



## **Blaby District Retail, Town Centre, and Leisure Study**

Final Report

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ON BEHALF OF BLABY DISTRICT COUNCIL

April 2025

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# 1. Introduction

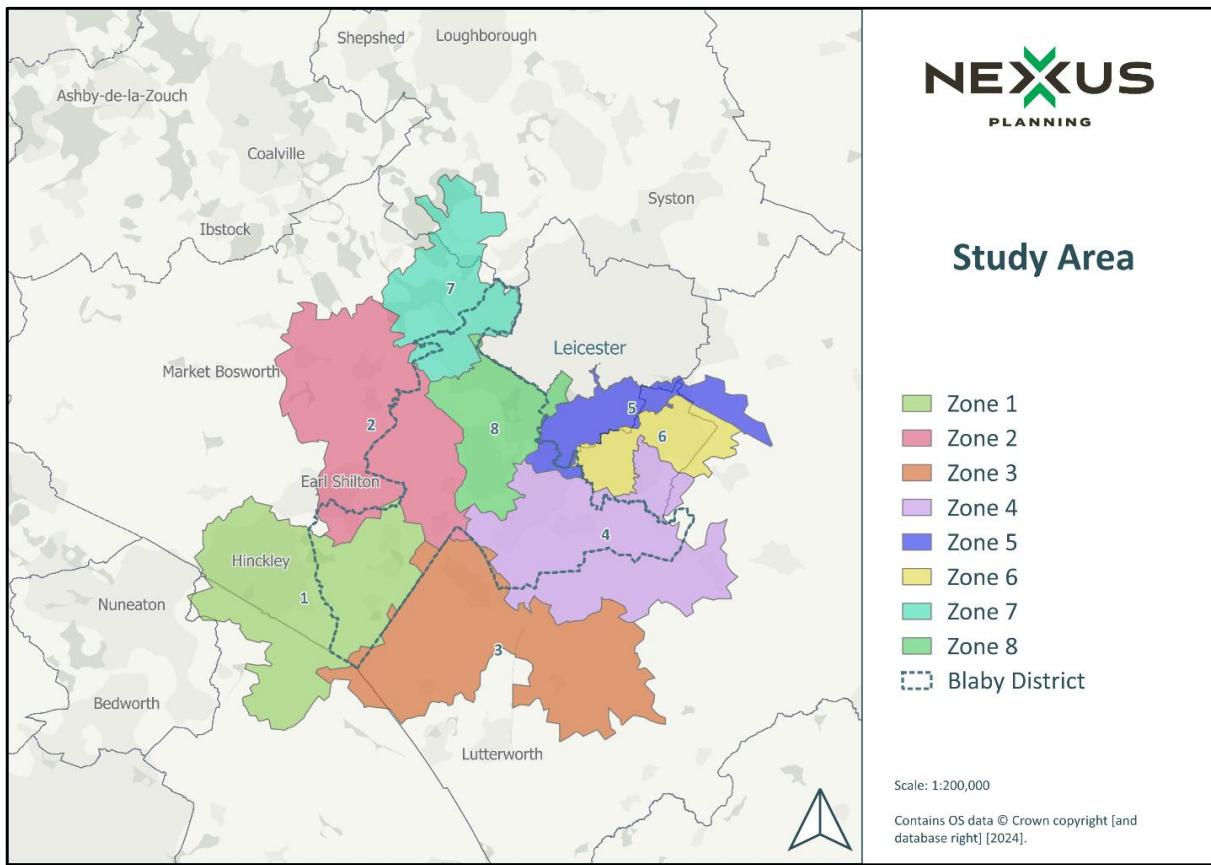
## Instruction and Purpose

- 1.1 Nexus Planning has been instructed by Blaby District Council (hereafter referred to as 'the Council') to undertake a new Retail, Town Centre, and Leisure Study. The primary focus of the Study is to establish the current position in respect of the need for additional retail and leisure facilities in Blaby district, to consider the vitality and viability of Blaby town centre (the principal centre) and the smaller centres across the district. Key to the commission and Nexus' advice is the provision of recommendations in respect of the future strategy for the defined centres and other retail and leisure destinations across the district.
- 1.2 The Study replaces the aspects of the previous Leicester City Council and Blaby District Council Town Centre and Retail Study that relate to the Blaby district. The previous study was authored by WYG and reported in September 2015. Prior to the 2015 Study was the Blaby specific study, produced in 2012 by Drivers Jonas Deloitte. An additional Study has been produced on behalf of Leicester City Council in 2021 by Nexus Planning, which covers the Blaby district for the purposes of the household survey but does not provide policy recommendations for the district.
- 1.3 The supplied Specification of May 2024 sets out the Council's full requirements for the commission. The principal objectives of the commission are as follows:
  - a) Identify the quantitative and qualitative needs for retail, leisure and other town centre uses up to 2041, setting out appropriate strategies to meet any identified needs.
  - b) Provide a review of the vitality and viability of the main centres (Town, District and Local Centres) in the District and assess their functions and the relationships between them and other key centres such as Leicester.
  - c) Define a network and hierarchy of centres (including planned centres) and assess their resilience to future economic change. Confirm the role of neighbourhood parades.
  - d) Advise on the need for a locally derived threshold for impact assessments and the level at which this should be set.
  - e) To advise on planning policy options for Fosse Park, Meridian Leisure, and Everards Meadows.
- 1.4 The Study will form part of the evidence base to inform the preparation of the new Local Plan, which will guide development across the Blaby district up to 2041. The Study is underpinned by new empirical evidence in the form of a new household shopper survey, stakeholder consultation, and our site visits to survey and assess the health of the principal centres and other key retail destinations.

1.5 The household survey was undertaken by NEMS Market Research in August 2024 and covers eight separate zones, which are collectively considered representative of the principal catchment area for retail facilities and leisure facilities located within the district of Blaby. The zones have been developed with regard to those utilised in the previous Study, which provides us with the opportunity to compare shopping and leisure patterns.

1.6 A plan of the Study Area is provided at Figure 1.1 and in Appendix 1, and the tabulated household survey results are provided at Appendix 2.

**Figure 1.1: Study Area and Zones**



1.7 Whilst the Study Area largely corresponds with the boundaries of Blaby district, it does include parts of neighbouring authority areas such as Leicester, Oadby & Wigston, Harborough and Hinckley & Bosworth, where residents sometimes look to facilities in Blaby to meet at least some of their retail and leisure needs.

1.8 In this regard, it is important to recognise that shopping habits are not governed by local authority area boundaries. It is therefore appropriate to consider the 'inflow' of retail expenditure from residents of neighbouring authority areas to destinations in Blaby in order to identify retailers' overall turnover and understand the role of centres and standalone stores across the wider area, and in this case in particular to the Motorways Retail Area. Detail of how

the level of inflow is calculated and how this impacts on the findings of the Study are provided at Section 5 below. The household survey also allows us to identify expenditure that originates within Blaby but which 'leaks' to destinations outside of Blaby district.

## 2. Structure of Report

2.1 Our report firstly provides an overview of prevailing retail and leisure trends, before then going on to consider the planning policy context for the updated Study. We then consider the vitality and viability of Blaby town centre and the other defined centres within the district. The remainder of the report identifies retail and leisure needs arising within the district to 2041, and provides our conclusions in respect of planning policy recommendations.

2.2 Accordingly, this report is structured as follows:

- Section 2 sets out key retail and leisure trends of relevance to the commission;
- Section 3 provides an overview of the planning policy context;
- Section 4 summarises our assessment of the vitality and viability of the defined centres;
- Section 5 provides an overview of forecast changes in Study Area population and expenditure;
- Section 6 provides an overview of the market share attracted to key destinations within the district and how this has altered since the production of the previous study;
- Section 7 provides an assessment of retail needs;
- Section 8 provides an assessment of leisure needs; and
- Section 9 summarises our key findings and sets out our conclusions and policy recommendations.

### 3. Current and Emerging Retail and Leisure Trends

- 3.1 In order to provide a context for this Study and to help identify the sectors that are more likely to be the subject of additional development proposals, we set out a summary of current national retail and leisure trends below. In reading the summary, it should be noted that the retail and leisure sectors are dynamic and, whilst online shopping and economic conditions have impacted on the high street, new retailers and formats continue to evolve to meet shoppers' needs.
- 3.2 The below commentary should therefore be taken as a 'snapshot' in respect of current market conditions; it will be necessary to judge future development proposals for main town centre uses with reference to the prevailing circumstances at the time of a proposal's determination. Whilst the impact of Covid-19 on the retail and leisure sectors has lessened in 2023 and 2024, the trading outlook remains challenging due to inflationary pressures and significant increases in the cost of living. We reflect further on the current economic outlook below.

#### Economic Conditions

- 3.3 In February 2024, Experian published its Retail Planner Briefing Note 21 ('ERPBN21'), which identifies anticipated future growth in the retail and leisure sectors and considers likely changes in bricks and mortar retail floorspace and online sales.
- 3.4 It is clear that the Covid-19 pandemic has accelerated the shift to online retailing with a consequent reduction in bricks and mortar retail floorspace. As a consequence, the proportion of expenditure committed via special forms of trading (i.e. internet and mail order sales) has increased.
- 3.5 More generally, as a result of relatively modest growth forecasts and the shift to online retailing, Experian forecasts that there will be a reduction in the stock of retail floorspace over the next few years.
- 3.6 In terms of inflation, Office for National Statistics data<sup>1</sup> indicates that the rate of inflation (as measured by the consumer price index) increased from 0.8% at April 2020 to 1.5% at April 2021, before then increasing significantly to 9.0% at April 2022. The rate of inflation appears to have peaked at 11.1% in October 2022 and has reduced significantly to 6.7% at August 2023 and to 2.6% as of September 2024.
- 3.7 Retail has been an industry under significant stress, as many retailers find themselves squeezed between rising costs and the increasing volume of sales over the internet. Such difficulties have,

<sup>1</sup> ONS 'Consumer price inflation tables' dataset, July 2023.

of course, been exacerbated by the Covid-19 pandemic and the cost of living crisis associated with rising energy prices and inflation.

- 3.8 There will still be the need and demand for physical stores, despite the increase in shopping online. This is particularly the case for convenience goods sales given that online shopping orders are typically picked from the shelves of physical stores. In respect of comparison goods, there is a need for the offer to become more 'experiential' to encourage shoppers onto the high street, and to ensure that shopping is viewed as a pleasurable pastime. The shopping experience needs to evolve and diversify both to attract footfall and convert increased activity into sales. Independents clearly have an important role to play in adding interest and in providing differentiation between shopping venues.
- 3.9 In considering the current strength of the retail and leisure sectors, it is important to recognise that different types of retailer have been the subject of different fortunes.
- 3.10 Non-essential retailers haven been impacted by enforced 'lockdown' closures in 2020 and 2021. However, dispensing chemists traded more strongly from March 2020, and their sales continued to be above pre-pandemic levels into 2022 and early 2023. Foodstores also generally traded consistently above their pre-pandemic levels. This was initially due to a degree of stockpiling of grocery goods, but some ongoing boost in sales was evident due to the ongoing prevalence of working from home and therefore the increased localised spending. Furniture and homeware retailers also generally benefitted from people spending more time in their homes and wanting to improve their own environment.

### **Available Expenditure and the Impact of the Internet**

- 3.11 Experian expenditure data and growth forecasts confirm that the pandemic has resulted in turbulent short term changes in per capita convenience and comparison goods expenditure. In this regard, ERPNB21 identifies that per capita convenience goods expenditure decreased by 5.8% in 2022 with a further reduction of 3.0% in 2023. This follows a previous reduction of 1.7% in 2021. Before this, in 2020, per capita convenience goods expenditure increased by 8.6%. The strong level of growth at 2020 is largely attributable to consumers spending more on such goods as a result of lockdown measures. Limited annual per capita convenience expenditure growth (relative to that which has been achieved historically) is anticipated to return across the medium to long term.

- 3.12 As the below Table 2.1 shows, the position in respect of annual per capita comparison goods expenditure has been changeable in the past few years. Whilst annual per capita comparison goods growth of 8.1% was recorded in 2021, this followed a reduction of 7.9% in 2020. Forecast per capita comparison goods expenditure increases over the medium and longer term are positive.

**Table 2.1: Experian's Identified and Forecast UK Convenience and Comparison Goods Per Capita Expenditure Growth**

Volume Growth per Head (%)	2018	2019	2020	2021	2022	2023	2024	2025	2026-29	2031-40
Convenience goods	-0.2	-1.0	8.6	-1.7	-5.8	-3.0	-0.5	-0.2	0.0	0.1
Comparison goods	0.4	2.9	-7.9	8.1	-3.3	-3.3	-1.2	2.7	3.1	2.8

Source: Figure 1a and Figure 1b of Experian Retail Planner Briefing Note 21

3.13 Whilst the above figures identify a level of growth which is significantly below that which has historically been achieved, the situation for high street stores is exacerbated through the increasing amount of expenditure which is committed through special forms of trading<sup>2</sup> and, in particular, through online sales.

3.14 The below Table 2.2 sets out Experian's identified and forecast level of special forms of trading as a proportion of overall convenience and comparison goods expenditure. Experian estimates that special forms of trading will account for just under four out of every ten pounds spent on comparison goods and almost a quarter of convenience goods expenditure at 2034.

**Table 2.2: Experian's Identified and Forecast Market Share of Non-Store Retail Sales for Convenience and Comparison Goods Sectors**

Volume Growth Per Head (%)	2018	2019	2020	2021	2022	2023	2024	2029	2034	2039
Convenience goods	10.8	12.9	17.1	19.2	16.4	15.8	17.3	21.2	23.3	24.6
Comparison goods	21.8	25.0	39.2	37.9	31.5	30.4	32.5	36.5	38.5	39.7

Source: Figure 5 of Experian Retail Planner Briefing Note 21

3.15 The ongoing popularity of internet shopping continues to have clear implications in respect of the viability of some 'bricks and mortar' retailers. However, it is important to note that changes in how people shop also bring about some opportunities for retailers trading from the high street. In particular, many stores sell online but fulfil orders from regular stores rather than warehouses<sup>3</sup>, with purchases therefore helping to sustain tangible retail floorspace. As a consequence, Experian also provides an 'adjusted' estimate of special forms of trading, which relates to expenditure which is not available to actual stores. These figures are provided in Table 2.3 below. The figures demonstrate the high proportion of online sales which are fulfilled from physical stores, and therefore the importance of retaining this offer on our high streets.

<sup>2</sup> Including internet sales, mail order, stalls and markets, door-to-door and telephone sales.

<sup>3</sup> This is particularly the case with food shopping and speciality comparison goods purchases, where retailers often try to tap into a wider market through an online presence.

**Table 2.3: Experian's Identified and Forecast Adjusted Market Share of Non-Store Retail Sales for Convenience and Comparison Goods Sectors**

Volume Growth Per Head (%)	2018	2019	2020	2021	2022	2023	2024	2029	2034	2039
Convenience goods	3.2	3.9	5.1	5.8	4.9	4.7	5.2	6.3	7.0	7.4
Comparison goods	16.3	18.8	29.4	28.5	23.6	22.8	24.3	27.4	28.8	29.7

Source: Figure 5 of Experian Retail Planner Briefing Note 21

## Convenience Goods

3.16 Recent socio-economic conditions have led to significant shifts in convenience goods retailing, which have resulted in the 'big four' supermarket operators' market share being cut. Indeed, analysis from Kantar<sup>4</sup> has identified that the traditional 'big four' supermarket operators are no longer such, with Aldi's market share overtaking that of Morrisons over the 12 weeks to 4 September 2022. Aldi continues to achieve a market share (10.0%) higher than Morrisons (8.7%) as of June 2024.<sup>5</sup>

3.17 Mintel<sup>6</sup> finds that the decline of the food superstore is well-established and can be attributed to two matters as follows:

- Firstly, people are undertaking food shopping in different ways. More people are living in town and city centres, and are generally purchasing their own home at a later age than was previously the case.<sup>7</sup> Mintel indicates that such people are more likely to undertake food shopping on an 'as needs' basis and are more likely to eat out or use takeaways. As such, they are less likely to have need to undertake a weekly 'main food shop'.
- Secondly, the current uncertainty in the economy has made discount foodstore operators (namely Aldi and Lidl) a more attractive proposition, and many such foodstores are thriving given that shoppers are currently having to be 'money savvy'. Discounters have also made efforts to try to compete more directly with the 'big four' supermarket operators, with larger stores, greater ranges of goods, fresh foods, and premium products becoming increasingly prevalent. It is evident that the likes of Aldi and Lidl are no longer 'hard discounters' in quite the same way they once were, as they now fulfil a wider range of customers' needs by offering a greater range of products. The move towards the middle ground has allowed discounters to secure market share from both superstores and smaller convenience stores. In addition, we note that discount retailers are often happy to trade alongside more upmarket convenience goods retailers (such as M&S Foodhall) as, collectively, the two stores can meet a comprehensive range of grocery shopping needs.

<sup>4</sup> An international market research company based in London.

<sup>5</sup> Kantar, Great Britain Grocery Market Share (12 Weeks Ending), [9 June 2024](#).

<sup>6</sup> 'UK Retail Rankings', Mintel (a market research company), April 2018.

<sup>7</sup> Article headlined 'Average UK first-time buyer is now older than 30, says Halifax', The Guardian, January 2022.

3.18 The shifts in the sector are illustrated with reference to changes in retailers' market share in recent years, as shown in Table 2.4.

3.19 The past few years have seen the closure of a number of unprofitable grocery stores (from small convenience stores to large superstores) and the continuation of Aldi and Lidl's expansion programme. Aldi announced in September 2023 that it intends to open another 500 stores in the coming years.<sup>8</sup> Lidl intends to open a further 250 stores across the UK.<sup>9</sup>

3.20 Whilst the traditional 'big four' remain more cautious in respect of new openings, a limited number of proposals for mid-sized foodstores are currently being promoted by these operators in areas where there is a growing population, or an obvious shortfall in existing provision. These stores are often of a scale that is broadly comparable to that provided by Aldi and Lidl, which allows customers to shop in a convenient and efficient manner.

Table 2.4: Market Share of Convenience Goods Operators

Operator	December 2017	December 2018	December 2019	December 2020	December 2021	December 2022	December 2023	December 2024
Tesco	28.1%	27.8%	27.4%	27.3%	27.9%	27.5%	27.6%	28.1%
Sainsbury's	16.5%	16.1%	16.0%	15.9%	15.7%	15.5%	15.8%	15.9%
Asda	15.3%	15.2%	14.8%	14.3%	14.2%	14.0%	13.6%	12.3%
Morrisons	10.8%	10.6%	10.3%	10.4%	10.1%	9.1%	8.8%	8.6%
Aldi	6.8%	7.4%	7.8%	7.4%	7.7%	9.1%	9.3%	10.3%
Co-op	5.8%	5.9%	6.1%	6.0%	5.8%	5.6%	5.4%	5.5%
Lidl	5.0%	5.3%	5.9%	6.1%	6.3%	7.2%	7.7%	7.7%
Waitrose	5.2%	5.0%	5.0%	5.0%	5.1%	4.7%	4.6%	4.4%
Iceland	2.2%	2.2%	2.3%	2.5%	2.4%	2.5%	2.4%	2.2%
Symbols <sup>10</sup> & Independent	1.7%	1.5%	1.6%	1.7%	1.6%	1.4%	1.4%	1.4%
Other Outlets	1.6%	1.7%	1.6%	1.8%	1.8%	1.8%	1.8%	1.8%
Ocado	1.1%	1.2%	1.3%	1.6%	1.7%	1.7%	1.7%	1.8%

Source: KANTAR Grocery Market Share. Figures shown are for the final reporting period in each calendar year

<sup>8</sup> Article headlined 'Aldi claims it is increasingly shoppers' main supermarket for weekly shop', The Guardian, 8 September 2023.

<sup>9</sup> As set out in the press release headlined 'Lidl continues to search to secure sites for new stores', 24 April 2023 (<https://corporate.lidl.co.uk/media-centre/pressreleases/2023/lidl-continues-search-to-secure-sites-for-new-stores>).

<sup>10</sup> A symbol group is a form of franchise of convenience shops, found primarily in the UK and Ireland. They do not own or operate shops, but act as suppliers to independent shops which then trade as a common banner.

## Comparison Goods

3.21 The comparison goods sector is currently being squeezed by a number of factors, including increasing operator costs and a reduction in discretionary spending as a result of increases in the cost of living.

3.22 Whilst the sector is continually evolving and there are a number of retailers performing well (including JD Sports, Next, Primark, and Zara), recent headlines have focused on failing retailers and store closures. High profile retailers that have struggled include Debenhams, which announced the closure of all 124 stores in December 2020, and the Arcadia Group, which owned Topshop, Topman and Dorothy Perkins. Arcadia Group announced the closure of around 500 stores in February 2021.<sup>11</sup> Furthermore, Intu Properties, one of Britain's biggest shopping centre owners, fell into administration in June 2020 after failing to secure an agreement with its creditors.<sup>12</sup>

3.23 More recently, Wilko entered into administration in August 2023 and ceased trading shortly after, and The Body Shop announced the closure of 75 stores at the end of February 2024, after falling into administration.

3.24 Whilst the loss of the some of the above names will have significant repercussions for certain towns (particularly those that have lost one or more of Debenhams, Marks & Spencer, or House of Fraser from their high street), some well-known retailers have failed to 'move with the times' and update their offer, accommodation, and online presence. This is partly a consequence of retailers struggling to reinvest in their business when margins are tight (or non-existent).

3.25 Many operators have also rationalised their portfolio with the aim of serving the UK by concentrating on larger centres, supplemented by a strong online presence. It will be interesting to see whether any permanent change in respect of working from home may act to counterbalance this 'polarisation' trend, given the prospect of fewer commuters travelling to larger centres and greater numbers of people spending the working day in and around their home. The impact on larger centres may be to reduce footfall, particularly within the week, and result in the shift in expenditure being directed to the smaller town, district, and local centres. Whilst this will be a positive for the smaller centres, larger centres may suffer as a result.

3.26 Whilst structural changes have had a material impact on the vitality and viability of many UK high streets, there are some beneficiaries. Notwithstanding Wilko's recent problems, some 'discount variety' operators – such as B&M Bargains, Home Bargains and Poundland – have taken advantage of lower rents and reoccupied a number of medium to large retail units.

<sup>11</sup> Article headlined 'After Topshop owner Arcadia's demise, what now for UK clothes shopping?' The Guardian, 13 February 2021.

<sup>12</sup> Article headlined 'Shopping centre owner Intu collapses into administration', The Guardian, 26 June 2020.

However, as evidenced by recent events, including the closure of Wilko, the discount variety market may be approaching capacity.

## **Leisure and Food & Drink**

3.27 The greater availability of high street units appears to have helped stoke an entrepreneurial spirit in recent years, with a number of centres beginning to benefit from a greater focus on independent retailers and also modern markets, which are frequently focused around food and drink operators.

3.28 More generally, the food and drink sector was buoyed pre-pandemic by the success of mid-market national multiples, which expanded quickly across the UK. However, this market has become saturated in many locations and a number of high-profile operators have been in financial difficulty, including the closure of Byron Burger, Chiquito, and Frankie & Benny's branches. Given the problems suffered by such operators, the market has become more cautious and mid-market operators are picking new sites carefully as a result. Instead, we have seen a number of independent operators flourish, both before and throughout the pandemic, and a desire from customers to choose local operators over larger regional and national brands.

3.29 A further significant recent high street success story has been the resurgence of the town centre leisure sector, which has resulted in new cinemas being developed close to the shopping core and the emergence of 'competitive socialising' concepts, which include bowling, crazy golf, table tennis, darts, axe-throwing, escape rooms and other seemingly niche pursuits.

3.30 Cinema openings have been on the up in the early part of this century (until the Covid-19 pandemic) and 'boutique' cinema operators – including Curzon, Everyman, and The Light – are able to operate from smaller sites in town centres (partly as a consequence of digital technology). Town centre cinema development has successfully underpinned wider mixed-use developments, as food and drink operators are typically keen to locate in close proximity to benefit from spin-off custom. New, innovative leisure operators have been particularly beneficial both in re-using existing difficult-to-let premises, and in driving the evening economy.

3.31 More generally, the gym market continues to perform well, with there now being around 7,200 health and fitness clubs across the UK, which are estimated to have a total turnover of approximately £2bn.<sup>13</sup> Around one in every seven Britons has a gym membership. Budget gyms are currently particularly popular, with operators such as Pure Gym, The Gym Group, and easyGym utilising a format that is based on low costs and high volume.

<sup>13</sup> 'Number of health clubs in Europe in 2020, by country' dataset, Statistica, 27 October 2022.

## The Night-Time Economy

3.32 The term night-time economy is used to describe a wide range of activities that (typically) take place after 5pm. This could range from a trip to the theatre or cinema, to a family meal, to a night out at a club. A successful night-time economy generally caters for a wide range of demographics and interests.

3.33 Creating a safe, vibrant and well-balanced evening and night-time offer is a challenge that can dramatically improve the overall health of a town centre and boost the economy.

3.34 The Association of Town and City Management ('ATCM') has identified a number of themes to help improve the attraction and operation of the night-time economy, which are summarised as follows:

- **Alive After Five** – This relates to revisions to trading hours to better suit customers' shopping needs and availability. A Retail Trading Hours Study commissioned by ATCM found that sales between 5 pm and 8 pm are typically 50% greater than those between 9 am and 11am. Revising trading hours to open and close later could increase sales by around 10% to 12%.
- **Late Night Transport** – The lack of frequent, efficient and safe public transport late at night, or at least the perception of this being the case, could be having a detrimental effect on night-time economy and social scene. One way of increasing night-time visitor numbers is to promote late-night travel provision and its publicity.
- **Purple Flag** – This is an accreditation scheme which recognises excellence in the management of town and city centres at night. Obtaining Purple Flag accreditation demonstrates that a town's night-time economy offers clean and safe environments, great bars and clubs, a variety of arts and cultural attractions, and excellent transport links.
- **Evening Economy Ambassadors** – The ambassadors improve the evening and night-time experience in a town centre by liaising between visitors, police, door staff, licensees, and transport operators.
- **Light Night** – This is an initiative where town or city centres stays open after dark for people to enjoy local shops and services within a wider cultural event involving music, art and, most importantly, through the lighting up of buildings and light-based art installations.

3.35 The above list is not exhaustive, and the development of a bespoke evening economy strategy can help prioritise and deliver events and initiatives which draw on a town centre's strengths and address weaknesses.

## Planning Reform on the High Street

3.36 One of the most impactful planning reforms in recent times has been the consolidation of a number of separate Use Classes under a single Class E 'Commercial, Business and Service' use. This update to the Town and Country Planning (Use Classes) Order 1987 (the 'UCO') came into effect in September 2020. The new Use Class combines shops, restaurants, offices, gyms and nurseries (amongst other uses) such that planning permission is no longer required to switch uses.

3.37 Furthermore, in March 2021, an update was made to the General Permitted Development (England) Order 2015. This allows for the change of use from Class E properties to residential from August 2021 (extending a right that had previously been restricted to office uses). This permitted development right is subject to maximum size requirements, the property having been in use as Class E for two years and having been vacant for three months. An application to the determining authority for 'prior approval' is also required for limited consideration of impacts relating to transport, contamination, flood risk, noise, light, and neighbourhood amenity. Further limitations apply in Conservation Areas and for nurseries, as well as in areas covered by 'Article 4 directions' where permitted development rights are extinguished.

3.38 Paragraph 54 of the National Planning Policy Framework ('NPPF') sets out limitations on the use of Article 4 directions. The national policy seeks to qualify the areas in which it is justified to introduce Article 4 directions, limiting local authorities' ability to control development.

3.39 The changes in the application of Article 4 directions were first put forward in the January 2021 consultation for draft revisions to the NPPF. However, the actual policy provision differs from the initial consultation in a couple of key areas. Paragraph 53 of the previous NPPF of July 2021 recognised that the loss of the 'essential core of a primary shopping area' could result in wholly unacceptable adverse impacts on an area's vitality and viability. This was the Government's first acknowledgement of the potential for the permitted development rights to undermine the health of centres in the NPPF. The updated text also introduced a requirement for 'robust evidence' to support the removal of development rights. The most recent iteration of the NPPF, published in December 2024, retains these changes.

3.40 This can be seen as generally good news for local authorities concerned about the erosion of retail and service uses, and the need to protect vulnerable centres from potentially poor-quality residential development. Protection of the vitality and viability of a high street or town centre against the adverse impacts of change of use is now established as justification for issuing an Article 4 direction.

## Out-of-Centre Retailing

3.41 Another key format of retailing (and provision of leisure uses) are out-of-centre retail destinations. Whilst local authorities need to retain control over out-of-centre provision from a planning perspective, such provision does play an important part in providing space for operators who may not be able to viably trade from in-centre locations. Such uses include 'bulky' retail operators, including DIY stores, electrical goods retailers, furniture stores and so on.

3.42 In their UK Retail Warehousing August 2023 Spotlight Report, which focuses on out-of-centre retailing, Savills note that: 'from a retailer's point of view, there are definitely reasons to be cheerful. Generally, it appears that higher input and operating costs have, to some degree, been successfully passed onto the shopper. Added to this are some areas where costs are lower (such as business rates and rents).' In terms of the nature of the operators, it is the value orientated brands which continue to top the charts of the most acquisitive retail and leisure operators.

3.43 In this regard, Savills note that the retailers with a focus on essential product categories that have continued to drive footfall to out-of-centre schemes, which remain at near parity with the levels seen pre-Covid. Furthermore, operators which focus on essential products have dominated the new openings, including Aldi and Lidl, Home Bargains, B&M Retail and leisure operators such as PureGym, Greggs and Starbucks.

3.44 In addition to the above, most out-of-centre shopping locations retain their apparent significant competitive advantages over town centres and high streets in terms of their supply of larger format modern outlets, their lower occupancy costs, extensive free parking and easy and convenient access to the surrounding highways and key arterial routes. This is still an attractive proposition for those retailers that are still seeking space in the current market, but the implications of the attraction of out-of-centre facilities on defined centres, needs to be monitored carefully and the ongoing ease of access, parking and overarching attraction of out-of-centre facilities can of course have implications for town centre operators and retail and leisure planning policy.

## Implications for Blaby District

3.45 The Blaby authority area's retail and leisure provision is clearly dominated by the extensive floorspace provided for at the Motorways Retail Area. The authority area's residents also clearly look to larger centres in proximity to meet their retail and leisure needs, including Leicester city centre. As a result, the defined centres within Blaby are smaller-scale, have a more localised offer and typically do not provide large-format floorspace which attracts the larger national multiple operators. These however can be found at Fosse Park, and Leicester city centre.

3.46 In any event, Blaby town centre is the district's principal defined centre and contains the greatest variety of shops, services, and facilities. On the whole, the health of the town centre has proven to be largely resilient in the face of the challenges experienced by the retail and leisure sectors in recent years. The centre's largely independent offer differentiates it from nearby competitors, particularly Fosse Shopping Park, and it continues to enjoy low vacancy rates and benefit from goods levels of footfall and expenditure drawn from its residential catchment. However, the centre's size is relatively constrained and there is no clear opportunity to expand its offer to create space for additional larger format retail or leisure uses, and therefore the out of centre facilities within the district perform important roles in meeting residents' retail and leisure needs.

3.47 The comparison goods offer of Blaby town centre is primarily focussed on meeting day-to-day needs (including small media and chemist/health & beauty goods), with the anchor Aldi store being supplemented by a range of smaller national multiples and specialist independent traders.

3.48 Indeed, across the district as a whole, there is a clear dominance of the out-of-centre facilities, which attract high proportions of comparison and convenience shopping trips. In terms of leisure, Meridian Leisure Park provides for most of the district's 'big box' leisure uses, drawing trade from residents of Blaby as well as visitors from outside the administrative area.

3.49 While these retailers and leisure operators clearly perform an important role in meeting residents' needs, as we go on to explain in greater detail in this report, it will be important to ensure that the success of the out-of-centre provision does not come at the expense of the health of the defined centres. In this regard, Blaby district is quite unique insofar as the defined centres are all more localised-functioning with limited opportunities for larger format floorplate to accommodate the bigger national multiple comparison operators. Fosse Park and the wider Motorways Retail Area provides that space and ultimately provides Blaby district residents with access to a qualitative different offer of retail and leisure uses. The importance of this offer should be acknowledged, whilst ensuring that the function of the Motorways Retail Area does not drift into a more direct comparison with the offer of the defined centres in the district, thereby ensuring the two compliment rather than compete with each other.

3.50 In particular, consideration should be given to whether there are any opportunities for Blaby's centres to provide a greater experiential offer to attract activity and encourage visitors to stay for longer periods. The independent and food and drink sectors are likely to be a particularly important in this regard. There may also be a benefit in actively managing centres through planning policy to assist with their general maintenance and to help allow for more differentiation between their respective offers.

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3.51 We recommend that the authority ensures that policies are sufficiently flexible to allow for a wide range of town centre uses beyond retail, and that consideration is given to repurposing surplus stock to support new residential, leisure and community uses.

## 4. Planning Policy Context

4.1 In order to shape the direction of this Study, it is helpful to understand relevant retail and town centre planning policy at a national and local level. As such, we first summarise national planning policy of relevance before considering retail and town centre development plan policy as set out in the current development plan. We also consider changes to the Use Classes Order and the application of permitted development rights to town centre uses.

### Revised National Planning Policy Framework

4.2 The most recent iteration of the National Planning Policy Framework ('NPPF') was published in December 2024. The NPPF reflects the fact that the traditional role of town centres has been somewhat undermined by structural changes in the retail sector, and that there may be a need to plan for a more diverse range of uses going forward. As such, the NPPF advocates a more flexible policy framework to support the future vitality and viability of town centres.

4.3 NPPF policies are considered on a thematic basis below.

### Plan-Making

4.4 Paragraph 20 of the NPPF indicates that development plans should set out an overall strategy for the pattern, scale and quality of development, including policies to deliver retail, leisure and other commercial development. Paragraph 32 states that the preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be proportionate and take into account relevant market signals.

### Building a Strong, Competitive Economy

4.5 Paragraph 85 of the NPPF indicates that planning policies and decisions should help create the conditions in which businesses can invest, expand, and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development.

### Ensuring the Vitality of Town Centres

4.6 Paragraph 90 specifically relates to planning for town centres. It states that:

#### 'Planning policies should:

- a. **define a network and hierarchy of town centres and promote their long-term vitality and viability – by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters;**

- b. define the extent of town centres and primary shopping areas, and make clear the range of uses permitted in such locations, as part of a positive strategy for the future of each centre;**
- c. retain and enhance existing markets and, where appropriate, re-introduce or create new ones;**
- d. allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary;**
- e. where suitable and viable town centre sites are not available for main town centre uses, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre; and**
- f. recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.'**

4.7 The requirement to plan to meet needs across a minimum ten-year period represents a change from the previous NPPF which required town centre needs to be met in full across the entire plan period.

4.8 In addition, it is notable that the NPPF Annex 2 Glossary fails to make any reference to the designation of primary and secondary frontages. Page 32 of the Government Response to the Draft Revised National Planning Policy Framework Consultation<sup>14</sup> indicates that, whilst the revised NPPF has removed the expectation in national planning policy that such frontages must be defined, this does not necessarily preclude authorities from doing so where their use can be justified. However, it is evident that the general intention is to provide for more flexibility through a less prescriptive approach to land use.

4.9 Paragraph 94 of the NPPF states that it is appropriate to identify thresholds for the scale of edge of centre and out-of-centre retail and leisure development that should be the subject of an impact assessment. Any such threshold policy applies only to the impact test. All planning applications for main town centre uses that are not in an existing centre and not in accordance with an up-to-date development plan will generally be the subject of the sequential test.

### **Promoting Healthy and Safe Communities**

4.10 Paragraph 97 of the NPPF states that local planning authorities should refuse applications for hot food takeaways and fast food outlets which are within walking distance of schools and

<sup>14</sup> Published July 2018.

other places where young people congregate, and in locations where there is evidence that a concentration of such uses is having an adverse impact on local health, pollution or anti-social behaviour.

4.11 Paragraph 98 seeks to support the social, recreational, and cultural facilities and services communities need. The guidance states that planning policies and decisions should:

- **'Plan positively for the provision and use of shared spaces, community facilities (such as local shops, meeting places, sports venues, open space, cultural buildings, public houses, and places of worship), and other local services to enhance the sustainability of communities and residential environments;**
- **take into account and support the delivery of local strategies to improve health, social and cultural well-being for all sections of the community;**
- **guard against the unnecessary loss of valued facilities and services, particularly where this would reduce the community's ability to meet its day-to-day needs;**
- **ensure that established shops, facilities, and services are able to develop and modernise, and are retained for the benefit of the community; and**
- **ensure an integrated approach to considering the location of housing, economic uses and community facilities and services.'**

### **Ensuring the Vitality of Town Centres Planning Practice Guidance**

4.12 The Town Centres and Retail Planning Practice Guidance ('the Town Centres PPG') was published in July 2019 and thereafter updated in September 2020. It provides additional direction in respect of how retail and town centre planning policy should be applied in respect of plan-making and decision-taking. The Town Centres PPG affirms the Government's aspiration to support town centres in order to generate employment, promote beneficial competition and create attractive, diverse places where people want to live, work and visit.

4.13 Paragraph 004 of the Town Centres PPG indicates that a local planning authority's strategy for their town centres should include:

- The realistic role, function and hierarchy of town centres over the plan period. Given the uncertainty in forecasting long-term retail trends and consumer behaviour, this assessment may need to focus on a limited period (such as the next five years) but will also need to take the lifetime of the plan into account and be regularly reviewed.
- The vision for the future of each town centre, including the most appropriate mix of uses to enhance overall vitality and viability.
- The ability of the town centre to accommodate the scale of assessed need for main town centre uses, and associated need for expansion, consolidation, restructuring or to enable new development or the redevelopment of under-utilised space.

- How existing land can be used more effectively – for example, the scope to group particular uses such as retail, restaurant and leisure activities into hubs or for converting airspace above shops.
- Opportunities for improvements to the accessibility and wider quality of town centre locations, including improvements to transport links in and around town centres, and enhancement of the public realm.
- What complementary strategies are necessary or appropriate to enhance the town centre and help deliver the vision for its future, and how these can be planned and delivered. For example, this may include consideration of how parking charges and enforcement can be made proportionate.
- The role that different stakeholders can play in delivering the vision. If appropriate, it can help establish the level of cross-boundary/strategic working or information sharing required between both public and private sector groups.
- Appropriate policies to address environmental issues facing town centres, including opportunities to conserve and enhance the historic environment.

4.14 This Study seeks to provide a high-level district-wide retail and leisure strategy, which will provide an overall context to the determination of planning applications for such uses and will support the Council's future development plan policy. The Study will also help underpin future town centre-specific strategies or masterplans.

4.15 Paragraph 006 of the Town Centres PPG identifies a series of key indicators of relevance in assessing the health of a centre over time. The indicators allow the role, performance, and function of centres to be monitored and are considered in greater detail at Section 4 of this report (which specifically addresses the vitality and viability of Blaby town centre and the smaller centres across the district).

### **Use Classes Order**

4.16 Significant changes to the Use Classes Order have been enacted through the Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020, which came into force on 1 September 2020.

4.17 The amendments include the revocation of Parts A and D, and the introduction of three new Use Classes, these being Classes E, F1 and F2. The Government's objective is that the changes will support the revival of the high street and allow for greater flexibility in changing uses within town centres without the need for planning permission.

4.18 In addition to the three new Use Classes, the changes also result in some changes in respect of uses classified as *sui generis*. In practical terms, the changes comprise:

- **Use Class E** – Commercial, business and service uses include: shops or retail; cafes or restaurants; financial services; professional services; any service appropriate to provide in a commercial, business or service locality; indoor sports, recreation or fitness; medical or health services; crèche, day nursery or day centre; and, offices.
- **Use Class F1** – Learning and non-residential institutions include any non-residential use for the: provision of education; display of works of art; museum; public library or public reading room; public hall or exhibition hall; for or in connection with public worship or religious instruction; or, as a law court.
- **Use Class F2** – Local community uses include: a shop selling mostly essential goods, including food, no larger than 280 sq.m and where there is no other such facility within 1,000 metres radius of the shop's location. A hall or meeting place for the local community, an area or place for outdoor sport or recreation and an indoor or outdoor swimming pool or skating rink.
- **Sui Generis** – Use within this Class now include a public house, wine bar or drinking establishment; a drinking establishment with expanded food provision; a hot food takeaway for the sale of hot food where consumption of that food is mostly undertaken off the premises; live music venue; cinema; concert hall; bingo hall; or, dance hall.

4.19 The introduction of Class E is significant and places a wide range of uses including retail, food, financial services, gyms, healthcare, nurseries, offices, and light industry into a single use class. Unless restrictive planning conditions extinguish the provisions of Class E, the ability to change the commercial use of premises without planning permission allows centres to evolve in a flexible manner.

4.20 However, the provisions of the Use Classes Order are not linked to any spatial considerations. As such, the expanded Use Class E applies equally to both town centres and out-of-centre locations, and there may be unintended consequences in providing for additional flexibility across Class E outside of town centres. Accordingly, it may be necessary for the Council to apply restrictive conditions to certain forms of development to restrict the authorised use to that which has been justified in the application submission. This will help ensure that unacceptable impacts do not arise from future Class E development.

### **Town Centre Use Permitted Development Rights**

4.21 An amendment was made to the General Permitted Development (England) Order 2015 (the 'GPDO') in March 2021. This allows for the change of use from Class E properties to residential from August 2021 (extending a right that had previously been restricted to office uses). This permitted development right is subject to maximum size requirements, the property having been in use as Class E for two years, and the property having been vacant for three months. In addition to this, 'prior approval' for the change of use must be sought from the planning

authority. Restrictions on this right apply in conservation areas and for nurseries and health centres, as well as in areas that are covered by an Article 4 direction.

## 5. Local Planning Policy Context

### Adopted Development Plan

5.1 The relevant parts of the currently adopted development plan for Blaby district comprise:

- the Blaby District Local Plan (Core Strategy), adopted February 2013;
- the Blaby District Local Plan (Delivery DPD), adopted February 2019; and
- the following Neighbourhood Plans:
  - Blaby Neighbourhood Plan 2018;
  - Leicester Forest East Neighbourhood Plan 2022;
  - Cosby Neighbourhood Plan 2023;
  - Glenfield Neighbourhood Plan 2023; and
  - Fosse Villages Neighbourhood Plan 2024.

#### Blaby District Local Plan (Core Strategy) 2013

5.2 Blaby's Core Strategy sets out its spatial plan for the district up to 2029. It establishes what the Council considers to be an appropriate vision, strategy, objectives, core policies, and monitoring and implementation framework. The Core Strategy is underpinned by twelve Strategic Objectives including number xii, which states that:

**'To maintain, and where appropriate improve, the position of retail centres within the retail hierarchy. To make sure that the existing centres, primarily Blaby Town Centre, have opportunities to grow in order to enhance their vitality and viability and to prevent expansion of out of town centres (Including the Motorways Retail Area) where this would result in an unacceptable impact on existing centres.'**

5.3 Core Strategy Policy CS1 sets the Council's overall strategy for locating new development in the district. Most new development in Blaby is directed to the Principal Urban Area (PUA), which comprises the 'built-up' areas of Glenfield, Kirby Muxloe, Leicester Forest East, Braunstone Town and Glen Parva. Outside of the PUA, development will be focussed within and adjoining Blaby (the District's only settlement with a town centre) and within and adjoining the settlements of Enderby, Narborough, Whetstone and Countesthorpe, (referred to as the 'Larger Central Villages'), which contain a good range of services and facilities, access to a range of transport modes and which have a good functional relationship with higher order centres (including Leicester and Hinckley). Lower levels of growth will be allowed in the Rural Centre, Medium Central Villages and Smaller Villages where the scale of development will reflect the settlement's range of available services and facilities and public transport alternatives.

5.4 Policy CS3 'Sustainable Urban Extension' identifies land west of the M1 as the preferred location for a Sustainable Urban Extension (SUE). The policy states that the SUE should contain, amongst other things:

- **'A District Centre, where appropriate uses will include:**
  - **A supermarket (some 2,500 sq.m m net)\***
  - **Other retail provision (Use Class A1 – A5)\***
  - **Office Floorspace (Use Class B1(a)) up to 2,000 sq.m m**
  - **Small workspaces (Use Class B1) o Health care facilities\*\***
  - **Community / Faith facilities\*\*\***
  - **Assembly and leisure uses**
  - **Residential uses**
  - **Appropriate car parking provision for the above uses**
- **Two local centres, where appropriate uses will include:**
  - **Retail provision (Use Class A1–A5)\* (combined retail floorspace 1,250 sq.m m (gross))**
  - **Health care facilities\*\***
  - **Community / Faith facilities\*\*\***
  - **Residential uses**
  - **Small workspaces (Use Class B1)**
- **Other small scale retail facilities to meet localised needs in parts of the development that are not within 400 metres walking distance of a Local or District centre.**

**\*Cumulative retail provision in the District and Local Centres shall be up to circa 4,500 sq.m m (net)**

**\*\* Cumulative Health care facilities (circa 1,200 sq.m m)**

**\*\*\* Cumulative Community / Faith facilities (circa 3,000 sq.m m)'.**

5.5 This planned 4,250-home development, known as the Lubbesthorpe SUE, has since been taken forward through the granting of outline planning permission 11/0100/1/OX in January 2014 and the approval of various subsequent applications for reserved matters and the discharge of conditions.

5.6 The outline permission allows for a mixed-use district centre and two mixed-use local centres featuring a supermarket, retail, commercial, employment, leisure, health, community and residential uses. At time of writing, only one of the planned centres has secured reserved matters approval, under local authority reference 22/0827/RM, this being 'local centre 1' at the corner of Girvan Drive and Tay Road. At time of writing, the local centre is being constructed.

5.7 Policy CS13 of the Core Strategy 'Retailing and Other Town Centre Uses' sets out the hierarchy of centres within the Blaby district. Blaby town centre tops this hierarchy, followed by the three

district centres (Enderby, Glenfield and Narborough), a rural centre (Stoney Stanton), and at the lower, end various local centres.

5.8 The policy states that Blaby town centre will be the focus for new retail development and development in former Use Classes A2 to A5, as well as leisure, cultural, tourist, office and mixed-use developments where they would be in accordance with the Blaby Town Centre Masterplan and sustain or improve its vitality and viability. Measures will also be encouraged to improve the town centre's accessibility, particularly by public transport, and for improvements to the quality, safety, convenience and attractiveness of the environment.

5.9 Policy CS.13 also explains that it will seek to facilitate the managed growth of the Motorways Retail Area (MRA), which contains Fosse Park, Asda and Grove Farm Triangle, while ensuring there are no unacceptable impacts on existing centres in the district. New developments and extensions at the MRA are required to demonstrate compliance with a number of criteria, including that there would be no unacceptable impacts on existing centres, that the proposals pass the sequential test, that they are well integrated with existing retail facilities, and that they incorporate proportionate sustainability measures. Similar provisions apply in relation to proposals for new development or extensions to Meridian Leisure Park.

5.10 In terms of other centres in the Blaby district, the same policy states that further retail development within these centres will be supported providing that it is appropriate to the role, scale and character of the centre. Similarly, where a proposal for the redevelopment of a local community facility (such as pubs and community halls) is submitted anywhere in the district, the policy requires supporting evidence to justify its loss.

5.11 Policy CS13 requires a sequential test for proposals for retail, leisure and other main town centre uses, as defined in the NPPF. Impact assessments are required for all new retail and leisure developments in excess of 929 sq.m gross outside of a defined centre, and must demonstrate the impact of the proposal on the vitality and viability of any centre and on existing, committed and planned public and private investment in any centre.

5.12 In respect of retail developments within the proposed Lubbesthorpe SUE, Policy CS.13 states that new retail facilities of an appropriate scale and type to meet the needs of new and existing residents will be encouraged and will be required to be consistent in terms of location and design with an agreed Masterplan.

### Blaby District Local Plan (Delivery DPD)

5.13 The Blaby District Local Plan (Delivery) Development Plan, adopted in February 2019, forms the second part of the development plan. It was prepared to implement the Council's spatial strategy as set out in the adopted Core Strategy.

5.14 Development Management Policy 5 in the Delivery DPD 'Blaby Town Centre - Primary and Secondary Frontages' states that, within the Primary Frontages shown on the Policies Map, the ground floors will be occupied by retail uses in former Use Class A1. Other uses within the former Use Classes A2 to A5 will need to demonstrate compliance with a number of criteria, including: having a positive impact on the vitality and viability of Blaby town centre; ensuring that no more than 30% of the length of the primary frontage fall into non-A1 use and there is not a concentration of non-A1 frontage; ensuring that there is no loss of a shop in a key location; ensuring that no significant shop use is isolated from the remaining Primary Frontage; and providing evidence regarding the length of vacancy and marketing for vacant premises. Uses that fall outside the former Use Classes A1 to A5 are not permitted at ground-floor level within the Primary Frontage. Within the Secondary Frontages, shops within the former A Use Class and other main town centres uses, with the exception of residential, will be supported. Residential development will be supported on upper floors.

5.15 Development Management Policy 6 relates to 'Neighbourhood Parades' and states that these will be maintained, and where possible enhanced, for the use of small-scale retail uses that support shops or services that are used on a day-to-day basis by the local community. The policy applies to the existing Neighbourhood Parades, which it lists, and to new facilities and services meeting the criteria. Provided that the use would not result in the Neighbourhood Parade being unable to meet the day-to-day needs of the local community, the policy supports a number of uses within these centres, including those within the former Use Classes A1 to A5, community facilities, medical facilities and ancillary residential development.

### Neighbourhood Plans

5.16 As set out above, a number of Neighbourhood Plans apply within the district. Blaby town centre falls within the area covered by the Blaby Neighbourhood Plan made in February 2018, Policy BNP5 of which 'Development in Blaby Town Centre' requires any development proposals for the town centre to accord with the general principles set out in the Blaby Town Centre Masterplan.

5.17 The Glenfield Neighbourhood Plan 2022 to 2029, made in November 2023, contains Policy CF5 'Retail Outlets'. This policy supports proposals for new retail development, provided that they do not lead to an overconcentration of hot food takeaways, that they contribute to the role of the local centre where appropriate, that they relate well to their context in terms of design, and that all signage is designed to fit sympathetically with the local character.

### **Emerging Development Plan**

5.18 Blaby District Council is preparing a new Local Plan. This Study will inform the retail, town centre and leisure policies. Two Regulation 18 consultations were held in 2019 and 2021. In

light of recent Government changes to the national planning system, the Council now aims to produce the publication version (Regulation 19) of the emerging Local Plan by July 2025.

## 6. Healthcheck Assessments and Land Use

### Introduction

6.1 Paragraph 90 of the NPPF indicates that planning policies should promote the long-term vitality and viability of town centres by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries. The same paragraph also states that town centres should accommodate a suitable mix of uses (including housing) and provide for development that reflects a centre's distinctive character.

6.2 Paragraph 006 of the Town Centres PPG identifies a range of indicators that should be assessed over time in reviewing the health of a town centre. The indicators include the following:

- diversity of uses;
- proportion of vacant street level property;
- retailer representation and intentions to change representation;
- pedestrian flows;
- accessibility;
- perceptions of safety and occurrence of crime;
- the state of town centre environmental quality;
- the balance between independent and national multiple retailers; and
- the extent to which there is an evening and night-time economy offer.

6.3 New healthcheck assessments have been undertaken for Blaby town centre; the district centres of Enderby, Glenfield and Narborough; Stoney Stanton rural centre; and Fosse Shopping Park. The detailed healthcheck assessments are provided at Appendix 3 and we provide a summary of the key conclusions below.

6.4 The assessments are based on a site visit which was undertaken in September 2024. These assessments should be taken as a 'snapshot' of the performance of each centre at a moment in time.

6.5 In addition, Nexus has produced a matrix to determine how the commercial provision is performing in the district's local centres and neighbourhood parades and, as such, where they should sit in the recommended hierarchy.

6.6 The matrix is based on an assessment of the provision of facilities, ATM services and the proportion of national operators, types and scale of facilities provided and vacancies which are located in each centre. The matrix is also provided at Appendix 3 and we again provide a summary of the key conclusions below.

6.7 For the purposes of the full healthchecks in Appendix 3, 'excluded' units comprise those uses that fall outside the retail, service and vacant categories defined by Experian Goad. These can include uses such as community centres, libraries, places of worship, educational establishments, offices, and medical service providers which, although not commercial in nature, contribute to the vitality and viability of centres by generating footfall and providing important community functions for local residents.

### Blaby Town Centre

6.8 The composition of Blaby town centre is set out at Table 4.1 below. As the table highlights, the floorspace vacancy rate in the town centre (1.5%) is significantly lower than the national average of 14.3%. Similarly, the unit vacancy rate (3.2%) is far below the UK average (14.1%).

**Table 4.1: Composition of Blaby Town Centre**

	Floorspace (sq.m)	Floorspace (%)	Floorspace UK Average (%)	Units	Units (%)	Units UK Average (%)
Comparison	2,380	21.7%	29.2%	23	24.7%	26.3%
Convenience	3,900	35.6%	15.6%	10	10.8%	9.3%
Financial Service	1,070	9.8%	6.2%	15	16.1%	8.3%
Leisure Service	2,350	21.4%	26.7%	18	19.4%	25.8%
Retail Service	2,110	19.2%	7.4%	24	25.8%	16.0%
Vacant	160	1.5%	14.3%	3	3.2%	14.1%
<b>Total</b>	<b>10,970</b>	<b>100.0%</b>	<b>100.0%</b>	<b>93</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centre derived from Nexus Planning surveys of September 2024; UK Average from Experian Goad report of September 2024

6.9 Blaby town centre is the principal centre in the district and serves as a primary retail and leisure destination. The area covered by Goad encompasses 93 retail, leisure and service units overall, providing for approximately 11,000 sq.m of commercial floorspace.

6.10 The town centre faces competition from nearby out-of-centre retail parks, predominantly Fosse Park. However, the range of units in the centre is vastly different to Fosse Park, with Blaby benefitting from a strong presence of independent businesses which provide goods and services that better support the day-to-day needs of local residents.

6.11 The Iceland and Aldi supermarkets play a role in anchoring the centre, drawing in shoppers and encouraging linked trips with the wider offer of the centre. These are complemented by a small Morrisons Daily supermarket and a range of independents.

6.12 The overall offer of comparison retailers in Blaby town centre is relatively diverse. However, there are some comparison uses that are not represented such as menswear, womenswear and childrenswear. Approximately 57% of the comparison retailers in the town centre are independent retailers, and there is an even distribution of independent retailers and national multiples throughout Blaby town, with no noticeable clusters. The national multiples in the town centre are dominated by charity shops, with Age UK and Mind, amongst others, operating there.

6.13 Blaby town centre enjoys a strong leisure offer, particularly in the food and drink sector, albeit that provision sits below the UK average. The expansion of leisure operators in the town centre over the past ten years reflects national trends, and is a positive addition drawing new footfall and expenditure. The town centre's evening economy is relatively limited, comprising three pubs along with a large number of takeaway restaurants. Whilst takeaways do in some ways support an evening economy, they do not encourage people into a centre to stay for a duration of time.

6.14 Over 70% of Blaby's retail service operators are health and beauty outlets, all of which are independents. These are complemented by a range of other service units which are able to meet residents' day-to-day needs, including opticians, a post office, and travel agents.

6.15 Financial and business service representation has declined slightly since 2014, although we consider that this finding largely reflects national trends such as the move to online banking which has resulted in widespread closures of high street banks nationwide. Provision in Blaby town centre continues to surpass UK averages in terms of units, although the range of units is limited mainly due to a shortfall of banks and building societies.

6.16 Additional uses within Blaby town centre include the library, which includes the Family Support Hub amongst a wide range of activities for the community and a doctors surgery alongside the Lloyds Pharmacy.

6.17 There is some representation in Blaby town centre from national multiples, which account for approximately 26% of its commercial units. These operators include Dominos, Greggs, Iceland and Savers. This figure demonstrates that the town centre has a strong provision of independent retailers, which is positive for a centre of this size.

6.18 On the whole, Blaby has withstood the challenges faced by most UK centres in the last ten years, with the number of vacancies only rising by one. As noted above, the floorspace and unit vacancy rates are significantly below the national averages, which paints a positive picture for the town centre. The three vacant units recorded are all small in size and evenly distributed through the centre. They are therefore unlikely to face issues in attracting businesses to re-

occupy them. Given the above, the vacancy rate does not give cause for concern and is instead indicates that the town centre remains vital and viable.

6.19 In addition, Blaby town centre is generally very well-maintained and is of a good environmental quality, which also contributes to the perception that the centre is safe and secure. Furthermore, the town centre's accessibility by car and pedestrian-friendly environment create a convenient and attractive centre, although it would benefit from increased accessibility by public transport and improvements to urban greening.

6.20 Overall, Blaby town centre is the principal defined centre within the district, and has proven to be a resilient town centre and is considered to be in good health.

### District and Rural Centres

6.21 The composition of each of the district and rural centres in the Blaby District is provided in Table 4.2 below. All three district centres enjoy unit vacancy rates significantly lower than the UK average of 14.1% (as identified by Experian Goad in September 2024), with Enderby and Narborough having no recorded vacancies. Similarly, our survey found zero vacant units within Stoney Stanton rural centre.

**Table 4.2: Composition of Blaby's District and Rural Centres at September 2024**

Land Use	Enderby DC Units (No.)	Enderby DC Units (%)	Glenfield DC Units (No.)	Glenfield DC Units (%)	Narborough DC Units (No.)	Narborough DC Units (%)	Stoney Stanton RC Units (No.)	Stoney Stanton RC Units (%)	UK Average Units (%)
Comparison	5	17.9%	1	4.8%	6	24.0%	3	20.0%	26.3%
Convenience	3	10.7%	4	19.0%	4	16.0%	3	20.0%	9.3%
Financial Service	2	7.1%	1	4.8%	1	4.0%	2	13.3%	8.3%
Leisure Service	10	35.7%	5	23.8%	6	24.0%	5	33.3%	25.8%
Retail Service	8	28.6%	9	42.9%	8	32.0%	2	13.3%	16.0%
Vacant	0	0.0%	1	4.8%	0	0.0%	0	0.0%	14.1%
<b>Total</b>	<b>28</b>	<b>100.0%</b>	<b>21</b>	<b>100.0%</b>	<b>25</b>	<b>100.0%</b>	<b>15</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centre derived from Nexus Planning surveys of September 2024; UK Average from Experian Goad report of September 2024

### Enderby District Centre

6.22 With 28 retail, leisure and service units, Enderby is the largest of Blaby's three district centres. It is located approximately 7.5km to the southwest of Leicester city centre and 3km west of Fosse Park Shopping Park. Mill Lane/Cross Street forms the primary shopping and service

street. The centre lies at the heart of a wide residential catchment and also provides for civic facilities such as a community centre, library and pre-school.

6.23 Convenience retail provision in Enderby is dominated by its two Co-op stores, which, unusually, lie in close proximity to each other along Mill Lane/Cross Street. These stores mainly cater for day-to-day top-up shopping, but both benefit from adjacent car parking and the northern unit, in particular, is able to support main grocery shopping trips.

6.24 While both Co-ops were trading on the day of our fieldwork visit, local press reports from November 2024 indicate that the smaller store on Mill Lane is due to close in the first half of 2025. Ownership of the store will be transferred to Samy Ltd, an operator which runs other convenience stores and B&M Retail Ltd.<sup>15</sup>

6.25 Enderby's comparison retailers are relatively small in scale and independently operated, reflecting both the nature of the district centre and its proximity to the higher order national multiples at Fosse Shopping Park. The centre provides for a good range of daily needs, with representation from a chemist, charity shop, hobby shop, newsagents and fireplace shop.

6.26 In terms of leisure, Enderby contains a relatively high proportion of public house and takeaway uses. These are distributed along Mill Lane/Cross Street and, given the compact nature of the district centre, help to bring a reasonable level of activity and footfall in the evenings. The remaining service uses predominantly fall into the health & beauty category, but the district centre also provides for a car wash and petrol station, building society and estate agents.

6.27 In addition to the commercial uses outlined above, the district centre and surrounding area provide for a number of services and civic uses – including a community centre, library and pre-school – which serve an important function for the local community.

6.28 Importantly, our survey recorded no vacancies within the district centre, a finding consistent with the previous survey of 2014 and an indication of enduring good health. Enderby benefits from good accessibility, with ample parking, bus services, and a compact layout that encourages pedestrian movement. The quality of the physical environment is generally good, with a mix of attractive historic and modern buildings, although some lower-quality frontages detract from the overall character.

6.29 Overall, however, we consider that Enderby is a healthy district centre which performs well in meeting the day-to-day retail and service needs of its local community.

<sup>15</sup> <https://www.leicestermercury.co.uk/news/leicester-news/seven-co-op-stores-across-9698396> [accessed 17th February 2025]

## Glenfield District Centre

6.30 Glenfield district centre comprises 21 retail, leisure and service units. These premises are arranged around Station Road and Stamford Street and interspersed with residential development forming part of the centre's substantial walk-in catchment.

6.31 Glenfield provides for a strong convenience retail and service offer anchored by its Morrisons superstore. Comparison retail provision is limited to an independent pharmacy, likely reflecting the proximity of the district centre to Leicester city centre and Fosse Shopping Park, but the Morrisons is of sufficient size to cater for most day-to-day non-food shopping requirements.

6.32 Glenfield also performs an important role as a service centre for the local catchment. The leisure offer fulfils a good range of needs for a centre of this size, with late-opening food and drink outlets scattered throughout the centre and generating some footfall and activity in the evenings. Almost half of the district centre's commercial units are occupied by retail service traders. The majority of these units fall into the health & beauty category, but the centre also provides for a Petrol Filling Station, opticians and travel agent. The only financial & business service provider is a sign design business.

6.33 The only vacant unit in the district centre is the former Glenfield Social Club, which is set to be redeveloped into an expanded petrol filling station for Morrisons. This will result in improvements to the street-scene in the north of the centre and some important accessibility benefits, including enhanced pedestrian connectivity between the supermarket and the other commercial units on Station Road.

6.34 Glenfield is accessible by a range of means of transport, with reasonably good manoeuvrability for pedestrians including those with mobility impairments. The layout of the centre and the residential development dispersed throughout allow for a high level of natural surveillance and the low level of vacancy suggests that the commercial units are well-used.

6.35 The quality of the district centre environment is, broadly speaking, higher towards the southern end, which overlaps with the Glenfield Conservation Area and also benefits from the mature trees and greenery provided at The Square. While the northern part is generally less attractive, the forthcoming redevelopment of the former social club and associated new cladding to the existing petrol station are expected to provide a boost to the quality of the environment here. Regardless, most of the commercial stock is well-maintained and free of graffiti, and thus we consider that the centre as a whole performs reasonably well in terms of environmental quality.

6.36 Based on these indicators, our overall conclusion is that Glenfield is a reasonably vital and viable district centre and performs well in fulfilling the retail, leisure and service needs of its local catchment.

## Narborough District Centre

6.37 Narborough district centre is located around 9.6 km to the southwest of Leicester. The town centre extends north from Narborough Railway Station, and its 25 units are dispersed around a relatively large area. The defined centre is split into two parts. The western area is concentrated to the north of the train station on Station Road and includes units along Coventry Road/Leicester Road. The western area is focussed around Royal Court and Coventry Road/Leicester Road. However, there are also additional retail uses between the two parts of the centre, which are interspersed with some housing. The district centre is local in nature, and dominated by independent businesses that occupy purpose-built ground-floor retail units.

6.38 The centre's small Co-op and other convenience stores provide for top-up food shopping needs. Comparison representation is entirely independent and strong for a centre of this size, with Narborough containing a pharmacy, home furnishing stores, a florist, greeting card shop and hardware shop.

6.39 Food and drink operators make up the entirety of the district centre's leisure offer. There are three cafés which contribute to the daytime economy, and the night-time economy is supported by a public house, an Indian restaurant, and a takeaway operator. Retail service uses present in the centre include health & beauty operators, a dry cleaners, opticians, post office and a driving school, providing for a good variety of residents' daily needs. The sole financial & business services trader is an estate agents.

6.40 Positively, there were no vacancies recorded in Narborough.

6.41 Narborough benefits from good accessibility by a range of means of transport, being the only district centre in Blaby with a train station and being served by two bus routes which provide frequent services to Leicester city centre. The centre supports a moderate level of footfall commensurate with its size and role in the hierarchy, and the environmental quality is reasonably good. There was no evidence of vandalism or graffiti in the centre at the time of the survey.

6.42 Overall, we consider that Narborough is as a vital and viable district centre that performs an important local retail and service function for its walk-in residential catchment.

## Stoney Stanton Rural Centre

6.43 Large parts of the district are rural in nature, with the southern and western parts in particular being characterised by settlements located some distance from the higher order centres and containing a comparatively low level of service provision which is nonetheless important to the communities which they serve.

6.44 Stoney Stanton is the largest and best-served of the villages in the south of the district, and it plays a significant role in providing retail, medical, education and other services to its own local population and to residents of other nearby villages such as Sapcote and Sharnford.

6.45 Stoney Stanton is currently the only centre classified as a 'rural centre' within the hierarchy of centres set out in adopted Blaby Core Strategy Policy CS.13. While the settlement itself is large, the commercial provision amounts to only 15 units which are loosely scattered around crossroads of Long Street and New Street/Broughton Road and within the small purpose-built parade at St Michaels Court. Stoney Stanton Library is also located on St Michaels Court, and the Stoney Stanton Village Hall is situated on the opposite side of New Road in proximity to the Star Inn pub.

6.46 Despite its relatively small size, the composition of the centre is varied and well-placed to support the daily needs of local residents. In particular, Stoney Stanton's Co-op and two smaller independent convenience stores provide for top-up food shopping. The centre's non-food stores comprise an independent pharmacy, opticians and hardware store.

6.47 Leisure operators play a key role in underpinning both the centre's daytime and evening economies, and particularly its three public houses, which attract strong lunchtime trade. Other service uses include two health & beauty operators, an estate agent and a firm of solicitors. Again, this provision is considered to support a good variety of residents' day-to-day needs.

6.48 Stoney Stanton's built form is attractive and its public realm is well-kept, which creates a distinct sense of place which is traditional and quaint in character. The lack of any vacant units also contributes to the centre's high environmental quality and a general feeling of safety and security.

6.49 In terms of weaknesses, there is no public transport in and around Stoney Stanton, meaning that accessibility is restricted to a degree. Moreover, some household survey respondents who visited the rural centre experiences traffic congestion at peak times.

6.50 Overall, however, the centre is considered to be vital and viable, and to perform an important function in meeting the retail and service needs of its own local population and residents of surrounding settlements. Our key recommendation with regard to Stoney Stanton is that it be redesignated as a local centre, rather than remaining the district's only rural centre, to reflect its scale and role as well as ensuring consistency in terminology.

## **Motorways Retail Area**

6.51 Although not a defined centre in the district's hierarchy, Policy CS.13 of the adopted Core Strategy recognises the commercial success and role played by Fosse Shopping Park as part of the Motorways Retail Area (MRA) on the edge of the Leicester Principal Urban Area. The Core

Strategy seeks to facilitate the managed growth of the MRA while ensuring there are no unacceptable impacts on existing centres in the district.

6.52 The area covered by our survey of September 2024 includes entirety of Fosse Park, as well as the adjacent Sainsbury's and Asda stores which also form part of the MRA. The land use composition of this area is set out in Table 4.3 overleaf.

**Table 4.3: Composition of Fosse Shopping Park**

	Units (No.)	Units (%)	Units UK Average (%)
Comparison	42	57.5%	26.3%
Convenience	2	2.7%	9.3%
Financial Service	0	0.0%	8.3%
Leisure Service	22	30.1%	25.8%
Retail Service	3	4.1%	16.0%
Vacant	4	5.5%	14.1%
<b>Total</b>	<b>73</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centre derived from Nexus Planning surveys of September 2024; UK Average from Experian Goad report of September 2024

6.53 As indicated by Table 4.3, Fosse Park is largely comparison retail focussed. Its major retailers include Next, Marks & Spencer (including M&S Food), Primark and TK Maxx. The comparison operators are predominantly at a mid-range price point, however there are options in the shopping park to purchase higher end goods.

6.54 In addition, the large Sainsbury's supermarket and an Asda superstore located within the vicinity of the Shopping Park provide an extensive convenience offer. The presence of these supermarkets within the shopping park creates a destination where visitors can undertake a wide array of activities to support their day to day needs.

6.55 In recent years, Fosse Park has undergone significant expansion which has seen the addition of Fosse Park West as well as Food Central opening in 2021. The development was aimed at modernising the shopping experience and expanding the offer to draw more visitors. Food Central has created an area within the retail park that has a high concentration of well-known restaurants such as Nando's, Greggs, Costa Coffee and Zizzi.

6.56 Unsurprisingly, due to the size and format of Fosse Park's commercial units, the retail and financial & business service function of Fosse Park is extremely limited. Both of the Sainsbury's

and Asda supermarkets provide petrol filling stations and currency exchanges, and the only remaining service operator is a travel agent. There is, however, a temporary Barclays Pod that is located outside the M&S. Barclays have introduced this pod concept to community spaces nationally to provide help with money management, their products, services and transactions that don't involve cash or cheques.

6.57 At the time of the survey, only four units at Fosse Park were vacant.

6.58 We observed a high level of pedestrian activity throughout the shopping park when we visited it, particularly around the main part of Fosse Park where there is a high concentration of comparison retailers.

6.59 Overall, the Motorways Retail Area is clearly functioning well as a popular retail and leisure destination for the wider East Midlands region, due to its high concentration of comparison and leisure operators within one vicinity.

### **Local Centres and Neighbourhood Parades**

6.60 In addition to the above, we have visited and surveyed each of the 8 local centres and 22 neighbourhood parades in the Blaby district. Nexus has reviewed these defined centres to determine how they are performing and their wider offer and, as such, where they should sit within the recommended hierarchy. We have also made recommendations with respect to the expansion, contraction or other alteration of centre boundaries where appropriate.

6.61 Unsurprisingly, given the largely rural nature of the Blaby district and their role in the hierarchy, the centres are generally relatively small in scale. Nonetheless, they vary considerably in size, from 15 commercial units recorded at Countesthorpe local centre to just one commercial unit each in Elm Tree Avenue/Somerset Drive and Warren Court neighbourhood parades (although the latter two centres also provide for medical services which serve a valuable function for their local communities).

6.62 The provision of retail and service facilities also varies substantially between the centres, with five of the centres having no convenience store. Similarly, there are considerable differences in the quality of operators, with Blaby's centres generally being balanced towards independent rather than national multiple commercial operators. The offer in ten of the centres is wholly independent. Those national multiples that do exist within Blaby's local centres and neighbourhood parades tend to be moderately sized and often geared towards top-up shopping, with small Co-op, Premier or similar stores being fairly typical.

6.63 With some notable exceptions, vacancy rates are generally very low across these centres, with 23 out of 30 having no empty commercial premises whatsoever at the time of our survey.

6.64 Having reviewed their offers, the centres clearly play a number of vital roles in providing day-to-day facilities for their local catchments, depending on the uses present and their concentrations. Some centres, such as Countesthorpe, function largely as top-up shopping and/or leisure destinations, providing facilities to enable residents to purchase goods like milk and bread or to visit food and drink leisure operators. Others, such as Dominion Road neighbourhood parade, play more of a service role, with the offers being more focussed on facilities such as hairdressers and barbers and/or financial and business services. A number of the centres also include pharmacies and ATM machines, both of which are needed on a regular basis by local residents.

6.65 Nexus has used a matrix to determine how the commercial provision is performing and as such, where each centre should sit within the recommended hierarchy. As set out above, the matrix is based on an assessment of the provision of facilities, ATM services and the proportion of national operators, types and scale of facilities provided and vacancies which were located in each centre.

6.66 Details in respect of the centres assessed for this part of the Study are provided at Appendix 3, and these findings have been used to help formulate the recommended boundaries, designations and policy approach contained within the final part of this report.

## **Summary and Conclusions**

6.67 Paragraph 90 of the NPPF identifies that local planning authorities should define a network and hierarchy of town centres. However, very little detail is provided in this regard and, notably, neither the NPPF nor the Town Centres PPG differentiates between different types of town centre and the role each serves.

6.68 The most recent definitions provided by the Government were provided by Planning Policy Statement 4: Planning for Sustainable Economic Growth ('PPS4'), which was published in December 2009 (and was superseded by publication of the original iteration of the NPPF in March 2012). Whilst PPS4 should be considered on this basis (i.e., it is not up to date practice guidance), in the absence of any other definitions, it is of some relevance to the consideration of a retail centres hierarchy.

6.69 Annex B of PPS4 identified that:

**'City centres are the highest level of centre identified in development plans. In terms of hierarchies, they will often be a regional centre and will serve a wide catchment. The centre may be very large, embracing a wide range of activities and may be distinguished by areas which may perform different main functions. Planning for the future of such areas can be achieved successfully through the use of area action plans, with masterplans or development**

briefs for particular sites. In London the 'international' and 'metropolitan' centres identified in the Mayor's Spatial Development Strategy typically perform the role of city centres.

**Town centres will usually be the second level of centres after city centres and, in many cases, they will be the principal centre or centres in a local authority's area. In rural areas they are likely to be market towns and other centres of similar size and role which function as important service centres, providing a range of facilities and services for extensive rural catchment areas. In planning the future of town centres, local planning authorities should consider the function of different parts of the centre and how these contribute to its overall vitality and viability. In London the 'major' and many of the 'district' centres identified in the Mayor's Spatial Development Strategy typically perform the role of town centres.**

**District centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library.**

**Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, large villages may perform the role of a local centre.**

**Small parades of shops of purely neighbourhood significance are not regarded as centres for the purposes of this policy statement.'**

6.70 Our findings from the review of the health of the defined centres within the district has found that:

- Blaby is performing an important town centre role within the district, being the principal and largest centre. The town centre provides for the largest quantum of commercial floorspace, which includes larger format convenience floorspace meeting residents' day-to-day needs including main food shopping needs.
- Enderby, Glenfield and Narborough centres are performing important district centre roles within the district, with a variety of smaller-scale commercial operators present, alongside convenience stores. The centres fall within the district centre definition as provided above.
- Stoney Stanton is smaller in scale, providing for a more limited offer which serve a smaller catchment. Although it continues to perform an important role in serving its' local catchment, it is considered that it falls within the local centre definition as provided above.

## 7. Population and Expenditure

### Study Area and Household Survey

7.1 A survey of 912 households was undertaken by NEMS Market Research in order to ascertain where residents go to undertake a range of shopping and leisure activities.

7.2 The below Table 5.1 identifies the postcode sectors which define each of the zones. A plan defining the geographic extent of the Study Area and the below zones is provided at Appendix 1.

**Table 5.1: Study Area Zones by Postcode Sector**

Survey Zone	Postcode Sectors
1	LE 9 4, LE10 0, LE10 1, LE10 2, LE10 3
2	LE 9 3, LE 9 7, LE 9 9
3	LE 9 6, LE 17 5
4	LE 8 4, LE 8 5, LE 8 6, LE 8 8, LE 9 1, LE18 3, LE87 2
5	LE 2 2, LE 2 3, LE 2 6, LE 2 8, LE 2 9
6	LE2 4, LE 2 5, LE18 1, LE18 2, LE18 4
7	LE 3 8, LE 6 0, LE 9 2
8	LE19 0, LE 3 3, LE19 1, LE19 2, LE19 3, LE19 4, LE95 2, LE3 2

7.3 The above zones were used as the basis for the NEMS household survey, which underpin the quantitative retail capacity assessment which follows at Section 6 of the report and the quantitative leisure capacity assessment at Section 7.

7.4 To identify the expenditure claimed by retail destinations (and the capacity which is potentially available to support additional retail and leisure development), the first step is to estimate the population and future convenience and comparison goods expenditure associated with the Study Area.

### Study Area Population

7.5 The population within each postcode sector and each zone at 2024 has been calculated using Experian Micromarketer G3 data (2022 estimate, which was issued in February 2024). We have confirmed with Council Officers that Experian's population projections are broadly consistent with the level of growth which is being planned for across the district in practice.

7.6 Table 5.2 below sets out Experian's population projections for each zone in the Study Area for reporting years 2024, 2029, 2034, 2039 and 2041.<sup>16</sup>

**Table 5.2: Estimated Study Area Population by Survey Zone**

Zone	2024	2029	2034	2039	2041
1	63,107	66,165	68,837	71,546	72,640
2	25,137	26,362	27,453	28,409	28,747
3	17,142	17,975	18,789	19,619	19,936
4	42,074	44,104	45,967	47,723	48,349
5	64,807	65,925	67,009	67,744	68,030
6	46,869	47,994	48,756	49,453	49,807
7	29,029	30,238	31,278	32,153	32,470
8	48,098	50,804	53,152	55,404	56,313
<b>Total</b>	<b>336,263</b>	<b>349,567</b>	<b>361,241</b>	<b>372,051</b>	<b>376,292</b>

Source: Table 1 of Appendix 4

7.7 Based on Experian's population projections, we estimate that the Study Area population will increase from 336,263 persons at 2024 to 376,292 persons at 2041. This equates to an increase of 40,029 persons (or 11.9% over the 17-year period).

### Retail Expenditure

7.8 In order to calculate per capita convenience and comparison goods expenditure, we have utilised Experian Micromarketer G3 data, which provides detailed information on local consumer expenditure that takes into consideration the socio-economic characteristics of the local population. The base year for the Experian expenditure data is 2022. Our methodology takes account of the fact that some special forms of trading expenditure<sup>17</sup> is not available to support retail floorspace and then allows for increases in per capita expenditure growth on an annual basis.

7.9 Figure 5 of Appendix 3 of ERPBN21 provides estimates in respect of the proportion of convenience and comparison goods expenditure that will be committed through special forms of trading both now and in the future. We have 'stripped out' any survey responses which relate to expenditure committed via special forms of trading and have instead made an

<sup>16</sup> The reporting years relate to five year intervals across the forthcoming plan period (working back from 2040), with an additional reporting year of 2041.

<sup>17</sup> Identified as comprising sales via the internet, mail order, stalls and markets, door-to-door and telephone sales (i.e. all non-store sales).

allowance derived from Experian's recommendations (which we consider to be the most appropriate means by which to account for such expenditure).

7.10 We set out Experian's expenditure growth estimates within the below Table 5.3.

7.11 In considering special forms of trading, many products which are ordered online are sourced from a store's shelves or stockroom in practice (this is particularly the case with convenience goods). As such, expenditure committed in this manner acts to sustain shops and can be considered 'available' to support floorspace within the Study Area. Accordingly, in order not to overstate the influence of special forms of trading on retailers, our methodology utilises Experian's 'adjusted' allowance for special forms of trading (which is provided at Figure 5 of ERPBN21). This allowance indicates that 4.9% of convenience goods expenditure and 23.6% of comparison goods expenditure is 'lost' to shops at base year 2022 through special forms of trading purchases.

7.12 Having made an allowance for special forms of trading, we then take account of projected changes in expenditure in accordance with the recommendations provided by Figure 6 of Appendix 3 of ERPBN21. Experian provides overall growth rates and 'adjusted' rates, which account for any additional increases in expenditure lost to special forms of trading. The latest growth rates suggest that growth in comparison goods expenditure should pick up in the next few years as confidence in the economy returns, with this following a number of turbulent years following the start of the Covid-19 pandemic in 2020. The applicable annual per capita growth rates are set out below at Table 5.3.

**Table 5.3: Experian Retail Planner Briefing Note 21 Convenience and Comparison Goods Annual Per Capita Growth Rates**

Year	Convenience Goods	Convenience Goods 'Adjusted SFT'	Comparison Goods	Comparison Goods 'Adjusted SFT'
2022	-2.5	-5.0	6.8	3.3
2023	-2.4	-2.9	-1.9	-2.3
2024	-2.3	-1.0	-4.1	-3.1
2025	-1.7	-0.6	0.4	1.2
2026	-1.0	-0.4	2.5	2.9
2027	-0.8	-0.2	2.1	2.5
2028	-0.7	-0.1	1.9	2.2
2029	-0.6	-0.1	2.0	2.3

Year	Convenience Goods	Convenience Goods 'Adjusted SFT'	Comparison Goods	Comparison Goods 'Adjusted SFT'
2030	-0.6	-0.1	2.0	2.3
2031	-0.5	-0.1	2.1	2.4
2032	-0.5	-0.1	2.2	2.4
2033	-0.4	0.0	2.4	2.6
2034	-0.4	0.0	2.4	2.6
2035	-0.4	0.0	2.4	2.5
2036	-0.3	0.0	2.3	2.5
2037	-0.2	0.0	2.5	2.6
2038	-0.2	0.0	2.5	2.6
2039	-0.2	0.0	2.5	2.6
2040	-0.2	0.0	2.4	2.6

Source: Figure 7 of Appendix 3, Experian Retail Planner Briefing Note 21 (February 2024).  
National rates.

7.13 For convenience goods, Experian does not forecast any per capita expenditure growth across the entire period to 2041. The position in respect of comparison goods expenditure is more positive.

7.14 This Study utilises the most up to date Experian expenditure data and growth forecasts. However, longer term growth forecasts (beyond the next ten years) should be treated with caution given the inherent uncertainties associated with predicting the performance of the economy over time (particularly in the current economic, health and political climates). As such, assessments of this nature should be reviewed on a regular basis to ensure that forecasts over the medium and longer term reflect changing circumstances.

7.15 In this regard, we note that paragraph 90 of the NPPF requires local planning authorities to allocate sites to meet likely town centre needs '...looking at least ten years ahead', which differs from the previous requirement to meet needs across the entire plan period. This change is reflective of turbulent economic conditions and the pace of change within the retail sector in recent years. By applying Experian's recommendations in respect of special forms of trading and expenditure growth, we can produce expenditure estimates for each survey zone and the overall Study Area at 2024, 2029, 2034, 2039 and 2041.

## Convenience Goods Expenditure

7.16 Taking into account the Study Area resident population and the available per capita convenience goods expenditure, we estimate that £421.6m<sup>18</sup> of convenience goods expenditure originates within the Study Area at 2024. The below Table 5.4 indicates that available Study Area convenience goods expenditure is forecast to increase to £939.0m at 2041.

**Table 5.4: Total Available Study Area Convenience Goods Expenditure**

2024 (£m)	2029 (£m)	2034 (£m)	2039 (£m)	2041 (£m)
854.9	875.6	902.4	928.6	939.0

Note: In 2022 prices

7.17 Table 5.5 indicates that this represents an increase of £84.1m (or 9.8%) across the Study Area between 2024 and 2041. Given the static growth in per capita expenditure, this increase can be attributed to growth in the Study Area's population.

**Table 5.5: Growth in Available Study Area Convenience Goods Expenditure**

Growth 2024-29 (£m)	Growth 2024-34 (£m)	Growth 2024-2039 (£m)	Growth 2024-2041 (£m)
20.7	47.5	73.7	84.1

Note: In 2022 prices

7.18 We have assumed that 75% of available convenience goods expenditure would take the form of main food shopping and that 25% would take the form of top-up shopping (which relates to smaller purchases often made using a basket rather than a shopping trolley).<sup>19</sup>

7.19 By applying this ratio, we estimate that main food shopping trips account for £641.2m of Study Area convenience goods expenditure at 2024, and top-up shopping trips account for £213.7m.

## Comparison Goods Expenditure

7.20 For comparison goods, Table 5.6 sets out our estimate that the resident population of the Study Area will generate £1,003.7m of comparison goods expenditure at 2024. Available comparison goods expenditure is then forecast to increase to £1,694.0m at 2041.

**Table 5.6: Total Available Study Area Comparison Goods Expenditure**

2024 (£m)	2029 (£m)	2034 (£m)	2039 (£m)	2041 (£m)
1,003.7	1,165.1	1,360.3	1,590.8	1,694.0

Note: In 2022 prices

<sup>18</sup> In 2022 prices, as is every subsequent monetary reference.

<sup>19</sup> This is a standard split applied in undertaking this exercise.

7.21 The identified increase in comparison goods expenditure growth is substantial, but it represents a level of annual growth that is more circumspect than that which has been achieved in the past. This is due to both a reduction in the overall level of growth when compared to that achieved in the early part of this millennium, and as a result of further forecast increases in expenditure committed via special forms of trading (most obviously, internet shopping).

7.22 As the below Table 5.7 identifies, our assessment estimates that there will be an increase of £690.3m (equating to 68.8%) in respect of Study Area comparison goods expenditure between 2024 and 2041.

**Table 5.7: Growth in Available Study Area Comparison Goods Expenditure**

Growth 2024-29 (£m)	Growth 2024-34 (£m)	Growth 2024-2039 (£m)	Growth 2024-2041 (£m)
161.4	356.6	587.0	690.3

Note: In 2022 prices

7.23 We sub-divide comparison goods expenditure into eight categories, these being: 'DIY', 'Electrical' and 'Furniture' (collectively referred to as bulky goods); and 'Clothing and Footwear', 'Books, CDs and DVDs', 'Health, Beauty and Chemist Goods', 'Small Household Goods', and 'Toys, Games, Bicycles and Recreational Goods' (collectively referred to as non-bulky goods). The proportion of expenditure directed to each sub-category is estimated by Experian on a zonal basis. Experian's estimates are reflected in the detailed expenditure tables set out at Table 7b of Appendix 4 of this report.

7.24 In considering expenditure growth, it should be noted that not all growth arising within the Study Area is available to support additional floorspace in the Blaby area. Instead, account needs to be taken of:

- the market share of expenditure secured by retailers within the Blaby district area (and the fact that many needs are successfully met outside the District);
- the claim made by existing retailers on expenditure growth (the future efficiency of retail floorspace); and
- the expenditure that will be claimed by committed retail developments.

7.25 These issues are addressed in the assessment of retail capacity provided in Section 6 of this report.

## 8. Market Research – Household Surveys

### Market Share Analysis: Household Survey Results

8.1 The NEMS household survey identifies where residents travel to undertake a range of shopping and leisure activities. The summary of results provided in this section focuses on the market share of shopping trips secured by retail venues for various types of shopping. In August and September 2024, a survey of 912 households was undertaken by NEMS within the defined Study Area to ascertain where residents go to undertake a range of shopping and leisure activities.

8.2 The household survey is reproduced as part of Appendix 2 of this Study. In retail terms, the principal purpose of the survey is to establish:

- Patterns of convenience goods spending, based on the location of:
  - the shops or shops respondents last visited and visited 'the time before last' to undertake their main food shop; and
  - the shop or shops respondents last visited and visited 'the time before last' to undertake their main top-up food shop.
- Patterns of comparison goods spending, based on the local of the respondent's last shopping trip to purchase the following types of comparison goods:
  - clothing and footwear;
  - books, CDs, DVDs and stationery;
  - small household goods, such as home furnishings, clocks, jewellery, glass and china;
  - toys, games, bicycles and recreational goods;
  - chemist goods, including health and beauty items;
  - electrical goods, such as televisions, washing machines and computers;
  - DIY and gardening goods; and
  - furniture, carpets and floor coverings.

8.3 The analysis which follows considers market share for the above sub-sectors. Our assessment is based on the market share of expenditure to particular 'bricks and mortar' retail destinations. For comparison goods, the zonal market share secured by each retail destination for each of the above eight sub-sectors is taken directly from the corresponding household survey question responses. For the purposes of the market share analysis, this does not take account of the inflow of expenditure from residents located outside of the Study Area. Instead, this section focuses on the shopping patterns of those residing within the Study Area, and importantly, those that reside within the Blaby authority area.

8.4 For convenience goods, the methodology differs. We have found that retail assessments of this nature can often overstate the turnover of discount foodstores and understate the turnover of larger format stores operated by the 'big four'. This is because apportioning 'main food' convenience goods expenditure in accordance with a household survey fails to account for the fact that goods are generally cheaper at discount foodstores. Such foodstores are also typically of a lesser scale and may not sell all products (for example, they may have a lesser range in respect of ingredients and in respect of ready meals). The consequence of this is that trips to a discount foodstore may often result in a lesser level of expenditure than trips to a large food superstore.

## Retail Goods Market Share Analysis

### Convenience Goods Market Share

8.5 Our analysis begins by reviewing the retention of convenience goods expenditure within each of the eight Study Area zones (i.e. the proportion of expenditure originating within a given zone which is claimed by retailers located within that same zone). This enables an understanding of whether residents are having to travel to meet their convenience goods shopping requirements, or if they are typically able to meet their needs in proximity to where they live. It is accepted that some respondents will live towards the boundary of their respective zones and some trips will therefore be able to be undertaken to nearby zones in a sustainable manner.

8.6 In each case, the top-up shopping retention rates are higher than the main food shopping retention rates, indicating that residents will typically choose convenience destinations closer to home to meet their day-to-day shopping needs such as purchasing a pint of milk or a loaf of bread.

**Table 6.1: Zonal Convenience Goods Retention Rates at 2024**

Zone	Main Food Shopping Zonal Retention Rate 2024 (%)	Top-Up Food Shopping Zonal Retention Rate 2024 (%)	Combined Convenience Goods Shopping Zonal Retention Rate (%)
1 – Hinckley	82.3%	90.6%	84.4%
2 – Desford and Earl Shilton	6.7%	60.3%	20.1%
3 – Broughton Astley	25.4%	77.7%	38.5%
4 – Blaby	39.6%	73.1%	48.0%
5 – Aylestone	15.3%	35.5%	20.3%
6 – Wigston	82.8%	87.9%	84.1%
7 – Glenfield	36.1%	63.0%	42.8%

Zone	Main Food Shopping Zonal Retention Rate 2024 (%)	Top-Up Food Shopping Zonal Retention Rate 2024 (%)	Combined Convenience Goods Shopping Zonal Retention Rate (%)
8 – Enderby, Narborough and Fosse	85.0%	74.0%	82.2%

Source: Table 4 of Appendix 4 of this Study

8.7 Table 6.1 demonstrates that the highest main food shopping retention is found within Zones 1, 6 and 8, in which over 80% of trips are directed to destinations within the corresponding zones.

8.8 Focusing on the zones which principally cover Blaby district, in terms of Zone 4, the principal main food shopping destination for residents is the Aldi in Blaby, attracting 31.0% of main food trips, followed by the Iceland in Blaby (5.0%) and the Asda Express at Lutterworth Road (2.4%). Looking at Zone 8, the principal destination for residents is the Sainsbury's foodstore at Grove Farm Triangle, which attracts 40.2% of main food trips, followed by the Asda at Fosse Park, attracting 25.7% of trips and the Aldi at Meridian Way attracting 14.6% of trips.

8.9 The lowest main food shopping retention rates are found in Zones 2 (6.7%) and 5 (15.3%). In both cases, residents are choosing large format convenience destinations outside of the corresponding zone to meet their convenience needs.

8.10 Turning to top-up convenience shopping, overall the retention rates are higher within each zone, which demonstrates the propensity of residents to shop locally to undertake their day-to-day 'basket' shops. The highest retention level is found in Zone 1 at 90.6%, with the lowest in Zone 5 at 35.5%. The market share for top-up shopping in each zone is generally spread out across a higher number of destinations, including the smaller operators such as the Co-op stores, the Sainsbury's Locals and the Tesco Express'.

8.11 Overall, we find that the broad zonal retention rates identified appear to appropriately reflect the geography of current provision. There may well be scope to improve local retention rates subject to provision coming forward in appropriate locations in the future.

8.12 Table 6.1 above focuses on the level of convenience expenditure retained at convenience destinations within each of the respective zones. The below Table 6.2 provides a different assessment of shopping patterns, this time setting out the proportion of zonal convenience goods expenditure which is claimed by operators located within the district as a whole (i.e. the proportion of convenience expenditure generated by residents within each zone which is then spent at all destinations within the district).

8.13 Table 6.2 identifies that the highest proportion of expenditure attracted to destinations within the district for both main and top-up convenience shopping occurs within Zones 4, 7 and 8, all of which have seen an increase in the retention of shopping trips since the joint 2015 study.

**Table 6.2: Blaby District Convenience Goods Market Share by Zone at 2024**

Zone	Main Food Shopping Blaby Market Share 2024 (%)	Top-Up Food Shopping Trips Blaby Market Share 2024 (%)	Combined Convenience Goods Blaby Market Share 2024 (%)	Combined Convenience Goods Blaby Market Share 2015 (%)
1	1.1%	9.0%	3.1%	8.9%
2	29.9%	15.5%	26.3%	24.6%
3	23.1%	1.5%	17.7%	32.5%
4	72.4%	86.6%	74.7%	49.3%
5	18.0%	7.4%	15.4%	11.7%
6	7.5%	5.6%	7.0%	3.9%
7	64.5%	75.2%	60.8%	48.1%
8	92.1%	82.1%	89.3%	80.8%
<b>Total Study Area</b>	<b>35.0%</b>	<b>35.4%</b>	<b>34.4%</b>	<b>27.5%</b>

Source: Table 4 of Appendix 4 of this Study for 2024 market shares; Tables 4 and 5 of Appendix 6 of the 2015 Joint Blaby and Leicester Study

Note: Total Study Area market share column relates to Zones 1 to 4, 11, 13, 15 and 16 of the 2015 Study to enable a direct comparison to be made.

8.14 Overall, the combined convenience market share based on available convenience expenditure has increased from 27.5% in 2015 to 34.4% in 2024, with the highest increases witnessed in Zones 4, 7 and 8 and the highest decreases witnessed in Zones 1 and 2.

### Comparison Goods Market Share

8.15 The below Table 6.3 identifies comparison goods shopping patterns, relating to the proportion of zonal comparison goods expenditure which is claimed by operators located within Blaby district.

8.16 In practice, the district's operators claim more than seven out of every ten pounds originating within Zones 4 and 8 within which 72.6% and 70.2% of comparison expenditure is spent at the respective facilities respectively. The lowest proportion of expenditure spent at Blaby district's destinations is recorded in Zones 1 and 5 at 38.6% and 38.9% respectively.

8.17 Improvements in the proportions of expenditure spent at Blaby district's destinations can be seen within Zones 1, 2, 4, 5, 6, 7 and 8, with Zone 3 being the only Zone which has seen a slight reduction in comparison goods market share.

**Table 6.3: Blaby District Comparison Goods Market Share by Zone at 2024**

Zone	Comparison Goods Blaby Market Share 2024 (%)	Comparison Goods Blaby Market Share 2014 (%)
1	38.6%	20.8%
2	53.7%	36.3%
3	43.6%	48.7%
4	72.6%	48.7%
5	38.9%	29.2%
6	42.1%	23.3%
7	49.6%	37.8%
8	70.2%	58.7%
<b>Blaby District Total</b>	<b>50.4%</b>	<b>34.7%</b>

Source: Table 4 of Appendix 4 of this Study for 2024 market shares; Tables 4 and 5 of Appendix 6 of the 2015 Joint Blaby and Leicester Study

Note: Total Study Area market share column relates to Zones 1 to 4, 11, 13, 15 and 16 of the 2015 Study to enable a direct comparison to be made.

8.18 The identified market shares are generally encouraging and are reflective of the fact that a good number of day-to-day comparison goods can be sourced close to home.

### **Clothing and Footwear**

8.19 In reviewing the comparison shopping patterns within the Study Area, the analysis focuses on the eight separate categories of goods which fall within the 'non-bulky' and 'bulky' comparison goods sectors.

8.20 However, given the dominance of the clothing and footwear market and the level of expenditure which is spent on such goods (approximately 23.1% of residents' expenditure), we focus firstly on the clothing and footwear patterns, followed by a summary of the other seven categories below. Clothing and footwear retailing has traditionally been the bedrock of town centres' retail offer and it can therefore be a useful barometer of the popularity of high streets. Comparison goods purchases are generally made less often than convenience purchases, and residents are often willing to travel greater distances to meet their comparison shopping needs.

As such, levels of zonal retention are often lower than those which are established by convenience goods.

8.21 Table 6.4 below provides the proportions of clothing and footwear shopping patterns to key destinations within the district, and the proportion retained in the district as a whole.

**Table 6.4: Clothing and Footwear Patterns on a Zonal Basis to Principal Destinations in the District**

Zone	Destination	Zone 1 2024 (%)	Zone 2 2024 (%)	Zone 3 2024 (%)	Zone 4 2024 (%)	Zone 5 2024 (%)	Zone 6 2024 (%)	Zone 7 2024 (%)	Zone 8 2024 (%)	Total 2024 (%)
8	Fosse Park, including Asda and Sainsbury's	49.1 %	62.8 %	57.9 %	69.5 %	51.2 %	63.7 %	54.4 %	74.5 %	59.9 %
1	Hinckley Town Centre	17.6 %	7.0%	6.7%	0.0%	0.0%	0.0%	0.0%	0.0%	3.8%
6	Tesco, South Wigston	0.0%	0.0%	0.0%	0.0%	1.5%	8.1%	0.0%	0.0%	1.6%
6	Wigston Town Centre	0.0%	0.0%	0.0%	0.4%	3.3%	2.5%	0.0%	1.2%	1.3%
4	Blaby Town Centre	0.0%	0.0%	0.8%	0.0%	0.4%	0.0%	0.7%	0.6%	0.2%
<b>Blaby District Sub-Total</b>		<b>49.5 %</b>	<b>69.6 %</b>	<b>58.7 %</b>	<b>69.9 %</b>	<b>52.7 %</b>	<b>63.7 %</b>	<b>55.9 %</b>	<b>75.1 %</b>	<b>61.1 %</b>
<b>Outside Study Area</b>										
OSA	Leicester City Centre	1.9%	8.0%	2.5%	17.8 %	26.3 %	8.1%	27.3 %	9.3%	13.5 %
OSA	Market Harborough Town Centre	3.2%	0.5%	5.9%	1.8%	4.3%	0.7%	0.0%	0.6%	2.1%

8.22 We can see from Table 6.6 that for all zones except Zone 1, over 50% of their clothing and footwear shopping trips are to Fosse Park, with Zone 1 achieving just under 50%. Other key destinations include Hinckley town centre, which is particularly dominant for Zone 1 residents and destinations in Wigston which Zone 5 and 6 residents choose. Looking outside of the Study Area, Leicester city centre also draws clothing and footwear trips from residents across the Study Area, but with higher proportions from Zones 4, 5 and 7.

8.23 Blaby town centre attracts just 0.2% of clothing and footwear shopping trips from across the Study Area, with the highest proportion being seen from Zone 3 residents at 0.8%.

8.24 Overall, it is clear that the retention rate of clothing and footwear goods in the district is good, particularly in terms of those residents residing within Blaby.

8.25 However, there is a clear dominance of the out of centre facilities in attracting a high proportion of trips, indicating that Blaby's defined centre's clothing and footwear offer is less strong and Fosse Park (and surroundings) has a real draw for residents to purchase such goods.

### Other Comparison Goods Shopping Patterns

8.26 As set out above, given the proportion of expenditure spent on clothing and footwear goods, it is useful to understand in more detail where such trips are taking place. We also provide below in Table 6.5 a breakdown of the seven other comparison categories on a zonal basis, looking at the district's retention rate.

**Table 6.5: Blaby District Clothing and Footwear Patterns on a Zonal Basis**

	Zone 1 2024 (%)	Zone 2 2024 (%)	Zone 3 2024 (%)	Zone 4 2024 (%)	Zone 5 2024 (%)	Zone 6 2024 (%)	Zone 7 2024 (%)	Zone 8 2024 (%)	Total 2024 (%)
Clothing and Footwear	49.5 %	69.6 %	58.7 %	69.9 %	52.7 %	63.7 %	55.9 %	75.1 %	61.1%
CDS, DVDs and Books	27.6 %	55.2 %	54.1 %	68.3 %	32.3 %	39.9 %	49.5 %	68.4 %	46.4%
Small Household Goods	40.7 %	52.0 %	46.7 %	82.8 %	18.2 %	23.6 %	44.0 %	71.6 %	43.6%
Toys, Games, Bicycles and Recreational Goods	39.1 %	57.6 %	46.8 %	64.9 %	24.6 %	20.8 %	41.6 %	66.6 %	41.7%
Health and Beauty Goods	17.9 %	29.3 %	36.6 %	80.9 %	23.4 %	19.9 %	63.5 %	83.9 %	42.0%
Electrical Goods	59.9 %	67.6 %	50.1 %	81.3 %	73.3 %	70.7 %	66.7 %	76.4 %	70.3%
DIY and Gardening Goods	11.7 %	24.2 %	12.0 %	58.5 %	13.2 %	15.8 %	10.1 %	45.5 %	23.5%
Furniture, Carpets and Floor Coverings	38.3 %	49.7 %	21.4 %	74.8 %	38.4 %	54.0 %	38.2 %	50.5 %	48.1%

8.27 Overall, it is clear that the retention rates of Blaby district's facilities are relatively high for all goods but particularly for Zones 4, 7 and 8. Some key findings from the market share analysis is as follows:

- In terms of CDs, DVDs and books, for residents in Zone 1, the principal destination is Hinckley town centre at 56.6% and for residents in Zones 5 and 7, the principal destination is Leicester city centre. For all other zones, Fosse Park and surrounding commercial uses is

the principal destination. In total, 46.4% of trips from the study area residents are being directed to destinations within Blaby.

- Looking at small household goods shopping patterns, again Fosse Park and surrounding operators is the principal destination to purchase such goods from all zones except Zone 5. Other key destinations include Hinckley town centre, which is an important centre for Zone 1 residents and the Tesco in Wigston, which is a key destination for Zone 6 residents. In total, 43.6% of the study area residents' trips are retained at Blaby district's destinations, with the highest proportion being from Zone 4 residents.
- Turning to toys, bicycles and recreational goods, Blaby destinations attract 41.7% of trips, of which 36.0% are attracted to Fosse Park and surrounding commercial operators. The highest retention to Blaby facilities is found in Zones 2, 4 and 8, from which over 55% in each case are being directed to Blaby facilities. Again, the principal destination for these residents is Fosse Park and surrounding commercial uses. For residents in Zones 5 and 6, the principal destination is Leicester city centre.
- Looking at the final of the 'non-bulky' comparison goods, the health and beauty shopping patterns are perhaps a little more changeable across the zones. In total, 42.0% of trips across the Study Area are being directed to Blaby facilities, with the highest proportion being from Zone 4 and 8 residents where more than 80% are being directed to Blaby destinations. Residents are also choosing a wider range of destinations to meet their health and beauty goods needs, which not only includes Fosse Park and surrounding commercial uses, but also destinations such as Blaby town centre, Countesthorpe village centre, and Oadby town centre (situated outside of Blaby district).
- Turning to the first of the 'bulky' goods, we can see that a total of 70.3% of the shopping trips from across the Study Area are being directed to destinations within Blaby district, with 66.7% of these being directed to Fosse Park and surrounding commercial uses. The retention levels are relatively high across each zone, indicating the dominance of the bulky operators at Fosse for residents to purchase electrical goods.
- In terms of DIY and gardening goods, the retention level across Blaby is lower at 23.5%, with the highest proportion being from Zone 4 residents from which 58.5% of trips are retained in the district. Looking elsewhere, a number of trips are directed towards large retail operators such as B&Q, which are located in Hinckley, Wigston and Leicester. Other trips are scattered towards other smaller destinations across the Study Area, including some garden centres and retailers.
- Finally, in terms of furniture, carpets and floor coverings, Fosse Park and surrounding commercial uses is again the principal destination across the Study Area, attracting 44.0% of all trips, which accounts for the majority of the 48.1% of trips to attracted to Blaby facilities. The highest proportions of trips to Fosse Park and surrounding commercial

facilities to purchase such goods are from Zones 4 and 6 residents, with the lowest being from Zone 3 and 7. Other principal destinations include Hinckley town centre (particularly for Zone 1), Leicester city centre and Lutterworth town centre (particularly for Zone 3).

8.28 Overall, the analysis demonstrates that retail destinations within the district, and particularly retailers at Fosse and surroundings, perform important roles in meeting residents' needs.

8.29 However, it is clear that out of centre provision is acting as a direct competition to the defined centres and Fosse is drawing considerable levels of shopping trips in light of its offer, convenience and overarching attractiveness.

### **Market Share Summary and Identification of Expenditure Claimed by Blaby Retailers**

8.30 We identify the convenience goods, comparison goods, and overall market share of Study Area expenditure claimed by retailers located in Blaby in the below Table 6.6.

8.31 Blaby's convenience market share at 34.4% is significantly less than the comparison market share at 50.4%. This is not unsurprising given the presence of the comparison facilities in and surrounding Fosse Park. We can also see that the convenience market share of Blaby facilities has decreased very slightly since 2015, but the comparison market share has increased.

**Table 6.6: Blaby District Comparison Goods Expenditure Retention and Leakage**

Type of Expenditure	2024 Residents' Expenditure (£m)	2024 Market Share (%)	2015 Residents' Expenditure (£m)	2015 Market Share (%)
Study Area Convenience Goods Expenditure	294.2	34.4%	181.5	27.5%
Study Area Comparison Goods Expenditure	506.1	50.4%	325.1	34.7%
Total Study Area Expenditure	800.3	43.1%	506.6	31.7%

Source: Table 25 of Appendix 4

Note: Both presented in a consistent 2022 prices

8.32 The increase in comparison goods turnover in particular is substantial and are attributable to two principal factors:

- population and per capita expenditure increases, meaning that the overall comparison goods expenditure 'pots' have increased; and
- general improvements in the market share of expenditure claimed by retailers located in the district.

8.33 In conclusion, the household survey demonstrates that overall, Blaby district's convenience goods retailers are able to appropriately serve residents of the district and those who live in a wider catchment area.

8.34 In respect of comparison goods, Blaby district's retailers, principally at the out-of-centre facilities provide a good range of operators and attract relatively high levels of expenditure from the key central zones of the Study Area.

8.35 In our view, the identified survey results reflect the geography of the Study Area and the relative attraction of other nearby retail venues. Accordingly, where expenditure 'leaks' to destinations outside of the district, this is still generally reflective of logical and sustainable travel patterns, insofar as residents are not travelling extensive distances to meet their requirements.

## 9. Assessment of Retail Capacity

9.1 Our retail capacity tables set out our step-by-step approach to estimating the expenditure surplus which is available to support additional retail floorspace and are provided at Appendix 4. A summary of our methodology, together with our findings, is provided below.

### General Approach to Estimating Quantitative Capacity

9.2 The retail capacity modelling follows the basic principle that:

**Available Expenditure minus Expected Turnover of Existing and Committed Floorspace equals Expenditure Surplus or Deficit.**

9.3 An identified quantitative expenditure surplus indicates that there is capacity to support additional retail floorspace. We summarise the key considerations relating to each component of the methodology below.

### Methodology

9.4 We turn first to a description of the methodology we have employed in assessing quantitative need in both the comparison and convenience goods sectors in the period up to 2041. It is important to recognise, however, that the effects of expenditure growth over time become exponential. Thus, in looking to the period beyond 2035, the Council should adopt a plan, monitor and manage approach, so as to ensure that the forecast floorspace requirements are kept in line with changes in expenditure and changing methods of retailing.

9.5 There is no detailed guidance as to how to assess the quantitative need for retail development in the NPPF, or in the PPG. As a consequence, we have applied an eight step approach which has been tested at Examination

9.6 The eight broad steps to calculating the quantitative need are as follows:

- i) The first step is to establish the appropriate overall retail catchment area for the hierarchy of centres in Blaby, which is shown at Appendix 1. This catchment area covers the whole of the administrative area of Blaby, together with parts of the surrounding administrative areas.
- ii) The second step is to assess the existing level of population and the existing volume of retail expenditure of those who reside within the overall catchment area.
- iii) The third step is to establish where the retail expenditure of residents of the overall catchment area is currently spent, through the use of an empirical telephone survey of households and thereby establish the proportion of the retail expenditure of catchment area residents which is currently retained by town centres, retail parks and freestanding

stores located within the overall catchment area – that is the aggregate retention rate within the district.

- iv) The fourth step is to apply forecasts of population change and per capita expenditure change, so as to establish the overall level of projected growth in expenditure for residents of the overall catchment area, and an assessment of growth in retained expenditure, based, initially, on a constant retention scenario.
- v) The fifth step is to make an allowance for growth in inflows of expenditure into the catchment area from those who reside outside in the catchment area (i.e. those who live outside of the defined Study Area but which choose retail destinations in the Study Area to meet their shopping needs). This can be achieved through the analysis of retail studies of adjacent authority areas (and in this case, the 2021 Leicester Retail and Leisure Study).
- vi) The sixth step is to make an allowance for under-trading, or over-trading of the larger existing stores in the base year, but only if this is justified on the basis of the clear empirical evidence.
- vii) The growth in retained expenditure (step iv), is added to the growth in inflows (step v), and an allowance for under / over-trading (step vi), so as to derive an initial expenditure surplus. Thus, the seventh step is to make allowance for 'claims' on the initial expenditure surplus, as a result of:
  - Floorspace Efficiency Change for Existing Retailers (growth over time in turnover per sq. m sales area).
  - Growth Over Time in Special Forms Of Trading (SFT), which we derive from the final two columns of Figure 5 of Experian's Retail Planner Briefing Note 21 of February 2024.
  - Planning Commitments, for which information has been provided by Blaby Council and neighbouring authorities.
- viii) The culmination of steps i) to vii) is the calculation of the residual expenditure pot which is potentially available for new retail floorspace, under a constant retention assumption. Thus, the final step, where appropriate, is to develop alternative scenarios for calculating growth in residual expenditure, based on:
  - increases or decreases in the projected retention level; and
  - sensitivity testing of key assumptions, such as projected population change.

9.7 Our methodology in calculating comparison goods capacity necessarily departs from that used in considering convenience goods needs. This is because it is difficult to accurately estimate a benchmark turnover for comparison goods floorspace due to the large number of operators and the variation in the trading performance of floorspace, depending on its location, character, and the nature of the catchment.

9.8 As a consequence, we adopt the position for comparison goods floorspace that it is trading 'at equilibrium' at base year 2024 (i.e. our survey-derived turnover estimate effectively acts as benchmark). This is a standard industry approach.

### **Inflow**

9.9 We have also given consideration as to whether there would be any convenience and comparison goods turnover derived as 'inflow' from outside the Study Area. The Study Area utilised for the new household shopper survey covers a lesser area than that which informed the previous Blaby and Leicester Joint Retail & Leisure Study, which reported in 2015 and the later Leicester Retail and Leisure Study, reported in 2021.

9.10 The current methodological approach reflects the need to secure greatest value for the Council by focusing surveys across the area where residents look to Blaby's facilities to meet both convenience and comparison goods shopping needs. We believe that the Study Area covers the entire principal catchment area in respect of Blaby's convenience goods provision. However, it is recognised that Fosse Shopping Park and the wider Motorways Retail Area will draw trade from a wider area. This is due to its location towards the northern boundary of the Study Area, its positioning on a key motorway junction and as a consequence of its national multiple retail and leisure offer.

9.11 In order to estimate the approximate level of inflow that is claimed by the Motorways Retail Area, we have compared the Study Area for the 2021 Study with that which has been defined for the current Study. In practice, Zones 6, 7, 8, 9, 10, 12 and 14 of the previous joint Study Area are not included within the area surveyed for the purpose of the current Study.

9.12 We have then reviewed the convenience and comparison goods expenditure drawn from these zones to the Motorways Retail Area as identified by the 2021 Leicester Study, and calculated the proportion of the overall turnover of these facilities (including Fosse Park and the proximate foodstores comprising the Asda and Sainsbury's, and the Aldi store at Meridian Way), which is derived from these outer zones. The final stage is to apply these allowances to the current survey results in order to provide for an estimate in respect of the level of inflow claimed from outside the current Study Area.

### **Future Quantitative Convenience Goods Capacity**

9.13 In identifying the requirement for additional convenience goods floorspace, the estimated turnover of the existing collective provision (with reference to the shopping patterns established by the household survey) is compared to its benchmark turnover (calculated with reference to company average sales densities and the net convenience goods sales areas of individual stores). The identified benchmark turnover changes across future reporting years to

account for Experian's forecasts in respect of the future sales efficiency of convenience goods floorspace).

9.14 As Table 7.1 demonstrates, convenience goods floorspace across the authority area has a survey-derived turnover of £294.2m and an expected benchmark turnover of £286.9m. Once inflow is taken into account, a convenience expenditure surplus of £59.9m is identified at 2024, which increases to £66.0m by 2029. By 2041, the surplus in expenditure increases to £87.9m.

**Table 7.1: Quantitative Capacity for Additional Convenience Goods Floorspace in the Blaby District**

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Inflow (£m)	Surplus Expenditure (£m)
2024	286.9	294.2	52.7	59.9
2029	289.2	301.3	53.9	66.0
2034	291.0	310.5	55.6	75.1
2039	292.4	319.5	57.2	84.3
2041	293.0	323.1	57.8	87.9

Source: Table 6ai of Appendix 4

Notes: Assumes constant market share (34.4%) of Study Area expenditure claimed by facilities within Blaby authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 4b of Experian Retail Planner Briefing Note 21; in 2022 prices.

9.15 In calculating the capacity for additional floorspace, the extant consents for additional convenience floorspace needs to be taken into account. Across Blaby district, there are two key commitments, comprising the extant commercial floorspace at the Lubbesthorpe mixed use development (reference 11/0100/1/OX) and the expanded M&S store at Fosse Park. Calculating the estimated turnovers of this additional convenience floorspace by adopting average sales densities for the nature of development, the total turnover of the commitments is expected to be £30.2m at 2024, rising to £30.9m by 2041.

9.16 As such, Table 7.2 below then provides the residual capacity and floorspace requirement taking account of the turnover of the identified commitments within the authority area.

9.17 Table 7.2 identifies a positive monetary surplus across the entirety of the plan period to 2041. In practice, our assessment suggests that there will be an effective quantitative undersupply of floorspace (equating to between 4,500 and 4,800 sq.m of convenience goods floorspace at 2041). Looking ten years ahead, as advocated by the Town Centres Practice Guidance, the identified convenience capacity is for between 3,500 and 3,800 sq.m of additional floorspace across the district.

**Table 7.2: Quantitative Capacity for Convenience Goods Floorspace in the Blaby District after Commitments**

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement Minimum (sq.m)	Floorspace Requirement Maximum (sq.m)
2024	59.9	30.2	29.7	2,400	2,600
2029	66.0	30.5	35.5	2,800	3,000
2034	75.1	30.6	44.5	3,500	3,800
2039	84.3	30.8	53.5	4,200	4,500
2041	87.9	30.9	57.0	4,500	4,800

Source: Table 6di of Appendix 4

Notes: Assumes constant market share (34.4%) of Study Area expenditure claimed by facilities within Blaby authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 4a of Experian Retail Planner Briefing Note 21

9.18 We have also undertaken an assessment of the convenience capacity focusing on Blaby town centre specifically. The capacity assessment is based on totalling the benchmark and survey derived turnovers of the convenience facilities within Blaby town centre specifically, instead of all of the convenience facilities within the authority area as a whole.

9.19 Table 7.3 below provides the comparable capacity figures for the town centre, once commitments have been taken into account. The Table demonstrates that there is an undersupply of convenience floorspace within Blaby town centre up to 2041. Looking at the ten year period, the identified capacity equates to between 2,000 and 2,100 sq.m of additional convenience floorspace.

**Table 7.3: Quantitative Capacity for Convenience Goods Floorspace in Blaby Town Centre after Commitments**

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement Minimum (sq.m)	Floorspace Requirement Maximum (sq.m)
2024	22.7	0.0	22.7	1,800	2,000
2029	23.6	0.0	23.6	1,900	2,000
2034	24.8	0.0	24.8	2,000	2,100
2039	26.0	0.0	26.0	2,000	2,200
2041	26.5	0.0	26.5	2,100	2,200

Source: Table 6dii\_Blaby TC of Appendix 4

Notes: Assumes constant market share (5.1%) of Study Area expenditure claimed by facilities within Blaby town centre; allows for changes in benchmark turnover sales efficiency in accordance with Figure 4a of Experian Retail Planner Briefing Note 21

9.20 Based on the above, there is a clear convenience capacity for additional floorspace within the authority area, and within Blaby town centre specifically, across the plan period.

9.21 Part of the reason for the level of convenience capacity identified across the authority area is due to the presence and draw of the large foodstores which form part of the Fosse commercial destination. In this regard, the foodstores are located at the very edge of the authority area and are therefore drawing trade from a wider area, including residents within the Leicester authority area. As such, when considering the qualitative need it is also of relevance to understand whether destinations within Leicester and Oadby and Wigston go some way to meeting the need identified. We discuss this further below.

### **Future Quantitative Comparison Goods Capacity**

9.22 For comparison goods, we assume that floorspace is 'in equilibrium' at the start of an assessment (i.e. its turnover is in line with expectations, and that the sector has evolved to meet local/regional needs). As discussed above within the methodology, calculating the benchmark turnover of the comparison floorspace of destinations is much harder than calculating convenience floorspace turnovers, due to the vast number of retailers of varying scales, which could not be accurately calculated.

9.23 As identified by the below Table 7.4, our assessment estimates that the comparison goods turnover of the authority area is £506.1m, or £713.3m after account is taken of inflow.

9.24 Experian anticipates that improvements in the sales efficiency of existing comparison goods floorspace will outstrip per capita comparison goods expenditure growth in the very short term.

As such, a limited surplus expenditure of £25.7m is identified at 2029, which arises due to an increase in the population. We anticipate that the identified expenditure surplus will increase to £112.2m at 2041.

**Table 7.4: Quantitative Capacity for Comparison Goods Floorspace in the Blaby District**

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Inflow (£m)	Surplus Expenditure (£m)
2024	713.3	506.1	207.2	0.0
2029	802.3	587.4	240.6	25.7
2034	912.1	685.9	280.9	54.6
2039	1,037.0	802.0	328.4	93.4
2041	1,091.7	854.1	349.7	112.2

Source: Table 26ai of Appendix 4

Notes: Assumes constant market share (50.4%) of Study Area expenditure claimed by facilities in the authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 4b of Experian Retail Planner Briefing Note 21; in 2022 prices

9.25 We have identified one comparison commitment within the authority area which we need to take account of in calculating the capacity. The Lubbesthorpe outline consent also allows for the provision of new comparison floorspace as part of the mixed use district centre and two mixed use local centres. The turnover of this extant comparison floorspace totals in £7.6m

9.26 As such, Table 7.5 below identifies an undersupply of comparison floorspace in the early part of the plan period. By 2041, we estimate there will be between 10,900 sq.m net and 18,800 sq.m net of comparison floorspace capacity across the authority area. Looking ten years ahead, as advocated by the Town Centres Practice Guidance, we identify a capacity of between 5,800 and 10,000 sq.m of additional comparison floorspace within the district.

**Table 7.5: Quantitative Capacity for Comparison Goods Floorspace in the Blaby District**

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement Minimum (sq.m)	Floorspace Requirement Maximum (sq.m)
2024	0.0	7.6	-7.6	-1,300	-2,200
2029	25.7	8.6	17.1	2,500	4,400
2034	54.6	9.8	44.8	5,800	10,000
2039	93.4	11.1	82.3	9,400	16,200
2041	112.2	11.7	100.5	10,900	18,800

Source: Table 26di of Appendix 4

Notes: Assumes constant market share (50.4%) of Study Area expenditure claimed by facilities in the authority area; allows for changes in benchmark turnover sales efficiency in accordance with Table 4a of Experian Retail Planner Briefing Note 21; minimum floorspace requirement based on an assumed sales density of £6,000 per sq.m at 2024; maximum floorspace requirement based on an assumed sales density of £3,500 per sq.m at 2024; in 2022 prices

9.27 Table 7.6 below then provides the capacity figures for Blaby town centre specifically, based on the level of expenditure identified to be attracted to facilities within the town centre.

9.28 The table indicates that there will be capacity within the town centre for an estimated additional 200 sq.m net to 400 sq.m net of comparison floorspace by 2041.

**Table 7.6: Quantitative Capacity for Comparison Goods Floorspace in Blaby Town Centre**

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement Minimum (sq.m)	Floorspace Requirement Maximum (sq.m)
2024	0.0	0.0	0.0	0	0
2029	0.5	0.0	0.5	100	100
2034	1.1	0.0	1.1	100	200
2039	1.9	0.0	1.9	200	400
2041	2.2	0.0	2.2	200	400

Source: Table 26dii Blaby TC of Appendix 4

Notes: Assumes constant market share (1.4%) of Study Area expenditure claimed by facilities in the town centre; allows for changes in benchmark turnover sales efficiency in accordance with Table 4a of Experian Retail Planner Briefing Note 21; minimum floorspace requirement based on an assumed sales density of £6,000 per sq.m at 2024; maximum floorspace requirement based on an assumed sales density of £3,500 per sq.m at 2024; in 2022 prices

## Convenience and Comparison Qualitative Requirements

### Convenience Requirements

9.29 The Blaby authority area is relatively well provided for in terms of the larger format convenience operators, with Asda, Sainsbury's, Morrisons and Marks and Spencer all occupying large format stores, and the likes of Co-op, Londis, Sainsbury's and Tesco trading from smaller local convenience store formats. The authority area also includes two Aldi stores within Blaby and Braunstone.

9.30 However, the authority area is lacking a large format Tesco and representation from Lidl, although the operators are present within the Leicester and Oadby and Wigston authority areas. Whilst there may be opportunity for some such retailers to bring forward additional stores in areas likely to be the subject of significant residential growth, it is in the discount foodstore sector where there is likely to be greatest operator interest.

9.31 In this regard, the existing convenience provision within Blaby town centre is overtrading on the whole, and there appears to be a qualitative (and quantitative) need for additional convenience floorspace in and surrounding the town centre in order to alleviate some of the identified overtrading. However, the town centre is relatively confined and there are limited opportunities to further expand the town centre offer on sites within or in very close proximity to the town centre boundary.

9.32 There is an extant consent for additional convenience floorspace at Lubbesthorpe, in the form of both a larger (medium sized) foodstore, alongside smaller convenience units. This additional floorspace has been taken into account in calculating the capacity above, and will go some way to meeting the qualitative requirements. However, there is still an identified capacity over and above the additional floorspace proposed at Lubbesthorpe.

9.33 Given the above, any proposals for additional convenience goods floorspace should be considered on their own merits in accordance with the relevant planning policy tests. Most particularly, planning applications which seek to provide additional food retail provision should be considered having regard to potential sequential alternative sites, and with reference to the magnitude of impacts arising at any defined centre. The potential qualitative benefits associated with any improvement in customer choice can also be afforded weight in the decision-making process.

### Comparison Requirements

9.34 Turning to the qualitative requirements of comparison retailing, it is clear that Fosse Park is the principal non-food retail destination in the district (and further afield). The comparison goods offer of Blaby town centre is primarily focussed on meeting day-to-day needs, with the anchor

Aldi store being supplemented by a range of smaller national multiples and specialist independent traders.

9.35 It is of course also of relevance to consider the proximity and ease of access to both Fosse Park and Leicester city centre, alongside other proximate smaller-scale centres such as Hinckley and Oadby for residents within Blaby, and that providing for a large expanse of additional comparison floorspace within the authority area is unlikely to be commercially viable. Indeed, the offer and types of operators at Fosse Park, which is situated in an accessible and convenient location for a high proportion of Blaby residents, ensure that they have good and convenient access to national multiple comparison retailers to meet their needs. The offer provided for at Fosse Park and the wider Motorways Retail Area is good, and alongside the more localised offer within the defined centres, is functioning well in meeting residents' needs. It is also clear that due to the uncertain commercial market conditions, providing for an extensive level of additional retail floorspace within the district is unlikely to be a realistic proposition.

9.36 Given these findings, there is no obvious requirement to develop any substantial further facilities outside of defined centres, beyond those which are or will come forward as part of strategic urban extensions in the authority area. We therefore suggest that any capacity be diverted towards supporting existing, and potentially new, comparison goods retailers within existing defined centres in general and Blaby town centre in particular. This position can be monitored moving forward.

## 10. Assessment of Leisure Capacity

10.1 Our approach in considering leisure capacity is in two parts.

10.2 For food and beverage floorspace, we adopt a similar approach as to that set out in respect of retail floorspace in the preceding Section 7 of this report. For large format commercial uses, we adopt a 'benchmarking' approach where we consider the typical population required to support different types of facilities.

10.3 The benchmarking exercise reflects the fact that large format commercial uses are relatively limited in number and residents may be prepared to travel to watch a film or to go ten pin bowling. The current Study Area market share may not be instructive in respect of identifying future large format leisure requirements and therefore our preference is to undertake a benchmarking exercise.

### Food and Beverage Requirements

#### Leisure Expenditure Growth

10.4 To calculate per capita food and beverage expenditure, we have again utilised Experian Micromarketer G3 data. The base year for this expenditure data is also 2022. Experian provides separate per capita expenditure estimates on a zonal basis for 'restaurant and café meals per person<sup>20</sup>' and 'alcoholic drinks (away from home) per person'.

10.5 There is no need to make allowance for special forms of trading expenditure (given that all food and beverage expenditure identified by Experian relates to eating and drinking in bars, pubs, cafes, and restaurants).

10.6 ERPBN21 provides annual leisure expenditure growth forecasts which we set out at the below Table 8.1. These growth rates are used to estimate increases in per capita food and beverage expenditure across the plan period to 2040.

<sup>20</sup> The expenditure per capita does not include spending per person on takeaway meals

**Table 8.1: Experian Retail Planner Briefing Note 21 Leisure Expenditure Annual Per Capita Growth Rates**

Year	Leisure Per Capita Annual Growth
2023	-1.3%
2024	-0.3%
2025	0.6%
2026-30	1.1%
2031-40	0.8%

Source: Figure 1a of Experian Retail Planner Briefing Note 21 (February 2024)

Notes: Per capita growth rates are for all leisure activities

10.7 We again recognise that growth in expenditure forecasts in the longer-term should be treated with caution given the difficulties in predicting economic performance over such an extensive timeframe.

10.8 Accepting this caveat, we are able to use Experian's recommendations in respect of annual expenditure growth to calculate expenditure across the food and beverage sectors at 2024, 2029, 2034, 2039 and 2041.

### **Restaurant and Café Floorspace Requirements**

10.9 In assessing restaurant and café floorspace requirements, we use the responses to the household survey which asked respondents where they last visited to go to a café or restaurant. These market shares are then multiplied by the available expenditure on a zonal basis to calculate the turnover of destinations.

10.10 Based on the assumed Study Area resident population and the available per capita restaurant and café expenditure, we estimate that £307.8m of such expenditure originates within the Study Area at 2024.

10.11 The below Table 8.2 indicates that available Study Area restaurant and café expenditure is forecast to increase to £399.8m at 2041.

**Table 8.2: Total Available Study Area Restaurant and Café Expenditure**

2024 (£m)	2029 (£m)	2034 (£m)	2039 (£m)	2041 (£m)
307.8	336.4	362.9	389.0	399.8

Source: Table 2 of Appendix 5

Note: In 2022 prices

10.12 Table 8.3 indicates that this represents an increase of £68.4m (or 29.9%) across the Study Area between 2024 and 2041.

**Table 8.3: Growth in Available Study Area Restaurant and Café Expenditure**

Growth 2024-41 (£m)
68.4

Source: Table 2 of Appendix 5

Note: In 2022 prices

10.13 Our methodology accounts for the fact that existing operators will look to increase their turnover going forward to remain viable. On this basis, we identify an expenditure surplus of £7.7m at 2029. Due to subsequent expenditure and population increases, this surplus increases to £15.4m at 2034, to £23.2m at 2039 and to £26.5m at 2041.

10.14 As with retail capacity, this monetary surplus can be converted into a floorspace requirement. The average sales density of UK floorspace was around £8,584 per sq.m at 2024.<sup>21</sup>

10.15 Based on this sales density (and allowing for future increases in the sales efficiency of leisure floorspace going forward), we estimate that 900 sq.m of additional café and restaurant floorspace could be supported at 2029, increasing to 2,900 sq.m at 2041.

**Table 8.4: Quantitative Capacity for Restaurant and Café Floorspace in the Authority Area**

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Exp. With 5% Inflow (£m)	Surplus Expenditure (£m)	Floorspace Requirement (sq.m)
2024	105.6	100.3	105.6	0.0	0.0
2029	107.7	109.6	115.4	7.7	900
2034	109.1	118.3	124.5	15.4	1,700
2039	110.2	126.8	133.5	23.2	2,600
2041	110.7	130.3	137.2	26.5	2,900

Source: Table 5a and Table 5b of Appendix 5

Notes: Assumes constant market share (32.6%) of Study Area expenditure claimed by facilities in the authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 21 - Leisure; in 2022 prices

10.16 We are aware of one major leisure commitment within the Blaby authority area, this being the Everards Meadows development permitted in outline under reference 12/0865/1/OX, as varied by 15/0888/VAR. The outline permission allows for a mixed-use leisure

<sup>21</sup> As identified by Figure 2 of Experian Retail Planner Briefing Note 21 – Leisure.

facility including a brewery, restaurant, visitor centre, outdoor recreational facilities, cycling shop and coffee hut.

10.17 Of the 11,420 sq.m gross floorspace permitted by 15/0888/VAR, we understand that up to 1,350 sq.m is to be used for restaurant and café facilities in former Use Class A3 and up to 1,985 sq.m is to be used for drinking establishments in former Use Class A4.

10.18 We further understand that 333 sq.m of the permitted restaurant and café floorspace has already been constructed under reserved matters approval reference 17/0461/RM (known as Phase 1a of the development), and that 786 sq.m of the permitted drinking establishment floorspace has been constructed under reserved matters approval reference 18/1125/RM (known as Phase 1b of the development).

10.19 The balance of committed restaurant and café floorspace that has not yet been constructed at Everards Meadows therefore amounts to 1,017 sq.m. We estimate that this space would have a turnover of £8.9m at 2024, increasing to £9.3m at 2041.

10.20 As identified in Table 8.5 below, were all of the committed restaurant and café floorspace permitted in outline at Everards Meadows to be built out, this would result in a monetary deficit in the early part of the plan period. By 2041, however, we anticipate that the residual capacity would amount to 1,900 sq.m.

**Table 8.5: Net Quantitative Capacity for Restaurant and Café Floorspace in the Authority Area after Commitments**

Year	Surplus Expenditure (£m)	Turnover of Commitments (£m)	Residual Expenditure (£m)	Residual Floorspace Capacity (sq.m net)
2024	0.0	8.9	-8.9	-1,000
2029	7.7	9.1	-1.4	-200
2034	15.4	9.2	6.2	700
2039	23.2	9.3	13.9	1,600
2041	26.5	9.3	17.2	1,900

Source: Table 5d of Appendix 5

Notes: Assumes constant market share (32.6%) of Study Area expenditure claimed by facilities in the authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 21 - Leisure; in 2022 prices

10.21 Similarly to the convenience and comparison capacity assessment above, we have also undertaken a capacity assessment for Blaby town centre specifically.

10.22 We present these figures below in Table 8.6. Table 8.6 indicates that no capacity for additional restaurant and café floorspace within the town centre specifically is identified at 2029, but that an estimated 200 sq.m could be supported at 2041.

**Table 8.6: Quantitative Capacity for Restaurant and Café Floorspace in the Town Centre**

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Exp. With 5% Inflow (£m)	Surplus Expenditure (£m)	Floorspace Requirement (sq.m)
2024	5.9	5.6	5.9	0.0	0
2029	6.0	6.1	6.4	0.4	0
2034	6.1	6.6	6.9	0.9	100
2039	6.2	7.1	7.4	1.3	100
2041	6.2	7.3	7.7	1.5	200

Source: Table 5a\_BlabyTC and Table 5b\_BlabyTC of Appendix 5

Notes: Assumes constant market share (1.8%) of Study Area expenditure claimed by facilities in the authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 21 - Leisure; in 2022 prices

### Licensed Premises Floorspace Requirements

10.23 In assessing licensed premises floorspace requirements, we use the responses to the household survey which asked respondents where they last visited to go to a pub, bar or nightclub. These market shares are then multiplied by the available expenditure on a zonal basis to calculate the turnover of destinations.

10.24 Based on the assumed Study Area resident population and the available per capita alcoholic drinks expenditure, we estimate that £111.6m of alcoholic beverage expenditure originates within the Study Area at 2024.

10.25 The below Table 8.7 indicates that available Study Area restaurant and café expenditure is forecast to increase to £145.0m at 2041.

**Table 8.7: Total Available Study Area Licensed Premises Expenditure**

2024 (£m)	2029 (£m)	2034 (£m)	2039 (£m)	2041 (£m)
111.6	122.0	131.6	141.1	145.0

Source: Table 7 of Appendix 5

Note: In 2022 prices

10.26 Table 8.8 indicates that this represents an increase of £33.4m (or 29.9%) across the Study Area between 2024 and 2041.

**Table 8.8: Growth in Available Study Area Licensed Premises Expenditure**

Growth 2024-41 (£m)
33.4

Source: Table 7 of Appendix 5

Note: In 2022 prices

10.27 Our complete licensed premises quantitative assessment model is provided at Appendix 5 of this Study. Table 10 of Appendix 5 identifies that £36.3m (equating to 32.5%) of Study Area alcoholic drink expenditure is directed to licensed premises in the authority area at 2024.

10.28 Our methodology accounts for the fact that existing operators will look to increase their turnover going forward to remain viable. On this basis, we identify an expenditure surplus of £2.8m at 2029. Due to subsequent expenditure and population increases, the identified surplus increases to £5.6m at 2034, to £8.4m at 2039 and to £9.6m at 2041.

10.29 Once again, this monetary surplus can be converted into a floorspace requirement. Based on the average UK leisure sales density of £8,584 sq.m at 2024 (and allowing for future increases in the sales efficiency of leisure floorspace going forward), we estimate that 300 sq.m of additional licensed premises floorspace could be supported at 2029, increasing to 1,100 sq.m at 2041.

**Table 8.9: Quantitative Capacity for Licensed Premises in the Authority Area**

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Exp. With 5% Inflow (£m)	Surplus Expenditure (£m)	Floorspace Requirement (sq.m)
2024	38.2	36.3	38.2	0.0	0
2029	38.9	39.6	41.7	2.8	300
2034	39.5	42.8	45.0	5.6	600
2039	39.9	45.8	48.2	8.4	900
2041	40.0	47.1	49.6	9.6	1,100

Source: Table 10a and Table 10b of Appendix 5

Notes: Assumes constant market share (32.5%) of Study Area expenditure claimed by facilities in the authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 21 - Leisure; in 2022 prices

10.30 As noted above, the Everards Meadows development represents a major extant leisure commitment within the Blaby authority area that permits additional floorspace in former Use Class A4 (drinking establishments). The balance of committed drinking establishment floorspace that has not yet been constructed at Everards Meadows amounts to 1,119 sq.m (as set out in

the planning application documents relating to reserved matters approval reference 18/1125/RM). We estimate that this space would have a turnover of £10.3m at 2024, increasing to £10.8m at 2041.

10.31 As set out in Table 8.10 below, were all of the committed licensed premises floorspace permitted in outline at Everards Meadows to be built out, this would absorb all of the surplus expenditure capacity identified over the plan period. We would therefore anticipate that there would be no requirement for additional floorspace in the authority area up to 2041.

**Table 8.10: Net Quantitative Capacity for Licensed Premises Floorspace in the Authority Area after Commitments**

Year	Surplus Expenditure (£m)	Turnover of Commitments (£m)	Residual Expenditure (£m)	Residual Floorspace Capacity (sq.m net)
2024	0.0	10.3	-10.3	-1,200
2029	2.8	10.5	-7.7	-900
2034	5.6	10.6	-5.1	-600
2039	8.4	10.7	-2.3	-300
2041	9.6	10.8	-1.2	-100

Source: Table 10d of Appendix 5

Notes: Assumes constant market share (32.5%) of Study Area expenditure claimed by facilities in the authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 21 - Leisure; in 2022 prices

10.32 Similarly to the convenience and comparison capacity assessment above, we have also undertaken a capacity assessment for Blaby town centre specifically. We present these figures below in Table 8.11.

10.33 Table 8.11 indicates that the capacity for additional licenced premises floorspace within the town centre specifically is identified to be 0 sq.m at 2029, rising to just 100 sq.m at 2041.

**Table 8.11: Quantitative Capacity for Licensed Premises in the Town Centre**

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Exp. With 5% Inflow (£m)	Surplus Expenditure (£m)	Floorspace Requirement (sq.m)
2024	2.2	2.1	2.2	0.0	0
2029	2.3	2.3	2.4	0.2	0
2034	2.3	2.5	2.6	0.3	0
2039	2.3	2.7	2.8	0.5	100
2041	2.3	2.8	2.9	0.6	100

Source: Table 10a\_BlabyTC and Table 10b\_BlabyTC of Appendix 5

Notes: Assumes constant market share (1.9%) of Study Area expenditure claimed by facilities in the town centre; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 21 - Leisure; in 2022 prices

### **Commercial Leisure: Bingo, Cinemas, Ten Pin Bowling and Casinos**

10.34 Our approach in identifying the potential for large format to the assessment of commercial leisure needs necessarily departs from the above monetary capacity assessment. This is because the commercial leisure sector is different to the retail and food and beverage sectors; large-scale leisure uses are relatively limited in number and customers often expect to travel at least some distance in order to access them. As such, we believe it is sensible to consider the general appropriateness of provision on a Study Area basis, with reference to the typical number of persons required to support particular uses.

10.35 Our assessment considers the typical population required to support bingo halls, casinos, cinema screens and ten pin bowling alleys, and is based around three key stages.

10.36 We firstly calculate the expected Study Area and local authority populations for the relevant reporting years.

10.37 We then calculate the number of persons required to support a bingo hall, casino, cinema screen and bowling alley nationally, across the UK. We have identified the current level of provision across the UK with reference to the following sources:

- figures supplied by the Bingo Association, a trade body representing licensed bingo operators, in 2024, which identify that there are 253 bingo halls across the UK;
- Mintel's Casinos and Bingo UK report (March 2019), which confirm that there are 145 casinos across the UK;

- the UK Cinema Association website<sup>22</sup> which identifies that there are 4,539 cinema screens across the UK; and estimated population growth; and
- Mintel's Ten Pin Bowling UK report (May 2017), which identifies that there are 5,242 bowling lanes across the UK.

10.38 We then apply the respective ratio to the Study Area population and to the population of the Blaby authority area to gauge the benchmark level of provision, based on the position evident across the UK.

10.39 We supplement our assessment with an overview of current patterns of commercial leisure trips throughout the Study Area (as identified by the NEMS household survey) to help identify any qualitative deficiencies in provision.

10.40 We recognise that some of these facilities are not as important as they perhaps once were in underpinning the local leisure economy. However, all four uses generally occupy large-format premises and, as such, if a requirement were to be identified then there are potential land use implications.

### **Bingo**

10.41 The Bingo Association identifies that there are 253 bingo halls across the UK, which equates to a bingo hall for every 268,830, persons or thereabouts.<sup>23</sup> Accordingly, we estimate that the authority area could theoretically support around 0.4 bingo halls at 2024, increasing very slightly to 0.5 bingo halls at 2041.

10.42 Table 8.10 overleaf confirms bingo hall requirement within Blaby over the period to 2041.

<sup>22</sup> <https://www.cinema.uk.org.uk/the-industry/facts-and-figures/uk-cinema-industry-infrastructure/sites-and-screens/>, consulted on 28 November 2024.

<sup>23</sup> Based on Experian Micromarketer G3 data issued in October 2024, which identify a UK population of 68,014,115 persons at 2024.

**Table 8.10: Bingo Hall Requirement in the Blaby District**

Year	Study Area Population	Typical Population Required to Support Hall	Potential Number of Halls Supported in the Study Area	Potential Number of Halls Supported in the Authority Area	Outstanding Potential Capacity in the Authority Area
2024	336,263	268,830	1.3	0.4	0.4
2029	349,567	268,830	1.3	0.4	0.4
2034	361,241	268,820	1.3	0.4	0.4
2039	372,051	268,830	1.4	0.5	0.5
2041	376,292	268,830	1.4	0.5	0.5

Note: Typical population to support bingo hall calculated with reference to the Bingo Association figures supplied in 2024 and to Experian Micromarketer population forecasts for the UK

10.43 The bingo sector has been significantly affected by the ban on smoking in enclosed workplaces which came into force in 2007 following the enactment of the Health Act 2006. Subsequent to the Act being enforced, new bingo hall openings have been rare, and we consider it highly unlikely that there will be any proposals to provide additional facilities in the authority area in the foreseeable future. The provision available in adjacent authority areas, including Mecca Bingo and Buzz Bingo in the Leicester City Council area, will be sufficient to meet residents' needs.

### Cinemas

10.44 The UK Cinema Association website estimates that there are 4,539 cinema screens in the UK<sup>24</sup>, which equates to one screen for every 14,984 persons or thereabouts. On this basis, we estimate that the Study Area population could support around 7.1 cinema screens at 2024, increasing to around 8.3 screens at 2041.

10.45 There is one cinema within the authority area, this being the Vue cinema at Meridian Leisure Park, which provides for 8 screens.

10.46 As Table 8.11 indicates below, the provision within Blaby therefore exceeds the identified capacity up to 2041, at which point it becomes broadly consistent with the forecasted capacity. Furthermore, residents have good access to additional cinema screens within neighbouring authority areas, including numerous cinemas within the Leicester authority and the Cineworld in Hinckley. Trips to such cinemas are therefore considered to be generally reflective of

<sup>24</sup> At 2023.

sustainable travel patterns and many Study Area residents' relative proximity to existing cinemas.

**Table 8.11: Cinema Screen Requirement in the Blaby District**

Year	Study Area Population	Typical Population Required to Support Cinema Screen	Potential Number of Cinema Screens Supported by Study Area	Potential Number of Cinema Screens Supported in the Authority Area	Outstanding Potential Capacity in the Authority Area
2024	336,263	14,984	22.4	7.1	-0.9
2029	349,567	14,984	23.3	7.5	-0.5
2034	361,241	14,984	24.1	7.8	-0.2
2039	372,051	14,984	24.8	8.1	0.1
2041	376,292	14,984	25.1	8.3	0.3

Note: Typical population to support a cinema screen calculated with reference to data provided by the UK Cinema Association website and to Experian Micromarketer population forecasts for the UK

## **Ten Pin Bowling**

10.47 Mintel's Ten Pin Bowling UK 2017 report identifies that there are 5,242 ten pin bowling lanes across the UK, which equates to a bowling lane for every 12,975 persons or thereabouts.

10.48 In this context, there is a formal ten pin bowling facility within the authority area, this being the Hollywood Bowl at Meridian Leisure Park. Hollywood Bowl provides a total of 26 lanes.

10.49 As Table 8.12 below indicates, the authority area is therefore very well-served by bowling facilities, with provision being well in excess of the identified capacity of 8.2 lanes in 2024 and 9.5 lanes by 2041.

10.50 We have not therefore identified any quantitative requirement for additional ten pin bowling facilities within the authority, and consider Blaby's current facility to appropriately meet residents' needs and the needs of visitors from outside of the administrative area. Furthermore, there are further ten bowling facilities in proximity to the Blaby authority area located within Leicester.

10.51 Whilst very few new ten-pin bowling alleys were built in the early part of this century, the market has picked up in recent years. However, the upturn in the sector has been driven by

smaller facilities which are generally supplemented by a strong food and beverage offer and are located within larger urban centres. We do not envisage that there will be a strong demand for additional facilities, and again, the amenities in adjacent authority areas will be meeting some of the residents' demands.

**Table 8.12: Ten Pin Bowling Lane Requirement in the Blaby District**

Year	Study Area Population	Typical Population Required to Support Bowling Lane	Potential Number of Bowling Lanes Supported by Study Area	Potential Number of Bowling Lanes Supported in the Authority Area	Outstanding Potential Capacity in the Authority Area
2024	336,263	12,975	25.9	8.2	-17.8
2029	349,567	12,975	26.9	8.7	-17.3
2034	361,241	12,975	27.8	9.0	-17.0
2039	372,051	12,975	28.7	9.4	-16.6
2041	376,292	12,975	29.0	9.5	-16.5

Note: Typical population to support ten pin bowling alley calculated with reference to the Mintel Ten Pin Bowling UK 2017 report and to Experian Micromarketer population forecasts for the UK

## Casinos

10.52 Mintel's Casinos and Bingo UK 2018 report identifies that there are 145 casinos across the UK, which equates to a casino for every 469,063 persons or thereabouts.

10.53 Accordingly, Table 8.13 overleaf confirms that we estimate that the authority area could support around 0.2 casinos at 2024, a figure which would barely change throughout the Study period.

**Table 8.13: Casino Requirement in the Blaby District**

Year	Study Area Population	Typical Population Required to Support a Casino	Potential Number of Casinos Supported by Study Area	Potential Number of Casinos Supported in the Authority Area	Outstanding Potential Capacity in the Authority Area
2024	336,263	469,063	0.7	0.2	0.2
2029	349,567	469,063	0.7	0.2	0.2
2034	361,241	469,063	0.8	0.3	0.3
2039	372,051	469,063	0.8	0.3	0.3
2041	376,292	469,063	0.8	0.3	0.3

Note: Typical population to support casino calculated with reference to the Mintel Casinos and Bingo UK 2018 report and to Experian Micromarketer population forecasts for the UK

### Other Commercial Leisure

10.54 There has been a growth in recent years in other more specialist commercial leisure attractions, including facilities such as trampoline parks, indoor soft play centres, ninja courses and a range of competitive social destinations. The latter is a fast-paced sector and is still continuing to grow, with new formats becoming present in the market. Such uses include urban golf, bar and game formats, which include games such as axe-throwing, shuffleboard, table tennis and so on, virtual reality gaming and escape rooms. All of these commercial leisure uses fall within the defined town centre use bracket, and typically require large floorplates.

10.55 Calculating a quantitative need for such uses is not possible, particularly given the evolving market and relative infancy of such uses. However, we are able to review the existing offer and consider whether there may be a qualitative requirement to increase the offer across the authority area.

10.56 Overall, the Blaby authority area is not well catered for in terms of wider commercial leisure uses, and instead, residents will be looking to surrounding higher-order centres, particularly Leicester city centre, to meet their commercial leisure needs in this context.

10.57 Although the market for such commercial leisure uses is still evolving, and alternative operators may still continue to require new premises across the authority area, these should be assessed on a case-by-case basis, ensuring that such uses are directed towards defined centres in the first instance. This is particularly important given the wider benefits such uses can have in terms of encouraging longer dwell-times and increasing footfall and associated expenditure within centres.

10.58 However, it is noted that opportunities for larger format leisure uses within the defined centres in the Blaby authority area will be limited due to the average size of the units being small scale and there being limited opportunity to expand the offer in the centres. The Town Centres Practice Guidance states at paragraph 012 that the use of the sequential test should recognise that certain town centre uses have particular market and locational requirements, which meant that they may only be accommodated in specific locations. It goes on to state that robust justification will be needed where this is the case. Whilst the guidance does not circumnavigate the need for a robust assessment, it does provide scope for proposals to be situated in alternative non-town centre locations should there be no sequentially preferable locations in centre.

## 11. Summary, Conclusions and Policy Recommendations

### Context

11.1 The principal purpose of the Study is to understand future retail and leisure needs, and to provide policy recommendations to assist the Council in its preparation of the forthcoming Local Plan.

11.2 The Local Plan will set out the Council's strategy in respect of delivering new future growth in respect of a range of new developments, including housing, jobs, and main town centre uses. To ensure that commercial uses are delivered in sustainable locations, the Local Plan will provide up to date policies in respect of town centre boundaries, the hierarchy of defined centres, and local impact thresholds of relevance to retail and leisure developments.

11.3 In preparing the summary and conclusions below, it is also useful to refer back to the currently adopted local plan policies of relevance to defined centres and other commercial development within the authority area. In this regard, having an understanding of how they have worked in practice and how effective the policies have been in helping to support the vitality and viability of centres is key.

11.4 This concluding section of our report summarises the key findings of the Study and addresses planning policy requirements of relevance to retail, leisure, and town centres.

### Key Findings: Retail

#### Quantitative and Qualitative Capacity

11.5 The NPPF (paragraph 90d) states that planning policies should allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. It is to be recognised that the capacity forecasts do not take account of current (or future) vacant retail floorspace in the main centres and shopping locations. Some of this vacant space will be available and suitable for re-occupation, re-purposing and/or redevelopment both now and in the future.

11.6 The capacity findings presented below are based on an assumption that the market share attracted to existing facilities both within the district and specifically the town centre remains consistent across the plan period. In this regard, significant proportions of market share for both convenience and comparison goods are directed to commercial facilities at the Motorways Retail Area, which has direct implications on the capacity figures presented.

**Table 9.1: Quantitative Capacity for Convenience Goods and Comparison Goods Floorspace in the Blaby District**

Year	Convenience Goods Floorspace Requirement Minimum (sq.m)	Convenience Goods Floorspace Requirement Maximum (sq.m)	Comparison Goods Floorspace Requirement Minimum (sq.m)	Comparison Goods Floorspace Requirement Maximum (sq.m)
2024	2,400	2,600	-1,300	-2,200
2029	2,800	3,000	2,500	4,400
2034	3,500	3,800	5,800	10,000
2039	4,200	4,500	9,400	16,200
2041	4,500	4,800	10,900	18,800

Source: Table 6d and 26d of Appendix 4

Note: In 2022 prices

**Table 9.2: Quantitative Capacity for Convenience Goods and Comparison Goods Floorspace in Blaby Town Centre**

Year	Convenience Goods Floorspace Requirement Minimum (sq.m)	Convenience Goods Floorspace Requirement Maximum (sq.m)	Comparison Goods Floorspace Requirement Minimum (sq.m)	Comparison Goods Floorspace Requirement Maximum (sq.m)
2024	1,800	2,000	0	0
2029	1,900	2,000	100	100
2034	2,000	2,100	100	200
2039	2,000	2,200	200	400
2042	2,100	2,200	200	400

Source: Table 6d and 26d of Appendix 4

Note: In 2022 prices

11.7 The quantitative and qualitative capacity considerations conclude that there may be demand for additional convenience and comparison floorspace across the district. The NPPF is clear that suitable sites should be allocated to meet the likely need, looking at least ten years ahead. Such sites should be well connected to defined centres, and therefore provide a benefit to the existing businesses through the encouragement of linked-trips.

11.8 Looking specifically at the next ten years, the identified quantitative capacity could be for up to 3,800 sq.m of additional convenience floorspace and up to 10,000 sq.m of additional

comparison floorspace across the district. In both cases, this is based on the assumption that the market share of existing facilities within the district will remain consistent.

11.9 Long-term floorspace capacity forecasts beyond 2034 years are susceptible to unforeseen circumstances. Growth forecasts for expenditure and turnover are particularly uncertain and need to be carefully monitored, including the continued growth in home/internet shopping. Long-term projections must be treated with caution and kept under review.

### **Convenience Needs and Policy Approach**

11.10 Turning firstly to the convenience capacity identified, the above figures identify that there will be capacity for up to approximately 4,400 sq.m of additional convenience floorspace over the next ten years.

11.11 We note that there are stores which are identified as overtrading within the authority area, and that some defined centres do not benefit from a retailer which could meet 'main food' convenience shopping requirements. We do also note however that the defined centres are relatively confined and identifying suitable sites to accommodate one or two foodstores within the district in close proximity to defined centres will be difficult.

11.12 Convenience floorspace will or will likely come forward as part of future residential allocations, including the existing provision permitted as part of the Lubbesthorpe SUE and other future new strategic sites.

11.13 We recommend therefore that the Council continues to consider appropriate provision as part of future residential growth, which will certainly go some way to meeting the identified quantitative and qualitative requirements across the district.

### **Comparison Needs and Policy Approach**

11.14 The Motorways Retail Area is the primary comparison retail destination in the authority area, with Blaby town centre (and other existing defined centres in the district) providing for a more localised, small scale commercial offer which meets residents' day to day needs. Whilst we recognise that these out-of-centre destinations make important contributions to meeting some of the comparison goods needs of the District's residents, and have driven the identified increase in its non-food market share since 2015, it will be important to try and protect and enhance the role of Blaby town centre and the smaller defined centres in the district going forward.

11.15 Given the importance and relative dominance of the out-of-centre shopping provision at the Motorways Retail Area, the town centre serves a more localised role and function than might otherwise be the case. Its retail offer is focused on day-to-day needs, with limited market shares in the clothing & footwear and electrical goods sub-categories.

11.16 Given the uncertain economic outlook and difficulties in predicting future requirements, allocating sites for additional comparison floorspace in particular, does not represent a realistic proposition and delivering a town centre or edge-of-centre scheme within the plan period is unlikely. This is particularly the case in light of the existing provision at the Motorways Retail Area, which is extensive and wide reaching in terms of its trade draw.

11.17 We have also given consideration to the potential for out-of-centre sites - including the Motorways Retail Area - to provide for the level of identified retail need presented above. It is clear that the commercial offer within the Motorways Retail Area is diverse and provides the larger-format space for national multiples to have presence within the district, and wider area. We provide specific commentary on the MRA below.

11.18 We are also of the view that delivering the level of additional comparison floorspace identified in particular is unlikely to be feasible given the uncertain commercial climate and the need to take account of the sensitivities around retailing (as set out at Section 2 above).

11.19 Given the above, and in accordance with 'town centre' first principle, it is important to continue to protect defined centres within Blaby and neighbouring authority areas, and the allocation of an alternative out of centre site for additional retail floorspace is not a recommended approach.

### **Key Findings: Commercial Leisure**

11.20 In terms of food and beverage floorspace, we have undertaken a quantitative assessment which identifies available expenditure and takes account of the need for existing businesses to increase their turnover to remain viable.

11.21 Our assessment has identified that at 2041 there is a requirement for 2,900 sq.m of restaurant and café floorspace and for 1,100 sq.m of licensed premises floorspace (this equating to a total of 4,000 sq.m of food and beverage floorspace).

11.22 However, particularly in the early part of the plan period, much of this need would be absorbed by the Everards Meadows commitment. The outline permission for this development (reference 15/0888/VAR) allows for up to 1,350 sq.m to be used for restaurant and café facilities in former Use Class A3 and up to 1,985 sq.m to be used for drinking establishments in former Use Class A4. Some of these uses have already been built out and are trading, with the balance of permitted but unconstructed restaurant/café floorspace amounting to 1,017 sq.m and the balance of permitted but unconstructed drinking establishment floorspace amounting to 1,119 sq.m.

11.23 Assuming the full extent of the permitted food and beverage development at Everards Meadows comes forward over the plan period, therefore, the requirement for restaurant and

café floorspace at 2041 falls to 1,900 sq.m and the requirement for licensed premises floorspace at 2041 falls to -100 sq.m.

11.24 We anticipate that the required floorspace will comprise of relatively small-scale cafés and restaurants which would generally be accommodated within the principal centres. We recommend that this floorspace requirement is directed towards Blaby's defined centres in order to secure the re-use and repurposing of vacant floorspace.

**Table 9.3: Net Quantitative Capacity for Restaurant and Café Floorspace and Licensed Premises Floorspace in the Authority Area After Commitments**

Year	Restaurant and Café Floorspace Requirement (sq.m)	Licensed Premises Floorspace Requirement (sq.m)	Total Food and Beverage Floorspace Requirement (sq.m)
2024	-1,000	-1,200	-2,200
2029	-200	-900	-1,100
2034	700	-600	100
2039	1,600	-300	1,300
2041	1,900	-100	1,800

Source: Tables 5a, 5d, 10a and 10d of Appendix 5

Note: Assumes constant market share of Study Area expenditure claimed by facilities in the authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 21 - Leisure; in 2022 prices

11.25 Table 9.4 below also provides the comparable quantitative capacity figures focussing specifically on Blaby town centre. In this regard, our assessment has identified that at 2041 there is a requirement for 200 sq.m of restaurant and café floorspace and for 100 sq.m of licensed premises floorspace (this equating to a total of 300 sq.m of food and beverage floorspace).

**Table 9.4: Quantitative Capacity for Restaurant and Café Floorspace and Licensed Premises Floorspace in Blaby Town Centre**

Year	Restaurant and Café Floorspace Requirement (sq.m)	Licensed Premises Floorspace Requirement (sq.m)	Total Food and Beverage Floorspace Requirement (sq.m)
2024	0	0	0
2029	0	0	0
2034	100	0	100
2039	100	100	200
2041	200	100	300

Source: Tables 5a\_BlabyTC, 5b\_BlabyTC, 10a\_BlabyTC and 10b\_BlabyTC of Appendix 5

Note: Assumes constant market share of Study Area expenditure claimed by facilities in the authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 21 - Leisure; in 2022 prices

11.26 We have undertaken a quantitative benchmarking exercise to identify general requirements in respect of large format leisure uses.

11.27 This has identified quantitative capacity which equates to a requirement across the authority area at 2041 for:

- 0.5 bingo halls;
- 0.3 cinema screen;
- -16.5 ten pin bowling lanes; and
- 0.3 casinos.

11.28 Thus, Blaby District is well provided for in terms of 'big box' leisure provision, with Meridian Leisure Park providing facilities that meet residents' needs and the needs of visitors from outside of the administrative area. Moreover, in practice, the neighbouring authority areas, particularly Leicester, act as an additional focus for larger format leisure uses.

11.29 We do not anticipate there to be operator demand to bring forward larger format leisure uses in the authority area over the plan period to 2041.

11.30 There has also been a growth in recent years in other more specialist commercial leisure attractions, including facilities such as trampoline parks, indoor soft play centres, ninja courses and a range of competitive social destinations. Calculating a quantitative need for such uses is not possible, particularly given the evolving market and relative infancy of such uses. However,

we are able to review the existing offer and consider whether there may be a qualitative requirement to increase the offer across the authority area.

11.31 Overall, the district itself is not well catered for in terms of wider commercial leisure uses, and instead, residents will be looking to surrounding higher-order centres, particularly Leicester city centre, to meet their commercial leisure needs in this context. Although the market for such commercial leisure uses is still evolving, and alternative operators may still continue to require new premises across the district, these should be assessed on a case-by-case basis, ensuring that such uses are directed towards defined centres in the first instance. This is particularly important given the wider benefits such uses can have in terms of encouraging longer dwell-times and increasing footfall and associated expenditure within centres.

11.32 However, it is noted that opportunities for larger format leisure uses within the defined centres in the Blaby authority area will be limited due to the average size of the units being small scale and there being limited opportunity to expand the offer in the centres.

11.33 The Town Centres Practice Guidance states at paragraph 012 that the use of the sequential test should recognise that certain town centre uses have particular market and locational requirements, which meant that they may only be accommodated in specific locations. It goes on to state that robust justification will be needed where this is the case. Whilst the guidance does not circumnavigate the need for a robust assessment, it does provide scope for proposals to be situated in alternative non-town centre locations should there be no sequentially preferable locations in centre.

### **Key Findings: Principal Centres**

11.34 The Study has reviewed the vitality and viability of defined town, district and rural centres across the District. Our assessments have been undertaken with reference to the town centre healthcheck indicators set out at paragraph 006 of the Town Centres and Retail PPG.

11.35 We set out the overarching conclusions in respect of Blaby's principal centres below.

#### **Blaby Town Centre**

11.36 Blaby town centre is the principal centre in the district and serves as a primary retail and leisure destination. The town centre faces competition from nearby out-of-centre retail parks, predominantly Fosse Park. However, the range of units in the centre is vastly different to Fosse Park, with Blaby town centre benefitting from a strong presence of independent businesses which provide goods and services that better support the day-to-day needs of local residents. Additional uses within Blaby town centre include the library, which includes the Family Support Hub amongst a wide range of activities for the community and a doctors surgery alongside the Lloyds Pharmacy.

11.37 On the whole, Blaby has withstood the challenges faced by most UK centres in the last ten years and continues to enjoy floorspace and unit vacancy rates significantly below the national averages. In addition, Blaby town centre is generally very well-maintained and is of a good environmental quality, which also contributes to the perception that the centre is safe and secure. Furthermore, the town centre's accessibility by car and pedestrian-friendly environment create a convenient and attractive centre, although it would benefit from increased accessibility by public transport and the benefits associated with urban greening.

11.38 Overall, Blaby town centre has proven to be a resilient town centre and is considered to be in good health. However, it is clear that despite Blaby town centre being the principal defined centre in the authority area, the offer of the centre, particularly from a comparison perspective, is limited. There may be future opportunities to enhance the retail offer of the centre, focusing perhaps on providing space to attract additional independent operators and to ensure that Blaby continues to provide a qualitatively different offer to Fosse Park in particular.

### **Enderby District Centre**

11.39 Enderby district centre is the largest of Blaby's three district centres and lies in relatively close proximity to Leicester city centre (which is located 7.5km to the northeast) and Fosse Shopping Park (3km to the east). Enderby lies at the heart of a wide residential catchment and also provides for civic facilities such as a community centre, library and pre-school.

11.40 The retail offer is dominated by the centre's two Co-op stores, which primarily cater for top-up shopping needs but are able to support some main food shopping trips. While both Co-ops were trading on the day of our fieldwork visit, local press reports from November 2024 indicate that the smaller store on Mill Lane is due to close in the first half of 2025. Ownership of the store will be transferred to Samy Ltd, an operator which runs other convenience stores and B&M Retail Ltd.

11.41 These are supplemented by a good variety of smaller-scale convenience and comparison operators that provide for a range of the day-to-day needs of the local community. Most of these retailers are independent, reflecting both the nature of the district centre and its proximity to the higher order national multiples at Fosse Shopping Park. Leisure provision is focussed on food and drink, with Enderby's public houses and takeaways helping to support evening footfall.

11.42 Importantly, our survey recorded no vacancies within the district centre, a finding consistent with the previous survey of 2014 and an indication of enduring good health. Enderby benefits from good accessibility, with ample parking, bus services, and a compact layout that encourages pedestrian movement. The quality of the physical environment is generally good,

with a mix of attractive historic and modern buildings, although some lower-quality frontages detract from the overall character.

11.43 Overall, however, we consider that Enderby is a healthy district centre which performs well in meeting the day-to-day retail and service needs of its local community.

### **Glenfield District Centre**

11.44 Glenfield district centre provides for a strong convenience retail and service offer anchored by its Morrisons superstore. Comparison retail provision is limited to an independent pharmacy, likely reflecting the proximity of the district centre to Leicester city centre and Fosse Shopping Park, but the Morrisons is of sufficient size to cater for most day-to-day non-food shopping requirements.

11.45 Glenfield also performs an important role as a service centre for the local catchment. The leisure offer fulfils a good range of needs for a centre of this size, with late-opening food and drink outlets scattered throughout the centre and generating some footfall and activity in the evenings.

11.46 The only vacant unit in the district centre is the former Glenfield Social Club, which is set to be redeveloped into an expanded petrol filling station for Morrisons. This will result in improvements to the street-scene in the north of the centre and some important connectivity benefits.

11.47 Glenfield is accessible by a range of means of transport and most of its commercial stock is well-maintained and free of graffiti. We consider that the centre as a whole performs reasonably well in terms of environmental quality.

11.48 Based on these indicators, our overall conclusion is that Glenfield is a reasonably vital and viable district centre and performs well in fulfilling the retail, leisure and service needs of its local catchment.

### **Narborough District Centre**

11.49 Narborough district centre benefits from its own railway station, which lies to the immediate south of the defined centre. The centre's 25 units are scattered over a relatively large area and interspersed with some housing. Narborough is local in nature and dominated by independent businesses.

11.50 Narborough's small Co-op and other convenience stores provide for top-up food shopping needs. Comparison representation is entirely independent and strong for a centre of this size, with Narborough containing a pharmacy, home furnishing stores, a florist and hardware shop.

11.51 Food and drink operators make up the entirety of the district centre's leisure offer. There are three cafés which contribute to the daytime economy, and the night-time economy is supported by a public house, an Indian restaurant, and a takeaway operator. The retail and financial & business services offer reflects the size and nature of the centre, being independent and catering for a reasonably good range of localised needs.

11.52 There were no vacancies recorded in Narborough.

11.53 Narborough benefits from good accessibility by a range of means of transport and supports a moderate level of footfall commensurate with its size and role in the hierarchy. There was no evidence of vandalism or graffiti in the centre at the time of the survey.

11.54 Overall, we consider that Narborough is as a vital and viable district centre that performs an important local retail and service function for its walk-in residential catchment.

### **Stoney Stanton Rural Centre**

11.55 Stoney Stanton rural centre is located in the rural south west area of the Blaby district, and plays a significant role in providing for the retail and service needs of its own local population and residents of other nearby villages such as Sapcote and Sharnford. While the settlement of Stoney Stanton is large, the commercial provision in the defined rural centre amounts to only 15 units.

11.56 Stoney Stanton's Co-op and two smaller independent convenience stores provide for top-up food shopping. The centre's non-food stores comprise an independent pharmacy, opticians and hardware store.

11.57 Leisure operators play a key role in underpinning both the centre's daytime and evening economies, and particularly its three public houses, which attract strong lunchtime trade. The remaining service provision is considered to support a good variety of residents' day-to-day needs.

11.58 The lack of any vacant units contributes to the rural centre's high environmental quality and a general feeling of safety and security.

11.59 Overall, however, the centre is considered to be vital and viable, and to perform an important function in meeting the retail and service needs of its own local population and residents of surrounding settlements. Our key recommendation with regard to Stoney Stanton is that it be redesignated as a local centre, rather than remaining the district's only rural centre, to reflect its scale and role as well as ensuring consistency in terminology.

## Future Retail and Centres Strategy

11.60 We provide an overview of the mix of uses evident within the centres below at Table 9.5.

The principal centres are generally multi-functional, focused on day-to-day retail and service needs with a more extensive offer in Blaby town centre.

**Table 9.5: Mix of Uses Across the Authority's Principal Centres**

Land Use	Blaby TC Units (%)	Enderby DC Units (%)	Glenfield DC Units (%)	Narborough DC Units (%)	Stoney Stanton RC Units (%)
Comparison	24.7%	17.9%	4.8%	24.0%	20.0%
Convenience	10.8%	10.7%	19.0%	16.0%	20.0%
Financial Service	16.1%	7.1%	4.8%	4.0%	13.3%
Leisure Service	19.4%	35.7%	23.8%	24.0%	33.3%
Retail Service	25.8%	28.6%	42.9%	32.0%	13.3%
Vacant	3.2%	0.0%	4.8%	0.0%	0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centres derived from Nexus Planning surveys of September 2024

11.61 It will be important to ensure that any further development is appropriately located in respect of the needs that it would serve and in respect of ensuring that no defined centre is the subject of a 'significant adverse' impact as a result of new entrants into the grocery market in particular.

11.62 The provision of main food shopping destinations within and around defined centres is a key strength of some of the centres across the authority area and the benefit of retaining this should be given substantial weight when considering future convenience goods retail proposals. This is particularly the case within Blaby and Glenfield and to a lesser extent Enderby. There may be opportunities therefore to enhance the convenience offer of centres within the authority area should appropriate sites within or on the edge of the centres come forward. Importantly, any scheme would need to demonstrate that there would not be a significant adverse impact on the defined centres.

11.63 In terms of service sectors, financial and business transactions have increasingly moved online and 'bricks and mortar' financial service provision has significantly reduced as a consequence. This trend will not be reversed. It will be important to ensure that premises previously put to such use are repurposed and brought back into active use. By way of example, former bank and building society premises can often be made into attractive bars and restaurants which are able to enhance a centre's wider offer (including the evening economy).

11.64 Whilst the economic picture is currently challenging for hospitality operators, we consider that further potential exists to expand the leisure sector offer within the authority's principal centres across the medium to longer term and the assessment undertaken to support this Study confirms that there is a capacity for additional food and beverage floorspace across the authority area and within Blaby town centre specifically.

11.65 It is highly unlikely that there will be substantial comparison goods retail development coming forward within the local authority areas across the plan period. In practice, some such in-centre retailers may close. This could open up town centre space for convenience retailers, and for the growth of the leisure and retail service sectors.

11.66 In particular, food and drink operators are a critical component of a modern town centre, and the future success of these operators is inextricably linked to centres' overall vitality. Improved local leisure provision will mean a reduced need to travel further afield to eat, drink and socialise. This reduces carbon emissions and accords with sustainable development principles (particularly as a rounded retail and service offer should encourage linked trips and reduce travel).

## **Planning Policy Recommendations**

### **General Policy Approach**

11.67 The adopted and emerging local plan promotes a 'town centre first' policy approach which is broadly consistent with the general requirements of paragraphs 90 to 95 of the NPPF.

11.68 In this regard, we note that paragraph 018 of the Town Centres PPG indicates that proposals for edge and out-of-centre retail and leisure developments should be considered with reference to the health of centres that would be impacted by development. Paragraph 018 states that:

**'A judgement as to whether the likely adverse impacts are significant can only be reached in light of local circumstances. For example, in areas where there are high levels of vacancy and limited retailer demand, even very modest trade diversion from a new development may lead to a significant adverse impact.'**

11.69 In this context, it will be important for the emerging plan to clearly set out the importance of the sequential and impact tests and explain the local circumstances which frame how they will be applied in practice. The sequential and impact tests will need to be applied in a robust manner in order to provide for the re-use of vacant units and to support centres which retain a strong retail function as well as a diverse range of other uses. Whilst non-retail uses will be an important component of the mix of land uses in principal centres moving forward, there is still a

requirement to accommodate new retailers and secure additional retail floorspace within defined centres wherever possible in accordance with the requirements of the NPPF.

11.70 It will be important for the forthcoming plan to clearly identify that Blaby town centre and other defined centres within the district should remain a focus for both convenience and comparison goods retail and that such uses remain important in driving footfall. As identified by the healthcheck analysis provided at Section 4, whilst the role of Blaby town centre is more localised and provides for smaller retailers, it has been able to continue to support a quantum of comparison goods retailers (generally focused around day-to-day household comparison goods shopping and independent retailers). It is important that this offer is maintained given local residents' needs. Such protection over the existing and proposed defined centres can be achieved through the appropriate application of the sequential and impact policy tests.

11.71 Notwithstanding this, as is demonstrated at Section 2, it is evident that fundamental changes in the retail sector – largely resulting from the shift to online retail, which has been accelerated by the Covid-19 pandemic – have had a permanent impact on land use on the high street. As such it is critical that defined centres continue to diversify in order to provide access to jobs, leisure, culture, services, and social connection.

11.72 In the context of the current offer of defined centres, and national planning policy requirements, we recommend that emerging plan policies are sufficiently flexible so as to allow for an appropriate range of town centre uses beyond retail, and reflect the need to repurpose historic, sometimes outdated retail stock in order to accommodate new residential, leisure and community uses. To this end, we note that paragraph 90 of the NPPF states that planning policies should:

**'...recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.'**

11.73 The emerging plan should also consider the effects of the expanded Use Class E and the consequences of the additional flexibility which Class E provides for outside of town centres. The authority may wish to consider applying restrictive conditions to planning permission for Class E development which is delivered outside of town centres to restrict the authorised use to that which has been justified in the application submission. This will help ensure that unacceptable impacts do not arise within town centre as a consequence of future Class E development.

11.74 Having assessed these factors, and despite the Study identifying capacity for both convenience and comparison floorspace, given the local context and the offer of existing destinations within the district, this Study has reached the conclusion that it is reasonable to move away from a quantitative need led approach to planning for retail land uses and, instead,

base the new Local Plan strategy on a wider basket of indicators. This is on the basis as set out above, insofar as there being no sites identified within or on the edge of defined centres to accommodate the need and that protecting the centres should be the priority for the local authority within the new local plan. Providing out-of-centre allocations for additional retail floorspace could potentially jeopardise the future health of the existing and proposed centres within the district and is not supported by the evidence provided within this Study.

**11.75** The overarching policy approach should therefore be based upon the following key pillars which provides a positive strategy to the defined centres and whilst continuing to acknowledge that the new Local Plan intends to plan for meeting retail 'needs' alongside other main town centre land uses:

- a. New / replacement floorspace will naturally be encouraged by the Council's positive planning strategy for existing defined centres. Even without specific site / area allocations, the new Local Plan is able to provide for a positive policy environment to provide new retail land uses within defined centres.
- b. Planned centres will be providing new retail floorspace to meet some of the identified 'needs'. A key element of providing for retail needs, alongside other main town centre land uses, is via planned new centres.
- c. New retail provision will also be provided through the development management process. It will remain the case that proposals for new retail floorspace / retail uses will come forward outside of the plan-led system and, instead, be dealt with via the development management process. Whilst such proposals will face detailed scrutiny, they will, if permitted, go some way to meeting the needs of the retail sector and the local community.

### **Overarching Policy Options for MRA**

**11.76** With the above context in mind, we now turn to our assessment of specific policy options for the MRA. In doing so, we have given consideration to the current 'managed growth' approach as set out within the adopted policy, or alternatively, whether designating the MRA as a defined centre would better meet the thrust of national planning policy. We have also given further consideration to whether there is a mid-policy position for the MRA.

**11.77** In this regard, national planning policy is clear that protection should be given to defined centres in order to ensure residents have a good mix of amenities available. It is acknowledged that the MRA has an important role to play in serving residents of Blaby district in terms of providing retail and leisure facilities but also has a much wider role and wider draw from an extensive catchment. The current offer does not provide for a 'traditional' town centre and does not provide for the range of uses typically required to meet the definition of a defined centre. This role of the MRA should be recognised in the local plan, but a clear differentiation

between the MRA and defined centres within the district should be continued in the updated planning policy.

**11.78** The NPPF and associated Town Centres NPPG provides a useful tool upon which to appropriately differentiate defined centres and out of centre development. Indeed, Annex 2 of the NPPF states that: ‘...existing out-of-centre developments, comprising or including main town centre uses, do not constitute town centres’. The NPPG also states that a wide range of uses, including residential, healthcare, educational development, employment and offices can all help to support the vitality and viability of a centre.

**11.79** On this basis, the qualitative benefits of the existing defined centres within the Blaby district are their provision of smaller units to meet the needs of a wide range of operators, including independents across a range of commercial sectors. The MRA is qualitatively different insofar as it provides larger scale units to predominantly meet the needs of national multiple retail and leisure operators, but does not, in the most part, provide space which is comparable to that which is provided for within the defined centres. Ensuring that this difference in the offer is retained within the district is imperative to securing the future vitality and viability of centres.

**11.80** There has been some growth at the MRA and some alterations in terms of how the area functions, including the introduction of a temporary financial pod unit. There is a risk that allocating the MRA, or indeed parts of the MRA as a defined town centre would enable the circumnavigation of the planning policy tests, resulting in the further diversification of the MRA, which could erode the function and offer of the defined centres. Ensuring that the MRA and the defined centres retain their qualitative benefits and differences through appropriate policy controls and the sequential and impact tests in particular, is key and in accordance with national policy.

**11.81** Given the above, whilst a recognition of the MRA within the local plan can be provided, this should not allow for future applicants to avoid the requirement to demonstrate compliance with planning policy.

**11.82** We note that the current adopted local plan seeks to control growth at the MRA, to ensure that any growth is complementary to the achievement of the Blaby Town Centre Masterplan. The adopted policy then goes on to provide a series of criteria that any development or extensions at the Motorway Retail Area would need to adhere to. The criteria include the need to demonstrate that there would be no unacceptable impacts on existing centres and that there are no sites which are sequentially preferable to accommodate the development within and on the edge of defined centres.

11.83 One of the key threats to the existing defined centres will be the future provision of smaller units and a more diverse offer at the Motorways Retail Area which could directly impact on the more localised offer within the centres in Blaby. As such, it is important that in particular, the Council retains control over the future sub-division of units and the provision of new, smaller units across the commercial area.

11.84 It is considered that a continued emphasis in respect of the protection of existing defined centres in the authority area is important, with separate controls over the MRA to help support the future success of the commercial destination, whilst continuing to protect centres.

11.85 Consideration was also given to the potential to provide greater flexibility with regard to the expansion and diversification of the MRA than what is allowed under the adopted local planning policy. However, while the current development plan policy will likely require rewording to ensure compliance with the updated national policy in respect of ensuring the vitality and viability of centres, we consider that the general thrust and 'managed growth' approach remains appropriate for the area.

### **The Appropriate Extent of the Motorways Retail Area**

11.86 Taken together, the MRA and adjacent Everards Meadows provide for extensive, predominantly larger-format, retail and leisure floorspace which draws visitors from a wide catchment. As noted in the healthcheck analysis, the MRA provides space for the larger national multiple operators but its wider offer in terms of financial, retail service and community uses is limited, setting it apart from the existing defined centres within the district. In this regard, the defined centres provide an essential local role, meeting the day-to-day needs of the local catchments and providing for a range of amenities in accordance with the definition provided within the NPPF.

11.87 The MRA as currently defined encompasses Fosse Shopping Park, the adjacent Asda, and the retail and leisure development at Grove Farm Triangle (including the Sainsbury's supermarket). Importantly, it does not include the proximate Everards Meadows site.

11.88 In line with the requirement in the Specification for this Study to advise on planning policy options for the major out-of-centre retail and leisure developments in the Blaby district, consideration was given to the possibility of extending the MRA boundary to include the Everards Meadows development to its south.

11.89 Everards Meadows is a leisure-led, mixed-use development including a brewery, restaurant, visitor centre, outdoor recreational facilities, cycling shop and coffee hut. The development has been substantially built out and is open to the public, although some of the main town centre uses floorspace permitted in outline has not yet been constructed. It is considered that although the Everards Meadows site is in close proximity to the MRA, it does

not form a natural extension to the retail and leisure offer of the MRA and functions principally separately from the 'heart' of the overarching offer of the MRA.

11.90 Given the above, the overarching recommendations are to not include Everards Meadows as part of the MRA designation within the new local plan.

### **Meridian Leisure Park**

11.91 As demonstrated in Section 8 of this report, Meridian Leisure Park plays a vital role in underpinning 'big box' leisure provision in the Blaby district, providing facilities that meet residents' needs and the needs of visitors from outside of the administrative area. This function is particularly important given the scarcity of large-format commercial floorspace within the district's defined centres and the competition posed by higher order centres, particularly Leicester city centre.

11.92 However, it will be important for the Council to continue to monitor applications for the potential expansion of floorspace or relaxation of uses permitted at the Leisure Park due to the potential implications such applications could have on the health of defined centres within the district.

11.93 As such, a recognition of its importance in the local plan should be included, providing a strategic thrust to supporting its future but still ensuring that proposals will need to accord with the key main town centre policy tests. Future policy will also have to ensure compliance with national planning policy relating to leisure and other main town centre uses, particularly the sequential and impact tests. Our recommended policy approach in respect of impact thresholds and other relevant factors are set out in Section 9 of this report.

### **Hierarchy**

11.94 Paragraph 90 of the NPPF identifies that local planning authorities should define a network and hierarchy of town centres. However, very little detail is provided in this regard and, notably, neither the NPPF nor the Town Centres PPG differentiates between different types of town centre and the role each serves.

11.95 The most recent definitions provided by the Government were provided by Planning Policy Statement 4: Planning for Sustainable Economic Growth ('PPS4'), which was published in December 2009 (and was superseded by publication of the original iteration of the NPPF in March 2012). Whilst PPS4 should be considered on this basis (i.e., it is not up to date practice guidance), in the absence of any other definitions, it is of some relevance to the consideration of a retail centres hierarchy.

11.96 Annex B of PPS4 identified that:

**'City centres are the highest level of centre identified in development plans. In terms of hierarchies, they will often be a regional centre and will serve a wide catchment. The centre may be very large, embracing a wide range of activities and may be distinguished by areas which may perform different main functions. Planning for the future of such areas can be achieved successfully through the use of area action plans, with masterplans or development briefs for particular sites. In London the 'international' and 'metropolitan' centres identified in the Mayor's Spatial Development Strategy typically perform the role of city centres.'**

**Town centres will usually be the second level of centres after city centres and, in many cases, they will be the principal centre or centres in a local authority's area. In rural areas they are likely to be market towns and other centres of similar size and role which function as important service centres, providing a range of facilities and services for extensive rural catchment areas. In planning the future of town centres, local planning authorities should consider the function of different parts of the centre and how these contribute to its overall vitality and viability. In London the 'major' and many of the 'district' centres identified in the Mayor's Spatial Development Strategy typically perform the role of town centres.**

**District centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library.**

**Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, large villages may perform the role of a local centre.**

**Small parades of shops of purely neighbourhood significance are not regarded as centres for the purposes of this policy statement.'**

**11.97 Our findings from the review of the health of the defined centres within the district has found that:**

- Blaby is performing an important town centre role within the district, being the principal and largest centre. The town centre provides for the largest quantum of commercial floorspace, which includes larger format convenience floorspace meeting residents' day-to-day needs including main food shopping needs.
- Enderby, Glenfield and Narborough centres are performing important district centre roles within the district, with a variety of smaller-scale commercial operators present, alongside convenience stores. The centres fall within the district centre definition as provided above.

- Stoney Stanton is smaller in scale, providing for a more limited offer which serve a smaller catchment. Although it continues to perform an important role in serving its' local catchment, it is considered that it falls within the local centre definition as provided above.

11.98 We provide the recommended hierarchy of the centres in Table 9.6 below.

## Boundaries

11.99 Paragraph 90 of the NPPF requires local plans to '**define the extent of town centres and primary shopping areas**'.

11.100 National planning policy no longer explicitly prescribes the designation of primary and secondary frontages. The Government has confirmed that the removal of this requirement reflects the general need to be flexible in planning for the future of town centres due to the rapid changes taking place in the retail and leisure industries. Whilst the removal of the requirement does not preclude local planning authorities from identifying primary and secondary shopping frontages where supported by local circumstances, we do not believe that this is merited in this instance. Although, the Study has generally identified low vacancy rates in Blaby's defined centres, there is nonetheless a need to repurpose and reoccupy floorspace within centres across the authority area in the manner that Use Class E generally provides for. In this context, the separate designation of both primary and secondary frontages would serve no useful purpose

11.101 Annex 2 of the NPPF indicates that a primary shopping area is the '**Defined area where retail development is concentrated**'.

11.102 Annex 2 also identifies that a town centre is the:

**'Area defined on the local authority's policies map, including the primary shopping area and areas predominantly occupied by main town centre uses within or adjacent to the primary shopping area. References to town centres or centres apply to city centres, town centres, district centres and local centres but exclude small parades of shops of purely neighbourhood significance. Unless they are identified as centres in the development plan, existing out-of-centre developments, comprising or including main town centre uses, do not constitute town centres.'**

11.103 Annex 2 further defines main town centres uses as:

**'Retail development (including warehouse clubs and factory outlet centres); leisure, entertainment and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres,**

indoor bowling centres and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).'

11.104 In this context, it is important to note that, although there is the opportunity to define separate primary shopping area and town centre boundaries, there is no general requirement to do so unless the specific characteristics of the subject centre support such an approach. Government policy specifically encourages the diversification of centres. Whilst retail will (in most cases) be a key element of a town centre, the majority of lower-order centres are diverse and uses are typically distributed throughout the centre. Such centres may not have a particular concentration of retail uses at their core.

11.105 Furthermore, it is also important to recognise the purpose of defining both a primary shopping area and town centre boundary. In planning policy terms, distinguishing between the primary shopping area and town centre boundary is of principal merit in terms of identifying the area of relevance in applying the sequential and impact tests to retail development. The particular relevance of the primary shopping area to retail planning proposals is confirmed by Annex 2 of the NPPF.

11.106 We have reviewed the currently defined boundary for Blaby town centre and consider that it remains broadly appropriate in defining the area within which main town centre uses are concentrated. With regard to retail uses, specifically, while there are clusters of shops dotted around the centre, these are generally interspersed with leisure and other service uses reflecting Blaby's role as a day-to-day service centre as well as a shopping destination for local residents. This finding, in addition to the compact nature of the town centre, means that there is no particular area in which retail development is concentrated. As such, we do not consider that it would be appropriate, in this instance, to define a primary shopping area.

11.107 The adopted development plan defines primary and secondary frontages within Blaby town centre. However, as identified above, we believe that the existing primary and secondary frontages should not be maintained going forward given the provisions of Class E of the Use Classes Order and the Government's general objective that there should be greater flexibility on the high street.

11.108 With regard to Blaby's other defined centres, we have reviewed the current boundaries, performance and provision in order to inform our recommendations of where they should sit within the hierarchy. We provide our commentary on a centre-by-centre basis at Table 9.6 below.

**Table 9.6: Summary of Boundary and Hierarchy Recommendations for Defined Centres and Neighbourhood Parades**

Name	Tier	Boundary Recommendations	Hierarchy Recommendations
Blaby	Town Centre	Recommend a small boundary extension to the southwest to include the financial advisors at 35 Lutterworth Road	No changes recommended
Enderby	District Centre	Recommend a boundary extension to the north to include the public house, Enderby Village Institute and financial service uses on Cross Street, and to the west to include the body piercing studio on Townsend Road	No changes recommended
Glenfield	District Centre	Recommend some small adjustments to the boundary to ensure consistency with the OS base maps, and a small extension to the east of Station Road to include the hair salon at Unit 1, Glenborough Court. We also recommend a small addition to include the butcher and adjacent children's nursery (community use) located on The Square.	No changes recommended
Narborough	District Centre	Recommend the exclusion of the former NatWest bank and adjacent residential units in the west.	No changes recommended
Stoney Stanton	Rural Centre	No changes recommended	Stoney Stanton is currently the only centre classified as a 'rural centre' within Blaby's hierarchy of centres. Given its scale and function, we recommend re-

Name	Tier	Boundary Recommendations	Hierarchy Recommendations
			designating it as a 'local centre' to ensure consistency in terminology.
Cosby	Local Centre	<p>Recommend that additions are made to the centre boundary to include the Co-op on Main Street and the Best One and Nisa Local convenience stores around the corner of Croft Road and Park Road.</p> <p>Also recommend extending the southern part of the centre eastwards to include the Bulls Head public house.</p>	No changes recommended
Countesthorpe	Local Centre	<p>Recommend two boundary extensions to the north to include (1) the printer, gym and barbershop units at The Old Dye Works on Central Street, and (2) the Co-operative Funeralcare unit on Central Street and Axe &amp; Square public house on Wigston Street.</p> <p>Also recommend a boundary extension to the south of the centre, as currently defined, to include the Co-op, public house, health &amp; beauty operator, and church (community use) on Main Street.</p>	No changes recommended
Glen Parva	Local Centre	No changes recommended	Due to the size and function of Glen Parva, we recommend that it is re-designated as

Name	Tier	Boundary Recommendations	Hierarchy Recommendations
			a Neighbourhood Parade.
Huncote	Local Centre	<p>Recommend boundary extension to the north to include the off licence on Narborough Road.</p> <p>Also recommend extension to the west to include the Red Lion pub car park.</p>	No changes recommended
Kirby Muxloe	Local Centre	Recommend an extension to the northwest to include the two retail service units at 45 and 47 Main Street.	No changes recommended
Leicester Forest East	Local Centre	Recommend that the convenience store, post office and estate agents' units on Holmefield Avenue West be added to the local centre	No changes recommended
Sapcote	Local Centre	No changes recommended	No changes recommended
Whetstone	Local Centre	<p>Recommend that the boundary is extended to the west to include the sign printing business at Unit H1 on High Street, and that the hairdresser at 1 High Street and public house at 44 Victoria Road are added to the centre.</p> <p>Also recommend a small contraction to the west to remove the residential dwellings at nos. 79 to 87 High Street (which have been constructed on the site previously occupied by the vacant Wheatsheaf public house).</p>	No changes recommended

Name	Tier	Boundary Recommendations	Hierarchy Recommendations
<b>Neighbourhood Parades</b>			
146-150 Hinckley Road, Leicester Forest East	Neighbourhood Parade	Recommend that the boundary be expanded to include the pizza shop at 150d Hinckley Road. Also recommend that the Tesco Express that lies a short distance to the west of the neighbourhood parade (as currently defined) is added to the boundary.	No changes recommended
Ayston Road, Braunstone Town	Neighbourhood Parade	No changes recommended	No changes recommended
Bidford Road / Braunstone Lane, Braunstone Town	Neighbourhood Parade	No changes recommended	No changes recommended
Cherry Tree Court, Kirby Muxloe	Neighbourhood Parade	No changes recommended	No changes recommended
Copt Oak Court, Narborough	Neighbourhood Parade	No changes recommended	No changes recommended
Cyril Street, Braunstone Town	Neighbourhood Parade	No changes recommended	No changes recommended
Dog and Gun Lane, Whetstone	Neighbourhood Parade	No changes recommended	No changes recommended
Dominion Road, Glenfield	Neighbourhood Parade	No changes recommended	No changes recommended
Edward Avenue, Braunstone Town	Neighbourhood Parade	No changes recommended	No changes recommended
Elm Tree Avenue / Somerset Drive, Glenfield	Neighbourhood Parade	No changes recommended	No changes recommended
Faire Road, Glenfield	Neighbourhood Parade	No changes recommended	No changes recommended
Grove Road Roundabout, Whetstone	Neighbourhood Parade	No changes recommended	No changes recommended

Name	Tier	Boundary Recommendations	Hierarchy Recommendations
Henley Crescent, Braunstone Town	Neighbourhood Parade	No changes recommended	No changes recommended
Needham Avenue, Glen Parva	Neighbourhood Parade	N/A	Given the limited size and function of the centre and the extent to which it appears to be underperforming, we recommend that it no longer be designated as a neighbourhood parade and is removed from the hierarchy.
Pochin Street, Croft	Neighbourhood Parade	Recommend that the boundary be extended to the west to include the Co-op foodstore at 29 Pochin Street	No changes recommended
Station Road, Countesthorpe	Neighbourhood Parade	No changes recommended	No changes recommended
Sun Way, Braunstone Town	Neighbourhood Parade	No changes recommended	No changes recommended
Thorpe Astley, Braunstone Town	Neighbourhood Parade	No changes recommended	No changes recommended
Warden's Walk, Braunstone Town	Neighbourhood Parade	No changes recommended	No changes recommended
Warren Court, Leicester Forest East	Neighbourhood Parade	No changes recommended	No changes recommended
Watergate Lane, Braunstone Town	Neighbourhood Parade	No changes recommended	No changes recommended
Western Drive, Blaby	Neighbourhood Parade	No changes recommended	No changes recommended
North of Tay Road, Lubbesthorpe	New Local Centre	N/A - New local centre permitted under reserved matters approval reference	Recommend that centre be designated as a

Name	Tier	Boundary Recommendations	Hierarchy Recommendations
		22/0827/RM, under construction.	local centre once constructed

### Thresholds - Justification

11.109 Paragraph 90 of the NPPF indicates that it is appropriate to identify thresholds for the scale of edge of centre and out-of-centre retail and leisure developments which should be the subject of impact assessment. Any such threshold policy applies to the impact test only (all planning applications for main town centre uses which are not in an existing centre and not in accordance with an up-to-date development plan should be the subject of the sequential test<sup>25</sup>).

11.110 The purpose of applying an impact threshold within the development plan which deviates from the national threshold of 2,500 sq.m is to allow the Council to retain appropriate control in respect of the potential for development to impact on the future health of defined centres within the authority area. In applying a lower threshold, applications for developments which could potentially have a harmful effect on the overall vitality and viability of a defined centre, will need to be supported by a proportionate impact assessment which sets out the potential trade diversion impact assumptions.

11.111 Paragraph 015 of the Town Centres PPG provides specific guidance in relation to floorspace thresholds and states:

**'The impact test only applies to proposals exceeding 2,500 square metres gross of floorspace unless a different locally appropriate threshold is set by the local planning authority. In setting a locally appropriate threshold it will be important to consider the:**

- scale of proposals relative to town centres**
- cumulative effects of recent developments**
- whether local town centres are vulnerable**
- likely effects of development on any town centre strategy**
- impact on any other planned investment.'**

11.112 Using the above guidance, we set out below the justification to support our view that a lower threshold should be applied across the hierarchy of centres within the authority area.

11.113 In considering the setting of a local impact threshold, it is relevant to give consideration to the type of development (relating to convenience and comparison goods retail uses, and

<sup>25</sup> With the exception (in accordance with paragraph 89 of the NPPF) of small scale rural office proposals and other small scale rural development.

leisure uses) which would, in practice, provide space for key operators who could help act to 'anchor' a centre. Should one of these anchor units or operators leave a centre, it is more likely that there will be the potential for a significant adverse impact to arise.

11.114 Where there is genuine potential for an application proposal to divert a material level of expenditure away from a defined centre, or potentially remove a key tenant from that centre, there will likely be a requirement to consider the impacts arising from the proposal in detail.

11.115 In respect of lower order centres, the introduction of even a small convenience store nearby (of the type operated by Sainsbury's Local or Tesco Express) may have the potential to impact on the ongoing viability of key operators. Small convenience stores operated by national multiple grocers can generate a relatively substantial turnover. If this is diverted from existing retailers in defined centres, the impact on the overall vitality and viability through the loss of spend and footfall, could be of a significant adverse magnitude.

11.116 Therefore, in implementing a local threshold policy, it is considered more appropriate to apply a range of thresholds in accordance with the type of centre the proposed development is proximate to. The thresholds should not only apply to new floorspace, but also to changes of use and variations of condition to remove or amend restrictions on how units operate or trade in practice.

11.117 As set out in Section 3 of this report, Policy CS.13 of the Core Strategy sets the current local impact threshold for proposals for retail and leisure development outside existing centres at 929 sq.m gross.

11.118 In Blaby town centre, only two commercial units (2.2%) have a gross floorspace greater than 500 sq.m, these being the Aldi and Iceland supermarkets which measure 1,310 sq.m and 740 sq.m gross respectively. The remaining 91 units (97.8%) measure 280 sq.m gross of less, with the mean unit size being 118 sq.m gross.

11.119 The town centre's vacancy rate equates to 1.5% of total commercial floorspace and 3.2% of all units. In total, convenience and comparison goods retailing accounts for 6,280 sq.m gross, or 57.2% of the total commercial floorspace.

11.120 It is clear therefore, that, although Blaby town centre is performing well, the centre is comprised of predominantly smaller units. Accordingly, a proposal amounting to 500 sq.m gross would constitute a significant development in the local context. Moreover, this Study has identified a number of factors which suggest a need for a reduced impact threshold, including the following:

- Blaby town centre remains vulnerable to increasing competition from nearby higher order centres and out-of-centre retail parks, primarily Leicester city centre and Fosse Shopping Park, in addition to the broader national trends identified in this report such as the growth in internet shopping and rises in the cost of living.
- Modern comparison retailers typically require units with a minimum floorspace of 500 sq.m to 1,000 sq.m gross in order to reach the 'critical mass' needed to display their full range of goods in-store and attract customers from a wide catchment area. Non-food stores of over 500 sq.m gross are unlikely to trade as a purely local facility, particularly in the context of Blaby given the small size of the vast majority of its commercial stock.
- While we recognise that most foodstore formats are provided for across the authority area, there may be opportunity for retailers to bring forward additional stores in areas likely to be the subject of significant residential growth, particularly the smaller local convenience store formats such as Sainsbury's Local. Blaby town centre's foodstores help to underpin its function as a day-to-day shopping destination, drawing in custom and encouraging linked trips to the other parts of the town centre. Should the viability of these stores be impacted, there is a real risk of the role of the wider centre being undermined. There are very units larger than 500 sq.m within the town centre.
- With regard to other main town centre uses (including leisure and office uses), the recommendation is again reflective of average unit sizes and the need to safeguard the vitality and viability of the town centre without unnecessarily stifling development.

11.121 Accordingly, in the local context, 500 sq.m constitutes a significant unit with the potential to result in an impact on shopping patterns.

11.122 Thus, we recommend that a 500 sq.m impact threshold should effectively act as default to be applied authority-wide (and thus including to applications outside but proximate to the town centre), should a proposal not be subject to a lesser threshold of relevance to smaller centres. The thresholds should not only apply to new floorspace, but also to changes of use and variations of condition to remove or amend restrictions on how units operate or trade in practice.

11.123 It is important to emphasise that, whilst the locally set threshold would require the submission of an impact assessment for all edge-of-centre and out-of-centre developments exceeding the thresholds, national guidance states that the impact test should be undertaken in a proportionate and locally appropriate way, commensurate to the scale of development proposed. The level of detail would typically be agreed with Planning Officers during the pre-application process in order to avoid overly onerous requirements that may otherwise restrict and delay development opportunities from coming forward.

11.124 In the district centres of Enderby, Glenfield and Narborough, which also primarily comprise small-format units and which tend to support a relatively low number of anchor tenants with limited turnover, we recommend a further reduced impact threshold of 300 sq.m.

11.125 Blaby's local centres are often underpinned by small format grocery stores (effectively little more than a 'corner shop' in terms of their format). In most cases, these retailers underpin the function of local centres, drawing in custom and encouraging linked trips to the other parts of the centre. Should the viability of such stores be impacted, there is a real risk of the role of the wider centre being undermined. The loss of an occupier of such importance could have a significant adverse impact on the centre as a whole. Given the character of such operators and their importance to local centres, we recommend that an impact threshold of 200 sq.m is applicable to retail and leisure proposals in proximity to the local centres.

11.126 Where an application proposal is above the respective stated impact threshold, we would recommend that the applicant discusses and agrees the scope of the retail impact assessment with the Council prior to submission. The lower threshold of 200 sq.m for the smallest defined centres is considered appropriate due to potential for convenience stores of even a relatively small nature to substantially impact upon the performance of existing operators, due to the potential higher sales densities of such proposals. This would ensure that particular protection of these smaller centres is considered appropriately.

11.127 For the purpose of drafting future planning policy, it is important to qualify the area to which each local impact threshold will apply. We recommend that the lower impact thresholds of 200 sq.m and 300 sq.m would be applicable within 800 metres of the boundary of the relevant centre. The distance of 800 metres is broadly commensurate with the potential walk-in catchments of smaller centres and is identified by Guidelines for Providing for Journeys on Foot (The Institution of Highways & Transportation, 2000) as being the 'preferred maximum' acceptable walking distance to a centre. We consider it to be appropriate for the higher threshold of 500 sq.m to apply authority-wide (i.e. beyond 800 metres of these centres), due to the lesser likelihood of significant adverse impacts being concentrated on one centre when the development is more distant.

11.128 It is important to emphasise that, whilst the locally set threshold would require the submission of an impact assessment for all edge-of-centre and out-of-centre developments exceeding the thresholds, national guidance states that the impact test should be undertaken in a proportionate and locally appropriate way, commensurate to the scale of development proposed. The level of detail would typically be agreed with Officers during the pre-application process in order to avoid overly onerous requirements that may otherwise restrict and delay development opportunities from coming forward.

## Recommended Policy Approach – Impact Thresholds

11.129 To summarise, we are of the view that an impact assessment will be necessary to accompany proposals for retail and leisure uses (including those relating to mezzanine floorspace and the variation of restrictive conditions) which are not located within a defined centre where:

- the proposal provides a gross floorspace in excess of 500 sq.m gross; or
- the proposal is located within 800 metres of a district centre and is in excess of 300 sq.m gross; or
- the proposal is located within 800 metres of a local centre and is in excess of 200 sq.m gross.

11.130 In our experience, it will only generally be development of a scale greater than these thresholds which could lead to a ‘significant adverse’ impact, which could merit the refusal of an application for town centre uses in accordance with the provisions of paragraph 95 of the NPPF. The setting of a ‘tiered’ threshold is consistently accepted by Inspectors at Local Plan Examination and, in our view, acts to appropriately ensure that only those proposals which could genuinely result in an unacceptable impact are the subject of an impact assessment.

## Other Main Town Centre Uses – Policy Guidance

11.131 National planning policy and its associated guidance acknowledges that there will be certain main town centre uses which have particular market and locational requirements which mean that they may only be accommodated in specific locations (see paragraph 012 of the Town Centres NPPG). This does not mean that proposals for main town centre uses do not need to accord with the impact and sequential policy tests, but that there is a recognition that an assessment may need to take account of the specific business model requirements of the proposed development.

11.132 In the retail sector, the need to accommodate ‘specialist’ uses such as bulky goods operators is well-established and often controlled via restrictive planning conditions which limit the range of goods which can be sold from the location in question in order to safeguard the vitality and viability of defined centres within the same catchment.

11.133 In addition, there has been a growth in recent years in other more specialist commercial leisure attractions, including facilities such as trampoline parks, indoor soft play centres, ninja courses and a range of competitive social destinations. The latter is a fast-paced sector and is still continuing to grow and evolve, with new formats becoming present in the market. Such uses include urban golf, bar and game formats, which include games such as axe-throwing, shuffleboard, table tennis and so on, virtual reality gaming and escape rooms. All of these

commercial leisure uses fall within the defined town centre use bracket, and typically require large floorplates.

11.134 In the Blaby district, this sector is in relative infancy, which reflects:

- the fact that such facilities tend to need large format, often former warehouse or large retail facilities to be able to provide the required space both horizontally and vertically to house the operation; and
- the proximity of Leicester city centre and other competitors with a much higher concentration of such facilities.

11.135 An exception is the 360 Play family entertainment centre at Meridian Leisure Park, which incorporates a three-story soft play structure, a dodgem car track, carousel, and interactive play street. The Leisure Park is one of the few locations in the Blaby district that is capable of accommodating an operator of this format and positioned in proximity to wider commercial uses.

11.136 Although the market for such commercial leisure uses is still evolving, and alternative operators may still continue to require new premises across the authority area, these should be assessed on a case-by-case basis, ensuring that such uses are directed towards defined centres in the first instance. This is particularly important given the wider benefits such uses can have in terms of encouraging longer dwell-times and increasing footfall and associated expenditure within centres.

11.137 In this regard, there will be circumstances where development for main town centre uses is proposed in out of centre locations, including predominantly employment areas and other existing out of centre commercial destinations. In such instances, proposals should be supported by an appropriate assessment which demonstrates compliance with the relevant retail policy tests, but which sets out clearly the intended catchment area, the specific business model requirements and the associated justification as to why it could not be accommodated within a defined centre. Such examples may include small-scale food and beverage uses which serve the working catchment in an employment area, or where the retail element of a business is directly related to the wider use on the site and therefore locating it elsewhere would not serve its intended purpose or catchment.

11.138 In such cases, the same policy tests apply but robust justification could help to support the proposal and assist in demonstrating full compliance with the retail policy tests.

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## Appendix 1 – Study Area

## Appendix 2 - Household Survey Results

## Appendix 3 –Healthchecks

## Appendix 4 – Quantitative Retail Tables

## Appendix 5 – Quantitative Leisure Tables

## Appendix 6 – Proposed Boundaries



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