

Report to Sustainable development panel
25 November 2015

Item

5

Report of Head of planning service
Subject Retail Monitor 2015

Purpose

To report the findings of the 2015 Norwich Retail Monitor.

The Retail Monitor is the council's monitoring report advising of vacancy rates and changes of shop type across the city. Monitoring ensures that the council can measure the implementation of policies on retail monitoring and consider whether to implement them in a more flexible manner taking into consideration market demands and trends.

Recommendation

To note the findings of the 2015 Retail Monitor.

Corporate and service priorities

The report helps to meet the corporate priority A prosperous and vibrant city and the service plan priority to implement the local plan for the city.

Financial implications

None directly

Ward/s: All wards

Cabinet member: Councillor Bremner – Environment and sustainable development

Contact officers

Lara Emerson, planner (policy) 01603 212500

Mike Burrell, planning team leader (policy) 01603 212525

Background documents

None

Report

1. This report presents the findings of the 2015 Retail Monitor.
2. The Retail Monitor is the council's monitoring report advising of vacancy rates and changes of shop type in the city. Monitoring ensures that the council can assess the implementation of its retail policies and gauge their effectiveness.
3. The monitor is based on a survey of the city's retail offer carried out in September 2015. This report updates members from the last monitor produced in June 2014.
4. The National Planning Policy Framework (NPPF) states in paragraph 23 that planning policies should be "positive, promote competitive town centre environments, ... provide for customer choice and a diverse retail offer, and reflect the individuality of town centres".
5. The Joint Core Strategy (JCS) was adopted in March 2011, with amendments adopted in January 2014 by the three local planning authorities in the Greater Norwich Development Partnership (GNDP). The plan covers the period from 2008 to 2026.
6. Policy 11 of the JCS for Norwich city centre states that its regional centre role will be strengthened and that the retail, cultural and leisure facilities offered in the city will be expanded and enhanced through intensification of retail uses in the primary retail area and its expansion if necessary. The policy also promotes the strengthening of specialist shopping areas in secondary areas of the city centre.
7. Policy 19 promotes the strengthening of the large district centres (LDCs) at Anglia Square/Magdalen Street/St. Augustine's and at Riverside, which are at the second level of the retail hierarchy headed by the city centre. The essential role of district and local centres in meeting everyday shopping needs is also supported.
8. The *Development management policies local plan* adopted in December 2014 provides the detail to enable the strategic aims above to be implemented and to protect the vitality and viability of centres. This is done through policies which apply specific thresholds in different retail areas of the city for the percentage of retail uses as opposed to other leisure and service uses typically found in centres, in particular through Policy DM20 and Policy DM21 of the plan.
9. These policies are also supported by the *Main town centre uses and retail frontages supplementary planning document* which was adopted concurrently with the plan.
10. The *Norwich city centre shopping floorspace monitor and local and district centres monitor* (September 2015) is attached as Appendix 1. The main findings of the monitor are that:
 - a) Vacant floorspace in the city centre has risen to 4.9% from 2014's figure of 4.2%;

- b) Vacant units in the city centre have fallen slightly to 11.1% from 2014's figure of 11.3%;
 - c) The percentage of vacant units is highest in the primary area (14.1%) but this figure is affected by the refurbishment works going on at Castle Mall;
 - d) Most of the primary area retail frontage zones are performing well in terms of their retail function (the proportion of shops being similar to or higher than 2014) except PR01: Back of the Inns/Castle Street and PR02: The Lanes East (Bedford St/Bridewell Alley) which have shown a reduction in the proportion of shops in the retail frontage since 2014;
 - e) Retail vacancies have increased slightly in the secondary retail areas and the large district centres since 2014, but the vacancy rates are low when compared with the situation at the start of the plan period in 2008;
 - f) The rest of the city centre (streets outside the defined areas) has shown the most improvement with vacancy rates having fallen greatly since 2014 and across the whole plan period. This suggests that previously less well-supported shopping streets are growing in popularity with retailers;
 - g) Vacancy rates in the nine existing district centres have increased on average from 4.4% to 6.8% since 2014; and
 - h) Vacancy rates in the 28 local centres have increased on average from 6.1% to 7.2% since 2014. However, the district and local centres continue to be relatively robust and to offer an appropriate range of local services and facilities, with small food stores being most important to their success.
11. Overall the retail performance across the City appears to be relatively stable. The changes identified do not appear to be especially significant or indicative of longer term trends.
12. The government has recently made a substantial number of changes to permitted development rights, many of which affect A1 retail space. As such, smaller A1 retail units can change to other uses (such as professional and financial services, residential, leisure, restaurants and schools) on a permanent or temporary basis with either no planning permission or prior approval only required. Shopping areas are therefore at risk of losing smaller retail units with the council having little or no control over these losses. The impact of these changes will need to be kept under review in future monitors.
13. It is therefore important that the council investigates other possible ways to cultivate and support the retail offer of Norwich. One such possibility would be to develop a City Centre Strategy, with the assistance of other interested parties such as the Business Improvement District (BID) and other interested stakeholders. Such a strategy would need to consider additional ways to bolster the city's retail offer.



Norwich City Centre Shopping Floorspace Monitor and Local & District Centres Monitor



Survey of September 2015

Contents

<u>Introduction</u>	7
<u>Main Findings</u>	9
<u>City Centre Overview</u>	9
<u>The Primary Area: Retail Vacancy</u>	12
<u>The Primary Area: Retail Frontages</u>	14
<u>The Secondary Area</u>	16
<u>Large District Centres</u>	18
<u>Rest of the City Centre</u>	20
<u>District and Local Centres</u>	22
<u>Conclusions</u>	28
<u>Supporting Maps</u>	29
<u>Contact Information</u>	33

Introduction

Policy background

1. The National Planning Policy Framework (NPPF) states in paragraph 23 that planning policies should be “positive, promote competitive town centre environments... provide for customer choice and a diverse retail offer, and reflect the individuality of town centres”.
2. The Joint Core Strategy (JCS) was adopted in March 2011, with amendments adopted in January 2014 by the three local planning authorities in the Greater Norwich Development Partnership (GNDP)¹, since superseded by the Greater Norwich Growth Board (GNGB). The plan covers the period from 2008 to 2026.
3. Policy 11 of the JCS for Norwich city centre states that its regional centre role will be strengthened and that the retail, cultural and leisure facilities offered in the city will be expanded and enhanced through intensification of retail uses in the primary retail area and its expansion if necessary. The policy also promotes the strengthening of specialist shopping areas in secondary areas of the city centre.
4. Policy 19 promotes the strengthening of the large district centres (LDCs) at Anglia Square/Magdalen Street/St. Augustines and at Riverside, which are at the second level of the retail hierarchy headed by the city centre. The essential role of district and local centres in meeting everyday shopping needs is also supported.
5. The adopted Development management policies local plan (the DM plan) provides the detail to enable the strategic policies above to be implemented and to protect the vitality and viability of centres. In particular, policies DM20 and DM21 aim to protect retail function by managing the proportion of shops - as opposed to other services and facilities - in defined city centre shopping frontages (policy DM20) and suburban shopping areas (policy DM21). In both cases local policies seek to ensure that proposals for change of use will not result in the proportion of shops falling below a specified minimum level.
6. For the city centre retail frontages the applicable minimum thresholds for policy DM20 are set out in a separate supplementary planning document (the *Main town centre uses and retail frontages SPD*, adopted in December 2014). For district and local centres the thresholds are set out in policy DM21.
7. The government has incrementally increased permitted development rights and as such there is now the flexibility to change shops to a variety of different uses – both on a temporary basis through the prior notification procedure and permanently – without the need for planning permission. Of particular impact

¹ The GNDP is made up of Broadland District Council, Norwich City Council and South Norfolk Council, working in partnership with Norfolk County Council and the Broads Authority

is the removal of the need for planning permission for change of use from A1 retail to A2 professional services (i.e. banks). Largely uncontrolled changes between shops, banks and other financial/professional services. These measures are undoubtedly helpful to encourage new uses into underperforming centres but they also make it increasingly difficult for local planning policy to influence directly the mix of uses in a centre, or prevent the incremental loss of shops in comparatively prosperous city centres such as Norwich where it is important to retain them.

8. This document presents the results of the most recent survey of the city centre and district and local shopping centres. It provides monitoring details for 2014/2015 on these thresholds and on retail vacancy rates. This monitoring data is used both to assess the performance of policies and to assist their implementation.

Norwich: An Overview

9. Norwich city centre is a thriving retail and visitor destination in terms of retail spend and attractiveness and has maintained its position as 13th best performing retail centre nationally (source: CACI). The city centre is the most accessible and sustainable location in the greater Norwich area for retail, leisure, office, cultural and tourism related development.
10. Retail uses are critical in underpinning the city centre's continued vitality and viability. However, an appropriate diversity of other town centre uses such as restaurants, cafés, financial services, leisure and cultural uses and offices help to support the economic vitality and health of the city centre for people of all ages throughout the day and evening.
11. Regular monitoring of change in retail frontages ensures that any thresholds applied remain relevant and necessary. The survey data reported here was collected in September 2015. The data reported is based on the frontages as defined in appendix 4 of the Development management policies plan.

Main Findings

City Centre Overview

12. The situation is fairly stable with regard to retail vacancies in comparison to the vacancy rate in Norwich in recent years. The vacancy rate in Norwich is positive when considered against the national picture.
13. The vacant available *floorspace* in the city centre as a whole is 4.9%, a rise from 2014's figure of 4.2%. This has reduced significantly from the worst figure in the plan period of 12.4% in 2010. The current figure of 4.9% makes 2015 the second best year for retail vacancy since 2008.
14. The percentage of vacant *units* has fallen to 11.1% which is the second best figure in the plan period and compares favourably to a national city centre average of 11.7% (Local Data Company, September 2015). Direct comparison with national rates is difficult due to methodological differences between surveys.
15. Overall retail floorspace in the city centre has decreased marginally by 0.4% since April 2014 with a number of smaller units being lost to other uses such as cafes and restaurants, professional services and, in a small number of cases, residential. An increase in the number of cafes and restaurants has been particularly apparent in the primary and secondary shopping areas since our last audit in April 2014. This change is not contrary to the aims of local policy, though, since the Joint Core Strategy for Broadland, Norwich and South Norfolk (JCS) identified that at least 3000m² additional café, restaurant and bar development should be provided in the city centre by 2016. This target has already been substantially exceeded. This continuing trend toward diversification of uses in the main shopping areas reflects wider trends observed in retailing generally. JCS policy 11 promotes hospitality uses throughout the city centre particularly where it helps to expand the evening economy and increase activity in the main retail areas outside regular trading hours.
16. There has been a 2.4% decrease in retail floorspace since the start of the plan period. Although this runs counter to the aims of JCS policy 11 (to increase the amount of retailing in the city centre), it is in support of the policy's aim to increase other uses such as the early evening economy, employment and cultural and visitor functions to enhance vitality and viability.
17. Westlegate Tower is a recent (predominantly residential) development within the city centre. A policy requirement for active frontages in this location has secured additional retail space and, as such, Timberhill and Westlegate have gained retail frontage to add to their vitality. Westlegate is soon to be pedestrianised which is expected to add further to its attractiveness and result in further reduced vacancy rates.

18. The level of floorspace growth promoted by JCS policy 11 was based on assumptions in a 2007 study and the retail market has changed radically since then. A 2.4% loss in retail floorspace is nevertheless considered favourable against the national picture. An updated retail study to assess Norwich's current retail needs is an early priority to inform a JCS review.
19. Recent figures from the Norwich Business Improvement District (BID) report that the shopping centre is experiencing an increase in footfall and that there are a number of major retailers looking to open new stores in the city.
20. Table 1, below, provides city centre overview data on retail floorspace, enabling comparison over the time period of the plan.

Table 1: Norwich city centre – provision of A1 retail floorspace (totals) (sqm net)

	All	Trading	Vacant	Under construction/ Refurbishment
Retail floorspace (use class A1)				
September 2015	223,762	210,509	11,028	2,225
April 2014	224,653	213,652	9,513	1,488
August 2013	224,109	208,779	11,849	3,481
January 2011	227,377	203,948	21,035	2,394
July 2010	227,949	198,379	28,315	1,255
January 2010	228,432	206,379	21,810	243
July 2009	229,509	208,674	20,579	256
July 2008	229,120	213,902	14,248	970
Retail units (use class A1)				
September 2015	1020	908	103	10
April 2014	1048	930	107	11
August 2013	1054	936	97	21
January 2011	1067	949	108	10
July 2010	1070	938	121	11
January 2010	1079	948	126	5
July 2009	1086	955	128	3
July 2008	1084	967	109	8
Retail vacancy rate (use class A1)				
	As a proportion of all retail floorspace (Vacant + Refurbishment) / All x 100)	As a proportion of retail floorspace excluding space being built or refitted (Vacancy / All x 100)	As a proportion of all retail units (Vacant + Refurbishment) / All x 100)	
September 2015	5.9%	4.9%	11.1%	
April 2014	4.9%	4.2%	11.3%	
August 2013	6.8%	5.3%	11.2%	
January 2011	10.3%	9.3%	10.1%	
July 2010	13.0%	12.4%	11.3%	
January 2010	9.7%	9.5%	11.7%	
July 2009	9.1%	9.0%	11.8%	
July 2008	6.2%	6.2%	10.0%	
Overall retail floorspace change				
Since April 2014	Decreased by 891 sqm (0.4% decrease)			
Since July 2008	Decreased by 2.4%			

The Primary Area: Retail Vacancy

21. The extent of the primary area, containing the malls and main comparison goods stores, is shown on Map 1. The boundaries have changed marginally over time to reflect changes, so direct comparison with previous years is not always possible.
22. The *floorspace* vacancy rate is 5% in the primary retail area. This is a significant decrease in vacant floorspace from the peak vacancy rate of 11.7% in 2010, but is marginally higher than the rate of 3.7% at the start of the plan period in 2008.
23. The current vacancy rate for retail *units* is 14.1%, the highest figure in the plan period. This negative trend, taking into consideration the reduction in the floorspace vacancy rates, implies that it is the smaller shops which are proving more difficult to let in the primary area. Changes to permitted development rights at a national level are intended to encourage a wider range of uses in smaller vacant shops, although there has been little evidence of a widespread take up of these rights in the primary area, so this is potentially an issue related to rental values.
24. The figures have been affected by the fact that Castle Mall is currently undergoing a comprehensive refurbishment. Many of the units are currently being refitted and are expected to be occupied in the near future.
25. Some current and imminent works are expected to have a positive effect on vacancy rates in the Primary Area. Such works include the pedestrianisation of Westlegate and the refurbishment of parts of Castle Mall. As such, vacancy rates may be lower in the long term.
26. Table 2 provides retail floorspace data for the primary area.

Table 2: Primary shopping area (excluding Riverside from 2013 onwards as removed by JCS Adoption in March 2011) – A1 retail floorspace (sqm net)

	All	Trading	Vacant	Under construction/ refurbishment
Retail floorspace (use class A1)				
September 2015	155,139	145,445	7,711	2,017
April 2014	155,884	149,059	5,865	960
August 2013	152,497	141,705	9,382	1,410
January 2011	173,789	157,817	13,967	2,005
July 2010	174,252	153,199	20,448	605
January 2010	174,525	160,541	13,909	75
July 2009	175,256	162,962	12,294	0
July 2008	175,028	168,511	6,434	83
Retail units (use class A1)				
September 2015	559	481	72	7
April 2014	579	499	74	6
August 2013	567	490	72	5
January 2011	574	524	45	5
July 2010	576	513	58	5
January 2010	578	524	53	1
July 2009	581	524	57	0
July 2008	584	537	46	1
Retail vacancy rate (use class A1)				
	<i>As a proportion of all retail floorspace (Vacant + Refurbishment) / All x 100)</i>	<i>As a proportion of retail floorspace excluding space being built or refitted (Vacancy / All x 100)</i>	<i>As a proportion of all retail units (Vacant + Refurbishment) / All x 100)</i>	
September 2015	6.3%	5.0%	14.1%	
April 2014	4.4%	3.8%	13.8%	
August 2013	7.1%	6.2%	13.6%	
January 2011	9.2%	8.0%	7.8%	
July 2010	12.1%	11.7%	10.1%	
January 2010	8.0%	8.0%	9.2%	
July 2009	7.0%	7.0%	9.8%	
July 2008	3.7%	3.7%	7.9%	

The Primary Area: Retail Frontages

27. Policy DM20 divides the primary area into a number of smaller 'frontage zones' (as defined on the policies map and as identified in appendix 4 to the DM policies plan). The retail threshold applicable in each of these areas is set within the Main town centre uses and retail frontages Supplementary Planning Document (December 2014).
28. Changes to the percentage of A1 retail in these retail frontages over the past year have been mixed. None of the frontages have dropped below their minimum thresholds as set out in the Main town centre uses and retail frontages Supplementary Planning Document (December 2014). Overall the retail frontages appear healthy.
29. The percentage of A1 retail frontage within the primary retail area core frontage zones has remained unchanged.
30. The percentage of A1 retail frontage within all of the frontage zones within the rest of the primary retail area is well above the minimum thresholds.
31. The percentage within two of the frontage zones (PR01 and PR02) has fallen since 2014. This is due to a number of changes of use from retail to cafés and restaurants.
32. The percentage in another two of the frontage zones (PR03 and PR06) has risen since 2014. This is due to the redevelopment of Westlegate House which includes some new retail units at ground floor.
33. Table 3 provides data on the percentage of retail uses in the primary area retail frontage zones in September 2015.

Table 3: Primary Area Retail Frontage Zones - Retail frontages in September 2015

Frontage zone ²	Total frontage (m)	Total non-retail frontage (Sept 15)	% A1 retail Sept 2015 (frontage)	% A1 retail Apr 2014 (frontage)	Minimum threshold (from 2014 SPD)
<i>Primary retail area core frontage zones</i>					
PC01: Gentleman's Walk/ Haymarket/Brigg Street	872.9	101.4	88.4%	88.4%	80%
PC02: Castle Mall (Levels 1 & 2)	875.1	38.3	95.6%	95.6%	80%
PC03: Chapelfield, upper & lower Merchants Hall and St Stephens Arcade	686.0	19.5	97.2%	97.2%	80%
<i>Frontage zones in the rest of the primary retail area</i>					
PR01: Back of the Inns/Castle Street area	729.6	215.5	70.5%	71.9%	65%
PR02: The Lanes east (Bedford Street/Bridewell Alley)	1145.9	231.9	79.8%	81.0%	70%
PR03: St Stephens Street/Westlegate	822.4	114.4	86.1%	85.2%	80%
PR04: Castle Meadow north	N/A ³				
PR05: Chapelfield Plain	N/A ⁴				
PR06: Timberhill/Red Lion Street	434.2	129.8	70.1%	69.3%	60%

² See Section 9 for definitions and maps.

³ There is no defined frontage in this zone

⁴ There is no defined frontage in this zone

The Secondary Area

34. Map 3 shows the extent of the secondary area.
35. In the secondary area the vacant *unit* rate is 6%, up from 4.3% in 2014. The *floorspace* vacancy rate in the secondary area is 2.7%, up from 1.2% in 2014. Nevertheless, 2014 had an exceptionally low vacancy rate so the 2015 figures compare favourably across the whole monitoring period and are significantly lower than the 2008 figures of 7.7% and 5.7% respectively.
36. The secondary area includes some streets which have seen significant improvements over the past few years. For instance, St Benedicts Street has seen a gradual transformation from lower value stores and a high vacancy rate, to a thriving street with low vacancy rates and a distinct character. It has benefited greatly from a recent influx of distinctive restaurants, café-bars and other specialist retailers making it a more lively area in the evening and adding to its traditional focus on alternative music and the arts.
37. The Retail and Leisure Topic Paper (2013) identified that “other shopping areas within the city centre should be strengthened to provide for retail diversity, with a particular focus on enhancing the character of specialist retailing areas and markets”.

Table 4: Secondary Shopping Areas - A1 retail floorspace (sqm net)

	All	Trading	Vacant	Under construction/ refurbishment
<i>Retail floorspace (use class A1)</i>				
September 2015	21,793	21,148	594	51
April 2014	21,958	21,569	273	116
August 2013	21,926	21,083	715	131
January 2011	17,785	16,612	878	295
July 2010	17,980	16,709	1,107	164
January 2010	18,076	16,788	1,189	99
July 2009	18,262	17,008	1,207	47
July 2008	18,167	17,604	1,022	81
<i>Retail units (use class A1)</i>				
September 2015	184	173	10	1
April 2014	185	177	5	3
August 2013	187	176	9	2
January 2011	190	174	13	3
July 2010	192	173	16	3
January 2010	194	173	18	3
July 2009	196	173	22	1
July 2008	194	176	15	3
<i>Retail vacancy rate (use class A1)</i>				
	<i>As a proportion of all retail floorspace (Vacant + Refurbishment) / All x 100)</i>	<i>As a proportion of retail floorspace excluding space being built or refitted (Vacancy / All x 100)</i>	<i>As a proportion of all retail units (Vacant + Refurbishment) / All x 100)</i>	
September 2015	3.0%	2.7%	6.0%	
April 2014	1.8%	1.2%	4.3%	
August 2013	3.9%	3.3%	5.9%	
January 2011	6.6%	4.9%	6.8%	
January 2010	7.1%	6.6%	9.3%	
July 2008	5.6%	5.7%	7.7%	

Large District Centres

38. Limited direct comparison in changes over the plan period is possible for the Large District Centres (LDCs) as there have been changes to the areas covered with the re-designation of Riverside. Map 4 shows the extent of the LDCs.
39. Vacant floorspace in the LDCs now stands at 3.2%. This is an increase on 2014's figure of 2.4%. The 3 monitors which have been produced since the re-designation of Riverside show an upward trend in vacancy rates but nevertheless 3.2% is still a very low figure.
40. Encouragingly, Riverside is fully let and notably successful but remains largely car-based despite being relatively close to the city centre. The routes to be established within the emerging St Annes Wharf development will pass through a new quarter of retail units and cafés creating improved walking, cycling and activity links between Riverside and the city centre. Permission has recently been granted for two small new retail units at Riverside, accepted because of their relatively low impact and an agreed contribution to sustainable transport improvements, as required by policy.
41. As a historically less well regarded and very marginal area, the vacancy rate in Magdalen Street, Anglia Square and St Augustines is very low in comparison to comparable fringe areas in other towns and cities and with vacancy rates early in the plan period. This centre has repositioned itself as a thriving area of speciality/ethnic retailers and restaurants. A new traders association has been established and the Magdalen Street Celebration events have been ongoing since 2010. This adheres to the recommendations within the Retail and Leisure Topic Paper (2013) which refers to "... specialist retail areas... in which the aim is to continue recent success by promoting smaller scale, independent retailers".
42. Anglia Square is under new ownership and as such, proposals for development are expected to emerge soon.

Table 5: Magdalen Street, St Augustines Street, Anglia Square & Albion Way (Riverside)⁵ – A1 Retail floorspace (sqm net) (including Riverside from 2013 onwards due to JCS adoption and re-designation)

	All	Trading	Vacant	Under construction/ refurbishment
Retail floorspace (use class A1)				
September 2015	32,353	31,237	1,047	69
April 2014	32,647	31,594	784	269
August 2013	32,602	31,256	301	1,045
January 2011	18,314	14,934	3,311	69
July 2010	18,218	14,947	3,202	69
January 2010	18,239	14,811	3,359	69
July 2009	18,289	15,049	3,031	209
July 2008	18,139	15,017	3,031	91
Retail units (use class A1)				
September 2015	139	129	9	1
April 2014	140	130	8	2
August 2013	77	67	7	3
January 2011	135	107	27	1
July 2010	134	109	24	1
January 2010	135	106	28	1
July 2009	136	112	22	2
July 2008	135	111	22	2
Retail vacancy rate (use class A1)				
	<i>As a proportion of all retail floorspace (Vacant + Refurbishment) / All x 100)</i>	<i>As a proportion of retail floorspace excluding space being built or refitted (Vacancy / All x 100)</i>	<i>As a proportion of all retail units (Vacant + Refurbishment) / All x 100)</i>	
September 2015	3.4%	3.2%	7.2%	
April 2014	3.2%	2.4%	7.1%	
August 2013	4.1%	1.0%	13%	
January 2011	18.5%	18.1%	20.0%	
July 2010	18.0%	17.6%	17.9%	
January 2010	18.8%	18.4%	20.7%	
July 2009	17.7%	16.6%	16.2%	
July 2008	16.7%	16.8%	16.0%	

⁵ Retail floorspace at Riverside is included in these statistics from August 2013 onwards, following removal of Riverside from the primary shopping area in the adopted JCS (March 2011) and its re-designation as a Large District Centre.

Rest of the City Centre

- 43. This area covers all shops within the city centre but not included in the defined areas discussed above.
- 44. There have been some boundary changes which were first reflected in the 2014 monitor. As such, the figures prior to 2014 are not directly comparable.
- 45. Vacancy rates in terms of both the number of units and percentages in the rest of the city centre have decreased significantly since 2014 as well as over the whole plan period. This shows that the less well-known shopping streets outside defined areas are performing particularly well with an increase in their retail offer. This could indicate that retailers are seeking out units with lower rents.

Table 6: Rest of city centre – A1 Retail floorspace (sqm net)

	All	Trading	Vacant	Under construction/ refurbishment
<i>Retail floorspace (use class A1)</i>				
September 2015	14,475	12,711	1,676	88
April 2014	14,164	11,430	2,591	143
August 2013	17,084	14,738	920	1,426
January 2011	17,400	14,495	2,880	25
July 2010	17,500	13,524	3,559	417
January 2010	17,593	14,240	3,353	0
July 2009	17,702	13,655	4,047	0
July 2008	17,786	13,310	3,761	765
<i>Retail units (use class A1)</i>				
September 2015	138	125	12	1
April 2014	144	124	19	1
August 2013	157	137	12	8
January 2011	168	144	23	1
July 2010	192	167	23	2
January 2010	172	145	27	0
July 2009	173	146	27	0
July 2008	171	143	26	2
<i>Retail vacancy rate (use class A1)</i>				
	<i>As a proportion of all retail floorspace (Vacant + Refurbishment) / All x 100)</i>	<i>As a proportion of retail floorspace excluding space being built or refitted (Vacancy / All x 100)</i>	<i>As a proportion of all retail units (Vacant + Refurbishment) / All x 100)</i>	
September 2015	12.2%	11.6%	9.4%	
April 2014	19.3%	18.3%	13.9%	
August 2013	13.7%	5.4%	12.7%	
January 2011	16.7%	16.6%	13.7%	
July 2010	22.7%	20.3%	12.0%	
January 2010	19.1%	19.1%	15.7%	
July 2009	22.9%	22.9%	15.6%	
July 2008	21.1%	22%	15.2%	

District and Local Centres

46. Policy DM21 of the Development management policies plan establishes A1 retail use thresholds of 60% for district centres and 50% for local centres.
47. Vacancy rates in district and local centres have increased from 2014 and are now 6.8% and 7.2% respectively. This follows the overall upward trend of vacancy rates within the city but is still at fairly healthy levels.

District Centres

48. Due to the establishment of large retail stores, two new district centres have been included in this year's retail monitor (DC08 & DC10 used to be local centres). As such, it is not possible to make direct comparisons with previous years.
49. Vacancy rates in the district centres have increased from 4.4% to 6.8% in the past year but 2014 was an exceptionally healthy year and this vacancy figure still remains relatively low. Out of the 190 units in the 9 district centres, 13 units are vacant.
50. The worst two performing district centres in terms of vacancy rates in 2013/2014 were DC06: Earlham House and DC05: Aylsham Road/Mile Cross. This year, vacancy rates within DC06 have increased from 11.8% to 17.6% which is surprising given the recent significant investment to the public realm. In contrast, the vacancy rate within DC05 has fallen from 8.7% to 4.5%.
51. The Dereham Road/Distillery Square district centre is the second worst performing centre with an 11.1% vacancy rate.
52. Two of the district centres (DC03: Eaton Centre & DC07: The Larkman) have no vacant units.
53. Of the 190 units in the district centres, the percentage of non-retail units is 42.1% which is very similar to the 2014 figure of 41.6%. Six of the nine active district centres have exceeded the 40% non-retail threshold set out in Development management policy DM21:
- a. DC01: Bowthorpe
 - b. DC03: Eaton Centre
 - c. DC04: Plumstead Road
 - d. DC05: Aylsham Road/Mile Cross
 - e. DC07: The Larkman
 - f. DC10: Sprowston Road/Shipfield
54. This compares poorly to 2014 retail monitor which identified four centres exceeding the threshold. However, many of these centres have non-retail percentages just over 40%, so in many cases it would just take one or two units changing to retail to satisfy the policy ambition.

55. A large supermarket is due to open very soon at the Hall Road district centre. This store, along with a number of smaller stores, will help to satisfy retail needs in this area.

Table 7: District Centres defined in the adopted Norwich Local Plan 2014

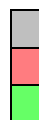
Ref No	Centre name	Total units	Vacant units	% vacant/ annual change	Non retail units	% non-retail	Commentary
DC01	Bowthorpe	17	1	5.9%	8	47.1%	
DC02	Drayton Road	15	1	6.7%	4	26.7%	
DC03	Eaton Centre	19	0	0.0%	10	52.6%	
DC04	Plumstead Road	31	1	3.2%	15	48.4%	1 unit lost
DC05	Aylsham Road/ Mile Cross	22	1	4.5%	10	45.5%	1 unit lost
DC06	Earlham House	17	3	17.6%	4	23.5%	
DC07	The Larkman	13	0	0.0%	6	46.2%	
DC08	Dereham Road/ Distillery Square	36	4	11.1%	14	38.9%	1 unit lost
DC09	Hall Road	<i>Under construction</i>					
DC10	Sprowston Road/ Shipfield	20	2	10.0%	9	45.0%	13 new units added.
TOTAL		190	13	6.8%	80	42.1%	

Key

Vacancy rate is **unchanged** since last survey

Vacancy rate is **up** since last survey

Vacancy rate is **down** since last survey



Proportion of A1 retail units is **ABOVE** 60%

Proportion of A1 retail units is **BELOW** 60%



Local centres

56. Table 8, below, shows vacancy rates and percentage of non-retail units for the 28 local centres.
57. Of the 309 units, the number of vacant units is 22, representing a vacancy rate of 7.2% compared to the 2014 figure of 6.1%.
58. The percentage of non-retail units increased from 39.4% in 2014 to 44.7% this year.
59. The DM21 policy threshold of not less than 50% retail has been exceeded in the following five local centres:
 - a. LC06: Unthank Road
 - b. LC07: St Augustine's Gate
 - c. LC17: Bishop Bridge Road
 - e. LC26: UEA
 - g. LC29: Aylsham Road/Copenhagen Way, and;
60. This is an improvement on 2014's retail monitor which recorded that eight of the local centres had exceeded the threshold.
61. The following local centres are recorded as having exactly 50% non-retail. Any changes of use to non-retail uses will cause the policy threshold to be exceeded:
 - a. LC02: Hall Road/Queens Road
 - b. LC12: Woodcock Road
 - c. LC15: Sprowston Road/Silver Road
 - d. LC28: Magdalen Road/Clarke Road
62. Overall, the district and local centres continue to be relatively robust and continue to offer an appropriate range of local services and facilities, with small food stores, where present, being most important to their success. The Retail and Leisure Topic Paper (2013) states that "averaged over the period 2006-2011, vacancy rates are lower (5%) in those centres with convenience stores (of over 250 m²) compared to 6.5% in those without."

Table 8: Local Centres⁶ defined in the adopted Norwich Local Plan 2014

Ref No	Centre name	Total units	Vacant units	% vacant/annual change	Non retail units	% non-retail	Commentary
LC01	Hall Road/ Trafalgar St	7	1	14.3%	2	28.6%	
LC02	Hall Road/ Queens Road	28	3	10.7%	14	50.0%	
LC03	Hall Road/ Southwell Road	7	0	0.0%	3	42.9%	
LC04	Grove Road	14	0	0.0%	5	35.7%	
LC05	Suffolk Square	9	1	11.1%	4	44.4%	
LC06	Unthank Road	42	2	4.8%	22	52.4%	
LC07	St Augustine's Gate	7	1	14.3%	5	71.4%	
LC08	See footnote						
LC09	Aylsham Road/ Junction Road	8	1	12.5%	0	0.0%	
LC10	Aylsham Road/ Glenmore Gardens	12	2	16.7%	5	41.7%	
LC11	Aylsham Road/ Boundary Road	13	0	0.0%	3	25.0%	
LC12	Woodcock Road	6	0	0.0%	3	50.0%	
LC13	Catton Grove Road/ Ring Road	12	0	0.0%	3	25.0%	
LC14	Magdalen Road	12	2	16.7%	5	41.7%	
LC15	Sprowston Road/ Silver Road	8	2	25.0%	4	50.0%	
LC16	See footnote						
LC17	Bishop Bridge Road	7	1	14.3%	4	57.1%	
LC18	Earlham West Centre	20	2	10.0%	9	45.0%	
LC19	Colman Road/ The Avenues	16	1	6.3%	4	25.0%	
LC20	Colman Road, The Parade	11	1	9.1%	5	45.5%	
LC21	Woodgrove Parade	9	0	0.0%	3	33.3%	
LC22	St John's Close/ Hall Road	10	0	0.0%	3	30.0%	

⁶ Local centres at **Dereham Road/Distillery Square** (previously LC08) and **Sprowston Road/Shipfield** (previously LC16) were redesignated as district centres following the development of new anchor foodstores and renumbered as DC08 and DC10 respectively in the 2014 local plan. They are listed in table 7 above. The local centre at **St Stephens Road** newly designated in that plan (LC30) falls partly within and partly outside the city centre. The retail floorspace within that part of the local centre is included within the floorspace and unit totals in Table 6.

Ref No	Centre name	Total units	Vacant units	% vacant/ annual change	Non retail units	% non-retail	Commentary
LC23	Tuckswood centre	5	0	0.0%	1	20.0%	
LC24	Witard Road, Heartsease	9	1	11.1%	3	33.3%	
LC25	Clancy Road, Heartsease	5	0	0.0%	2	40.0%	
LC26	UEA	9	0	0.0%	7	77.8%	
LC27	Long John Hill	5	0	0.0%	1	20.0%	
LC28	Magdalen Road/ Clarke Road	8	0	0.0%	4	50.0%	
LC29	Aylsham Road/ Copenhagen Way	5	0	0.0%	4	80.0%	
LC30	St Stephens Road	15	1	6.7%	10	66.7%	
TOTAL		309	22	7.2%	138	44.7%	

Key

Vacancy rate is **unchanged** since last survey

Vacancy rate is **up** since last survey

Vacancy rate is **down** since last survey



Proportion of A1 retail units is **ABOVE** 50%

Proportion of A1 retail units is **BELOW** 50%

Proportion of A1 retail units is **AT** 50% policy

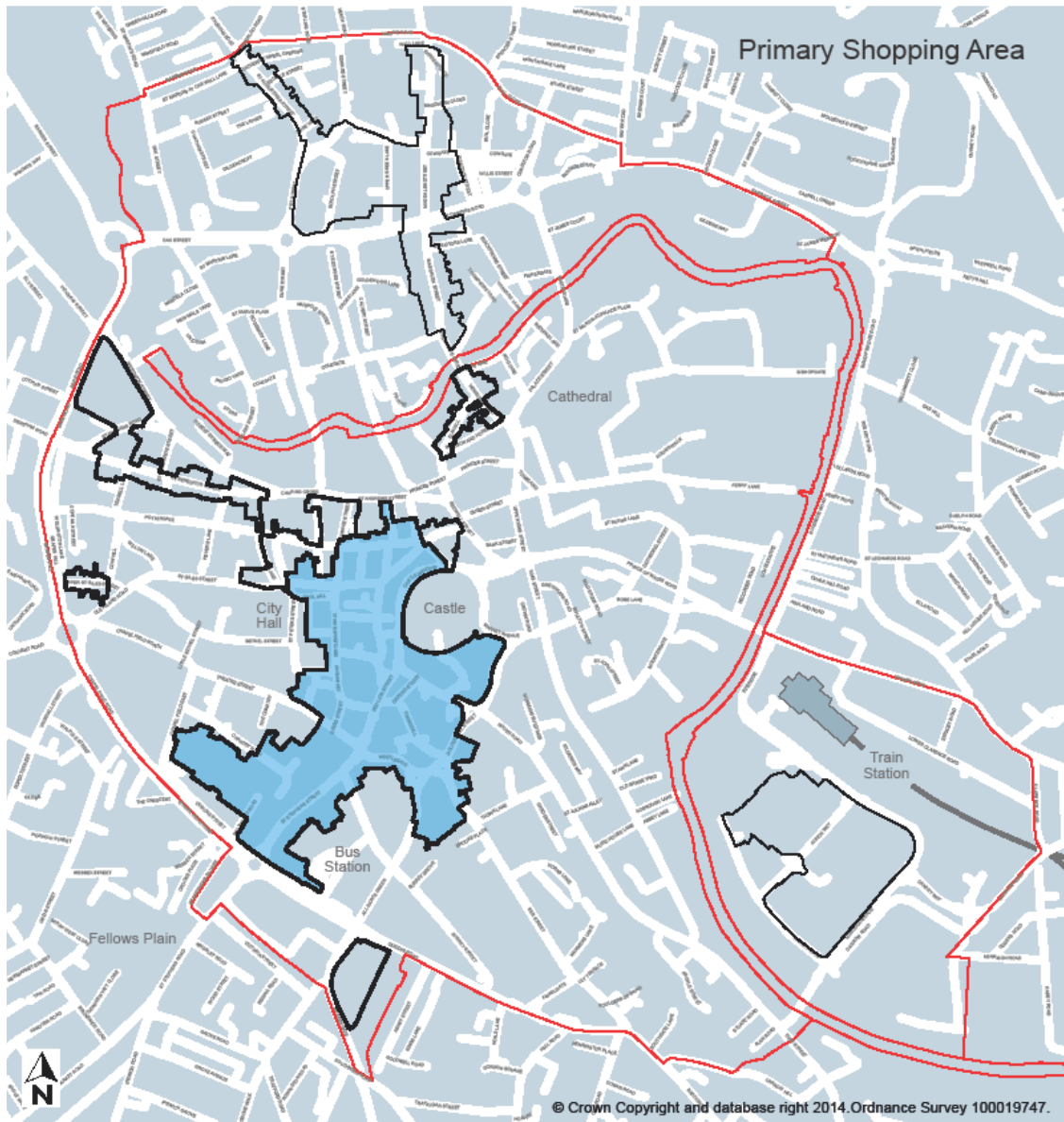


Conclusions

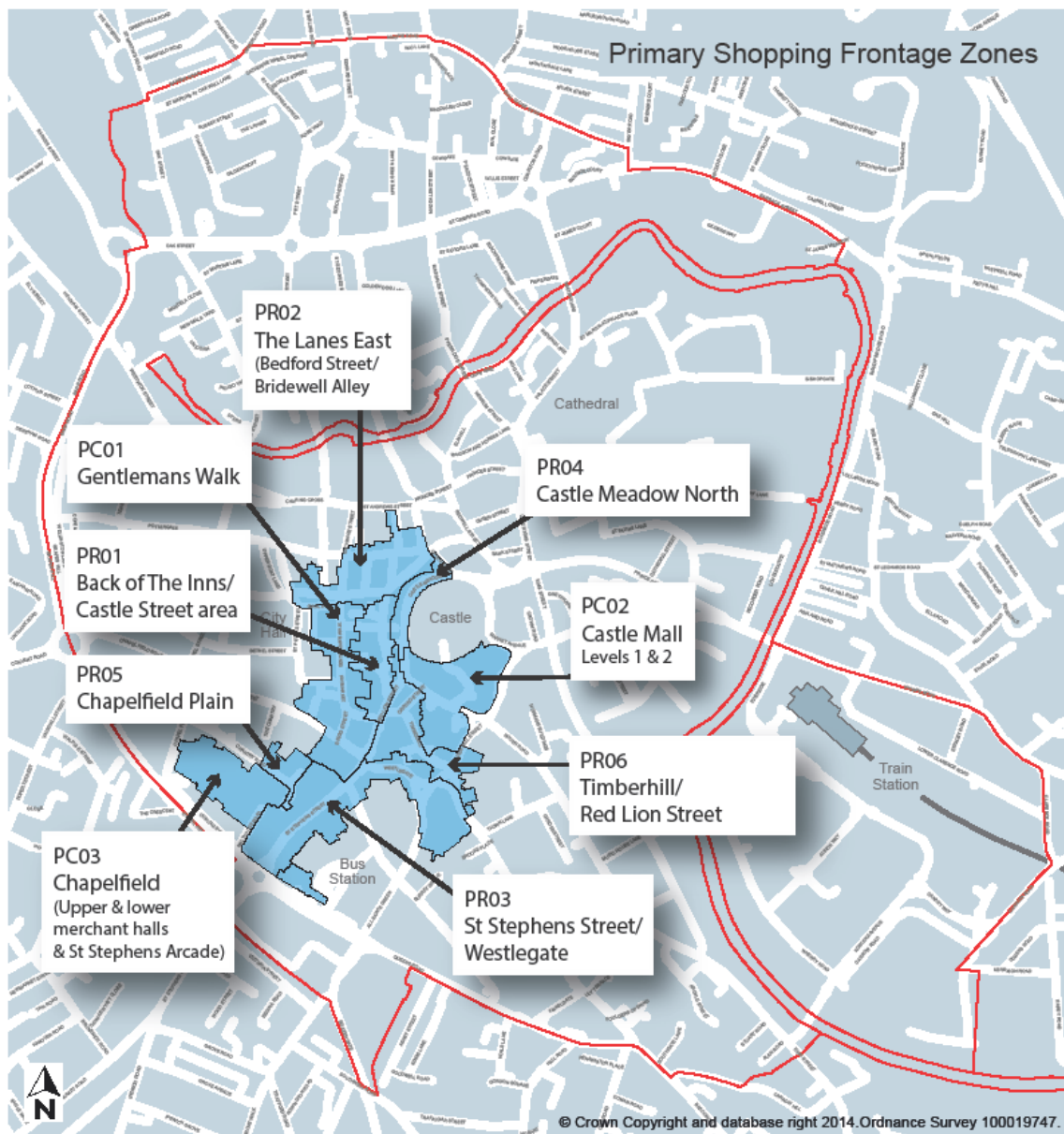
63. Overall, the survey suggests that retailing in Norwich is stable and that there is some variation in the performance of different areas.
64. At this time of deregulation, it is important to acknowledge the changes that could take place within retail centres without the direction of the council (i.e. temporary changes of use of small retail units). The added flexibility within retail centres could reduce vacancy rates and provide a wider range of amenities and services.
65. At present, Norwich has seen little uptake of the new permitted development rights with regard to the change of use of small retail units. Temporary uses are most beneficial in areas which have experienced high long-term vacancy rates. This is not the case in Norwich.
66. Nevertheless, the council needs to identify other ways to influence and cultivate and support the retail offer of Norwich. The council is considering the potential benefits of developing a City Centre Strategy, possibly with the assistance of other interested parties such as the Business Improvement District (BID). Such a strategy would need to consider additional ways to bolster the city's retail offer.

Supporting Maps

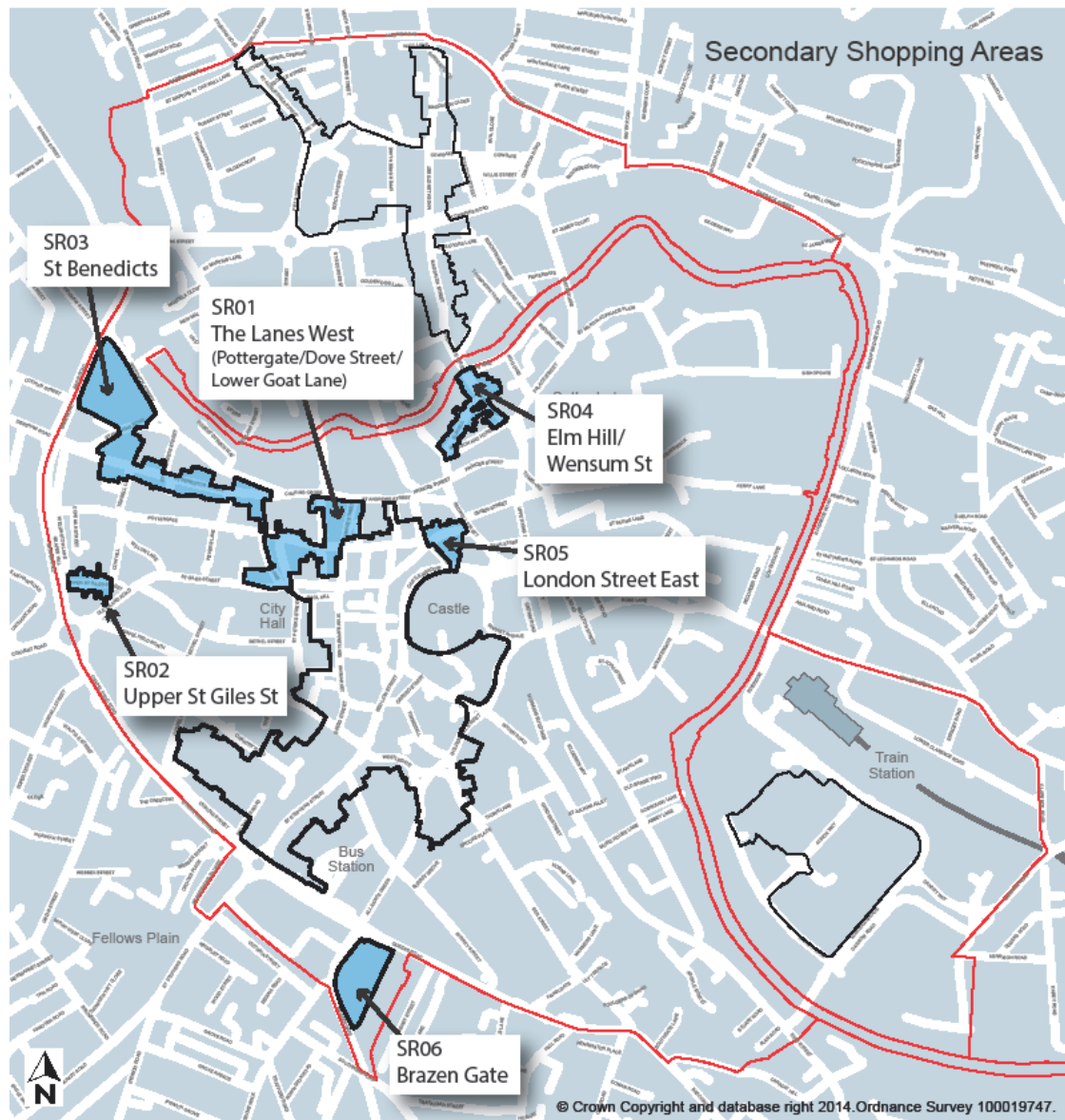
Map 1: Primary shopping area



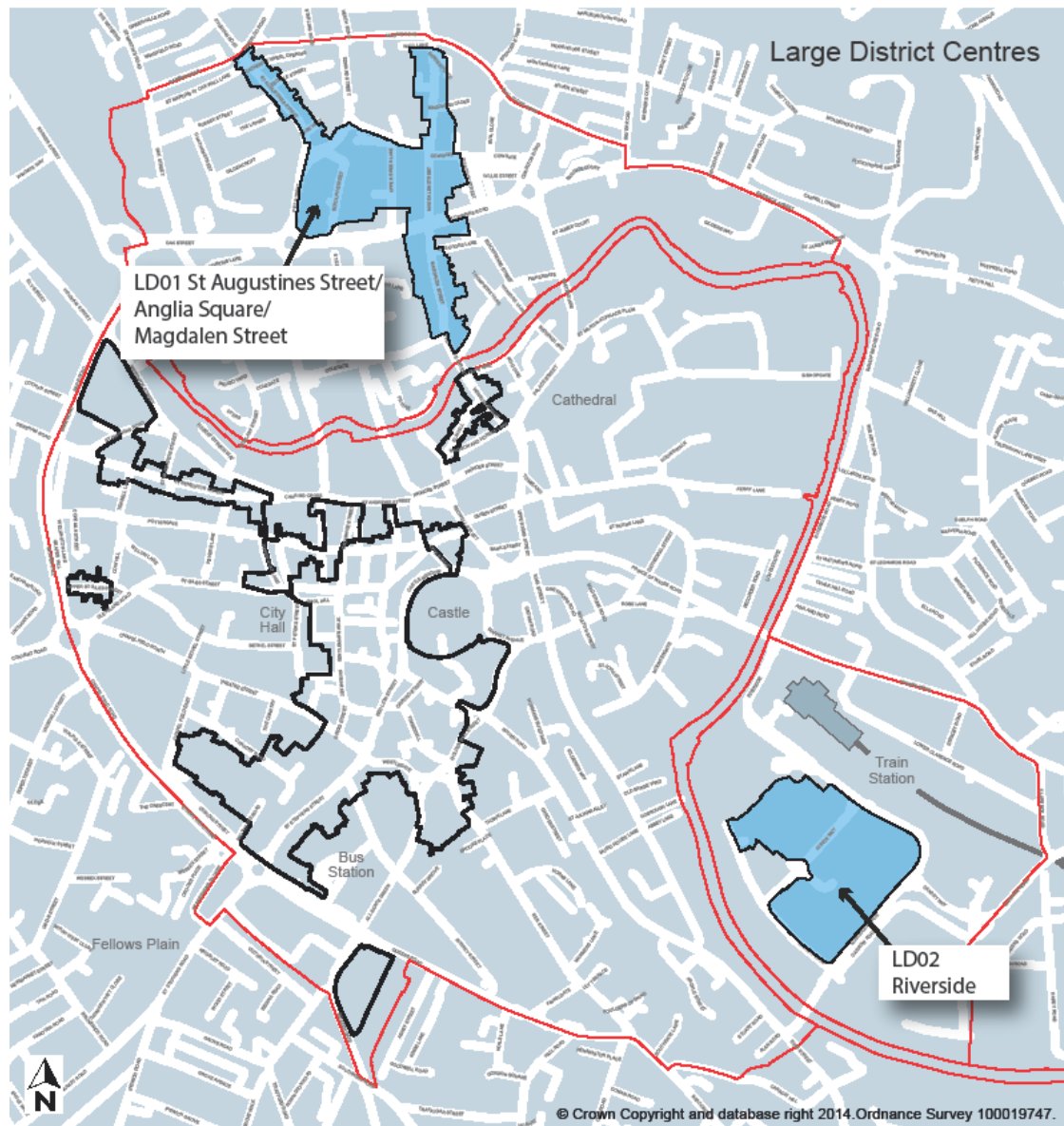
Map 2: Primary area frontage zones



Map 3: Secondary shopping areas



Map 4: Large district centres (Magdalen Street, Anglia Square, St Augustine's Street & Riverside)



Contact Information

Further information can be obtained by writing to:

Planning Services
Norwich City Council
City Hall
St Peter's Street
Norwich
NR2 1NH

Alternatively you can email us at ldf@norwich.gov.uk or call us on 0344 980 3333.

Contact officers for this report are:

Lara Emerson
01603 212500
laraemerson@norwich.gov.uk
Jon Bunting
01603 212162
jonbunting@norwich.gov.uk