grocery Retailers* (Verdict, 2003), which is based on current (2003) prices.

- 4.36 Table 4.3 also shows that the total sales of the 'larger superstores' effectively doubled between 1993 and 2003, compared to a corresponding increase over the same period of just over 40 per cent for 'small supermarkets and grocers'. The sales growth achieved by 'other stores' was slightly lower, at just under 39 per cent. However, the real losers in the market share battle appear to have been the 'food specialists', whose total sales grew by just 0.2 per cent between 1993 and 2003.
- 4.37 The New Economics Foundation (NEF) publication, *Ghost Town Britain II* (2003), looks at the nationwide impact of supermarkets on local shops and communities. According to the report, VAT figures show that between 1994 and 2002, the number of

⁹ Verdict's definitions of these types of retailers are thus: 'Larger superstores' - grocery stores with a sales area greater than 25,000 sq.ft; 'smaller supermarkets and grocers' - supermarkets, Co-ops and convenience stores with a sales area of less than 25,000 sq.ft; 'food specialists' - butchers, bakers, greengrocers, fishmongers and other food specialists; and 'other stores' - off-licenses; newsagents and bookstores; music, video and software specialists; tobacconists; health & beauty retailers; and department stores with food lines.

independent businesses selling food, tobacco and beverages fell by nearly 30,000, equating to more than 40 per cent of the nation's stock of such shops. Furthermore, the report asserted that there were 953 fewer convenience stores in 2001 than in 2000, and predicted that a further 28,000 outlets may close by 2005 as a result of increased competition from supermarkets. The analysis in Table 4.3 would appear to verify the trends described by the NEF, which attributes the decline of small shops largely to the superstore operators, including Tesco in particular - which alone controls a quarter of the food retail market - and Asda and Sainsbury's, which have 17 per cent and 16 per cent, respectively¹⁰.

- 4.38 Similarly, the Association of Convenience Stores (ACS) warned in September 2002 that competition from supermarket chains is making it increasingly difficult for independent shop owners to survive. The ACS warned that 1,000 independent convenience stores have stopped trading every year for the past decade, leaving about 55,000 in business.
- 4.39 The major foodstore operators are increasingly seeking to diversify into non-food markets. Asda opened its first Living Store during 2004 (in Walsall), which sells clothing, homewares, electronics and entertainment items. Tesco is also planning to pilot a new store dedicated to non-food products. However, the major supermarket operators are reluctant to shrink food retail space, because the food component of their businesses is also performing strongly.
- 4.40 The expansion of foodstore operators' non-food offers via their out-of-centre superstores - thereby providing a convenient one-stop shop for most food and non-food needs - represents a significant threat to high street retailers. Furthermore, out-of-centre space is cheaper than comparable space in town centres, making it easier for out-of-centre superstores to compete on price, while adjacent parking makes them much more convenient for bulkier household goods.

E-commerce and Home Shopping

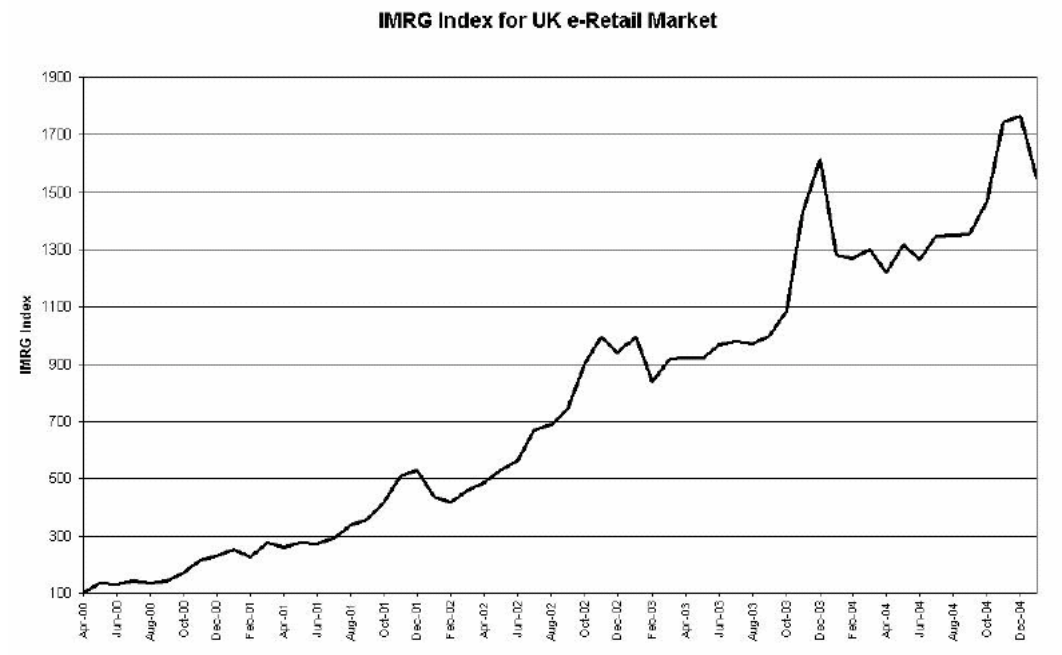
E-commerce

- 4.41 UK internet sales have increased significantly in recent years since consumer confidence in online retailing has risen as shoppers have found the internet increasingly easy to navigate, credit card use to be secure and delivery to be convenient and reliable. According to the Interactive Media in Retail Group (IMRG), the UK population spent more than £3billion online during November and December 2004, which represented 6.8 per cent of all UK retail sales. This compares to online sales of £2.5billion during November and December 2003 (4 per cent of total sales). The growth in the popularity of e-commerce is demonstrated by the fact that online retailing accounted for 5 per cent of all UK retail sales in 2002 and just 2 per cent in 2001¹¹.

¹⁰ Source: Euromonitor International, *Grocery Stores, Food Retailers and Supermarkets in the UK*.

¹¹ Colliers CRE, *Midsummer Retail Report* (June 2004).

Figure 4.4 Index of Growth in Internet Sales, April 2000 to December 2004



Source: IMRG, *e-Retail Sales Index Report*, February 2005 (chart 1)

- 4.42 Certain sub-sectors are likely to be more affected by growth in e-commerce than others, as the internet has particular attraction for certain types of retailing, including books, CDs and high value electrical goods; as an illustration of its increasing popularity, sales in the latter sector were 95 per cent higher in December 2003 than in December 2002. Yet, despite previous predictions by many commentators to the contrary, e-commerce has failed to sound the death-knell for retailers on the high street. Indeed, it is the high street retailers themselves who are the primary participants in e-commerce (as opposed to new, non-property based entities), with many key national multiple retailers now viewing online sales as a key complementary function to their existing store operations.
- 4.43 Whilst the whole of the internet shopping sector continues to grow strongly, the fastest-growing online shopping sector is clothing and footwear, which passed the £100m-per-month sales barrier for the first time in March 2004. This sector now accounts for nine per cent of all UK internet sales. We consider that the 'must try it on/feel it' factor is likely to mean that multiple high street clothes and shoe retailers will generally remain competitive in the face of any further expansion of e-commerce. Notwithstanding this, Colliers CRE advises that traditional UK fashion retailers need to follow the example set by those in other sectors and maximise the opportunities offered by the internet to companies with strong brand recognition, or they will risk losing market share to new competitors whose overheads are substantially lower, such as online clothes retailer ASOS.
- 4.44 Verdict suggests that the 'clicks and mortar' approach could further increase the concentration of markets. Centres that offer a range of complementary, non-retail attractions and/or offer a high level of convenient shopping facilities are likely to be more resilient to these changes.

Catalogue Shopping

- 4.45 In the pre-internet and digital television era, catalogue shopping played a key role in the home delivery market. However, whilst Verdict¹² asserts that £1 in every £7 spent in Britain was on goods delivered to people's homes - which on the face of it would imply a boom time for catalogues - the catalogue shopping market has seen sales decline in recent years. According to the IMRG, online sales have outpaced catalogue sales, which have peaked at no higher than 5 per cent.
- 4.46 Debenhams recently abandoned its mail order catalogue, moving its home shopping facility to the internet. Otto UK, the home shopping group that owns the Grattan and Freemans brands, is also looking to improve its internet offering, and is encouraging existing customers to buy online through advertising within the catalogues and corresponding digital communication. Thus, it is not just high street retailer channels which are having to adapt to the digital age.

Conclusions

- 4.47 The key conclusion from our analyses is that planning policy has begun to 'bite' in recent years, with it becoming increasingly difficult to secure planning permission for new retail development in out-of-centre locations, vis-à-vis schemes in town centre locations. Whilst town centre and edge-of-centre locations are generally more complex than sites in out-of-centre locations, investor confidence in town centre schemes has been increasing in recent years, and there is now a construction boom in town centre-located shopping centres.
- 4.48 Other key trends in the retail markets include the increasingly large floorplate requirements of retailers, with strengthening demand for units of 5,000 sq.ft and above; the continuing 'polarisation' by retailers towards larger centres; the increasing diversification into non-food markets by the major foodstore operators; and the continuing growth of e-commerce.

Leisure Sector

Social and Economic Change

Personal Disposable Income

- 4.49 The leisure industry has benefited from the continued growth in household disposable income and final consumption. Competitive forces have reduced the price of essentials, allowing an ever increasing proportion of consumer expenditure to be spent on leisure items whether for in home entertainment or spent outside the home. The following table reflects this continued trend at a national level.

Table 4.4 Trends in Household Disposable Income and Consumption

Household Disposable Income and Final Consumption Trends					
United Kingdom	1998 £Bn	2004 £Bn	2011 £Bn	Growth 1998-2004	Growth 2004-2011
Household Disposable Income	612.11	754.80	900.83	23%	19%
Household Final Consumption	587.54	719.27	851.70	22%	18.4%

Source: Experian, Autumn 2004. 2001 prices.

Changing Social Structure

- 4.50 The move away from the industrial base has led to a reduced requirement for skilled and unskilled manual jobs which are classified in the C2 and D social groupings.

¹² As reported at www.imrg.org (February 2005).

There are more jobs in commerce and a far greater proportion of women graduating and entering the professions has increased the proportion of the population falling under the ABC1 classifications. The ABC1 groupings are the categories that tend to be the largest users of leisure facilities, having a greater proportion of disposable income. This trend is set to continue.

- 4.51 According to Mintel the following change in socio-demographic profiles will occur between 1997 and 2006.

Table 4.5 Changes in Socio-Demographic Profiles 1997-2006

	1997 % of Pop	2006 % of Pop
AB	21.2	27.1
C1	27.2	28.5
C2	22.6	18.7
D	16.9	16.8
E	11.6	8.8

Source: Mintel British Lifestyles 2003

Demographic Trends

- 4.52 Population projections from the ONS show that, nationally, the population will shift towards being more weighted towards the over 45 age group during the next twenty year period. Between 2001 and 2011 there will be a net increase of those in the 16-24 age group, which is a group that is extremely active in the leisure market. There will be a net loss of those aged 0-15 and in the 25-34 age groupings, but all other groups will gain. There will be a gain in the important 16-24 group. People in this group are important because they have the highest propensity to indulge in a number of leisure activities including going to the cinema, eating out, visiting pubs, tenpin bowling and going to nightclubs.

Household Composition

- 4.53 The household type that is forecast to experience the greatest increase over the next two decades is one person households. Whereas, traditionally, an increase in one person households has been associated with the retired, the largest increases are forecast to be within people of working age, particularly amongst men. One person households will account for 72 per cent of new households, a factor which has ramifications for the leisure industry.
- 4.54 There has also been a trend towards young adults remaining at home in their 20s and 30s. Currently there are around 2.2 million young adults of this age living with their parents, of which 63 per cent are male. In the 20-24 age group, 56 per cent of men live with their parents. This could also be a high spending group providing they are not foregoing spend to save for deposits on a house.

Leisure Time

- 4.55 Data from the Leisure Industries Research Consultancy (LIRC) shows that since 1998 the leisure time for the average full time worker has increased by 2.2 per cent, to 2,595 hours per annum. Fifty two per cent of households now have access to the internet compared with 9 per cent in 1998. This implies that the total amount of leisure time now spent on the home computer will have increased, and sophisticated modes of access will also increase dwell time on computers.
- 4.56 For some time, there has been an increasing tendency to eat out and this has become established as a way of life. One of the most rapidly growing sectors in the mid 1990s was keep-fit. This now is an established market.

- 4.57 The LIRC shows that the total trend in leisure hours is set to increase from 160.0 billion hours in 2004 to 160.8 billion in 2008.

Growth in Leisure Expenditure and Changing Leisure Activities

- 4.58 Table 4.6 details changes in expenditure on various sub-sectors of the leisure market.

Table 4.6 Comparison Spend on Selected Leisure Activities 2000-2008

	2000 £m	2001 £m	2002 £m	2003 £m	2004 £m	2005 £m	2006 £m	2007 £m	2008 £m	% Change 2000-2008
Bingo	523	552	595	602	606	664	637	641	676	29.25
Cinema*	623	620	724	678	739	769	803	840	879	41.10
Dancing/Discos	749	752	790	832	885	941	999	1,060	1,127	50.50
Spectator Sports	767	808	826	909	998	1,121	1,217	1,337	1,485	93.61
Eating Out	33,011	34,376	36,782	38,916	41,160	43,700	46,226	48,939	51,865	57.10
Alcoholic Drink**	18,080	18,790	19,990	20,430	21,370	22,3	23,33	24,4	25.5	41.10
Total Sightseeing	934	943	1,046	1,077	1,137	1,194	1,256	1,321	1,390	48.80
Total Gaming	7,082	7,152	7,583	8,129	8,389	8,890	8,630	8,905	9,376	32.40
Health & Fitness+	1,420	1,583	1,641	1,763	1,814	2,033	2,077	2,190	2,381	67.70

Source: Leisure Industries Research Consultancy (Current Prices)

* Relates to Gross Ticket Revenues only excluding VAT and concessionary income.

** This includes alcohol consumed in restaurants and hotels but adjusted for alcohol consumed at home

+ Private sector estimates. Local Authority income excluded

Eating Out

- 4.59 Within the last two to three year period there has been consolidation within the restaurant industry as some chains were expanding at a faster rate than demand. Many observers see the opportunity for huge growth in the eating out market. In 1990, 75 per cent of food consumption was in the home. By 2035 this ratio will have reduced to 50 per cent¹³.

- 4.60 There is an increasing trend towards healthier eating, which has caused some fast food operators to change their menus for a healthier lifestyle. The public has not only become more discerning about food content but is also becoming more demanding about the speed and quality of service. This demand is known as fast casual and has been one of the largest growth areas in the USA, and the same trend has been emerging in the UK.

Pubs

- 4.61 The new Licensing Act will have an effect on some rural pubs. Later opening hours may drive longer drinking times in city centres. Pubs are also being affected by the long-term decline in beer drinking and the switching to wine consumption. Some are of the opinion that supermarkets will be selling the majority of lager and ale in as little as three years, swapping the living room for the pub in terms of beer consumption.
- 4.62 Social changes have also been driving this trend; employees are less likely to drink together. When employees do socialise, more wine will be drunk than beer. The drinks industry has also had to come to terms with women drinking more and having more disposable income. In order to combat these trends, 89 per cent of pubs now have a food offer. Beer, which used to account for 80 per cent of pub turnover, now accounts for around 43 per cent.
- 4.63 Town centres have been affected by weekend binge drinking. It is understood that the new Licensing Act will give councils the power to attach conditions to licenses which prohibit violent or anti-social behaviour. Therefore some councils might impose limitations on promotional activity and happy hours. This will impede the ability of

¹³ Peter Blackman, Horizons FS Ltd, British Hospitality Association Trends and Statistics 2003.

some managers to boost sales during quiet times; some fear that a minimum pricing requirement will also push more beer sales the way of supermarkets.

- 4.64 Any smoking ban would affect rural pubs more than city pubs. Some pubs which are predominantly “wet”, with drink forming a very high proportion of turnover, are likely to suspend their food offer.

Current Regional Provision in Growing Leisure Markets

Cinemas

- 4.65 Cinema attendances in 2004 totalled 171.3 million, representing a 2.4 per cent increase on 2003. They have not achieved the height seen in 2002, when admissions reached 175 million.
- 4.66 The year 2004 saw consolidation amongst four of the major exhibitors. Over-expansion in the earlier part of this decade resulted in some of the major exhibitors making losses. Some of the original multiplexes will be closed as they become obsolete and do not justify expenditure on refurbishment. More cinemas will have some digital screens and widen their appeal as they broadcast live sport and other major events and this trend will become more prevalent. As at the end of December 2004 the dispersion of cinema screens and attendances was as follows:

Table 4.7 Location of Screens and Annual Admissions Rates for Cinema Regions

Region	Screens	2004 Admissions (000)	People Per Screen	Admissions Per Head
London	781	44.168	14,085	4.02
South	273	16.049	16,850	3.49
East of England	224	11.177	18,750	2.66
Midlands	484	23.815	19,008	2.59
Yorkshire	296	14.001	16,554	2.86
North East	111	6.331	27,027	2.11
Lancashire	417	18.511	17,266	2.57
Wales & West	278	11.062	13,309	2.99
South West	95	3.772	23,158	1.71
Border	17	1.668	17,949	2.38
Central Scotland	249	11.877	13,253	3.60
Northern Scotland	68	3.430	13,253	3.81
Northern Ireland	160	5.380	10,000	3.37

Source: Cinema Advertising Association

Based on populations aged 4+. Regions classified by CAA are ISBA regions which differ from Government Office Regions; hence the data are available for the 'Yorkshire' region and do not go below this level.

- 4.67 Latest statistics available do not imply an oversupply of cinema screens within the Yorkshire 'region'.

Leisure Parks and Retail and Leisure Parks

- 4.68 During the 1990s the multiplex cinema development boom was characterised by a willingness for cinemas and associated operators to occupy on a leasehold basis. Accordingly a large number of leisure and retail schemes became available on the market. Leisure parks are parks of more than 30,000 sq.ft dedicated specifically to leisure, whereas often there was a mix of both retail and leisure which helped to make any scheme more viable, known as retail and leisure parks. The following table shows the regional distribution of such parks. It would imply that the Yorkshire 'region' has provision which is above the national average.

Table 4.8 National Provision of Leisure and Retail and Leisure Parks

Region	Parks	Gross Internal Area Sq Ft	Population per Sq Ft
Eastern	4	470,365	11.50
East Midlands	9	665,447	6.33
North	12	1,360,829	1.84
North West	27	4,565,032	1.48
Northern Ireland	4	772,069	2.19
Scotland	17	2,632,009	1.92
London & South East	33	4,329,556	3.55
South West	11	1,815,624	2.73
Wales	6	997,514	2.92
West Midlands	17	1,903,062	2.70
Yorkshire	17	2,624,107	1.89
Total	152	22,135,614	2.67

Source: Trevor Wood Associates Database, December 2004

Impact of Planning Policy

- 4.69 There has been a tightening of Government policy towards driving retail and leisure developments to town centre locations and edge-of-town centre. Much improved architectural design has enhanced the town centre environments and many pub and bar operators have designed formats which have particular high street appeal. The challenge to many local authorities has been to design town centres which operate through days and evenings, rather than become deserted after 6pm, when office workers and shoppers have left the area and the area becomes deserted or appears threatening by the presence of a large amount of drinkers. The effect of the Licensing Act will be to extend drinking hours, although this is more likely to occur in town centres rather than in rural areas. The change in policy has caused more mixed use developments which combine leisure, retail and, occasionally, office space. Facilities for night-time leisure ensure that the parking facilities are utilised to their fullest extent.

5 CENTRE HEALTH CHECKS

Introduction

- 5.1 Our assessment of the health of Malton, Norton, Pickering and Kirkbymoorside town centres has involved:
- i) consultations with a range of stakeholders¹⁴;
 - ii) on-foot surveys of each centre;
 - iii) photographic analysis;
 - iv) desk research in relation to the centres and a range of comparator centres¹⁵;
 - v) a review of various studies undertaken for the four town centres, as provided in Section 3;
 - vi) an analysis of the retailer requirements held on the FOCUS database; and
 - vii) close liaison with officers at Ryedale District Council.
- 5.2 In assessing the health of the centres we have used the indicators specified in Section 4 of PPS6, namely: commercial yield on non-domestic property; change in shopping rents; retailer representation and change; diversity of uses; accessibility; vacancy rates; environmental quality; and perceptions of safety/occurrence of crime. For convenience, we group our health check findings under the '4As' headings, as advocated in the *Vital and Viable Town Centres* guidance of 1994¹⁶, namely Attractions (diversity and critical mass), Accessibility (mobility and linkages), Amenities (security and identity) and Action (organisational capacity and resourcing).
- 5.3 The health checks for the main town centres are informed by both quantitative (numeric evidence of viability/condition of the property market) and qualitative sources, whilst the health checks for the smaller centres are necessarily more qualitative in nature given the relative lack of published data. Because no District-wide retail studies have previously been undertaken, we are not able to provide analysis of time-series trends; instead, we benchmark the centres' current performance against suitable comparator centres, and where possible we also compare current performance against the Great Britain (GB) average.
- 5.4 All mentions of Appendices in this section relate to the Appendices contained in the separately bound Annex 1 (Appendices to the Main Report), which contains the detailed health check data.

¹⁴ A full list of stakeholder consultees is provided in Appendix 1 of Annex 1.

¹⁵ The centres for which we provide benchmark data are Northallerton, Thirsk, Whitby, Driffild and Selby, which are comparable in size and relatively close to Malton and Pickering; and other prominent centres in Yorkshire and Humberside, namely York, Scarborough, Harrogate and Beverley.

¹⁶ URBED for the Department of the Environment (1994), *Vital & Viable Town Centres, Meeting the Challenge*, HMSO, London.

Malton Health Check

Attractions

Diversity of Uses

- 5.5 Convenience outlets in Malton town centre account for 22 units (Table 1 of Appendix 3) according to Experian's GOAD land use survey of June 2004¹⁷. This equates to 10.1 per cent of total units, which is above the GB average of 9.4 per cent. There is a good range of convenience outlets in Malton, with the town centre benefiting from three supermarkets (Morrisons, Somerfield¹⁸ and Jacksons), two frozen food stores, one specialist health shop, five bakers, two butchers, a greengrocer, a fishmonger and two other general grocers. The town centre, therefore, has representation in all convenience sub-sectors and in this context we consider that the town centre has a healthy convenience sector offer.
- 5.6 Table 1 of Appendix 3 shows that the 107 comparison units in Malton town centre equates to 49.1 per cent of total units, which is slightly above to the GB average (48.2 per cent). Perhaps reflecting Malton's secondary role as a tourist attractor, the town centre contains above average representation in the '*florists and gardens*' (9 units, 4.1 per cent) and '*gifts, china, glass and leather goods*' (6 units, 2.8 per cent) sub-sectors. However, the proportion of outlets in the '*women's, girls and children's clothing*' sub-sector (4.1 per cent) - a key barometer of a centre's retail strength - is significantly below the GB average (5.5 per cent). In addition, Malton town centre contains only one '*men's and boy's wear*' shop and four '*mixed and general clothing*' stores, forming lower representations than the GB average. Thus, the town centre's comparison offer is lacking in depth. We illustrate this in more detail under the sub-heading '*Presence of National Multiples and High Profile Retailers*'.
- 5.7 The overall proportion of service outlets in the town centre (28 per cent) is only slightly below the GB average (30.3 per cent). Of particular note is the high number of banks and building societies (12) in Malton town centre, and the below-average representation in the '*restaurants, cafés, coffee bars, fast food & takeaways*' sub-sector (19 outlets, 8.7 per cent compared to the GB average of 12.5 per cent).

Presence of National Multiples and High Profile Retailers

- 5.8 Given the physical size of Malton town centre and the extent of its local catchment area, there is a reasonably good representation of national multiple retailers and service providers in Malton (Table 5 of Appendix 3), at least in numeric terms. Malton town centre contains nine national multiple comparison retailers, two of which (Boots and Woolworths) are listed amongst Experian's 18 Key Attractors¹⁹. However, Malton town centre only possesses two national multiple clothing retailers, which fall within the 'lower' and 'lower-middle' categories of the 'Fashion Count' part of Management Horizons Europe's (MHE's) 2003/04 Shopping Index²⁰. Thus the town centre's fashion offer is below the standard that would normally be expected of a Principal Service Centre.

¹⁷The GOAD definition of Malton town centre (see Appendix 2) extends across a wider area than that defined by the Ryedale Local Plan (2002) 'Malton Town Centre Commercial Limits', and includes the retail units adjacent to the livestock market, additional units along Princess Road and Wentworth Street, a number of units adjacent to Malton railway station and along Norton Road, and additional units on Old Maltongate and at the western end of Yorkersgate.

¹⁸ Although Somerfield is located in the middle of the Malton/Norton built-up area, it falls within Experian's GOAD definition of Malton Town Centre (see Appendix 2).

¹⁹ For ease of reference, Experian's 18 'Key Attractors' are: Adams, Burger King, Clarks, Clintons, Dixons, Dorothy Perkins, Evans, McDonalds, Mothercare, New Look, Next, Our Price, Principles, River Island, Superdrug, Top Man, and Top Shop. The 9 'Mixed Use Multiples' are: Alders, BhS, Boots the Chemist, Debenhams, House of Fraser, John Lewis, Marks & Spencer, WHSmith, and Woolworth's.

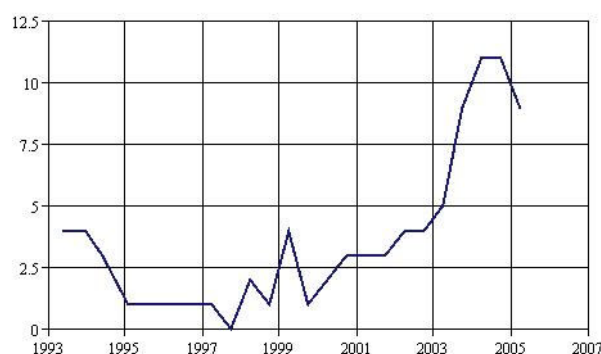
²⁰ MHE categorises fashion retailers as 'luxury', 'upper', 'upper-middle', 'middle', 'lower-middle' or 'lower'.

The Retail Property Offer in Malton

- 5.9 Analysis of the most recent FOCUS listing of May 2005 shows that retailers' mean minimum sales area requirement for Malton is around 3,450 sq.ft (320 sq.m). This corroborates reports from national property agents that high street multiple retailers, which traditionally sought units with sales floorspace in the region of 1,500 to 2,000 sq.ft, now want units with a clear sales floorspace that is significantly in excess of this range. However, local agents confirm that much of the historic property in Malton town centre has floorplates which are less than 2,000 sq.ft, indicating a need for new, larger units. Indeed our own analysis of GOAD data indicates that the comparison units within Malton town centre (GOAD definition) have an 'average' size of around 1,650 sq.ft (150 sq.m)²¹. The available (vacant) units are of a similar size.
- 5.10 Discussions with local agents have also indicated that the lack of satisfactory servicing arrangements within Malton acts as a deterrent to retailers that are considering the town as a potential trading location. The town centre's conservation area status and generally historic environment - whilst an asset which creates a distinctive shopping environment - is a further constraint to development.

Retailer Demand

- 5.11 FOCUS's Town Report for Malton of September 2005 shows that the number of retailer requirements for the town increased significantly since April 2003, to a peak of 11 requirements in October 2004, albeit the number of requirements for Malton at September 2005 was slightly lower, at nine).
- 5.12 It is not possible to determine precisely why the number of requirements - which was fairly low and static over the preceding decade - has increased in recent years, since this may be due to a number of factors (for instance, individual retailers revising their locational requirements; improved monitoring by FOCUS; etc). Similarly, it is not possible to predict authoritatively whether the upward trend is likely to continue, although given the recent slight reduction in the number of requirements, and in the context of reports from local retail property agents that high street operator interest in Malton town centre is generally low (see paragraph 5.16, below), we suspect that the current number of requirements is probably unlikely to increase significantly. Nevertheless, if more units better suited to the requirements of modern operators were provided then there may be a further modest increase in demand.



Source: FOCUS, September 2005

- 5.13 The women's clothing retailer, Dorothy Perkins - classified as a 'middle' tier operator by MHE - is one of the five comparison retailer requirements on the FOCUS List, which also include two household/homeware retailers (Argos and Fads Homestyle), one beauty products retailer (Savers²²) and one charity shop. The FOCUS list also

²¹ These figures are derived from the gross floorspace of the 107 comparison units within the GOAD-defined Malton town centre. The average net floorspace figures would therefore be smaller.

²² Savers Health and Beauty has since opened a store in Malton town centre, thus fulfilling its requirement.

contains a requirement from a national convenience retailer (Greggs), a supermarket operator (Aldi) and a restaurant chain (Pizza Express). The list does not contain any middle-order retailers, or young ladies' fashion retail operators, some of which - such as New Look - do target small towns²³.

- 5.14 We contacted the agents acting for six of the most prominent operators named on the FOCUS list, as well as a further 22 not listed with FOCUS²⁴, with a view to establishing their level of interest in Ryedale as an investment location. We received responses from 16 retailers, including two that had requirements listed with FOCUS. Responses from Marks & Spencer, BHS, River Island, WHSmith, B&Q, MFI, Habitat and Comet - which are not listed with FOCUS - confirmed that these retailers have no interest in any of the four Ryedale study centres. All eight retailers cited the small size of the centres and the limited local catchment area as the reason for their lack of requirement.
- 5.15 More positively, Argos confirmed that, despite recently opening a store at Monks Cross in York, it continues to have a requirement for a store in Malton town centre (of around 14,500 sq.ft gross, of which 3,500 to 4,000 sq.ft would be sales area). Furthermore, our research has established that one national multiple non-food retail warehouse operator (specialising in homewares/DIY goods) - which was not listed with FOCUS - has a confirmed interest in Malton, and two further prominent retail warehouse operators (specialising in DIY goods) also have a potential interest in Malton, subject to the availability of suitable sites. In addition, two discount supermarket operators confirmed that they have requirements for stores in Malton, although they both noted that the lack of available sites acts as a current constraint on such plans.
- 5.16 Local retail property agents reported that demand for representation in Malton town centre is generally low, especially from the high street multiples. Several local agents commented that the main retailer demand comes from convenience operators, the service sector, and small business start-ups. Demand is highest for units at Market Place, which offers a quiet location in terms of through-traffic, but with good access to car parking. However, local agents did confirm the existence of a limited latent demand for floorspace from retail warehouse operators, with development said to be dependent upon both the provision of larger retail units and access to a wider catchment area (with further residential development necessarily preceding retail development).

Retail Yields

- 5.17 Figure 2 in Appendix 3 illustrates a ten-year trend for prime yield²⁵ in Malton and in the comparator centres of York, Harrogate, Scarborough, Beverley, Northallerton, Thirsk, Selby, Whitby and Driffield. As expected, York and Harrogate have the best (lowest) current prime yield, at 5.5 per cent each. Malton's prime yield has remained relatively static over the ten year period at 8.0 per cent, fluctuating only during the last two years and improving to 7.5 per cent in July 2004. The performance of Malton mirrors that of Selby, which experienced static yields of 8.0 per cent for much of the ten year period, with only slight fluctuations from 2003 onwards. The only centre that has consistently experienced higher (worse) yields than Malton is Driffield, with yields remaining largely static at 9.5 per cent for the majority of the ten year period.

²³ Whilst fashion operators typically target good fashion pitches, analysis of the FOCUS database shows that retailers such as New Look are specifically interested in 'small towns' (although no definition of what constitutes a 'small town' is provided).

²⁴ The FOCUS requirements that we followed up were: Aldi, Argos, Dorothy Perkins, Fads Homestyle, Pizza Express and Savers Health and Beauty. The additional retailers that we contacted were Top Shop, River Island, Marks & Spencer, WHSmith, BHS, Wickes, B&Q, Homebase, Focus Do-It-All, Habitat, MFI, Comet, JD Wetherspoon, Yates Group, Café Rouge, Asda, Tesco, Sainsbury's, Wm Morrison, Lidl, Netto and Somerfield.

²⁵ Yield is a measure of the confidence of investors in the long term profitability of the town centre for retail and other commercial developments; the lower the yield the greater the level of investment confidence.

- 5.18 The comparator centres of Thirsk, Northallerton and Beverley have performed better than Malton over the same time frame, with all three centres starting the period with comparable yields to Malton (8.5 per cent, 8.0 per cent and 8.0 per cent, respectively), but experiencing substantial improvements thereafter, with current (2005) prime yields of 6.5 per cent (Thirsk), 6.0 per cent (Northallerton) and 7.0 per cent (Beverley). Whilst Beverley and Northallerton are much higher-ranking centres than Malton and thus more attractive to retailers - with lower yields than Malton therefore not surprising - Thirsk is similar in size to Malton and its improving yield is more difficult to explain without detailed analysis of Thirsk's property offer, requirements, current retail offer, and so on.
- 5.19 Local property market agents report that, whilst yields across Malton town centre remain high, yield levels have fallen significantly in relation to the historic high of around 15 per cent.

Changes in Prime Zone A Shopping Rents

- 5.20 Whilst no published time-series rental data exist for Malton, local property market agents report that prime Zone A rents are currently (2005) around £28 per sq.ft on average, although rents are as high at £37 per sq.ft on the Yorkshire Traders units. The local property market agents note that current Zone A rents at Market Place are lower and are typically around £23 per sq.ft, while rents in tertiary streets (for example) can be as low as £14 per sq.ft.
- 5.21 Local agents comment that there is a trend of growth in Zone A rents in Malton, although they also note that rental levels have historically been low. The rents being achieved in Malton are significantly higher than those in neighbouring Ryedale market towns - a consequence of Malton's larger catchment and thus its greater attractiveness to retailers - with local agents indicating that Zone A rents are around £26 to £28 per sq.ft in Pickering, £24 to £26 per sq.ft in Kirkbymoorside and £18 per sq.ft in Norton. Figure 1 in Appendix 3 reveals that despite this local trend, even the highest Zone A rents achieved in Malton are lower than the average Zone A rental levels achieved in 2004 by the comparator centres of Beverley (£85 per sq.ft), Northallerton (£70 per sq.ft), Selby (£45 per sq.ft), Thirsk (£40 per sq.ft) and Whitby (£40 per sq.ft). Again, in most cases this can be attributed to comparator centres' larger catchments and higher profile, although more detailed analysis of Thirsk's property offer would be required to establish why its retail rents are higher than those achieved in Malton.

Proportion of Vacant Street Level Property

- 5.22 Malton town centre (GOAD definition) contained 26 vacant units in June 2004, equating to 11.9 per cent of all town centre units, which is only slightly higher than the GB average (10.6 per cent). Anecdotal stakeholder evidence suggests that vacancy levels in Malton town centre have since declined, with only seven units currently vacant within the Ryedale Local Plan defined 'Town Centre Commercial Limits'. A major factor in the reduction of vacant property in Malton is the recent refurbishment of a collection of shops in The Lanes Shopping Mall. In June 2003, World Wide Shopping Mall took over The Lanes, which had been vacant and largely derelict for seven years. The June 2004 GOAD Survey found that 11 units in The Lanes were 'vacant and under alteration'. The redevelopment of The Lanes has since been completed, with 18 retail units converted into more presentable boutiques and the reopening of a movie-themed café.
- 5.23 Our on-foot survey of Malton town centre corroborates the anecdotal stakeholder reports, with limited evidence found of street level vacant units. Since the redevelopment of The Lanes, there are no major concentrations of vacant units in Malton. While there are several vacant units along Yorkersgate, the vacant units are largely dispersed throughout the town centre.

Retail Rankings

- 5.24 None of Ryedale's centres are listed in Experian's *Retail Centre Ranking 2004*²⁶. The report shows that York's ranking slipped by 10 places between 2001 and 2004, from 16th to 26th position, as shown in Table 9 of Appendix 3. None of the remaining comparator centres are listed in Experian's 2004 report.
- 5.25 MHE surveys the top 1,672 retail centres in the United Kingdom²⁷, based on a weighted count of non-food retailers comprising fashion operators, non-fashion multiples and anchor stores²⁸. The Index is well respected and we consider it to be a robust source from which to assess the centres' positions in the retail hierarchy. The MHE Index establishes eight grades of retail centre in the United Kingdom, ranging from 'Major City' to 'Local Centre'. Malton is classified in the eighth tier ('Local Centre'), as is the comparator centre of Thirsk²⁹.
- 5.26 The MHE Index reveals a significant decline in Malton's position in the retail hierarchy (Table 9 of Appendix 3). Malton's position in the retail hierarchy has declined between every measured time interval, falling 171 places in total between 1995 and 2004, from 741st to 912th position.
- 5.27 Malton is ranked higher in the MHE Index than the only other comparator centre within MHE's eighth tier (Thirsk), which entered the MHE Index for the first time in 2004 and ranked 1,008th, almost 100 places below Malton. It is also notable that the two 'Minor District' comparator centres, Whitby and Drifffield, have experienced similar slippages to Malton in the retail rankings over the same period, with Whitby falling 156 places overall from 587th to 743rd position and Drifffield slipping 59 places from 741st to 800th position.
- 5.28 In contrast, the remaining comparator centres improved their rankings in the MHE Index between 1995 and 2004. York experienced modest improvement, rising from 26th position in 1995 to 21st in 2004, although it has slipped from 15th position in 2000. Harrogate, Scarborough, Northallerton, Beverley and Selby all also improved their MHE Index ranking between 1995 and 2004.
- 5.29 Thus, Malton's position in the retail hierarchy has worsened since the mid-1990s, whereas its main competitors - including Scarborough and York - have all improved in the MHE rankings. This accords with the so-called 'polarisation' trend, as described in Section 4, although it does not explain why Thirsk has performed better than Malton (as with yields and rents, more detailed analysis of Thirsk would be required).

Quality & Mix of Services and Other Uses

- 5.30 The town centre possesses a good mix of service uses, which has expanded in recent years. A variety of new restaurants have aided the diversification of Malton's food and drink offer away from reliance on take-aways. Similarly, a new modern bar (Wills) has been established in Market Place and has begun to improve the evening economy of the town. Malton town centre also contains a cinema and the Milton Rooms, which although in poor condition, is used to hold discos and craft fairs. Malton occasionally hosts special events, and the Saturday market and regular farmers' market held in Malton town centre draw large numbers of traders and custom to the town. Less positively, the hotel offer in Malton appears to be in need of improvement and the town centre does not contain a nightclub.

²⁶ In previous years Experian's *Retail Centre Ranking* reports ranked the top 500+ centres, but this was reduced to the top 250 in its 2002 report, and to the top 50 in its 2003 report.

²⁷ *UK Shopping Index 2003-04* (hereafter referred to as 'the Index').

²⁸ For instance, 'Premier Department Stores' (Selfridges, Harrods) score 15 points; 'Premier Variety Stores' (M&S) score 8; 'Other Multiple Operators' (Monsoon, Dorothy Perkins) score 1 point. The Index is based on a comprehensive database of 571 stores.

²⁹ York is classified in the second tier ('Major Regional'); Harrogate in the third tier ('Regional'); Scarborough in the fourth tier ('Sub-regional'); Northallerton and Selby in the fifth tier ('Major District'); and Whitby in the seventh tier ('Minor District').

- 5.31 Although Malton functions predominantly as a retail and service centre, the town does serve a secondary role as a tourist attractor. Indeed, Malton has its own Tourist Information Centre (TIC) and the results of our Street Survey found that 6 per cent of people questioned were 'day visitors' to the town, and a further 1 per cent were 'staying visitors'. Notwithstanding this, Malton's role as a tourist destination is minor in comparison with other Ryedale centres, notably Pickering and Helmsley, which offer more speciality stores, attractions and events to attract tourist trade³⁰.

Pedestrian Flow

- 5.32 We are not aware of any formal pedestrian flow counts that have been undertaken recently in Malton town centre as a whole. Anecdotal evidence suggests that footfall has been largely static, but with some slight improvement in recent years.

Accessibility

Accessibility by Car, and Car Parking

- 5.33 Malton's location adjacent to the A64 provides relatively easy access to the centre by car and ensures good road links with the local catchment to the north-east and south-west of the urban area. However, the location of the A64 also creates a major problem for Malton town centre, since adequate access from the dual carriageway to Norton and to Norton Grove Industrial Estate to the east of Malton, and York Road Industrial Estate to the west, is not provided. The result is that a substantial amount of through traffic, including heavy goods vehicles, must pass through Malton town centre to reach its destination, causing congestion and noise and reducing the appeal of the shopping environment. In recognition of this problem, the Malton and Norton Transportation Strategy (2005) outlines projects to relieve the flow of traffic through Malton. Most notably, the Strategy identifies as a 'top priority' a proposal for improved junctions from the A64 to Malton and Norton.
- 5.34 Car parking within Malton town centre is largely adequate in terms of the number of parking spaces available for customers and visitors. There are three main car parks available for use - in addition to the Morrisons car park, which can be used free of charge for up to 2 hours - but the Market Place and Water Lane car parks are often oversubscribed, while the Wentworth Street car park is poorly used during the week (although there is greater use on Tuesdays and Saturdays). A short stay car park is currently provided in the centre of Market Place, which is deemed by some stakeholders to be an unattractive and inappropriate use in the heart of the town centre.
- 5.35 There are problems with uncontrolled car parking in and around the cattle market, especially on Saturdays, and a number of stakeholders also considered that the price of car parking in Malton is more expensive than in neighbouring competitor towns.

Public Transport Facilities

- 5.36 Malton benefits from a railway station that provides frequent and well-used services to and from York and Scarborough. Although the station is located on the edge of the town centre, there is only a five minute walk between the station and the principal shopping streets. Malton is also served by good bus connections, with a bus station located adjacent to the railway station. A taxi rank is also located at the railway station. Anecdotal evidence from stakeholders suggests that the public transport network is well-structured and in good condition, although the majority of customers and visitors to Malton continue to rely on the private car.

³⁰ Data collected by Ryedale District Council indicate that although 40,000 people visited the Malton TIC between April 2004 and March 2005, more than double this amount (90,000) visited the Pickering TIC, whilst 96,000 visited the Helmsley TIC for tourist information.

Pedestrian Comfort

- 5.37 The town centre is not pedestrianised and receives relatively high volumes of vehicular traffic for a town of its size. Pedestrian comfort and safety is often compromised by the high volume of heavy goods traffic passing through the town centre, with large vehicles occasionally mounting the pavements to manoeuvre along Malton's narrow streets. Crossing the busy roads may be problematic for some users, although a number of traffic light-controlled pedestrian crossing points are provided, and there are also linked problems of servicing, especially on Wheelgate, which create additional congestion. Again, these issues will be partly addressed through the actions outlined in the Malton and Norton Transportation Strategy, which includes plans to implement junction improvements and create a link road to divert traffic from Malton town centre, although this will not solve servicing problems, especially for retail premises along Wheelgate.

Facilities for Mobility Restricted Users

- 5.38 Malton town centre does not benefit from a Shopmobility scheme. However, facilities for mobility restricted users otherwise appear to be satisfactory, with pavements in the primary shopping area generally well-maintained, with smooth surfaces. Furthermore, the North Yorkshire County Council's Transportation Strategy aims to create drop kerbs in the area so as to improve disabled access in the future.

Amenities

Fear/incidence of Crime, and Quality of Security Measures

- 5.39 The main streets of Malton benefit from good lighting and police-controlled CCTV coverage. Our day-time on-foot surveys found Malton to be a generally safe centre, with no threatening backland areas and no evidence of anti-social behaviour.
- 5.40 Anecdotal evidence from stakeholders suggests that there is a helpful police presence in Malton, particularly to assist bars and public houses in the evening. In terms of crime, Malton mainly suffers only minor incidents, although several stakeholders commented that TVC Electrical has been the target of ram-raiding twice in the recent past.

Environmental Quality

- 5.41 Malton town centre presents an attractive environment, which is clean and with no evidence of litter, graffiti or vandalism. With the exception of some poor-quality premises at Wheelgate, most shop frontages are well-maintained and the architectural quality is high, reflecting the large amount of listed buildings in the centre and the conservation area status.
- 5.42 However, some parts of the town centre undermine its overall attractiveness. For example, the potential of Market Place as an attractive heart to the town is undermined by the presence of somewhat chaotic car parking, and two burnt-out premises at Wheelgate detract from the environmental quality. The town centre would benefit from a greater level of shelter than exists at present, more landscaping and a greater amount of street furniture, which is currently limited to just a few benches in Market Place.

Action

- 5.43 Malton benefits from a range of bodies with an interest in the town centre. Malton, in conjunction with Norton, was identified by the Countryside Agency and Yorkshire Forward in 2000 as a pilot for the Market Towns Initiative (MTI). Malton has since been the subject of a health check and economic appraisal to determine an Action Plan to guide a series of projects in the town. The MTI is being administered and managed by The Malton and Norton Area Partnership, which currently takes an active role in the two towns. A key aim of the Partnership for 2005 is to improve the evening economy of Malton. The MTI has already facilitated a Town Centre Management Initiative, which has seen an active town centre manager in post since 2000/01. The

town centre manager position is now funded by the private sector, with the support of 180 businesses, although a BID vote will determine its future.

- 5.44 The Malton and Norton Area Partnership, acting in conjunction with Ryedale District Council, the Ryedale Local Strategic Partnership and Yorkshire Forward, has formulated an Initial Business Plan for Malton and Norton, which sets out a strategic vision for the two towns and outlines key projects to achieve the vision. The Initial Business Plan envisages that as the two towns grow in the future, they '*will provide a diverse range of high quality and modern cultural, leisure and community services and facilities that will stimulate and enrich the lives of local people and inspire visitors*'. Specific actions identified in the Business Plan include improvements to the public realm, particularly Commercial Street in Norton and Market Place/Chancery Lane in Malton; the development of a number of sites for residential and commercial use; improvement to road junctions with the A64 to relieve HGV traffic in the town centres; development of a modern bus/rail interchange; and establishment of a new indoor sports facility.
- 5.45 Additional key players in Malton include the town and district councils and the Police, who maintain a visible presence in the town. Furthermore, the Fitzwilliam Estate owns approximately 60 per cent of the retail units in Malton and takes an active interest in the town centre.

Summary of Malton's Health as a Centre of Retail & Leisure

- 5.46 Our overall conclusion is that Malton is a healthy town centre, with no acute signs of distress. This is demonstrated by the static yields; recently increasing rents; declining vacancy levels; and growing retailer interest in Malton. Malton possesses a good diversity of uses, with a strong convenience goods offer; a wide range of services, including a number of national banks and building societies; and a number of tourism and leisure attractions, such as a cinema and regular markets. Our on-foot surveys of Malton found the town centre to present a generally safe and attractive retail and leisure environment.
- 5.47 Notwithstanding the above conclusion, Malton experienced a significant fall in the MHE Shopping Index rankings between 1995 and 2004, indicating the existence of some underlying problems. One notable weakness in Malton's retail provision is the quality of the comparison retail offer, which tends towards the lower to middle end of the spectrum. A key deficiency in Malton's offer is the lack of breadth and depth in the clothing sub-sector, with only a small number of units and a limited range of middle-order operators. Anecdotal stakeholder evidence suggests that higher profile retailers are dissuaded from locating in Malton by the lack of larger-sized retail units and the inevitably limited local catchment area.
- 5.48 There is some limited multiple operator demand in Malton, from non-food retail warehouse operators, discount supermarket chains and high street multiples, which if met would enable Malton to better meet the needs of local residents and compete with neighbouring centres. Consequently a number of new, larger units are required so as to meet this operator demand; the recommendations for meeting this demand are set out in Section 10.

Pickering Health Check

Attractions

Diversity of Uses

- 5.49 Convenience outlets in Pickering town centre account for 16 units (Table 2 of Appendix 3) according to our on-foot surveys of May 2005³¹. This equates to 15 per cent of total units, a high proportion in comparison with Malton (10 per cent). The town centre has representation in all convenience sub-sectors, and benefits from four bakers, three butchers, three greengrocers/fishmongers and one specialist food shop. However, there is only one supermarket (Co-op) in the town centre which, with a sales area of 9,095 sq.ft, is relatively small in size³².
- 5.50 Table 2 of Appendix 3 shows that the 49 comparison units in Pickering town centre equates to 46 per cent of total units, which is only slightly lower than the representation in Malton (49 per cent), and only marginally below the GB average. Reflecting Pickering's dual retail-tourism role, the town centre contains a high proportion of units in each of the '*gifts, china, glass and leather goods*' (7 per cent) and '*booksellers, arts/crafts, stationers/copy bureaux*' (7 per cent) sub-sectors. However, like Malton, Pickering has a low proportion of clothing retailers, with no outlets in the '*mens's and boy's wear*' sub sector, only one '*mixed and general clothing*' store and just three outlets (2.8 per cent) in the '*women's, girl's and children's clothing*' sub-sector. However, a low proportion of clothing retailers is not untypical of centres operating within the same tier of the retail hierarchy as Pickering and, overall, the broad range of comparison goods outlets located in the town is very good for a centre of Pickering's size.
- 5.51 There is a high proportion of service outlets in the town centre (35 per cent), reflective partly of Pickering's tourism function. Alongside a high number of restaurants and cafes (16 units), Pickering also benefits from a range of national banks and building societies to serve the local catchment, including Barclays, Yorkshire Bank, HSBC, NatWest, Yorkshire Building Society and Halifax.

Presence of National Multiples and High Profile Retailers

- 5.52 The town centre consists largely of small-scale independent retailers, with only 12 national multiples present (Table 6 of Appendix 3). Pickering has only one national comparison goods retailer (Boots), which is listed amongst Experian's 18 Key Attractors. The town centre also has a number of convenience sector national multiples (Co-op and Threshers) and national service providers (for example, World Choice Travel and Barclays).

The Retail Property Offer in Pickering

- 5.53 Pickering town centre's conservation area status, and the presence of protected historic buildings, constrains the potential for redevelopment of property, although as we make clear under the heading 'Retailer Demand', demand for additional floorspace in Pickering is limited. Units in the centre are typically small, but suit the needs of the small-scale, specialist retailers that are both located in and attracted to Pickering. Pickering is a linear centre and providing new units in or near to the prime area would be challenging. All long-term development opportunities are located outside of the existing 'Town Centre Commercial Limits', on the opposite side of the relatively busy A170.

³¹ The town centre boundaries for Pickering, Kirkbymoorside and Norton are defined by the Ryedale Local Plan (2002) Town Centre Commercial Limits. Experian does not produce GOAD listings for any of these centres.

³² United Co-operatives acquired the store from Safeway in 2005.

Retailer Demand

- 5.54 The FOCUS listing of September 2005 contained only one registered retailer requirement for Pickering, from a charity shop (Age Concern). In addition, as we highlighted above in the Malton health check, we did not identify any operator interest in Pickering from discussions with local retail property agents or through questionnaires sent to a selection of comparison sector retailers not listed with FOCUS. The small size of Pickering's catchment area was the reason specified in the questionnaire responses from Marks & Spencer, River Island, WHSmith, B&Q, Comet, Habitat, MFI and BhS for not locating in Pickering. More positively, questionnaires sent to a selection of convenience retailers found that two discount supermarket operators have a confirmed interest in Pickering, subject to the availability of suitable sites.

Retail Yields

- 5.55 Information on retail yields in Pickering is not collated by the Valuation Office Agency. Local agents were also unable to provide conclusive data about retail yields in the market town.

Changes in Prime Zone A Shopping Rents

- 5.56 Whilst no published time-series rental data exist for Pickering, local property market agents report that prime Zone A rents can be as high as £26 to £28 per sq.ft in the town centre. The rents achieved in Pickering are slightly lower than neighbouring Malton, where Zone A rents are £28 per sq.ft on average, and can be as high as £37 per sq.ft.

Proportion of Vacant Street Level Property

- 5.57 Our on-foot surveys of Pickering town centre found limited evidence of street level vacant property. Only four units are vacant, equating to 3.7 per cent of all town centre units, which is a very low vacancy rate. Of the four vacant units, one is a residential property within the town centre boundary, and two units are presently undergoing refurbishment. Since the vacant units are dispersed throughout the town centre and are small in number they do not create a negative impression on the street environment.

Retail Rankings

- 5.58 Pickering did not feature in Experian's *Retail Centre Ranking* reports between 2001 and 2004, and is not listed in the most recent (2003/04) version of the MHE Index. Hence, there are no time-series data in relation to this indicator for Pickering.

Quality & Mix of Services and Other Uses

- 5.59 The town centre possesses a good mix of service uses, although many are traditional in their style and not orientated towards younger members of the population. The town benefits from a variety of restaurants, cafes and tearooms, and a number of established public houses. Pickering town centre also contains four small hotels and a handful of guest houses, a single-screen cinema, a few art galleries, a museum and a club house. As highlighted above in the Malton health check, Pickering serves as an important tourist destination, and attractions such as the North Yorkshire Moors Railway and Pickering Castle draw a large number of tourists to the town.

Pedestrian Flow

- 5.60 We are not aware of any formal pedestrian flow counts that have been undertaken recently in Pickering town centre as a whole. Nonetheless, our two on-foot surveys of Pickering found the town centre to be busy on both occasions, although this may in part be due to the midday timing of the visits.

Accessibility

Accessibility by Car, and Car Parking

- 5.61 Pickering is easy to access by car with good north-south (A169) and east-west (A170) road links. Anecdotal evidence from stakeholders suggests that traffic can become slow-moving and congested along the A170, which runs to the south of the town centre. This is especially prevalent during summer months and holiday periods.
- 5.62 Pickering has three main public car parks (along Vivis Lane, The Ropery and at Eastgate Square). Anecdotal evidence suggests that these can become oversubscribed at busy periods and on market days. The Local Plan corroborates the anecdotal evidence, noting that car parking in Pickering is a severe problem.

Public Transport Facilities

- 5.63 Pickering does not have a railway or bus station, but does benefit from a good local bus service that runs through the centre of Pickering and provides connections to Malton, Whitby, York and Leeds. Although Pickering has no dedicated bus or cycle lanes, cycle parking facilities are provided in the town centre to aid alternative modes of transport.

Pedestrian Comfort

- 5.64 Pickering has no main pedestrianised precinct, although the centre benefits from several small courts and squares off the main Market Place that provide a quiet and car-free shopping environment (Eastgate Square and Champley Mews). Due to the level of traffic that passes both through and to the south of Pickering town centre, there are a number of busy junctions, which could cause difficulties to pedestrians in the absence of pedestrian crossings. However, traffic calming measures are in place in Market Street to slow traffic down and enhance pedestrian comfort. Furthermore, proposals outlined in the consultation draft of the Pickering Transportation Strategy, suggest that additional measures to improve pedestrian comfort will be taken in the future, for example through reducing inappropriate vehicle speeds, restricting parking on junctions to improve visibility and improving pedestrian access. These measures, if implemented, would enhance the shopping environment within Pickering.

Facilities for Mobility Restricted Users

- 5.65 Facilities for mobility restricted users appear to be satisfactory in Pickering, with pavements in the primary shopping area generally well-maintained, and with wide and smooth surfaces. However, the Market Place is steeply sloping in parts, which could cause difficulties for some less mobile visitors.

Amenities

Fear/incidence of Crime, and Quality of Security Measures

- 5.66 Pickering town centre benefits from good lighting and has CCTV coverage along both Market Place and Eastgate. The security measures in place in Pickering are discrete and do not impinge upon the attractive streetscape. Our day-time on-foot surveys found Pickering to be a vibrant and safe centre, with no threatening backland areas and no evidence of anti-social behaviour. However, there are anecdotal reports of problems during the evening.

Environmental Quality

- 5.67 We consider Pickering to be arguably the most attractive of the four Ryedale study centres, with a high quality environment that preserves Pickering's market town heritage. The buildings along the primary shopping streets are of good architectural quality, with well-maintained and attractive shop frontages. Our on-foot surveys of Pickering found no evidence of litter, graffiti or vandalism to undermine the environmental quality of the town.

- 5.68 Pickering town centre is well-landscaped throughout, with street furniture, good-quality street signage, trees and ornamental planting adding atmosphere and character to the shopping environment. The Pickering Beck flows to the west of the town centre, providing a pleasant riverside walkway lined by street furniture.

Action

- 5.69 An Initial Business Plan for Pickering has been prepared by consultants acting on behalf of Pickering Town Team, Ryedale District Council, the Ryedale Local Strategic Partnership and Yorkshire Forward. The vision for Pickering established by the Business Plan is summarised as 'Forward Thinking Pickering'. The Business Plan seeks to address seven main themes, namely: 'development and sustenance of commercial activity'; 'transport and traffic management'; 'enhancing environmental opportunities'; 'growing and managing tourism'; 'a healthy community in mind and body'; 'training and education'; and 'taking advantage of development opportunities'. Within these themes, the Business Plan outlines a number of potential projects, including the provision of a southern bypass and possible reinstatement of the railway. The Business Plan also highlights two main development opportunities in the town - the Whitby Road/Quarry site for a multi-purpose centre, and the land either side of the A170 in the town centre. In addition, the Business Plan indicates that a masterplan will be prepared to guide future development and enhancement of the town centre.

Summary of Pickering's Health as a Centre of Retail & Leisure

- 5.70 Overall we consider Pickering to be a vital and viable town centre, as demonstrated by the very low vacancy rate; the strong mix of convenience, comparison and service uses for a town of its size; and the vibrant street atmosphere. Our on-foot surveys of Pickering found the town centre to be safe, secure, very attractive and with a high environmental quality.
- 5.71 The lack of high street chain stores in the town centre is unsurprising in a town of Pickering's size, and the presence of smaller, specialist shops meets the needs of the local catchment whilst also acting as a marketable tourist attraction. A core aim for Pickering should be to maintain the status quo, retaining the delicate balance that has been achieved between presenting an attractive and tourist-orientated town centre and providing a functional shopping environment.
- 5.72 The only notable deficiencies in Pickering's retail and leisure offer relate to the lack of facilities and services for younger members of the community and the limited size of the current supermarket provision. Although Pickering has a wide range of convenience goods outlets, there is currently only one, relatively small supermarket in the town centre to cater for weekly food shopping trips. Evidence from research undertaken for this study suggests that at least two discount supermarket operators are interested in locating within Pickering, but are currently constrained by the lack of suitable and available sites.

Kirkbymoorside Health Check

Attractions

- 5.73 Kirkbymoorside consists of a small concentration of shopping and service outlets located mainly along Market Place, which cater predominantly for localised convenience and services needs. Table 3 of Appendix 3 shows that Kirkbymoorside has six convenience outlets, including two bakers, one butchers, a delicatessen and a small supermarket/grocers (Spar), although local residents will have to travel to larger settlements to access a full-range supermarket.
- 5.74 Comparison sector shops at Kirkbymoorside account for 12 units, again catering mainly for a local market. Similarly, the 17 service uses present cater mainly for the day-to-day needs of local residents, with the predominant use being take-away outlets and hairdressers. However, more remarkably for a centre of Kirkbymoorside's size,

the town centre contains three high street banks (Barclays, HSBC and NatWest). Kirkbymoorside additionally benefits from a low vacancy rate, with only four units evidently vacant during our on-foot surveys of May 2005.

- 5.75 Kirkbymoorside has little in the way of additional amenities, services and leisure facilities to attract both local people and visitors to the town centre. The only recreational offering is a fitness studio, which is small in size but an important resource given the scarcity of sport and fitness facilities in Ryedale. A substantial section of the town centre is in residential rather than retail/service use, with rows of terraced housing separating retail units and preventing an active street frontage along Market Place.
- 5.76 The FOCUS database does not contain any registered retailer requirements for Kirkbymoorside, and we did not identify any operator interest from discussions with local retail property agents. However, one supermarket chain not listed with FOCUS has confirmed an interest in establishing a small (2,000 to 3,000 sq.ft) convenience store in Kirkbymoorside. Any further retailer interest in Kirkbymoorside is confined to local independent operators. Zone A retail rents in the centre are reported by local property agents to be static and low, with a top level of around £24 to £26 per sq.ft Zone A in the prime areas.

Accessibility

- 5.77 The town centre can be easily accessed by car via the A170 and is served by one car park and free, dedicated on-street car parking. Our on-foot surveys found the town centre to be busy, with dedicated parking spaces full and cars parked on-street along the entire length of Market Place. Kirkbymoorside can additionally be accessed by public transport facilities. Although the town centre is not served by a railway station, a local bus service runs through the heart of the centre.
- 5.78 The town centre is not pedestrianised and has no pedestrian crossings, although dropped kerbs are provided for mobility impaired users. Given the moderately high level of vehicular traffic passing through the centre and the narrowed roads created by on-street parking, there are some points of possible pedestrian-vehicular conflict, especially at busy junctions.

Amenities

- 5.79 Kirkbymoorside is the only Ryedale study centre which does not have CCTV coverage. Our on-foot surveys found the town centre to be well-lit, with no threatening backland areas and no evidence of anti-social behaviour to warrant excessive security measures.
- 5.80 The environment of the town centre is very pleasant and adequately signed, and contains typical market town architecture, which generally appears to be well-maintained. The street surfacing is of a good standard and approaches to the town centre are generally welcoming. The attractiveness of the centre is only undermined by cluttered car parking which lines the primary shopping parade and even extends into quieter areas such as Church Street.

Action

- 5.81 An Initial Business Plan has been prepared for Kirkbymoorside, by consultants acting on behalf of the Kirkbymoorside Town Team, Ryedale District Council, the Ryedale Local Strategic Partnership and Yorkshire Forward. The Business Plan seeks to preserve Kirkbymoorside as it exists, whilst responding to the challenges of future needs and development. Indeed the theme of the Business Plan is '*keeping the best and creating the rest*'. The Business Plan acknowledges a need to provide further facilities for sport and leisure and to deliver more long-term transport and parking solutions. In the short-term the Business Plan suggests implementation of modest projects revolving around environmental improvements and the creation of a Saturday farmers' market.

- 5.82 We are not aware of any further initiatives in Kirkbymoorside that will have a material impact on the centre's role as a localised retail and service destination.

Summary of Kirkbymoorside's Health as a Centre of Retail & Leisure

- 5.83 Kirkbymoorside is a compact centre, which caters for the day-to-day convenience and service needs of local residents reasonably well. The presence of a fitness studio and a number of public houses in the town centre, also ensures that some of the leisure/recreational needs of the local population are met. In this context, we consider that the centre is healthy, although we acknowledge that local residents will have to travel elsewhere for their bulk and main food shopping provisions.
- 5.84 Kirkbymoorside presents a safe and attractive centre, which is unlikely to experience any significant change or development over both the short- and long-terms. Nevertheless, there is perhaps some scope for improving the retail environment of the centre. Through relocation of some of the on-street car parking at the heart of Kirkbymoorside, an opportunity would be created to provide a more pedestrian-focused and vibrant streetscape, which would be more in keeping with the traditional market town image of Kirkbymoorside.

Norton Health Check

Attractions

- 5.85 Norton is a linear centre, and with only 32 retail and service units is the smallest of the four study centres (Table 4, Appendix 3). Norton has a limited convenience and comparison goods offer. The convenience sector offer is restricted to one bakery, two butchers and a grocery store (Costcutter), while the comparison goods offer consists of only a handful of hardware, floristry and stationery shops.
- 5.86 The majority of units in Norton are occupied by service providers, with six hairdressers, three take-aways and two cafés/restaurants. While Norton does benefit from a Post Office, the centre contains no national banks, building societies or even a cash point. Norton thus serves as a small-scale top-up shopping centre for local residents. The majority of local residents' retail needs are met by Malton town centre, which is located only one mile away from Norton across the River Derwent.
- 5.87 Our on-foot surveys of Norton found evidence of a high proportion of vacant property. Although only five units were vacant at the time of our survey (May 2005), this equates to 15.6 per cent of all town centre units, which is significantly higher than the GB average of 10.6 per cent. More positively, one of the units has recently been refurbished, and the vacant units are dispersed along Church Street and Commercial Street rather than forming a concentrated block of vacant properties.
- 5.88 Norton benefits from providing the main indoor health and fitness facility in Ryedale District; a swimming pool and fitness centre (gym), which is situated on Church Street and just outside the defined 'Town Centre Commercial Limits'. However, anecdotal stakeholder evidence suggests that some local residents consider the facility to be outdated and unappealing. Aside from the swimming pool, Norton contains few recreational amenities to attract residents, except for one café, one restaurant and a number of public houses.
- 5.89 As with Kirkbymoorside, a significant proportion of Norton's town centre is in residential use, with residential properties separating retail units, creating an elongated and somewhat broken-up centre. In addition to the mix of uses within the centre of Norton, there are a number of vacant and operational retail units along Commercial Street, which is outside of the 'Town Centre Commercial Limits'.
- 5.90 FOCUS does not list any registered retailer requirements for Norton, and the only potential operator interest that we identified from discussions with local retail property agents and retailers themselves was from one discount supermarket operator. Zone A

retail rents in Norton are the lowest of the four study centres. Local agents report that Zone A rents have a top level of only £18 per sq.ft, along Commercial Street/Church Street.

Accessibility

- 5.91 Norton is easily accessible by car for local traffic, with car parking provided by a large, free car park off St Nicholas Street. However, as explained above, there is no access from the A64 to Norton or to Norton Grove Industrial Estate to the east of Norton. The result is that a substantial amount of traffic from the A64, including heavy goods vehicles, must pass through the centres of both Malton and Norton to reach its destination, causing congestion and noise and reducing the appeal of the shopping environment.
- 5.92 Our on-foot surveys of Norton confirmed that the centre has a heavy vehicular through-flow. Although there are a number of pedestrian crossing points (one traffic-light controlled) in Norton, the high level of through-traffic compromises pedestrian comfort, especially at the mini-roundabout between Commercial Street and Church Street. In addition, the flow of traffic detracts from the image of the centre, creating the impression more of a through-route than a compact centre. As mentioned in the Malton health check, proposals put forward in the recently produced Malton and Norton Transportation Strategy may help to alleviate some of these traffic problems. Certainly the Strategy outlines plans to realign and improve the mini-roundabout in the centre of Norton, with work scheduled to take place between 2005 and 2007.
- 5.93 As we highlight in Section 6, 'more parking' was the preferred improvement cited by the greatest number of respondents in the Norton street survey. Our on-foot surveys confirmed that on-street parking on Commercial Street is over-subscribed, and that it generally has an undermining effect on the appearance of the centre, as well as accentuating congestion problems. Redevelopment of the ATS site to include the provision of off-street parking and a servicing area immediately behind the Commercial Street shops would enable the removal of on-street parking and servicing from Commercial Street, and would also enable environmental enhancement of the corridor.
- 5.94 Norton does benefit from excellent public transport connections. Malton railway and bus stations are located within a 5-10 minute walk of the centre of Norton. Regular buses also pass through the centre of Norton, serving destinations such as Scarborough, Filey, Malton, York and Leeds.

Amenities

- 5.95 The centre of Norton appears to be well-lit and has CCTV coverage along Commercial Street. Although our day-time on-foot surveys found pedestrian flow to be generally low in Norton, the centre has no threatening backland areas and we found no evidence of anti-social behaviour.
- 5.96 Our on-foot surveys found Norton to be generally clean, with good directional signage and some degree of street furniture and decorative planting. However, we consider that Norton is the least attractive of the four study centres. Some shop frontages appear to be in need of maintenance and updating, while the gateway to the town centre is unclear and unappealing (marked by petrol filling stations/garages). Overall the centre lacks a vibrant, community atmosphere and currently possesses an image more reflective of a through-route than a market town.

Action

- 5.97 As we have already highlighted, Norton, in conjunction with Malton, was identified in 2000 as a pilot for the Market Towns Initiative (MTI). A key aim of the Malton and Norton Partnership for 2005 is to improve the evening economies of both Malton and Norton. Some initial progress has been made towards this goal in Norton, with the opening of a coffee shop, which offers opportunities for socialising whilst providing a meeting area, and is helping to develop a community heart in Norton. A second aim of

the Partnership is to initiate environmental improvements, especially along the River Derwent, to maximise the river's potential as an asset to the two towns.

- 5.98 In addition, as identified in the Malton health check, an Initial Business Plan for Malton and Norton has been prepared. The Business Plan outlines a number of public realm and transportation improvements as well as development opportunities that will help Malton and Norton grow and develop as '*a dynamic, self-generating, sustainable community*'.

Summary of Norton's Health as a Centre of Retail & Leisure

- 5.99 Norton is the least healthy of the four study centres, and is the centre which is most in danger of experiencing decline. This is demonstrated by the sparse shopping offer (with limited convenience and comparison units to perform a top-up shopping function), high vacancy rate, low pedestrian flows, low retail rents, and the limited range of supporting facilities and amenities such as restaurants and banks. Our on-foot surveys of Norton have found the centre to be safe - but not as attractive as other Ryedale centres - with a high vehicular through-flow and a lack of general shop-front maintenance, which is not conducive to a relaxed and pleasant shopping environment.
- 5.100 Given the close proximity of Norton to Malton, the majority of local residents' shopping needs can be met by Malton. However, the majority of Malton/Norton residents live closer to Norton and the Norton centre has the potential to provide a valuable top-up shopping role. Such a role could be enhanced through substantial environmental improvements to create a more distinctive and pedestrian-focused centre in Norton. It is encouraging to note that a number of actions needed to achieve this end have already been identified through the work of the Malton and Norton Market Towns Initiative, including the production of an Initial Business Plan, and North Yorkshire County Council's Transportation Strategy.

6 SURVEY RESULTS - THE STUDY AREA AND SHOPPING PATTERNS

Street-side Survey of Pedestrians

Introduction

- 6.1 Paragraph 4.3 of the study brief requires an analysis of catchments for each study centre. Accordingly, NEMS conducted a total of 350 face-to-face, in-street surveys amongst a random sample of visitors to the following town centres, during April 2005: Malton (100 interviews), Pickering (125), Kirkbymoorside (75) and Norton (50)³³.
- 6.2 The main objective of the pedestrian surveys was to establish the postcode origin of respondents, so as to define the overall catchment area of Ryedale District. A further important objective was to establish the respondents' purposes for visiting the centre. We also took the opportunity to ascertain customer views/attitudes in relation to a limited number of key issues. Thus, the pedestrian surveys sought to identify the following:
- postcode origin of respondents;
 - main purpose of visit to the centre;
 - travel mode to the centre and place of parking;
 - aspects most liked/disliked about the centre and ways to improve it; and
 - adequacy of current commercial leisure facilities.

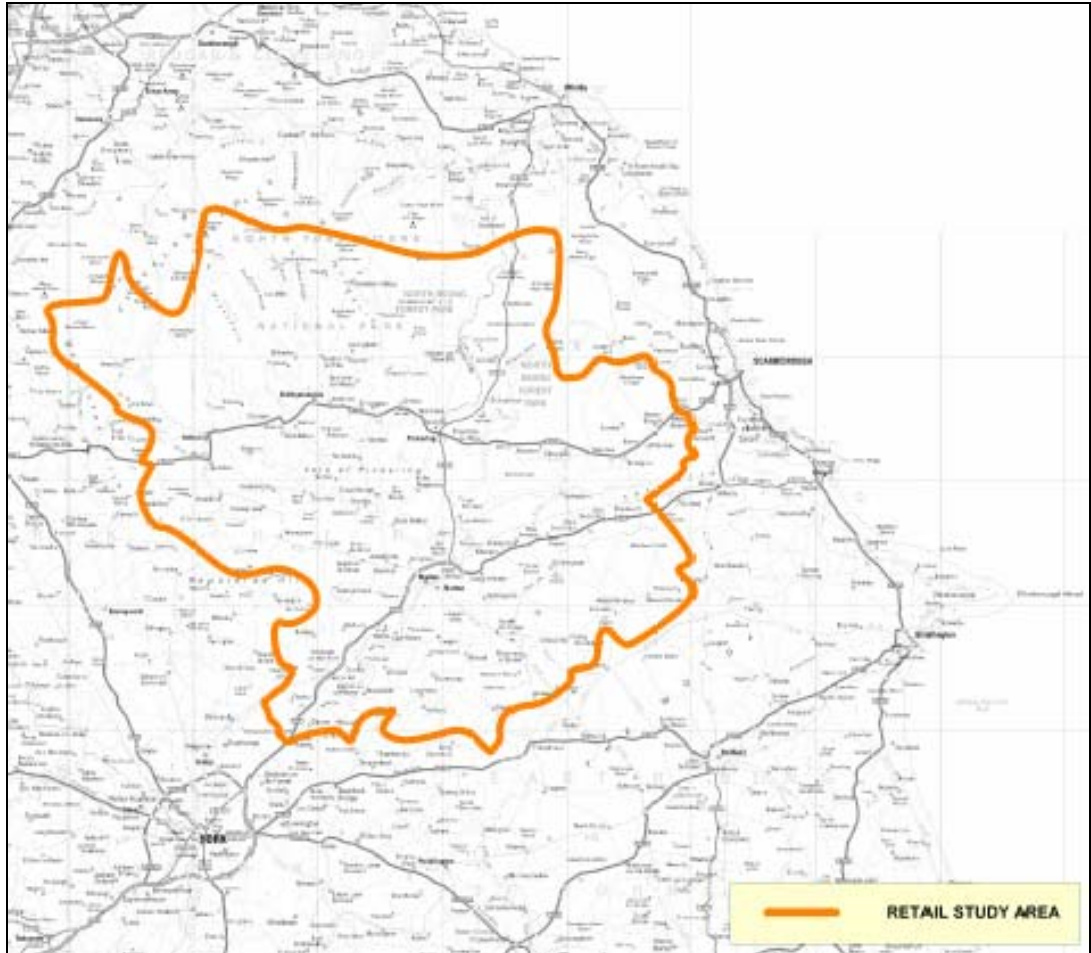
Defining the Catchment - Postcode Origin of Respondents

- 6.3 The four centres of Malton, Pickering, Kirkbymoorside and Norton are the largest in Ryedale District, and their combined catchments can therefore be used to determine the overall catchment area (OCA) for the District as a whole, with a high degree of certainty.
- 6.4 Each of the 350 interviewees complied with a request to specify their postcode. The OCA is defined in Figure 6.1, below; it comprises all postcode areas which achieved six or more responses in the combined street-side survey³⁴

³³ We originally instructed NEMS to obtain a total of 300 interviews (100 in each of Malton and Pickering town centres, and 50 in each of Norton and Kirkbymoorside centres), but NEMS achieved a higher success rate.

³⁴ By 'combined', we mean the total sample of 350 completed interviews, i.e. the sum of the total number of responses achieved in each of the four individual centre surveys.

Figure 6.1 - Overall Catchment Area of Ryedale District



Main Purpose of Visit to the Centre

Main Purpose of Visit to the Centre

- 6.5 In each of the four centres, the principal purpose of visiting was to purchase food items, with between 30 per cent and 49 per cent of those surveyed in each centre providing such a response. Kirkbymoorside had the highest incidence of respondents visiting primarily to purchase food (49 per cent).
- 6.6 Norton was the only centre where the purchase of non-food items was not one of the top three responses. Instead, work and services were mentioned by the second and third highest number of respondents as their primary purpose for visiting the centre. Malton was the centre that achieved the highest proportion of respondents citing shopping for non-food items as the primary reason for their visit (18 per cent).

Table 6.1 Main Purpose of Visit to the Centre

Centre	Top 3 Responses - % of Total Responses in Each Centre					
	1		2		3	
Malton Town Centre	To buy food items	36%	To buy non-food goods	18%	Work	13%
Pickering Town Centre	To buy food items	32%	For services	20%	To buy non-food goods	14%
Norton Town Centre	To buy food items	30%	Work	20%	For services	14%
Kirkbymoorside Town Centre	To buy food items	49%	To buy non-food goods	14%	For services and for work (joint 3 rd)	8% each

Travel Mode to the Centre

- 6.7 The car was the most popular means of transport to each of Malton, Norton and Kirkbymoorside centres (including those who travelled by taxi), with the figure being highest in Malton (67 per cent). Walking was the most popular means of journeying to Pickering town centre, being cited by 44 per cent of respondents. Bus was cited by no more than 8 per cent of respondents in any centre, and bicycle achieved an even lower response (4 per cent or fewer in each centre).

Table 6.2 Travel Mode to the Centre

	Car	Bus	Bicycle	Walk
Malton Town Centre	67%	8%	2%	21%
Pickering Town Centre	43%	7%	2%	44%
Norton Town Centre	52%	2%	4%	42%
Kirkbymoorside Town Centre	56%	1%	1%	41%

Aspects Most Liked/Disliked About the Centre and Ways to Improve It

- 6.8 The proximity and convenience of Malton and Kirkbymoorside was the most frequently cited most liked feature, and this was the second most mentioned response in Norton and Pickering. Reflecting the market town nature of the centres, 'character and atmosphere' also featured strongly in responses, with this being either the top or the second most mentioned response in Malton, Pickering and Kirkbymoorside. In Norton, however, more than one in three respondents were unable to identify an aspect of the town centre that they most liked, with 'nothing in particular' being the top response.
- 6.9 Similarly, 'nothing in particular' was the response cited by most respondents in each of the four centres when asked to name their main dislike. At Malton, Pickering and Kirkbymoorside, parking inadequacies were the second most frequently cited disliked feature of the centre. This response was particularly prevalent in Kirkbymoorside, with 28 per cent of respondents stating that 'difficulties in parking' was their most disliked feature.

Table 6.3 Aspects Most Liked/Disliked About the Centre

Centre	Top 2 Responses - % of Total Responses in Each Centre			
	Likes		Dislikes	
	1	2	1	2
Malton Town Centre	Near/convenient 43%	Character/ atmosphere 17%	Nothing in particular 30%	Parking is expensive 20%
Pickering Town Centre	Character/ atmosphere 34%	Near/convenient 32%	Nothing in particular 27%	Difficulties in parking 13%
Norton Town Centre	Nothing in particular 34%	Near/convenient 22%	Nothing in particular 42%	Unsafe for pedestrians/ traffic conflict 14%
Kirkbymoorside Town Centre	Near/convenient 27%	Character/ atmosphere 15%	Nothing in particular 31%	Difficulties in parking 28%

- 6.10 Respondents' suggested improvements for each town centre reflect the perceived weaknesses identified above. At each centre apart from Malton the most frequently suggested improvement was for more parking, with cheaper parking being the most frequently identified improvement in Malton. Cheaper car parking was the second most cited suggested improvement in Kirkbymoorside, with less traffic and congestion being the second-highest response in both Malton and Norton. The need to improve the quality of the shopping offer was the second most cited suggested improvement in Pickering.

Table 6.4 Suggested Improvements to the Town Centre

Centre	Top 2 Responses - % of Total Responses in Each Centre	
	1	2
Malton Town Centre	Cheaper parking (19%)	Less traffic/congestion (18%)
Pickering Town Centre	More parking (22%)	Better choice of shops in general (14%)
Norton Town Centre	More parking (12%)	Less traffic/congestion (6%)
Kirkbymoorside Town Centre	More parking (12%)	Cheaper parking (12%)

Adequacy of Current Commercial Leisure Facilities

- 6.11 Respondents in Malton (41 per cent) were most likely to consider that commercial leisure facilities were inadequate. Similarly, just under half (49 per cent) in Malton considered that there were no aspects of Malton's leisure provision that were lacking, compared to between 50 per cent and 69 per cent in each of Pickering, Kirkbymoorside and Norton.

Table 6.5 Is the Centre Lacking in Commercial Leisure Facilities?

	Yes	No	Don't Know
Malton Town Centre	41%	49%	10%
Pickering Town Centre	20%	69%	11%
Norton Town Centre	36%	50%	14%
Kirkbymoorside Town Centre	33%	53%	13%

6.12 With regard to specific weaknesses in the commercial leisure offer, the absence of a leisure centre was one of the two most common responses in Malton, Norton and Kirkbymoorside. The lack of a swimming pool was mentioned by the highest proportion of respondents in Kirbymoorside, and by the second highest proportion in Pickering, despite there already being a swimming pool in the town. No more than eight per cent of respondents cited the lack of pubs/bars as a key element missing from any of the centres' leisure offer, with no more than six per cent of respondents citing restaurants/café's as a key omission from the leisure offer - although this may in part reflect the fact that the surveys were undertaken in the daytime, when younger people are less likely to use the town centre.

Table 6.6 Leisure Facilities Lacked in Each Centre

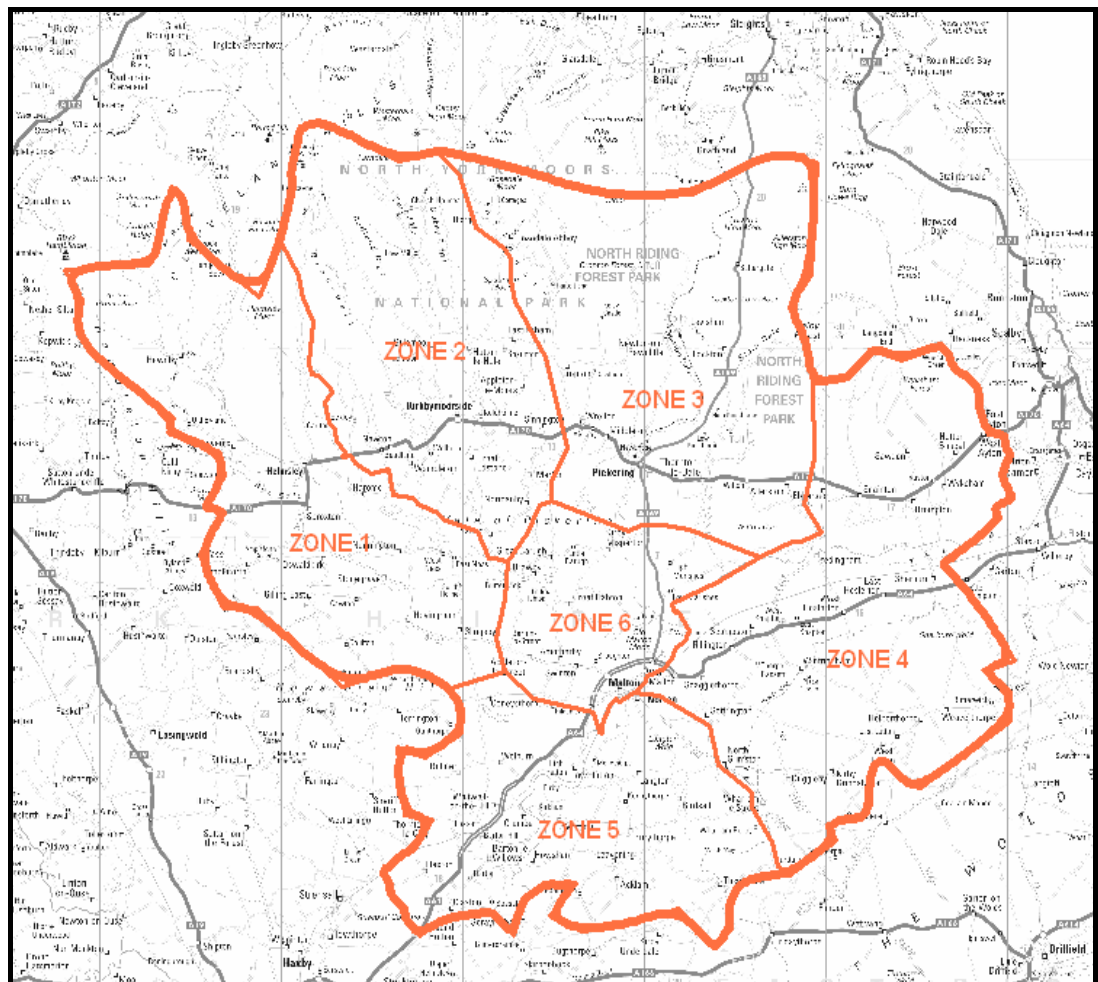
Centre	Top 2 Responses - % of Total Responses in Each Centre	
	1	2
Malton Town Centre	Leisure centre (46%)	Nightclubs (7%)
Pickering Town Centre	Swimming pool (12%)	Pubs/bars; theatre; health & fitness (8% each)
Norton Town Centre	Leisure centre (22%)	Youth club (11%)
Kirkbymoorside Town Centre	Swimming pool (48%)	Leisure centre (28%)

7 CURRENT PATTERNS OF RETAIL SPENDING AND LEISURE VISITS

Introduction

- 7.1 Our assessment of current patterns of retail and leisure spending is based on a comprehensive telephone survey of 644 households resident in six zones encompassing the overall catchment area (OCA) for Ryedale District, as shown in Figure 7.1 below. The telephone survey was undertaken between 20 May and 7 June 2005 by NEMS. The methodology and full results of the survey, including a breakdown of retail and leisure visits by expenditure zone, are incorporated in an accompanying technical report: *Household Survey - Methodology and Results* (separately bound as Annex 4). The focus of this section is on the headline findings of the household survey, concentrating on the overall patterns of retail and leisure spending for the OCA.
- 7.2 Suffice to say in this introduction that the findings are based on a fully representative sample, with a minimum of approximately 65 responding households in each of the six survey zones shown in Figure 7.1, and with all results weighted to reflect the actual distribution of households across the survey area in the year 2001.

Figure 7.1 - Expenditure Zones (Ryedale Overall Catchment Area)



- 7.3 The main purposes of the household survey were to establish:
- the shop or shopping centre in which the household had spent most on food and groceries in the preceding six months;
 - the town centre/retail park in which members of the household had spent most on each of the following goods, in the preceding six months:
 - clothes and shoes;
 - furniture/carpets/soft household furnishings;
 - DIY and decorating goods;
 - white electrical goods;
 - specialist non-food items such as books, jewellery, photographic goods, toys and sports equipment; and
 - the main location visited for various types of commercial leisure activities (visits to cinemas, restaurants, pubs, health and fitness facilities, family entertainment venues, theatres/concert halls and museums).

Convenience (Food and Groceries) Shopping Patterns

Main Convenience Stores in the OCA

- 7.4 The most dominant store within the Ryedale OCA for food and grocery shopping is the Morrisons store at Castlegate, Malton, which is the main spend location for the highest proportion of households residing within the OCA (Table 7.1)³⁵. The stores located within the Ryedale OCA with the next highest market shares are Somerfield at Norton Road, Malton, and Co-op³⁶ at Market Place, Pickering, which both achieve overall market shares of 5 per cent. The only additional convenience goods destination that achieves a market share of 2 per cent or more is 'Other Stores, Pickering', which is the main spend location for 3 per cent of residents in the OCA.

Convenience Stores Outside the OCA

- 7.5 A significant proportion of the households surveyed undertake convenience shopping at stores located outside the Ryedale OCA. The main destination outside the OCA for food and grocery shopping is Morrisons at Dunslow Road, Scarborough, which is the main spend location for 11 per cent of residents. Additional food and grocery stores located outside the OCA which achieve overall market shares of 2 per cent or more are: Asda Wal-Mart at Huntington, York (8 per cent); Tesco Extra at the Clifton Moor Centre, York (7 per cent); Sainsbury's at Huntington, York (4 per cent); Tesco at Westwood, Scarborough (4 per cent); and Tesco at Station Road, Thirsk (3 per cent).

³⁵ This store was recently re-branded from a Safeway fascia. Thus, any references to Safeway at Malton in Annex 3 (NEMS results) or Annex 4 (Technical Paper) actually refer to what is now the Morrisons store.

³⁶ United Co-operatives recently acquired this store from Safeway. Thus, any references to 'Safeway' at Pickering in Annex 3 (NEMS results) or Annex 4 (Household Survey Technical Paper - Methodology and Results) actually refer to what is now Co-op.

Table 7.1 - Food/Grocery Stores Where Most Money is Spend on Convenience Goods

Market Share	Destination	% Of Main Trips	Inside or Outside Ryedale OCA
Highest	Morrisons, Castlegate, Malton	33.1	Inside
2nd Highest	Morrisons, Dunslow Road, Scarborough	11.1	Outside
3rd Highest	Asda Wal-Mart, Huntington, York	8.4	Outside
4th Highest	Tesco Extra, Clifton Moor Centre, York	6.6	Outside
5th Highest	Somerfield, Norton Road, Malton	5.4	Inside
6th Highest	Co-op, Market Place, Pickering	5.4	Inside
7th Highest	Sainsbury's, Huntington, York	4.3	Outside
8th Highest	Tesco, Westwood, Scarborough	3.6	Outside
9th Highest	Other Stores, Pickering	2.9	Inside
10th Highest	Tesco, Station Road, Thirsk	2.7	Outside

Comparison Shopping Patterns

Main Comparison Centres in the OCA

- 7.6 Malton is an important centre for certain categories of comparison goods shopping, namely for the purchase of DIY and decorating goods; domestic appliances; and specialist comparison goods, such as glass, china, books, jewellery and sports equipment (Table 7.2).
- 7.7 The centres within the OCA which achieved the highest overall market shares for each category of comparison retailing are outlined below:
- Malton Town Centre is the main location for clothes and shoes shopping for 10 per cent of all households in the OCA, achieving a low market share yet attracting more households than any alternative centre within the OCA for these types of goods;
 - Malton Town Centre achieves a 9 per cent market share for furniture, carpets and soft household furnishings, ahead of Pickering District Centre which achieves a market share of 2 per cent;
 - Malton Town Centre also achieves the highest market share of centres within the OCA for DIY and decorating goods (13 per cent);
 - Malton Town Centre is the dominant centre within the OCA for domestic appliances, including white goods and electrical items, achieving a market share of 17 per cent; and
 - Malton Town Centre is also the prime destination for specialist comparison goods shopping within the OCA, achieving an overall market share of 10 per cent. In addition, Pickering District Centre achieves a 3 per cent market share for this category of comparison retailing.

Comparison Centres Outside the OCA

- 7.8 The main destinations outside the OCA for comparison goods are York City Centre, Scarborough Town Centre, the Clifton Moor Retail Park, York, and the Monks Cross Shopping Park, Huntington, York. The main comparison centre located outside the OCA, varies between households resident in different survey zones.
- 7.9 The centres outside the OCA which achieved the highest overall market shares for each category of comparison retailing are outlined below:
- York City Centre is the prime destination for clothes and shoes shopping for 35 per cent of all households in the survey area, ahead of Scarborough Town Centre and Monks Cross Shopping Park (York), with market shares of 20 per cent and 14 per

cent, respectively. The clothes and shoes market share of 'York' is even greater if out-of-centre facilities within the City of York Council boundary are taken into account, with York city centre, Monks Cross Shopping Park and Clifton Moor Retail Park together achieving a clothes and shoes market share of 53 per cent;

- York City Centre also achieves the highest market share of centres outside the OCA for furniture, carpets and soft household furnishings (20 per cent), with the three main York centres (City Centre, Monks Cross and Clifton Moor) achieving a combined market share of 35 per cent;
- the B&Q Warehouse at Hull Road, York, is an important destination outside the OCA for DIY and decorating goods shopping, achieving an overall market share of 19 per cent. In addition, Scarborough Town Centre has a market share of 15 per cent for this category of comparison goods;
- Scarborough Town Centre is the main spend location outside the OCA for households shopping for domestic appliances, achieving an overall market share of 15 per cent; and
- York City Centre is an important location for specialist comparison goods shopping for 29 per cent of all households in the OCA (the three main York centres - City Centre, Monks Cross and Clifton Moor - achieve a combined market share of 40 per cent for this category of goods), ahead of Scarborough Town Centre which achieves a market share of 16 per cent.

Table 7.2 - Town/District Centres Where Most Money is Spent on Comparison Goods

Main Destinations By Category of Comparison Goods and Overall Market Share					
Market Share	Clothes & Shoes	Furniture, Carpets, Soft Furnishings	DIY & Decorating Goods	Domestic Appliances	Specialist Comparison Goods
Highest	York City Centre 35%	York City Centre 20%	B&Q Warehouse, Hull Road, York 19%	Malton Town Centre 26%	York City Centre 29%
2nd Highest	Scarborough Town Centre 20 %	Malton Town Centre 16%	Malton Town Centre 19%	Scarborough Town Centre 15%	Scarborough Town Centre 16%
3rd Highest	Monks Cross Shopping Park, York 14%	Scarborough Town Centre 13%	Scarborough Town Centre 15%	Clifton Moor Retail Park, York 13%	Malton Town Centre 15%
4th Highest	Malton Town Centre 9%	Clifton Moor Retail Park, York 9%	Clifton Moor Retail Park, York 10%	York City Centre 10%	Monks Cross Shopping Park, York 7%

Leisure Spending Patterns

- 7.10 The survey of households included a question that asked respondents where they spent the most money on certain types of leisure activity, including the cinema, pubs, restaurants, health and fitness, theatres and concerts, museums and family entertainment leisure uses such as bowling and bingo (Table 7.3).

Cinemas

- 7.11 Overall, 48 per cent of households claimed that they did not visit cinemas. The most popular location for visiting the cinema was York City Centre (15 per cent), followed by Clifton Moor Retail Park, York (13 per cent), Malton Town Centre (12 per cent), and Pickering District Centre (6 per cent). No other location was cited by more than three per cent of respondents who visited the cinema.

Pubs

- 7.12 Overall, only 35 per cent of all questioned households do not visit pubs. Malton Town Centre achieves the best market share among all residents, and it is the main destination for pub use for residents of zone 5 (30 per cent) and zone 6 (55 per cent). As expected, the nearest town to residents in each survey zone achieves the highest market share for pub uses. Therefore the main location for zone 1 is Helmsley District Centre (38 per cent), for zone 2 it is Kirkbymoorside District Centre (36 per cent), for zone 3 it is Pickering District Centre (32 per cent) and for zone 4 it is Scarborough Town Centre (16 per cent).

Restaurants

- 7.13 Only 27 per cent all households do not visit restaurants. The most popular destination for visiting a restaurant was Malton Town Centre (18 per cent), followed by Pickering District Centre (9 per cent), Scarborough Town Centre (8 per cent), York City Centre (6 per cent) and Helmsley District Centre (5 per cent). No other location was cited by more than three per cent of respondents who visit restaurants. As with pub visits, the nearest town to residents in each survey zone achieves the highest market share for restaurant visits.

Health and Fitness

- 7.14 A high proportion of all households do not use health and fitness facilities (76 per cent). For those households that do use such facilities, Malton Town Centre is the dominant location, with a market share of 8 per cent. Overall, Pickering District Centre achieves the second highest market share, attracting 5 per cent of households that use health and fitness facilities.

Family Entertainment (Bingo/Bowling)

- 7.15 Only 25 per cent of residents engage in family entertainment recreation activities, such as bingo and bowling. The dominant destination for family entertainment activities is York City Centre, achieving an 8 per cent overall market share, and serving as the prime location for residents in zones 3 and 6. Additional destinations that are important for family entertainment recreation are Clifton Moor Retail Park, York, attracting 6 per cent of households, with large shares from zones 1, 2 and 5; Scarborough Town Centre (3 per cent), which is the key location for zone 4 residents; and Malton Town Centre (2 per cent).

Theatres/Concerts

- 7.16 Over half of all households do not visit theatres or concert halls. The two main destinations for theatre/concerts users are York City Centre (16 per cent) and Scarborough Town Centre (9 per cent). York City Centre is the prime destination for residents in zones 2, 3, 5 and 6, and Scarborough Town Centre is the most important location for residents in zone 4.

Museums

- 7.17 Almost two-thirds of all respondent households do not visit museums. The prime destination for museum visits is York City Centre, which achieves a 12 per cent overall market share, and serves as the key location for residents in zones 1, 2, 4, 5 and 6. Pickering District Centre has the second highest overall market share for museum trips (4 per cent), and is the main destination for zone 3 households.

Table 7.3 - Town/District Centre Where Most Money is Spent on Leisure Activities

Survey Zone	Main Destination by Category of Leisure Pursuit						
	Cinemas	Pubs	Restaurants	Health & Fitness	Family Entertainment	Theatres/ Concerts	Museums
1	Clifton Moor Retail Park	Helmsley District Centre	Helmsley District Centre	Helmsley District Centre	Clifton Moor Retail Park	Helmsley District Centre	York City Centre
2	York City Centre	Kirkby-moorside District Centre	Kirkby-moorside District Centre	Kirkby-moorside District Centre	Clifton Moor Retail Park	York City Centre	York City Centre
3	Pickering District Centre	Pickering District Centre	Pickering District Centre	Pickering District Centre	York City Centre	York City Centre	Pickering District Centre
4	York City Centre	Scarborough Town Centre	Scarborough Town Centre	Malton Town Centre	Scarborough Town Centre	Scarborough Town Centre	York City Centre
5	Malton Town Centre	Malton Town Centre	Malton Town Centre	Malton Town Centre	Clifton Moor Retail Park	York City Centre	York City Centre
6	Malton Town Centre	Malton Town Centre	Malton Town Centre	Malton Town Centre	York City Centre	York City Centre	York City Centre

8 ASSESSMENT OF FUTURE EXPENDITURE CAPACITY (RETAIL)

Key Aspects of Retail Spending Patterns

- 8.1 The survey of households has shown that:
- i) town centres and individual foodstores located within Ryedale's overall catchment area (OCA) retain, collectively, some 63 per cent of the convenience expenditure of residents of the OCA which, given the localised nature of convenience shopping, is a relatively low level of retention, even allowing for the presence of larger stores located close to but outside of the district boundary (indeed, we are aware of other districts in the Yorkshire region and elsewhere that have an overall convenience sector retention rate that is significantly in excess of 63 per cent);
 - ii) 29 per cent (£22.4m) of the convenience goods expenditure of residents of the OCA is spent in just one store within the OCA, this being the Morrison's store at Castlegate, Malton;
 - iii) the main outflows (or leakage) of convenience expenditure to named stores are to the Morrison's store at Scarborough, which accounts for some 9 per cent (£6.8m) of the expenditure that leaks from the OCA; the Asda Wal-Mart store at Monks Cross in York (7 per cent, or £5.0m of the leakage); the Tesco Extra store at the Clifton Moor Retail Park in York (5 per cent, or £3.9m); and the Sainsbury's store at Monks Cross Shopping Park in York (3 per cent, or £2.5m of the leakage).
 - iv) Malton town centre retains about 17 per cent of the overall comparison sector expenditure of residents of the OCA, but the aggregate comparison retention level for all centres and stores within the OCA is only 25 per cent;
 - v) the Ryedale centre that achieves the highest comparison market share after Malton town centre is Pickering town centre, at just 4 per cent; all other centres in Ryedale have a comparison market share of less than 2 per cent - demonstrating the clear dominance of Malton as Ryedale's most prominent comparison centre;
 - vi) the main outflow (or leakage) of comparison expenditure is to York city centre, which accounts for 26 per cent (£31.5m) of the available expenditure within the OCA (thus, York city centre has a higher comparison market share than the cumulative market share of all centres and stores in Ryedale), followed by Scarborough town centre, which accounts for a further 18 per cent (£21.9m) of comparison expenditure; and
 - vii) Monks Cross Shopping Park and Clifton Moor Retail Park (both in York) account for a further 8 per cent (£10.1m) and 7 per cent (£8.9m), respectively, of the comparison leakage - so that York city centre, Monks Cross and Clifton Moor together account for 42 per cent of the comparison leakage (£50.5m).
- 8.2 In the convenience goods sector, we consider that there is some scope to increase the aggregate retention level, given that the current retention rate of 63 per cent is relatively low. Accordingly we test two convenience expenditure capacity scenarios, which model the effects of maintaining a constant retention rate throughout the study period, and of increasing the retention rate to a new level of 80 per cent, which is a level of retention that is typically achieved in similar locations elsewhere.
- 8.3 In relation to comparison goods, the existing retention rate of 25 per cent is also low, even considering the relatively small size of the Ryedale centres and the close proximity of higher-order centres close to, but outside of, the OCA boundary. Based on our health checks and consultations, our assessment of need and the results of the survey of households, we consider that the scope for new development that could substantially increase this retention rate is limited. This is due to several factors,

including the presence of higher-order centres outside of, but relatively close to, Ryedale, which are more likely to prove attractive to prospective retail developers/operators; and the fairly low levels of operator interest in Ryedale - although, as we have made clear, operator interest might increase slightly if modern units were developed.

- 8.4 Nevertheless, we do expect that there will be some scope for individual developments to achieve some enhancement in the existing rate, and indeed we have identified some current interest in Ryedale from retail operators. Thus, we provide two sets of forecasts for comparison expenditure capacity - the first based on the maintenance of the existing retention rate, and the second based on an assumed increase of the overall study area retention rate of ten percentage points, from the current base position of 25 per cent to a new level of 35 per cent (as discussed further, below).

Quantitative Assessment of Need for Further Convenience Sector Floorspace

- 8.5 The main steps in the assessment of the quantitative capacity for further convenience (food) retailing are as follows:
- i) use the household survey data to establish the convenience spending patterns of residents of the OCA and assess the overall retention of expenditure by centres and stores located within the OCA, as described earlier;
 - ii) forecast the growth in convenience expenditure of the OCA's residents from 2005 to 2015 (taking into account the time horizon of the emerging Local Development Framework), taking account of population change and the real growth, over and above inflation, in per capita spending levels;
 - iii) make a judgment as to whether there is a case for adjusting the future convenience retention rate - the proportion of the expenditure of the OCA's residents which will be spent in centres and stores located within the OCA;
 - iv) make allowances for the turnover requirements of any food retail planning commitments;
 - v) make an allowance for over-trading, if appropriate; and then
 - vi) convert the resulting residual expenditure (that is, growth in retained expenditure, less commitments, plus over-trading) to a potential sales floorspace capacity/deficit.
- 8.6 We have not sought to establish the individual capacities for each of the various centres in the OCA. Rather, we have taken a macro approach which assesses the overall amount of residual expenditure likely to be generated by residents of the whole of the OCA, prior to making recommendations as to where, geographically, any residual should be met, taking into account the hierarchy of existing centres and the sequential approach.
- 8.7 So far as step iii) is concerned, we consider that there may be some scope to increase the overall retention rate, which currently stands at a relatively modest 63 per cent. Notwithstanding this, some parts of the OCA are relatively close to substantial foodstores close to but outside the OCA boundary, such as the Tesco stores at Clifton Moor (York) and Thirsk, and the Asda Wal-Mart and Sainsbury's stores at Monks Cross, which means that 'clawing back' trade to Ryedale might not be straightforward. Furthermore, the survey results indicate that the largest foodstore in the OCA - the Morrison's store at Castlegate, Malton - is achieving a turnover broadly in line with the company average, indicating that provision is broadly in balance with existing expenditure availability. At the time of the household survey in May/June 2005, the (then) Safeway store at Pickering appeared to be trading slightly below the level that

would be implied by its company average turnover³⁷. Accordingly we conclude that there is no evidence of significant overtrading and that there is no need to make a specific allowance in the capacity assessments to allow for a reduction in overtrading levels.

- 8.8 However, given the localised nature of convenience shopping, it would be undesirable from a policy perspective if there were to be any reduction in the convenience goods retention level. Therefore, our assessment proceeds on the basis of two 'scenarios', which assume that, as a minimum policy objective, the OCA retention rate as a whole should be maintained at least in line with the estimated 2005 base of 63 per cent; and a second scenario which assumes that the OCA retention rate could rise to 70 per cent by 2010 and to 80 per cent by 2015, giving a total increase of 17 percentage points over the whole study period.

Forecast Growth in Convenience Expenditure of OCA Residents

- 8.9 The forecast growth in convenience goods expenditure of the residents of the OCA arises from population growth of 2.8 per cent in the period from 2005 to 2015 (based on population projections provided by North Yorkshire County Council), and an increase over time in per capita spending levels. The base per capita spending levels are the total of the year 2001 data supplied by MapInfo for the six expenditure areas shown in Figure 6.2. These data are then projected forward to 2005 using 'real' or observed growth rates as set out MapInfo Brief 04/02.
- 8.10 Ryedale District Council's submission Core Strategy (November 2005) contains an aspiration to support population growth within Ryedale during the period up to 2021. Indeed, Core Policy 2 (CP2) states that the LDF will '*allocate land for the development of approximately 3,500 new dwellings*' in this period. However, although Core Policy 1 (CP1) states that '*the primary focus for new development will be the twin towns of Malton and Norton, followed by Pickering, then the market towns of Kirkbymoorside and Helmsley*', no sites have yet been allocated for new development and the projected growth in dwelling numbers has not yet been apportioned to different towns. Accordingly, since only the overall growth in dwelling numbers is included in the Core Strategy, the potential additional households that would occupy the 3,500 new dwellings have not been included within the projected level of population growth that we used to derive our floorspace capacity estimates. As we make clear elsewhere in this report, the retail floorspace capacity projections should be kept under regular review; any more up-to-date population figures that are available when the study is reviewed should be used.
- 8.11 In order to project expenditure forward from 2005 to the study end date of 2016, we have utilised the Experian Business Strategies forecasts of UK spending per head. Table 3.2 of the Experian 'Retail Planner Briefing Note 2.0' (August 2004) indicates that for the period 2003-13, a convenience expenditure growth rate of 0.9 per cent per capita, per annum is appropriate. We thus apply this growth rate to generate per capita expenditure forecasts for 2005, 2010 and 2015.
- 8.12 Spreadsheets CV1, CV2 and CV3 of Annex 5 provide the resultant projections for population, per capita spending and the overall convenience goods spend for residents of each of the six OCA zones. Table 8.1 below summarises the projected growth in convenience spending for residents in the whole of the OCA. Under the goods-based approach, the growth up to 2015 is £13.3m. The same spreadsheets also summarise

³⁷ We understand that the store in Pickering has a sales area of 845 sq.m (9,095 sq.ft). The results of the household survey indicate that the Safeway store had a turnover of around £5.75 million, which equates to a retail efficiency of £632 per sq.ft. This compares to the published company average turnover efficiency for Safeway Stores of £674 per sq.ft. It is not possible to compare the turnover levels indicated by the household survey with average sales per sq.ft figures for United Co-operatives, which does not publish such data (and it would not be appropriate to use the average for the wider Co-operative Group, given the wide range of trading formats that the Group operates).

the geographical source of the expenditure growth. The amount of growth in each zone is simply a reflection of the number of residents in each zone and the variation in convenience spending levels across the OCA; the highest absolute growth up to 2015 is for residents of Zone 3 (the Pickering area), at £2.07m, followed by residents of Zone 5 (Malton/Norton), at £2.06m (Spreadsheets CV1 and CV3 of Annex 5).

Table 8.1 - Projected Growth in the Convenience Expenditure of Residents of the OCA, £m (2001 Prices)

	2005	2010	2015	Change 2005-10	Change 2010-15	Change 2005-15
	£m	£m	£m	£m	£m	£m
Total Convenience Expenditure (Goods Based)	74.9	79.5	84.3	4.5	4.8	9.4

8.13 Spreadsheets CV1, CV2 and CV3 of Annex 5 distribute the available expenditure using the results of the household survey for the 2005 base year and assuming constant market shares for each centre/store up to 2010 and 2015. The spreadsheets also show the resultant turnover that each centre/store would draw from the OCA under the constant market share scenario. Thus, for example, the goods-based convenience turnover of food stores in Zone 6 drawn from the OCA, would rise from £29.41m in 2005 to £33.09m in 2015, an increase of 17 per cent.

8.14 Table 8.2 below sets out the amount of convenience expenditure which is retained by centres/stores located within the OCA, under the constant market share scenario, and the growth in retained expenditure which results. Thus, the overall growth in retained expenditure up to 2015 would amount to £6.1m under a 'goods-based' approach.

Table 8.2 - Convenience Expenditure Retained by Centres/Stores Located in the OCA, Under Constant Retention Scenario

	2005	2010	2015	Change 2005-10	Change 2010-15	Change 2005-15
	£m	£m	£m	£m	£m	£m
Total Retained Convenience Expenditure (Goods Based)	47.0	50.1	53.1	3.1	3.0	6.1

Allowances for Claims on Convenience Expenditure Growth

8.15 Before the increases in retained convenience expenditure can be converted into theoretical floorspace requirements, it is necessary to take account of an allowance for food retail planning commitments. However, in the case of the Ryedale OCA, there are no significant convenience floorspace commitments either inside, or close to but outside, the OCA, that are likely to have any significant bearing on future capacity within the OCA. Accordingly we make no specific allowance for the claim of commitments.

8.16 However, a deduction is necessary in order to allow for the likely growth in productivity amongst existing retailers within the OCA. Recent data has suggested that convenience sales densities have increased significantly in the last fifteen years. We assume that some growth will continue in the future; accordingly, this growth represents a 'claim' on the forecast increase in retained expenditure, and thus not all of the increase will be available to support new floorspace. We make an allowance for a growth in the productivity of existing floorspace equivalent to 0.75 per cent, per annum³⁸.

³⁸ Experian 'Retail Planner' April 2005, Table 2

Residual Convenience Expenditure - Scenario 1 (Static Retention Level)

- 8.17 The top part of Spreadsheet CV4 of Annex 5 sets out the calculations for the growth in retained convenience expenditure under the static market share assumption; this reveals an increase in retained convenience expenditure of £8.6m between 2005 and 2015. The initial residual convenience goods surplus is thus £8.6m; as discussed above, it is then necessary to make an allowance for productivity increases amongst existing retailers. Table 8.3 below thus summarises the position.

Table 8.3 - Summary of Expenditure Capacity for Convenience Goods (Static Retention)

	2005-15
Goods Base	£m
Initial Surplus	+6.1
Claims on Capacity	-3.6
Residual	+2.5

- 8.18 The positive convenience goods residual of £2.5m under the static retention scenario would support a convenience goods sales area in the period up to 2015 of around 200 sq.m net (2,300 sq.ft net) only, at typical company averages for large supermarket operators. When a lower floorspace efficiency rate is assumed, typical of that achieved by smaller or discount foodstore operators, the potential scale of floorspace rises to around 400 sq.m net (4,300 sq.ft net) by the end of the study period.

Residual Convenience Expenditure - Scenario 2 (Increased Retention Level)

- 8.19 Scenario 2 (Spreadsheet CV4 of Annex 5) sets out the calculations for the growth in retained convenience expenditure under the increased market share assumption; this reveals a higher increase in retained convenience expenditure of £20.4m between 2005 and 2015. The initial residual convenience goods surplus under Scenario 2 is thus £20.4m. Table 8.4 below summarises the allowance for productivity increases amongst existing retailers.

Table 8.4 - Summary of Expenditure Capacity for Convenience Goods (Increased Retention)

	2005-15
Goods Base	£m
Initial Surplus	+20.4
Claims on Capacity	-3.6
Residual	+16.8

- 8.20 The higher positive convenience goods residual of £16.8m under the increased retention scenario would support a convenience goods sales area in the period up to 2015 of around 1,450 sq.m net (15,500 sq.ft net), at typical company averages for large supermarket operators. When a lower floorspace efficiency rate is assumed, the potential scale of floorspace rises to around 2,650 sq.m net (28,400 sq.ft net) by the end of the study period.

- 8.21 In overall terms, therefore, the forecast level of capacity implies limited scope for new large scale stores, although it would be sufficient to support one or more discount format stores. However, this quantum of retail capacity derives from the growth in retained convenience goods expenditure for the whole of the OCA and any individual proposals would need to be judged on a localised assessment of the quantitative need in a particular part of the OCA. Furthermore, in assessing any future proposals, the sequential approach will need to be applied carefully.

- 8.22 In our assessment the OCA is reasonably well-provided for both in terms of discount or smaller foodstores, as well as the choice of larger format stores such as Morrison's at Malton and Co-op at Pickering, although we note that some local stakeholders consider that the latter - with a sales area of around 845 sq.m (9,100 sq.ft) - is too small to adequately serve the bulk needs of local residents. Accordingly, there may be greater qualitative benefits to be derived from the addition of a single medium sized store - or extension to an existing store - than a larger number of smaller discount operations. However, as we note above, the quantitative scope is modest, unless a new store could be shown to be likely to materially increase the retention rate above the existing level of 63 per cent.
- 8.23 In the course of research undertaken for this study we have identified only one operator with a potential interest for new foodstore development within the OCA (the operator in question being interested in Pickering). However, whilst there may be some scope for additional convenience sector floorspace, this is limited in quantitative terms, and so any new store in Pickering would be able to have only a limited impact on retention levels, which in the Pickering area (survey Zone 3) are already reasonably healthy. Moreover, any proposed new foodstore in any part of the OCA would have to be of an appropriate scale.
- 8.24 Overall, we conclude that in both quantitative and qualitative terms the requirement for additional convenience floorspace in the OCA is limited, although some floorspace capacity does exist, albeit the floorspace requirements - even under the increased retention scenario - are relatively modest.

Conclusion on Quantitative Need in the Convenience Sector

- 8.25 There is a limited positive quantitative requirement for further convenience goods floorspace in the period up to 2015, having taken account of expenditure growth. However, this residual relates to the growth in retained expenditure for the whole of the OCA and development to meet most, or all of it, should be channelled to the existing town, district and local centres in the OCA if at all possible. Moreover, as Spreadsheet CV4 of Annex 5 shows, around half of the identified expenditure surplus available to support new floorspace does not arise until after 2010. Accordingly we conclude that there is no immediate, pressing need for the Council to plan for a significant increase in foodstore floorspace within the District, although there is, nevertheless, scope for some additional convenience floorspace.

Quantitative Assessment of Need for Further Comparison Sector Floorspace

- 8.26 In the comparison sector we similarly assess quantitative need for the whole of the OCA. The main steps in the assessment are the same as for the convenience sector, as follows:
- i) use the household survey data to establish comparison goods spending patterns for residents of the OCA and assess the retention of expenditure by all stores and centres located within the OCA itself, as described earlier;
 - ii) forecast the growth in comparison expenditure of the OCA's residents up to 2010 and in the longer term up to 2015, taking into account projected population change³⁹ and the real growth, over and above inflation, in per capita spending levels;
 - iii) apply a sensitivity test to the retention rate so as to vary the proportion of future expenditure which is retained within the OCA;

³⁹ Based on data supplied by North Yorkshire County Council. See paragraphs 8.9 and 8.10 for full commentary.

- iv) evaluate whether it is necessary to make allowances for 'claims' on comparison goods expenditure growth, including:
 - the growth in turnover efficiency (turnover per sq.m sales area) for existing retailers of 2.25 per cent, per annum, this being the mid-point of the ranges put forward by Experian⁴⁰; and
 - the turnover requirements of comparison sector planning commitments.
 - v) convert the resulting residual expenditure (that is, growth on retained expenditure, less the two 'claims' on it) to a potential sales floorspace capacity.
- 8.27 When applying the sensitivity test to the retention rate, we assume an 'uplift' scenario which assumes that the OCA retention rate as a whole can rise from the estimated 2005 base of 25 per cent, to 30 per cent by 2010 and to 35 per cent by 2015, giving a total increase of ten percentage points over the whole study period.
- 8.28 The assessment of quantitative need is sensitive to the retention rate assumption, but the ranges we have used are narrow. We consider that the 35 per cent level represents a reasonable assumption for illustrating the effects of an 'increased uplift' scenario and, as explained below, for comparison expenditure the forecast based on a retention uplift may give a more realistic guide to future potential than that based on static market shares. Nevertheless, retention levels rise or fall slowly over time, in response to the changing positions of centres in the regional retail hierarchy, and forecasting increases significantly above the 35 per cent level may be unrealistically ambitious given the strong competing centres that lie in relatively close proximity to the OCA's boundary, such as York, Scarborough, Clifton Moor Retail Park and Monks Cross Shopping Park.
- 8.29 We are concerned that the absence of any material level of high quality comparison retail development within the OCA in recent years is likely to have contributed to a steady decline in retention over time, and that the 25 per cent now achieved represents a decline from previous years. In order to achieve the Scenario 2 uplift it will be necessary to secure new comparison retail development within the OCA of a quality which will boost the overall attractiveness of the District's retail offer vis-à-vis the competing retail locations elsewhere in the sub-region.
- 8.30 Nevertheless, given the presence of higher-order centres relatively close to the OCA boundaries, a significant element of comparison expenditure outflow will be inevitable and is a normal part of the functioning of the retail hierarchy. The so called 'polarisation' trend means that many of the UK's top quality retailers are now unwilling to consider locating in any centre which ranks below 50 in the national rankings. There are no such centres within the OCA, although York city centre is located close to the OCA boundary.
- 8.31 With this background in mind, we turn to our assessment of quantitative need in the comparison sector.
- Forecast Growth in Comparison Expenditure of OCA Residents*
- 8.32 The growth in comparison goods expenditure which is projected to occur in the period up to 2015 arises from growth in population and from real growth in per capita spending levels. The year 2001 per capita spending levels in each of the six survey zones are provided by MapInfo and we use goods based data. These data are then projected forward to 2005 using 'real' or observed growth rates as set out in MapInfo Brief 04/02.
- 8.33 In order to project expenditure forward from 2005 to the study end date of 2015, we have again utilised the Experian Business Strategies forecasts of UK spending per head. Table 3.2 of the Experian 'Retail Planner Briefing Note 2.0' (August 2004)

⁴⁰ Experian Retail Planner, April 2005, Table 2.

indicates that for the period 2003-13, a comparison expenditure growth rate of 3.7 per cent per capita, per annum is appropriate. We thus apply this growth rate to generate per capita expenditure forecasts for 2005, 2010 and 2015.

- 8.34 Thus, Spreadsheet CM1, CM2 and CM3 of Annex 5 provide the resultant projections for population, per capita spending and the overall comparison goods spend for residents of each of the six zones. Table 8.5 below summarises the projected growth in comparison spending for residents in the whole of the OCA. Under the goods-based approach the growth up to 2015 is £57.5m. The same spreadsheets also summarise the amount of expenditure growth attributable to residents of each zone. The amount of growth for each zone is simply a reflection of the number of residents in each zone and the variation in spending levels across the OCA; the highest absolute growth up to 2015 is for residents of Zone 3 (the Pickering area), at £12.7m, followed by residents of Zone 5 (Malton/Norton), at £12.6m (Spreadsheets CM1 and CM3 of Annex 5).

Table 8.5 - Projected Growth in the Comparison Expenditure of Residents of the OCA, £m (2001 Prices)

	2005	2010	2015	Change 2005-10	Change 2010-15	Change 2005-15
	£m	£m	£m	£m	£m	£m
Total Retained Comparison Expenditure (Goods Based)	120.0	145.9	177.4	25.9	31.5	57.5

- 8.35 Spreadsheets CM1, CM2 and CM3 of Annex 5, distribute the available comparison expenditure using the results of the household survey for the 2005 base year and assuming constant market shares for each centre/store up to 2010 and 2015. The spreadsheets set out the resultant turnover that each centre/store would draw from the OCA in 2010 and in 2015 under the constant market share scenario. Thus, for example, the goods based comparison turnover of Malton town centre drawn from the OCA would rise from £20.61m in 2005, to £30.48m in 2015, an increase in total of some 48 per cent.
- 8.36 Table 8.6 below sets out the amount of comparison expenditure which is retained by all centres and stores located within the OCA under the constant market share scenario and the growth in retained expenditure which results. Thus, the overall growth in retained expenditure up to 2015 would amount to £14.2m for the whole of the OCA.

Table 8.6 Comparison Expenditure Retained by Centres/Stores Located in the OCA, Under the Constant Retention Scenario 1

	2005	2010	2015	Change 2005-10	Change 2010-15	Change 2005-15
	£m	£m	£m	£m	£m	£m
Total Retained Comparison: All Centres & Stores in OCA	29.7	36.1	43.9	6.4	7.8	14.2

Variation of the Retention Rate

- 8.37 Table 8.7 summarises the outcome of the application of sensitivity testing to the retention rates for all centres and stores within the OCA. Thus, for all centres and stores within the OCA, the growth in retained expenditure up to 2015 varies from £14.2m under Scenario 1 to £32.4m under Scenario 2.

Table 8.7 Comparison Expenditure Retained by Centres/Stores Located in the OCA, Under the Increased Retention Scenario 2

	2005	2010	2015	Change 2005-10	Change 2010-15	Change 2005-15
	£m	£m	£m	£m	£m	£m
Total Retained Comparison: All Centres & Stores in OCA	29.7	43.8	62.1	14.1	18.3	32.4

Allowances for Claims on Comparison Expenditure Growth

- 8.38 Before the increases in retained comparison expenditure can be converted into theoretical floorspace requirements, it is necessary to take account of a variety of 'claims' on the retained expenditure growth which will have the effect of reducing the overall surplus. These claims can be summarised as follows:
- an allowance for the growth in the turnover efficiency (turnover per sq.m sales area) of existing traders, at a rate of 2.25 per cent per annum; and
 - an allowance for any planning commitments in the OCA, or substantial developments outside the OCA that are likely to have a significant bearing on capacity within the OCA itself (i.e. by reducing the retention rate and increasing the amount of 'outflow' of expenditure).
- 8.39 These claims are summarised in Spreadsheet CM4 of Annex 5, which shows the capacity under Scenarios 1 and 2, respectively.
- 8.40 The allowance for the growth in turnover efficiency achieved by existing traders represents a significant deduction, at £7.5m for the OCA as a whole. By making this allowance for existing retailers we have erred on the side of caution in our assessment of quantitative need; indeed operational difficulties faced by some existing retailers, as a result of inadequacies in their premises, may make it difficult for them to achieve a gain in floorspace efficiency of the forecast scale.
- 8.41 In relation to commitments, there are no outstanding planning permissions for significant retail development in Ryedale District to take account of. We do not therefore make any deduction for commitments (row 23 of Spreadsheet CM4 of Annex 5).

Residual Comparison Expenditure

- 8.42 Spreadsheets CM4 of Annex 5 sets out the calculations of the residual comparison expenditure which is available to support new floorspace, with a separate sheet for each scenario. Table 8.8 below summarises the findings for the OCA as a whole.

Table 8.8 Residual Comparison Expenditure Available for New Floorspace in the OCA Centres, After Claims

	2005-10 £m	2010-15 £m	2005-2015 £m
Scenario 1 (Static Retention)	2.9	3.9	6.8
Scenario 2 (Rising Retention)	10.6	14.4	25.0

- 8.43 Thus, the residual expenditure which is available to support new comparison floorspace in the OCA up to the year 2015 varies from £6.8m under Scenario 1 (static retention) to £25.0m under Scenario 2 (retention uplift).

Converting Residual Comparison Expenditure to Net Sales Floorspace Requirements

- 8.44 Table 8.9 draws together the findings and converts the outputs from each of the comparison expenditure scenarios - the residual expenditure totals - into theoretical net sales⁴¹ floorspace requirements.
- 8.45 For each scenario - 1 and 2 - the theoretical floorspace requirement is derived by using a floorspace efficiency rate which is a 'hybrid' of the efficiency rates that are typical of 'high street' type developments (£3,250 per sq.m), and of the lower rates that are closer to what could be expected to be achieved by a range of 'bulky goods' or retail warehouse-type stores (£2,375 per sq.m).
- 8.46 As Table 8.9 shows, for the OCA as a whole, the quantitative need up to 2015 ranges from around 1,960 sq.m (21,100 sq.ft) net under Scenario 1, to around 7,200 sq.m (77,300 sq.ft) net under Scenario 2. It is evident, therefore, that there is a positive capacity residual in the comparison sector.
- 8.47 However, the findings of the comparison expenditure capacity forecast need to be interpreted with some care. First, it should be noted that the scale of the requirement set out at the higher end of the forecast range arises as a result of a steady increase in the aggregate OCA retention rate over the study period, and - as noted previously - this increase is dependant on new retailer and investor interest in the OCA being translated into new comparison floorspace, which in overall terms will allow retailing within the OCA to compete more effectively with centres outside its boundaries than it does at present. Such development, when implemented, would increase the 'base' retention rate above 25 per cent, and in our view it is reasonable to anticipate that other schemes may come forward over the study period that will achieve further incremental increases in the overall retention rate.
- 8.48 Second, more than half of the identified expenditure residual available to support new floorspace under Scenario 2 does not arise until the 2010-15 period. Notwithstanding this, the Scenario 2 floorspace requirement to 2010 of around 3,250 sq.m (35,000 sq.ft) net is still significant in the Ryedale context.
- 8.49 Third, the positive capacity residual in the comparison sector does not necessarily imply that there is scope for further out-of-centre development; it will be necessary to evaluate any individual proposals as they come forward in the light of the specific format of retailing proposed, and the scale of identified requirements. Indeed, any proposals which come forward in out-of-centre locations will need to be subject to the stringent application of the five key national policy tests and there must be no risk of any harm to the vitality and viability of the District's town centres, particularly given our concerns in relation to the health of Norton town centre.
- 8.50 Nevertheless, it is evident that there is some capacity for additional comparison retail development within the OCA during the period up to 2015. The analysis indicates that, under a policy aspiration scenario of seeking to increase the retention rate from its current level of 25 per cent - which we consider is capable of improvement, even given the close proximity of York city centre and other higher-order centres close to but outside of the OCA boundary - there is scope for some retail development within the OCA. Such development presents the opportunity to address local deficiencies in relation to specific categories of expenditure and will also contribute to raising the overall or aggregate retention rate for the OCA, thus enhancing overall retail provision within Ryedale and improving its ability to meet the shopping needs of residents of the area. Furthermore, under Scenario 2 there appears to be sufficient expenditure available to support both retail warehouse type development and a limited amount of more typical high street type floorspace.

⁴¹ Typical net to gross ratios are 70 per cent for 'high street' comparison and 80 to 90 per cent for retail warehouses.

Table 8.9 Conversion of Expenditure Surplus to Floorspace Requirements (Overall Catchment Area)

Scenario 1 - Fixed Market Shares				
Comparison		2005-10 £m	2010-15 £m	2005-2015 £m
Goods base residual	(£m)	2.9	3.9	6.8
Assumed floorspace efficiency	(£ per sq.m sales area)	3,271	3,656	
Floorspace requirement	(sq.m sales area)	893	1,067	1,960
Scenario 2 - Planned Increase in Retention				
Comparison		2005-10 £m	2010-15 £m	2005-2015 £m
Goods base residual	(£m)	11.5	16.6	28.1
Assumed floorspace efficiency	(£ per sq.m sales area)	3,271	3,656	
Floorspace requirement	(sq.m sales area)	3,238	3,947	7,185

Conclusion on Quantitative Need in the Comparison Sector

- 8.51 There is a clear quantitative need and capacity for further comparison floorspace in the OCA. Although the identified need is relatively modest when assessed on the basis of static market shares, there is a clear need for new development under Scenario 2, based on the forecast increase in retention rate. Moreover, we believe that it is both a realistic and desirable planning policy objective to seek an increase in the existing comparison retention rate, which even for a rural location surrounded by higher-order centres is relatively modest, at 25 per cent.
- 8.52 In Section 10 we set out our advice on the location strategy for meeting the identified need.

9 ASSESSMENT OF SCOPE FOR ADDITIONAL COMMERCIAL LEISURE PROVISION

Introduction

- 9.1 The study brief requires an assessment to be made of the likely 'need' for commercial leisure development in each settlement, including food and drink uses. In this section we therefore provide an assessment of the scope for additional commercial leisure provision in each of the Ryedale study centres.
- 9.2 At the outset it is important to emphasise the limitations associated with providing quantitative estimates for commercial leisure provision, particularly in relatively small settlements such as those in Ryedale which typically have small commercial leisure markets. The scope for large-scale commercial leisure provision (such as cinemas) in Ryedale's market towns is further restricted by the close proximity of centres such as York and Scarborough and by the existence of purpose-built out-of-centre facilities and retail parks such as that at Clifton Moor, York.
- 9.3 Below, we provide, for each of the study centres, our assessment of the existing commercial leisure provision, and the broad level of demand and scope for additional commercial leisure facilities.

Malton

- 9.4 Malton town centre contains a good mix of commercial leisure uses, which has expanded and diversified over the last six years. Although in the past Malton's leisure offer was focused upon traditional market town public houses, the recent development of a number of new restaurants and a modern bar has broadened the leisure offer in the town. Malton now offers Chinese, Thai, Indian, Mexican and Italian restaurants, as well as a modern wine bar (Wills). A number of stakeholders commented on the growth of the evening economy in Malton, with one noting that the development of a bar with outdoor seating has helped to establish a more '*continental feel*' to Malton's evening entertainment amenities.
- 9.5 The town centre also contains a well-used cinema and the Milton Rooms, which are used to host discos and events. Furthermore, the town centre contains a number of hotels and guest houses, although anecdotal evidence accumulated during the course of research for this study indicates that the hotel offer in Malton is quite poor.
- 9.6 A telephone survey of residents found that 12 per cent of households within the Ryedale OCA consider Malton to be their main spend destination for cinema visits. In addition, Malton town centre achieves the highest market share within the OCA for pub visits (18 per cent); restaurant visits (18 per cent); and health and fitness trips (8 per cent).
- 9.7 Notwithstanding the above, Experian's GOAD land-use survey of June 2004 shows that Malton has a below average representation in the '*restaurants, cafes, coffee bars, fast food & takeaways*' sub-sector (19 outlets, 8.7 per cent compared to the GB average of 12.5 per cent). A number of stakeholders reported that despite the recent increase in the range of bars/restaurants available in Malton, there is still scope to further increase provision in this leisure sector. Indeed, core aims of the Malton and Norton Area Partnership for 2005 are to further improve the evening economy in Malton, and to exploit the opportunities offered by the River Derwent to encourage waterfront leisure development.
- 9.8 The FOCUS database contains only one commercial leisure operator requirement for Malton, from Pizza Express. We contacted the agent acting for Pizza Express, as well

as a further three prominent commercial leisure operators not listed with FOCUS⁴², with a view to establishing their level of interest in Ryedale as an investment location. Despite a questionnaire being posted to each leisure operator, which was followed up by telephone calls to the operators' agents, no responses were received to either confirm or deny operator interest in Malton.

- 9.9 The telephone survey of households also asked respondents whether they considered any of the Ryedale study centres to be lacking in leisure facilities. Approximately one third of surveyed households that considered Malton to be their nearest centre within Ryedale, believe Malton is lacking leisure facilities. Of these respondents, the overwhelming majority (52 per cent) suggested that Malton lacks a leisure centre, while 21 per cent asserted that Malton lacks an adequate health and fitness club and 7 per cent commented on the lack of a sports centre. Smaller, yet still significant, proportions of respondents noted the lack of restaurants/café (6 per cent) and a nightclub (6 per cent) in Malton. Furthermore, 41 per cent of respondents in the Malton pedestrian survey considered commercial leisure facilities to be inadequate in the town.
- 9.10 Overall, we conclude that although there is a wide and expanding range of commercial leisure activities within Malton, there is scope for further development of the evening economy. There is also an apparent interest from residents for the provision of a leisure/sports centre.

Pickering

- 9.11 Pickering has a large and diverse commercial leisure base for a town of its size. The centre contains a high number of restaurants and cafés, with 16 units offering Italian, Spanish, Indian and Chinese food in addition to traditional tea rooms and coffee shops. Furthermore, Pickering town centre contains seven public houses, four small hotels and a handful of guest houses. Pickering town centre also benefits from a single-screen cinema, a few art galleries, a museum and a club house. The North Yorkshire Moors Railway also operates from Pickering and this attracts a large number of tourists to the town.
- 9.12 In the telephone survey of households, only 17 per cent of the respondents that considered Pickering to be their nearest Ryedale centre, believe there is a lack of leisure facilities in the town. Of these respondents, 24 per cent suggest that Pickering lacks leisure facilities for youngsters/teenagers, and 24 per cent note the lack of a leisure centre.
- 9.13 Overall, we consider that Pickering town centre has a well-established commercial leisure offer, particularly in the food and drink sector, which serves shoppers, tourists and local residents very well. There may, however, be scope for provision of further leisure facilities for younger members of the population, since the current offer does focus heavily upon traditional public houses, galleries and museums.

Kirkbymoorside

- 9.14 The commercial leisure offer in Kirkbymoorside comprises five public houses, one café, one coffee shop and four take-away outlets. In addition, Kirkbymoorside benefits from a small, but locally valued, fitness studio. The commercial leisure offer reflects Kirkbymoorside's status as a small market town, which caters for the day-to-day service needs of local residents reasonably well.

⁴² The additional commercial leisure operators that we contacted were JD Wetherspoon, Yates Group and Café Rouge.

Norton

- 9.15 The existing commercial leisure offer in Norton is of more limited quality and range than in other Ryedale centres. The centre contains few recreational amenities to attract residents, except for one café, one restaurant, three take-aways and three public houses.
- 9.16 Norton does, however, provide the main indoor health and fitness facility in Ryedale District - a swimming pool and fitness centre (gym), which is situated on Church Street. However, anecdotal stakeholder evidence suggests that residents consider the facility to be outdated and unappealing. In addition, the telephone survey of households found that 38 per cent of the residents that considered Norton to be their nearest Ryedale centre believe the town lacks certain types of leisure facilities. Of these respondents, 43 per cent specified that Norton lacks a leisure centre and 25 per cent named the lack of a health and fitness club. The household survey results suggest that the existing swimming pool and fitness centre in Norton is not highly regarded amongst residents.
- 9.17 Furthermore, the Malton and Norton Area Partnership believes that there is scope to enhance the evening economy of both Malton and Norton. The Partnership aims to attract further restaurants and bars/pubs to Norton to diversify and improve upon the current commercial leisure offer. This process has already begun with the opening of a coffee shop in Norton, which the Partnership hopes will provide new opportunities for socialising within the centre.

Conclusion on Scope for Additional Commercial Leisure Provision

- 9.18 There is a low level of published commercial operator demand for representation in any of Ryedale's market towns, and that which does exist is confined to one food and drink operator which is interested in Malton. This reflects the relatively small size of the towns and the close proximity of higher order centres such as York and Scarborough.
- 9.19 Nonetheless, there is some limited scope for additional commercial leisure provision in the four Ryedale study centres. In alignment with the aims of the Malton and Norton Area Partnership, we suggest that the emphasis in Malton and Norton should be on enhancing the evening economy, whilst in Pickering there appears to be scope to provide further facilities for young people. The telephone survey of households found that a high proportion of residents in all six survey zones consider their nearest Ryedale centre to most lack an adequate leisure centre and/or health and fitness club, indicating apparent scope for further health and fitness facilities within the District.

10 OVERALL CONCLUSIONS AND KEY RECOMMENDATIONS

Introduction

- 10.1 The study brief does not require the formulation of a retail 'strategy' for Ryedale. Nevertheless, we pull together, below, the principal findings from the telephone survey of households, on-street survey of pedestrians, floorspace capacity exercise, health checks, stakeholder consultations and the on-foot centre surveys in order to identify key quantitative and qualitative needs. We also highlight potential locations/sites that the Council may wish to consider for accommodating the identified retail needs.

Current Hierarchy of Centres

- 10.2 Below, we provide our assessment of the existing hierarchy of centres in the area encompassing Ryedale's overall catchment area (OCA) and surrounding centres. This is based primarily on our qualitative assessments and analysis of the current shopping catchments of centres, derived from the on-street survey of pedestrians and the telephone survey of households. Thus, our assessment of the current influence of centres within and close to Ryedale as foci of retail and other town centre uses, is as follows (centres are listed in descending order in terms of their influence on Ryedale residents):

- York city centre accounts for 26 per cent of the available comparison expenditure within the Ryedale OCA. This is higher than the cumulative market share of all centres and stores within Ryedale District. York clearly has a strong sub-regional influence by virtue of its broad range and depth of retail, service leisure and tourism facilities. The market share of 'York' is even greater if out-of-centre facilities within the City of York Council boundary are taken into account, with York city centre, Monks Cross Shopping Park and Clifton Moor Retail Park together achieving a comparison market share of 42 per cent.
- Scarborough town centre also has a sub-regional influence, and accounts for 18 per cent of the available comparison retail expenditure within the Ryedale OCA, which is a higher market share than that achieved by Malton town centre.
- Malton is the dominant centre within Ryedale District. Its comparison sector market share is more than four times that of the next-biggest comparison centre in Ryedale (Pickering), and Malton exerts a limited influence beyond the administrative area.
- Pickering is a far less significant centre than Malton in terms of its comparison sector market share, but its sphere of influence also extends beyond the District boundary as a result of the town's leisure and tourism assets.
- Kirkbymoorside is a small market town (40 units in total) which serves a predominantly localised shopper base.
- Norton is the smallest of the Ryedale study centres (32 units), and has the smallest comparison sector and convenience sector market shares.

- 10.3 There are no 'major' centres within the OCA, so it is unsurprising that the higher-order centres of York and Scarborough - which are located outside of but close to the OCA boundary - exert a significant influence on OCA residents in terms of their shopping habits. As is shown above, two out-of-centre facilities outside of the OCA also have a further, significant influence on the shopping habits of OCA residents - namely Monks Cross Shopping Park, and Clifton Moor Retail Park.

- 10.4 As we have highlighted throughout this report, Malton is clearly the dominant centre in Ryedale, with a significantly more extensive range of retail and other town centre uses

- and a correspondingly wider catchment - than any of the other Ryedale centres. Accordingly, Malton is the only centre which has a retail influence that is wider than the administrative boundary, albeit to a limited extent. The current sphere of influence of Pickering town centre is also wider than the administrative boundary, although this is due more to the wide range of tourism and leisure facilities that are present in the town centre than its retail offer *per se*.

- 10.5 Each of the remaining two Ryedale study centres - Kirkbymoorside and Norton - has a significantly narrower sphere of influence than that of Malton and Pickering. Both Kirkbymoorside and Norton essentially fulfill a localised convenience and service role.

Current Health of the Study Centres, and Qualitative Need

Overall Conclusion on the Health of the Centres

- 10.6 Our study has demonstrated that three of the Ryedale study centres - Malton, Pickering and Kirkbymoorside - are generally healthy, with no acute signs of distress. Each of these centres has a good diversity of retail and service uses, including a good range of convenience sector outlets, and a low overall vacancy level. Malton has experienced increasing rents and decreasing vacancy levels, boasts three supermarkets, and has benefited from the recent introduction of new restaurants and a new modern bar. Pickering is an attractive market town centre which benefits from a strong tourism base, supported by a healthy mix of small, specialist retail outlets complemented by a good range of restaurants, cafés and tearooms. Kirkbymoorside, whilst much smaller than Malton and Pickering, is also an attractive centre and it caters for the day-to-day convenience and service needs of its local residents quite well.
- 10.7 The prognosis for Norton is less encouraging. Norton is the least healthy of Ryedale's four main centres and has clearly been declining, demonstrated by its relatively poor performance in relation to key vitality and viability indicators (limited range of comparison and convenience outlets, low pedestrian flows, low retail rents, public realm shortcomings, and so on). Notwithstanding this finding, Norton retains a critical mass of retail and service facilities which justifies its continued status as a centre, albeit of a lesser significance in the retail hierarchy than Malton and Pickering, as well as Kirkbymoorside. Furthermore, there have been some recent notable successes in Norton, reflecting the ambitions of the Malton and Norton Partnership.

Key Qualitative Needs

Comparison Sector Needs

- 10.8 Whilst Malton town centre is essentially healthy, there are clear qualitative gaps, which probably explain why Malton experienced slippage in the national centre rankings over the past decade whilst larger centres in the sub-region (York, Harrogate, Scarborough, Northallerton, Selby, and Beverley) improved their position. The key deficiencies in Malton's offer are the lack of breadth and depth in the comparison sector, particularly in relation to the clothing offer; a lack of available, well-serviced units suited to modern operators' needs; and town centre congestion and pedestrian-vehicular conflict. Consequently, Malton appeals predominantly to a localised shopper base, which explains its low comparison sector market share in the OCA of 17 per cent, which is lower than the proportion of comparison expenditure available in the OCA that 'leaks' to York city centre (26 per cent) and Scarborough town centre (18 per cent). As such we conclude that Malton is failing to fulfil its maximum potential as the District's principal centre, and that there is a clear qualitative need for an enhancement of the town centre's comparison retail offer if Malton's position in the sub-regional retail hierarchy is to be maintained or improved.
- 10.9 'High street' comparison operator interest in Ryedale is currently limited, and confined to Malton - although demand may increase slightly if larger units were made available. At present, the floorspace requirements of retailers that are interested in Malton would

be difficult to accommodate within the existing primary shopping area, which contains a large amount of property that is small and unsuited to the requirements of modern-day retailers. For instance, Argos - despite recently opening a store at Monks Cross - has a registered requirement for between 10,000 and 16,000 sq.ft in Malton; this space requirement simply could not be accommodated in units that are currently available, which typically have a gross floorspace of around 1,650 sq.ft. In order to meet the demand from the 'high street' operators that are currently missing from Malton's offer, there is therefore a need for a development to provide newer, larger units than those that presently exist.

- 10.10 Whilst interest in Ryedale from 'high street' comparison operators is currently limited, there is confirmed interest in Ryedale from 'retail warehouse' operators in the DIY sector, with Malton being the primary focus although there is also some potential interest in Pickering. If met, such a facility would enable Ryedale to better meet the needs of local residents, and would go some way towards clawing back expenditure on DIY goods that is presently lost to centres and stores located outside of the OCA boundary (in particular, the B&Q Warehouse at Hull Road, York; and Scarborough town centre).
- 10.11 We consider that enhancement of the comparison sector offer in Pickering represents less of a pressing qualitative need than in Malton, which is the District's highest-order centre. Whilst a significant proportion of the expenditure growth that is forecast to arise across the OCA over the study period is derived from residents of Zone 3 (the Pickering area), Pickering is a far less significant comparison retail centre than Malton. The depth of national multiple comparison operator representation is limited in Pickering, although this is typical of centres of its size and is not a cause for concern. Moreover, comparison operator demand for representation in Pickering is virtually non-existent. Thus we do not consider that there is any overriding need to identify comparison retail development opportunities in Pickering. Indeed, dispersing new comparison sector floorspace between Malton and Pickering would have less prospect of materially increasing the OCA's aggregate comparison retention level than if development was concentrated in Malton. The latter approach is consistent with the roles identified for the two centres in the draft RSS and the Council's Core Strategy, which seek to strengthen Malton's Principal Service Centre role and conserve Pickering as a Local Service Centre.
- 10.12 The mix of comparison sector outlets present in Kirkbymoorside and Norton is commensurate with those centres' position and status in the retail hierarchy, as small-scale centres that serve a predominantly localised shopper base. We therefore consider that there is no pressing need to identify specific comparison retail development opportunities in either of these two centres.

Convenience Sector Needs

- 10.13 Generally speaking, the study centres have a healthy convenience sector provision. There is a good range of convenience outlets in Malton, which benefits from the presence of three supermarkets (Morrisons, Somerfield and Jacksons). Similarly, Pickering town centre has a wide range of convenience outlets, with a good representation across the various convenience sub-sectors. Norton's convenience sector provision is more limited, although given the small size of the centre and the close proximity of Malton town centre, there does not appear to be any overwhelming need for significant additional convenience sector provision in Norton.
- 10.14 Nevertheless, town centres and individual foodstores located within Ryedale's OCA retain, collectively, some 63 per cent of the convenience expenditure of residents of the OCA, which is a relatively low level of retention. We therefore consider that a valid policy aspiration would be to seek to increase the convenience retention level.

- 10.15 In the course of research for this study, some local stakeholders suggested that the size of the existing Co-op supermarket in Pickering⁴³ is too small to adequately meet the needs of local residents. However, whilst some respondents in the household and on-street surveys shared this view, they were in the minority. Furthermore, instead of providing evidence of over-trading, the results from the household survey indicated that the store was trading at slightly below company average levels in 2005⁴⁴.

Other Qualitative Needs

- 10.16 Town centre congestion and vehicular-pedestrian conflict is a key shortcoming particularly in Malton, and also in Norton. This is caused primarily by the lack of access from the A64 to Norton, and to Norton Grove Industrial Estate to the east of Norton, which results in high volumes of vehicular traffic, including large numbers of HGVs, with consequent congestion, noise and vehicular-pedestrian conflict. The appeal of the two centres' shopping environments is compromised as a direct result. We therefore endorse the actions identified in the Malton and Norton Transportation Strategy - as detailed under paragraph 3.72 of this report - implementation of which would improve transportation in Malton and Norton to the considerable benefit of both centres.
- 10.17 Whilst Malton, Kirkbymoorside and - in particular - Pickering generally exude a pleasant appearance within conservation area settings, there are some exceptions which serve to undermine the overall attractiveness of the centres. One example is Market Place in Malton town centre, which is undermined by the presence of somewhat chaotic car parking. Another example is the servicing inadequacies in parts of Malton and Norton town centres.
- 10.18 We consider that the District Council should seek to tackle these environmental shortcomings through the LDF. For instance, the Council could consider the removal of some/all car parking from Market Place in Malton, which would result in a more pedestrian-friendly environment better suited to the conservation area setting, particularly if Market Place was at least partly pedestrianised. Redevelopment of the Cattlemarket site may be a suitable location for the relocated parking. Improvements to some shop frontages along Wheelgate could also be targeted through the LDF.
- 10.19 Norton is a less attractive centre, with high vehicular through-flow and a lack of general shopfront maintenance. Public realm improvements - in particular to the gateway to the centre from Malton, but also along Commercial Street more generally - would help to provide a more distinctive and pedestrian-focused centre in Norton.
- 10.20 We also support the drive to improve transport and traffic management in Pickering, in particular measures which would significantly alleviate congestion on the A170, thereby making Pickering more attractive to shoppers and tourists. The Council could also consider options for addressing on-street parking in Kirkbymoorside, which we consider has a negative effect on the overall ambience of the centre.
- 10.21 In summary, we strongly recommend that the District Council and its partners should seek to implement the initiatives referred to above. This would go some way towards providing the conditions necessary to realise the Council's aspiration to bolster the centres' specialist retail offer and help independent retailers thrive within an attractive, pedestrian-friendly environment.

⁴³ United Co-operatives acquired this store from Safeway in 2005.

⁴⁴ At the time of the household survey, the store was trading under a Safeway fascia. It is not possible to compare the turnover levels indicated by the household survey with average sales per sq.ft figures for United Co-operatives, which does not publish such data (it would not be appropriate to use the average for the wider Co-operative Group, given the wide range of trading formats that the Group operates).

Quantitative Need in the Retail Sector

Comparison Sector

- 10.22 Our quantitative capacity work shows that there is a goods based capacity for additional comparison sector sales floorspace up to 2015 in the range 1,960 sq.m (21,100 sq.ft) under the 'static retention' scenario, to 7,200 sq.m (77,300 sq.ft) under the 'increased retention' scenario, which we recommend should be the policy aspiration target. However, a substantial proportion of this capacity only arises in the later part of the study period; in the period to 2010, floorspace capacity in the comparison sector is of the order 900 sq.m to 3,250 sq.m (9,700 sq.ft to 35,000 sq.ft), as shown in summary Table 10.1. Nevertheless, the 'increased retention' floorspace requirement to 2010 of around 3,500 sq.m (35,000 sq.ft) net is still significant in the Ryedale context.

Table 10.1 Goods Based Comparison Sector Floorspace Requirements (All Centres and Stores in the OCA)

Floorspace requirement (net sales area)	2005-10	2010-15	2005-15
Static Retention	893 sq.m (9,612 sq.ft)	1,067 sq.m (11,485 sq.ft)	1,960 sq.m (21,097 sq.ft)
Increased Retention	3,238 sq.m (34,853 sq.ft)	3,947 sq.m (42,485 sq.ft)	7,185 sq.m (77,339 sq.ft)

- 10.23 The floorspace requirements set out in Table 10.1 are indicative only, and should be treated as guidelines. Long term forecasts, whilst valuable for strategic planning purposes, should be regarded as subject to increasing uncertainty in the later parts of the study period and should be kept under regular review.
- 10.24 For the reasons elicited elsewhere in this report, we consider that most of the identified additional comparison sector floorspace should be directed to - and due to market forces will in any case make its way to - Malton as the District's principal centre. We do not consider that there is any realistic scope for material levels of 'high street' type comparison development in any of the centres other than Malton.
- 10.25 As we have highlighted elsewhere in this report, there is confirmed operator demand in Malton, from both 'high street' multiples and 'retail warehouse' operators, which if met would enable Malton to better meet the needs of local residents and compete with neighbouring centres. Hence there is a need for a number of new, larger units so as to meet this operator demand.

Convenience Sector

- 10.26 The results of the capacity work show that the aggregate convenience sector retention rate for the OCA as a whole, of 63 per cent, is relatively low. We therefore consider that there may be some scope to increase the overall retention rate. Furthermore, the survey results indicate that the two largest foodstores in the OCA - the Morrison's store at Castlegate, Malton, and the Co-op store at Pickering - are not over-trading.
- 10.27 However, given the localised nature of convenience shopping, it would be undesirable from a policy perspective if there was to be any reduction in the convenience goods retention level. Therefore, we recommend that, as a minimum policy aspiration, the OCA retention rate as a whole should be maintained at least in line with the estimated 2005 base of 63 per cent. Moreover, we consider that there is scope for the retention rate to rise, to 70 per cent by 2010 and to 80 per cent by 2015, giving a total increase of 17 percentage points over the whole study period.
- 10.28 This will not be straightforward to achieve given that some parts of the OCA are located relatively close to substantial food superstores close to, but outside of, the OCA boundary. Nevertheless, given the localised nature of convenience shopping, we consider that a retention rate of 80 per cent is achievable if development of the right

type and in the right locations takes place within the District. Indeed, we are aware of other Districts in the Yorkshire region and elsewhere that have an overall convenience sector retention rate in excess of 80 per cent, despite the presence of large stores located close to but outside of their district boundary.

- 10.29 One means of achieving an increase in the retention level would be through the development of one or more discount supermarkets. Whilst we have not identified any evidence that the two largest foodstores in the OCA are overtrading, or interest from large foodstore operators not currently represented in Ryedale - and hence no overwhelming pressure for allocations aimed at large scale stores - our research has identified confirmed interest from at least three discount foodstore operators. Two of the interested operators cited a current requirement for Malton; one for a store of around 14,500 sq.ft and the other for a store of 10,000 sq.ft. One of the operators with a Malton requirement is also interested in Pickering (10,000 sq.ft). The third operator is interested in Pickering (8,000 to 9,000 sq.ft), as well as Kirkbymoorside and Norton (2,000 to 3,000 sq.ft in each).
- 10.30 Further options are the addition of a single medium sized store, or extension to an existing store.
- 10.31 Table 10.2 summarises the convenience sector floorspace capacity under each of the expenditure retention scenarios. We forecast capacity for between 420 sq.m (4,550 sq.ft) and 770 sq.m (8,300 sq.ft) of additional convenience retail sales area by 2015 under the static retention scenario. The increased retention scenario would support an additional convenience goods sales area in the period up to 2015 of between 1,440 sq.m (15,500 sq.ft net) and 2,650 sq.m (28,400 sq.ft net) by the end of the study period. Under the increased retention scenario, much of the increase in floorspace capacity arises in the 2010-15 period.

Table 10.2 Goods Based Convenience Sector Floorspace Requirements (All Centres and Stores in the OCA)

Floorspace requirement (net sales area)		2005-10	2010-15	2005-15
Static Retention	'High' Turnover per sq.m	113 sq.m (1,216 sq.ft)	100 sq.m (1,076 sq.ft)	213 sq.m (2,292 sq.ft)
	'Low' Turnover per sq.m	208 sq.m (2,238 sq.ft)	182 sq.m (1,959 sq.ft)	390 sq.m (4,197 sq.ft)
Increased Retention	'High' Turnover per sq.m	601 sq.m (6,469 sq.ft)	839 sq.m (9,030 sq.ft)	1,440 sq.m (15,500 sq.ft)
	'Low' Turnover per sq.m	1,101 sq.m (11,851 sq.ft)	1,538 sq.m (16,555 sq.ft)	2,639 sq.m (28,406 sq.ft)

- 10.32 In overall terms, therefore, the forecast level of capacity under the increased retention scenario - of between 15,500 sq.ft and 28,400 sq.ft - implies limited scope for new large scale stores, although it would be sufficient to support one or more discount format stores. However, this quantum of retail capacity derives from the growth in retained convenience goods expenditure for the whole of the OCA and any individual proposals would need to be judged on a localised assessment of the quantitative need in a particular part of the OCA. Furthermore, in assessing any future proposals, the sequential approach will need to be applied carefully.

Opportunities for Meeting Identified Quantitative Need

- 10.33 Above, under the sub-heading 'Other Qualitative Needs', we summarised the key 'environmental' shortcomings that were outlined in the Section 5 health checks, and highlighted potential actions that the Council could pursue to address them. Below, we outline our assessment of potential opportunities for meeting identified quantitative needs.

Introduction

- 10.34 Paragraph 2.44 of PPS6 states: *'A sequential approach should be applied in selecting appropriate sites for allocation where identified need is to be met'*. In this section we provide our assessment of sites that may offer potential to meet a proportion of the floorspace capacity that we have identified, in accordance with the sequential approach to site selection as set out in PPS6 (see Section 2 of this report).
- 10.35 In applying the sequential approach to site selection, paragraph 2.45 of PPS6 requires local authorities, developers and operators to be flexible and realistic in the identification of sites for new retail developments. Paragraphs 2.49 and 3.16 of PPS6 call for more efficient design, layout and store configurations in retail development, greater use of multi-storey developments and more efficient car parking.
- 10.36 Paragraph 3.19 of PPS6 also requires that, in considering sites for retail development, local authorities give consideration to the suitability, viability for the proposed use and likelihood of becoming available *'within a reasonable period of time'*. We take each of these requirements into account in providing our assessment of potential development sites.
- 10.37 It is clear, given the level of comparison sector floorspace capacity that we have identified across the District - particularly in the early part of the study period - and the relatively limited operator demand in most of the District's centres, that Malton is the only market town in the District where there is a need to identify opportunities for further comparison retail development in the short to medium term. Even in the longer term to 2015, it is unlikely that there will be a need to identify opportunities for significant comparison sector development in centres other than Malton.
- 10.38 Against this background, we confine our search for comparison development opportunities to Malton. For each site we specify the current sequential test status (town centre, edge-of-centre or out-of-centre), and the potential sequential test status⁴⁵. It is important to note that the distance threshold for the purposes of the 'edge-of-centre' definition is *'within easy walking distance (i.e. up to 300 metres) of the primary shopping area'* for retail use, and *'within 300 metres of a town centre boundary'* for all other main town centre uses (as set out in Table 2 of Annex A of PPS6).
- 10.39 As we have demonstrated, the scale of qualitative and quantitative need in the convenience sector is not so pressing as to justify an assessment of potential sites in this report. Whilst there may be scope for some additional convenience sector floorspace - particularly under the increased retention scenario - the floorspace requirements, even under the increased retention scenario, are relatively modest. The District Council should therefore consider applications for new convenience floorspace on their individual merits, in accordance with the sequential approach to site selection; moreover, any proposed new foodstore in any part of the OCA would have to be of an appropriate scale.

Consideration of Development Opportunities

Cattlemarket Site (Horsemarket Road, Malton)

- 10.40 The Cattlemarket Site is situated immediately adjacent to the western extremity of Malton's 'Town Centre Commercial Limits' boundary (adopted Local Plan), and is therefore edge-of-centre for the purposes of the PPS6 sequential test. The site is relatively large and includes cattle 'gates', a large shed, and smaller adjacent buildings. As such it is relatively flat and free of built development.

⁴⁵ Whilst a site may currently be in an edge-of-centre location, appropriate development may result in the site becoming an effective part of the town centre. Similarly, sites that are currently in out-of-centre locations can be made to function as edge-of-centre, for instance if accessibility improvements are implemented that improve linkages between the site and the town centre.

- 10.41 The lease on the livestock market expires in 2008, and we understand that there is a possibility that the market will relocate (within the Malton area). If the market was to relocate, then one possibility would be to move some or all of the car parking from the centre of Malton (around Market Place) to the site, to improve the environment in the heart of the town centre.
- 10.42 Given the close adjacency of the site to the defined town centre, the site also appears to offer good potential for retail uses, perhaps as part of a mixed-use development. Further work would be required to establish the most suitable mix of uses for the site. Nevertheless, on the basis of our initial assessment, we consider that the site would be an appropriate location for a small number of unit shops to attract the type of comparison sector outlets that are presently missing from Malton's offer. We consider that the site's location, away from the town centre core, would be attractive to retailers such as Argos, particularly if car parking was made available as part of the development. Other potentially suitable uses for the site include residential and commercial leisure uses, and given the confirmed interest in Malton from discount foodstore operators, the Cattlemarket site may also offer potential for a small supermarket (although as we have already made clear, the need for further 'high street' comparison sector provision in Malton is more pressing than the need for convenience sector development).

Greengate Site, Malton

- 10.43 The Greengate site is located to the rear of the main shopping street in Malton (Wheelgate), immediately adjacent to the eastern extremity of the Town Centre Commercial Limits boundary, and as such the site is technically edge-of-centre. Whilst the area is well-related to the existing town centre core, it comprises a number of different sites in multiple ownership, and therefore site assembly would be required. Furthermore, we suspect that the telephone exchange - which is located within the site - may be difficult/expensive to relocate.
- 10.44 As such, whilst the Greengate site is in a good location, site assembly and redevelopment would be required. We therefore conclude that the site represents a less attractive opportunity than the Cattlemarket site.

Car Park, upper tier (Wentworth Street, Malton)

- 10.45 This Council-owned site is located approximately 160 metres to the north-east of the defined town centre, and is therefore edge-of-centre for the purposes of PPS6. On Tuesdays, the site is used as an overspill facility for an adjacent, surface-level public car park. We understand that there has been an application for a police station on the site, although the Council has not yet decided whether to permit the proposed development.
- 10.46 The key constraint to development at the site is significant access difficulties, caused by the site's peripheral location, to the rear of residential uses. This would appear to render the site unattractive to retailers, although we understand that there was interest in the site from a hardware retailer approximately 2-3 years ago; however, no planning application was submitted and there were no further enquiries.
- 10.47 Overall, we consider that the site may offer some potential for 'retail warehouse' uses, although this would be subject to implementation of a number of junction improvements in the town centre, and a consequent reduction in the volume of town centre traffic. Furthermore, whilst other car parks in Malton have greater usage, development of the Wentworth Street car park would nevertheless reduce the number of spaces available in the wider town centre area. This potential implication would therefore have to be taken into account in considering the merits of any proposals for the site.

Pasture Lane Field (Pasture Lane, Malton)

- 10.48 Pasture Lane Field is located to the north of Malton town centre, immediately adjacent to the Showfield Lane Industrial Estate, and whilst the site is quite close to Malton town centre, it is technically out-of-centre in terms of the PPS6 definition⁴⁶. In effect the 'opportunity' is a small section/corner of an undeveloped field, designated in the Local Plan as a 'Visually Important Undeveloped Area'. Despite that designation, the sloping land which forms the bulk of the land to the rear of the 'site' is more environmentally sensitive and of greater landscape value. The south-east corner of the field, which currently serves as pasture land, could therefore be a potential development opportunity. The site is flat and mainly comprises a field edged by trees and shrubbery.
- 10.49 The Pasture Lane site may be a possible location for the relocation of the livestock market, thereby allowing the market to remain close to Malton town centre, although we note that it is relatively difficult to access, particularly for the types of vehicles that would visit a livestock market. The relocation of the livestock market from the town centre might result in a reduction in spin-off trade for some town centre businesses. However, we consider that this is likely to be offset by the reduction of town centre congestion on market days, which might actually make the town centre more attractive to shoppers and other visitors, particularly if the Cattlemarket site was redeveloped to provide 'high street' comparison retail uses.
- 10.50 In our assessment, a proposal for a livestock market in an out-of-centre location would not need to be considered against the sequential test, or any of the other development control tests set out in Section 3 of PPS6. The introduction to Section 3 of PPS6 states (paragraph 3.1) that the considerations which should be taken into account by LPAs in determining applications relate to all proposals for '*main town centre uses*'. Whilst the current market is a substantial facility in a town centre location, livestock markets are not one of the '*main town centre uses*' defined under paragraph 1.8 of PPS6⁴⁷. Instead, an application for a livestock market at Pasture Lane would need to be considered against the provisions of the development plan.
- 10.51 Alternatively, the land may represent a possible opportunity to accommodate the relatively large floorspace requirements of a non-food retail warehouse development, although given the out-of-centre location of the site, any applicant would have to demonstrate that the floorspace could not be accommodated in sequentially preferable locations.

Travis Perkins Site (Off Yorkersgate, Malton)

- 10.52 This site is located within the south-western part of the defined Malton town centre, and comprises a vacant warehouse with associated out-buildings. The site is owned by the Malton Fitzwilliam Estate, which we understand favours development of the site for non-retail uses.
- 10.53 The site is constrained in a number of ways. The warehouse is a listed building. The additional buildings on the site adjoin the listed building, with the result that all of the properties must abide by listed building regulations.
- 10.54 The River Derwent flows to the immediate south of the site. The site could provide a suitable location for bar/leisure type uses adjacent to the river, to maximise the potential of the River Derwent as an asset. Any development at the site could potentially incorporate a riverside walk.

⁴⁶ The site is approximately 550 metres from the northern-most tip of the defined Town Centre Commercial Limits boundary (route by foot or by vehicle, rather than the actual linear measurement).

⁴⁷ The '*main town centre uses*' are defined as: retail; leisure, entertainment and the more intensive sport and recreation uses; offices; and arts, culture and tourism facilities. In our assessment, none of these categories covers livestock markets, which we consider are almost certainly *sui generis*.

- 10.55 A surface car park is located adjacent to the site, which if incorporated with the Travis Perkins site would form a larger area of opportunity, with a wider river frontage. The car park is on a different level to the Travis Perkins site (being 1-2 metres lower). To incorporate the car park into the site, the area would be likely to require redesigning and engineering works. Furthermore, development of the car park would have implications for car parking in the town centre, which already suffers from congestion. The key constraint affecting the site's development potential is the difficult access onto and from Yorkersgate, a road which is often congested.
- 10.56 Overall, whilst the site's riverside setting does provide good potential for development, and might be attractive to pub/bar and other commercial leisure operators, we do not consider that the site is likely to prove very attractive to retailers given its location some distance from the core of the town centre, and the constraints outlined above.

Bus/Rail Interchange (Norton Road, Malton)

- 10.57 The area around the existing bus and rail stations is located to the south of the defined Malton town centre, and is edge-of-centre for the purposes of PPS6. The land is currently in a mix of uses and ownerships, including some vacant yards and business units that are reportedly trading well, and which have long leases. In this context, and given the site's location south of the River Derwent, we consider that, whilst the site is quite close to Malton town centre, it is unlikely to prove attractive to mainstream 'high street' retailers. The site may be more attractive to 'retail warehouse' operators, although the land ownership issues would still need to be overcome.

Woolgrowers Site (West of Welham Road, Malton)

- 10.58 The 12ha Woolgrowers site stretches westwards from Welham Road, with the railway line forming its northern boundary and Park Road the southern boundary. It is currently out-of-centre in PPS6 terms⁴⁸. Much of the site is currently occupied by two derelict factories, while the centre of the site is used as a bowling green and some small workshops. The eastern part of the site is an agricultural holding and there are some commercial premises along Welham Road. As such the area is principally brownfield, with some areas of greenfield. The site is jointly owned, amongst others, by the Fitzwilliam Estate, Harrison Developments and Bisca Developments Limited, and these interests have formed a consortium to promote the comprehensive development of the land.
- 10.59 The site is constrained by the railway line running along its northern boundary, and the series of Victorian Villas running along its southern boundary. Access to the site is currently only available from Park Road, which has vehicular capacity to support only limited additional development. The site is also constrained by its susceptibility to flooding and difficulties with surface water drainage; nature conservation issues; problems faced by the loss of agricultural land; contamination issues; the substantial infrastructure costs involved in creating new access/highways; and by the landscape and ecological impact of any new link road and river crossing.
- 10.60 Work undertaken by Nathaniel Lichfield has suggested a mixed-use redevelopment of the site, including residential and public open space. Retail did not form part of the proposed mix of uses. However, given the site's size - and in the context of the difficulties associated with developing traffic-generating uses within/adjacent to the already congested Malton town centre - we consider that the site also offers potential for retail development, especially non-food retail warehousing, as part of a comprehensive development.
- 10.61 Large scale development of the site appears to be dependent upon the provision of a new access road into the site from York Road. Access to the site is currently difficult (via the Malton/Norton level crossing), and any redevelopment of the site may need to

⁴⁸ The site is approximately 500 metres from the southeastern-most tip of the defined Town Centre Commercial Limits boundary (route by foot or by vehicle, rather than the actual linear measurement).

incorporate a relief/link road. If a new bridge/footpath could be provided over the railway line, the site would then be a 5-10 minute walk from Malton town centre. The site also lies in close proximity to Malton/Norton train station, and thus is favourable on sustainability grounds.

- 10.62 A prominent developer is said to be interested in the site. It is unclear whether the developer would be willing to (part) fund the cost of the relief/link road.

Sheepfoot Hill (Sheepfoot Hill/Castlegate, Malton)

- 10.63 This site is situated to the east of the defined Malton town centre, in an edge-of-centre location, and comprises two distinct elements. A small section of the site lies to the west of Castlegate (and is known as the Taylor & Brown site), while a larger section is located to the east of Castlegate. The Malton/Norton River-Rail Corridor Study of 2004 suggested that the occupiers of the industrial building on the Taylor & Brown site may be considering relocation. The larger part of the site to the east of Castlegate is in a variety of uses, with up to 13 tenancies. The former gas works lies unused although several businesses are operating from other parts of the site.

- 10.64 Given the multiplicity of ownerships and occupation, site assembly and relocation of tenants would be required. The site is also constrained to an extent by its location within the Malton Conservation Area. Some additional constraints include contamination issues, particularly in relation to the former gasholder site; the proximity of the site to the listed Castlegate Bridge; the presence of adjoining residential properties; the potential risk of flooding at the site; highways congestion and air quality problems; and the possible need for archaeological investigations in the area.

- 10.65 Notwithstanding these development constraints, the Corridor Study consultants considered that the site (particularly the smaller Taylor & Brown section) has potential for residential development. The site is well located for central facilities and does offer potential for the upgrading of the riverside frontage. Restaurant/bar accommodation is a further potential use posited by the consultants.

- 10.66 Whilst the site is close to the town centre, it is somewhat divorced from it, and is even further from Norton town centre. In this context we consider that it is unlikely to prove attractive to the retail market, and we agree with the conclusion in the Corridor Study that non-retail uses, possibly including residential and/or food and drink uses, would be more appropriate at the site.

Summary of Development Opportunities

- 10.67 Table 10.3 provides a summary of our initial assessment of opportunities for retail development within/near to Malton town centre. Further inspection of the sites and more detailed consideration of their development potential would have to be undertaken in order to provide a definitive assessment of the most appropriate uses/mix of uses for the sites.
- 10.68 Applicants proposing retail development in edge-of-centre or out-of-centre locations will have to demonstrate that their proposed scheme will not result in an unacceptable impact on any defined centre, in accordance with the requirements set out in paragraph 2.56 of PPS6.

Table 10.3 Summary of Initial Assessment of Potential Development Opportunities

Site	Issues	Current Sequential Location	Potential Sequential Location	Assessment of Potential for Retail
Cattlemarket	<ul style="list-style-type: none"> • Good location • Flat site with few built structures • Lease will expire in 2008 	Edge of centre	Town centre	Excellent opportunity for retail uses, including 'high street' type comparison sector development
Greengate	<ul style="list-style-type: none"> • Multiple ownerships • Telephone exchange • Assembly and redevelopment implications 	Edge of centre	Town centre	Offers good potential for retail, in location terms. However, constraints are likely to restrict the site's commercial attractiveness
Car park (upper tier), Wentworth Street	<ul style="list-style-type: none"> • Flat, undeveloped • Significant access constraints; would also result in loss of parking • Located to rear of residential 	Edge of centre	Edge of centre	Likely to appeal only to retail warehouse operators, and only if access constraints can be overcome
Pasture Field Lane	<ul style="list-style-type: none"> • Greenfield site • Environmentally sensitive • Flat (only in SE corner) • Access constraints 	Out of centre	Out of centre	May offer potential for retail warehouse uses. However, other opportunities may be preferable, and the Pasture Lane site may be an appropriate location for a relocated livestock market, which would free up a sequentially preferable site adjacent to the town centre
Travis Perkins	<ul style="list-style-type: none"> • Owner known to favour alternative (non-retail) uses • Listed buildings • River frontage • Significant access constraints 	Town Centre	Town Centre	Unlikely to prove attractive to the retail market. Other uses may be more realistically achievable (potentially including riverside bars/restaurants)
Bus/Rail Interchange	<ul style="list-style-type: none"> • Mix of uses/ownerships • Long leases • South of River Derwent 	Edge of centre	Edge of centre	May have some potential for retail warehouse uses, but other uses likely to prove more commercially attractive
Woolgrowers	<ul style="list-style-type: none"> • Extensive site • Privately owned • Significant access constraints • Relief/link road may be required (significant cost) • Nature conservation and agricultural land issues • Contamination and flood plain issues 	Out of centre	Edge of centre	May offer potential for retail warehouse uses as part of comprehensive mixed-use development, particularly if a new bridge/footpath link across the railway line could be provided
Sheepfoot Hill	<ul style="list-style-type: none"> • Multiple ownerships/tenancies • Contamination and conservation issues • Close to residential 	Edge of centre	Edge of centre	Unlikely to prove attractive to retailers. Alternative uses more realistically achievable, (potentially including riverside bars/restaurants)

Summary of Key Recommendations

- 10.69 Our study has identified sufficient expenditure availability to support additional convenience and comparison floorspace capacity across the OCA as a whole. For the convenience sector, we recommend that the District Council's policy aspiration should be to increase the level of expenditure that is collectively retained by centres and stores located within the OCA, which is currently low at 63 per cent. Our increased retention scenario forecasts indicate capacity for between 15,500 sq.ft and 28,400 sq.ft of additional floorspace by the end of the study period (2015). We do not consider that the scale of qualitative or quantitative need is so pressing as to warrant specific allocations for new convenience sector floorspace although, as we have indicated, the development of one or more discount supermarkets - and/or the extension of an existing store - would be desirable from the point of view of increasing the OCA's retention rate. Policies in the LDF could proactively encourage such development. Any individual proposals should be judged on a localised assessment of the quantitative need in a particular part of the OCA, in accordance with a careful application of the sequential approach.
- 10.70 In the comparison sector, we forecast sufficient expenditure availability to support additional comparison sector sales floorspace up to 2015 in the range 1,960 sq.m (21,100 sq.ft) under the 'static retention' scenario, to 7,200 sq.m (77,500 sq.ft) under the 'increased retention' scenario. Given that the aggregate comparison retention level for all centres and stores within the OCA is currently only 25 per cent, we recommend that the uplift scenario should be the policy aspiration target.
- 10.71 Thus, we consider that the District Council should take a proactive approach to planning for new comparison retail development in Malton as the District's main town in order to accommodate the level of development necessary to increase expenditure retention and maintain or improve Malton's position in the wider sub-regional hierarchy. Opportunities for retail development within the existing town centre are, however, very limited; existing vacant units do not appear to be ideally suited to the needs of operators that have a confirmed interest in Malton, since they are typically small and historic in nature.
- 10.72 We therefore recommend that the Council should give careful consideration to the potential for accommodating a limited amount of new comparison retail development through an expansion of the existing town centre, to include a mix of unit sizes. Reflecting the research undertaken for this study we consider that there should be some units with a minimum floorplate of 2,500 sq.ft (230 sq.m); and other units with a minimum size of 4,000 sq.ft (370 sq.m), including at least one larger unit of around 14,000 sq.ft (1,300 sq.m) gross.
- 10.73 On the basis of our initial assessment of potential development sites, we consider that the Cattlemarket site may be the most sequentially preferable opportunity for accommodating new units suited to the operational requirements of modern retailers. The site is suitable and viable for retail development by virtue of its location, and is likely to become available '*within a reasonable period of time*'. On this basis we strongly recommend that the Council should fully explore the potential of the Cattlemarket site, so as to determine the most appropriate mix of uses, potential sites for relocating the livestock market to, the investment market's view of the site, and so on.
- 10.74 The scale of comparison sector floorspace capacity - particularly in the longer term period to 2015 - indicates that there is scope for some 'retail warehouse' retail provision, in addition to a limited number of the 'high street' type units as described above. Such a facility would enable Ryedale to better meet the needs of local residents, and would go some way towards clawing back expenditure on DIY goods that is presently lost to centres and stores located outside of the OCA boundary.

- 10.75 We are aware of strong interest in Malton from at least one retail warehouse retail operator for an outlet of around 20,000 sq.ft. The operator's agent also indicated a requirement for an ancillary garden centre of around 8,000 sq.ft, as well as associated car parking. Requirements of this scale will be difficult to accommodate in town centre or edge-of-centre locations, although as with all retail proposals, any applicant seeking retail development at an out-of-centre site would have to demonstrate that no sequentially preferable opportunities exist. Again, as with the Cattlemarket site and so as to help ensure that the strong operator interest is translated into new floorspace in the District, we recommend that the Council should fully explore the potential for retail warehouse development at the Woolgrowers site - which we consider probably offers the best potential for retail warehouse floorspace - as well as other sites that appear to offer some potential, such as the Wentworth Street car park site.
- 10.76 We acknowledge, however, that there are substantial constraints to bringing forward the Woolgrowers site as envisaged, and that the Wentworth Street car park site is also affected by significant constraints. Should more detailed work demonstrate that the constraints are unlikely to be overcome in the foreseeable future, then, given the quanta of floorspace requirements that we have identified and the desirability of increasing the OCA's comparison sector retention rate, we consider that the Council might need to widen the area of search for sites. In these circumstances, then it would be desirable for new retail warehouse floorspace to be developed in locations that are well-served by public transport, and which are adjacent to existing uses, so as to maximise the potential for linked trips.
- 10.77 Any surplus comparison sector floorspace capacity - over and above the development that we recommend should be treated as a priority by the District Council - should be directed to existing town centres in accordance with a criteria-based approach.

