CITY PLAN 2019 – 2040

CONVENIENCE RETAIL

EVIDENCE TOPIC PAPER

JUNE 2019

Executive Summary

City Plan 2019-2040 sets out an ambitious plan for the future growth of Westminster. In support of the City Plan, this paper looks at our local convenience retail landscape, and assesses whether our level of provision fully meet the needs of the people in our city - both now and in the future. Wider levels of commercial growth across the city (include comparison retail, office floorspace, and other town centre uses), are discussed in a separate commercial growth topic paper.

It is anticipated that most retail growth in the city over the plan period will be comparison-led – due to our town centres and high streets functions as destinations not just for residents, but also domestic and international tourists and workers. Nevertheless, convenience retail plays a key role in addressing the day-to-day needs of local residents, and policies in the City Plan are driven by a ‘People First’ approach.

This paper examines existing levels of convenience shopping across Westminster, and finds that areas of high resident population, and areas identified as key growth areas in the City Plan, are well served by existing levels of provision. The highly urbanised nature of Westminster means most residents are within a 10 minute walk of a convenience store – normally within a designated town centre or high street, but also in some cases by isolated stores – which policy seeks to protect. In the few areas with less accessibility to an existing store, the existing nature of the area affected means limited opportunities for new provision are likely, for the reasons set out in this paper.

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1.Introduction

1.1 The Draft Westminster City Plan 2019 – 2040 provides a complete review of the council's planning policies. Upon adoption, its contents will be used alongside policies in the London Plan to determine planning applications throughout the city. It will also provide the strategic steer for locally specific neighbourhood planning policies developed by neighbourhood forums.

1.2 Policy in the Draft City Plan provides a positive framework for increased retail provision to meet the needs of residents, workers and visitors - through the intensification of our extensive network of town centres and high streets. It also recognises the well documented challenges facing the retail sector nationally, and is informed by an up to date evidence base.

1.3 This topic paper sets out the council's position regarding convenience retail – i.e. the things people buy on a day to day or weekly basis such as groceries. Convenience retail is distinct from comparison retail – which covers the sale of goods such as clothing, electronics, appliances, books etc.

1.4 A separate topic paper has been produced that sets out how anticipated levels of commercial growth more broadly, including A1 comparison floorspace, B1 office floorspace, and other town centre uses, can be delivered.

2. Westminster's competing retail functions

2.1 Westminster's approach to convenience retail provision must be set in the context of the city's competing functions – especially as both comparison and convenience floorspace fall within the same use class (A1 shops) in the government's Use Class Order.

2.2 As a focal point of London's main tourist attractions, premier outdoor retail destinations, specialist shopping areas, and a variety of economic activity, it is likely that most demand for new retail floorspace in the city will be comparison-led. This is a point supported by the GLA document 'Consumer Expenditure and Comparison Floorspace Need in London (2017)'. This forecasts that retail growth across London will predominantly be comparison-led, and focussed in the larger and stronger centres that are used not just by residents, but also commuters, and domestic and overseas visitors. Much of Westminster's town centre hierarchy falls within this category, hence projections that it will absorb a significant portion of London's retail growth.[1]

[1] Between 375,468 sqm and 467,811 sqm of (net) comparison retail floorspace across Westminster 2015-2041 – or 229,9944 sqm and 322,286 sqm over the City Plan period of 2019-2040.

3.Convenience retail demand

3.1 While the evidence base underpinning the London Plan[2] does not provide forecasts for future convenience retail demand, it does note that any increases in spend will be significantly less than for comparison retail.

3.2 Due to the nature of products sold, A1 convenience retail floorspace generally serves much smaller catchment areas than comparison retail. Demand is largely driven by increases in residential population, due to the need to purchase such goods close to one's home.

3.3 In the absence of any projections quantifying additional A1 convenience retail floorspace demand, it is important to understand existing levels of provision and how these correlate with likely areas of growth and population densities. This can then be used to identify any potential areas deficient in provision, that policy should seek to address - to ensure existing communities and new residents' convenience shopping needs are met.

4.Existing provision of convenience floorspace across Westminster

4.1 As a starting point, the latest available GOAD data (2019) has been used to map the presence of existing convenience floorspace throughout Westminster. This identified a total of 136,694sqm of existing provision, distributed across the city. It was then supplemented by officer knowledge of additional convenience stores not captured by the original dataset. As shown in Figure 1 (see Appendix 1), the highly urbanised and mixed-use nature of much of Westminster, along with the presence of designated town centres and high streets close to areas of wholly residential character, means there is an existing high level of coverage of convenience shopping across the city. Beyond these, there is also a notable presence of isolated individual stores serving some largely residential areas.

4.2 Existing provision also correlates well with the City Plan's Opportunity Areas, which alongside the town centre hierarchy, are expected to accommodate the majority of population growth. This relationship is shown in Figure 2 (see Appendix 2).

5.Catchment areas

5.1 Given the principal role of A1 convenience retail is to serve residential communities, 400m buffer zones (as the crow flies) around existing A1 convenience floorspace were mapped. This was chosen as a reasonable 10 minute walking distance that can incentivise active travel. As can be seen in

[2] Consumer Expenditure and Comparison Floorspace Need in London, GLA 2017

Figure 3 (see Appendix 3), this shows that most of Westminster's residents are within a 10 minute walk of a convenience retail store.

5.2 Notably the main areas identified as not being within a catchment area are either designated as open space (e.g. the Royal Parks), or are close to the city boundary. Regarding areas on the city boundary, in many cases Westminster residents will be well served by provision in neighbouring boroughs. For example:

- The northern portion of Maida Vale ward is within easy reach of provision in Kilburn High Road, in Camden;
- The western portion of Knightsbridge ward is within easy reach of provision on Gloucester Road, in Kensington and Chelsea;
- The western portion of Bayswater ward is within easy reach of provision in Portobello Road, in Kensington and Chelsea.

5.3 Both of these neighbouring boroughs have policies protecting the retail function of these high streets.

6. New retail developments

6.1 It also needs acknowledging that continued growth in Westminster is delivering additional A1 floorspace. Whilst it has not been possible to distinguish between A1 comparison and A1 convenience floorspace, Figure 4 (see Appendix 4)shows the location of new retail that has been permitted since GOAD data was collated in 2019.

7. Population densities

7.1 Existing population densities in Westminster have been mapped using GLA ward level population projections (2016). This enables an understanding of the relationship between population density (at ward level), and convenience retail provision. As shown in Figure 5 (see Appendix 5), population densities are greatest in the following wards (highest population density listed first) - Church Street, Harrow Road, Lancaster Gate, Queens Park, Bayswater, Tachbrook, Westbourne, Churchill, Little Venice, and Bryanston and Dorset Square wards.

8. Deficiency zones

8.1 Comparing population densities with the catchment zones around existing convenience stores highlights that the only current deficiencies in areas of high population density are small portions of Queens Park, Churchill, Tachbrook, and Bayswater wards. Other identified deficiency zones have comparatively low residential population densities, and do not fall within

Opportunity Areas where significant growth is anticipated. Figure 6 (see Appendix 6) shows the identified deficiency zones.

8.2 Closer inspection of these identified deficiency areas reveals the following:

- The small area within Queen's Park ward comprises of Victorian terraced residential streets, and is not within an Opportunity Area or the town centre hierarchy. It is therefore unlikely to see significant change over the plan period. Furthermore, these streets do fall within 500m of existing convenience stores to the east and west at Kilburn Lane, which equates to a 12.5 minutes walking time.
- The areas within Tachbrook and Churchill wards form part of the River Thames. They have therefore only been identified due to the population density in the wider wards they fall within and will not themselves be subject to development pressure or provide suitable locations for new convenience retail.
- The area on the edge of Bayswater ward falls with Ledbury Road Local Centre, where City Plan policy supports new A1 convenience retail, but current provision is dominated by comparison retail and other town centre uses. As referred to in section 5 above, this area is also within easy reach of convenience provision in neighbouring Kensington and Chelsea to the west. It is also within 500m of existing provision on Westbourne Grove to the east.

8.3 On this basis, the only identified deficiency zone where new convenience retail is likely to be suitable is within Ledbury Road Local Centre, where policy already supports such provision. Beyond this, other identified deficiency zones do not merit a concerted policy effort to secure new convenience retail.

9. Additional convenience provision

9.1 Although not necessarily in the identified deficiency zones, there will continue to be opportunities for additional convenience retail provision in sustainable locations across Westminster over the plan period.

9.2 Draft City Plan policy 15 supports the intensification of existing town centres and high streets, which are within easy reach of the majority of the city's existing residential communities, and all of the city's main growth areas. It includes recognition of the important role smaller centres and convenience stores in undesignated parades play in meeting local resident's needs, and the need for retail development in Paddington to meet the needs of existing and new residents.

9.3 As set out in the separate commercial floorspace topic paper, recent developments are already seeing the provision of new retail across Westminster's main growth areas, and a positive approach to additional building height can provide capacity to exceed projected demand for A1 comparison floorspace. This therefore also offers scope for additional A1 convenience floorspace provision. Where new retail space is provided, the extent to which this includes dedicated convenience floorspace as opposed to comparison floorspace will ultimately be in response to levels of demand and both types of development fall under the same use class (A1 shops).

9.4 While the council's Town Centres Health Check 2018 found relatively low levels of ground floor vacancies across the town centre hierarchy, the re-occupation of such space where it does become vacant provides a further potential source of supply for additional A1 convenience retail.

9.5 Finally, the rising trend and role of online shopping is altering shopping patterns must be acknowledged. This could affect convenience shopping in two ways.

9.6 Firstly, further increases in the amount of comparison shopping that is conducted online could cause major retailers to consolidate their physical presence within town centres and high streets – creating further opportunities for not just leisure and entertainment uses, but also additional A1 convenience shopping where comparison shopping floorspace used to be based.

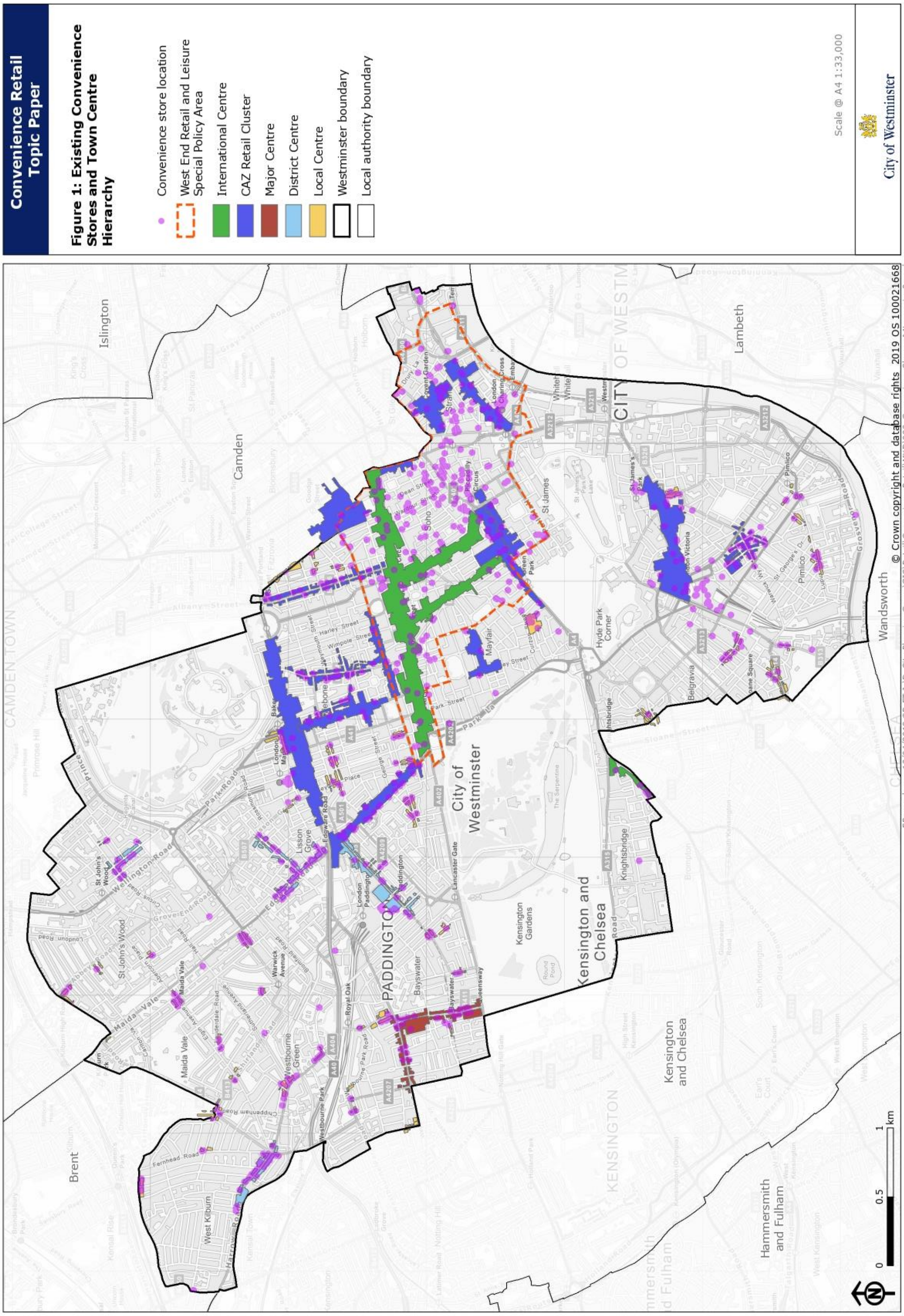
9.7 Secondly, online grocery shopping is growing in popularity as car ownership levels reduce and technological advances facilitate its wider rollout by major supermarkets and internet businesses such as Ocado, Gousto, and HelloFresh. This reduces the need to visit a physical store, and can play an important role in meeting the needs of residents in areas more remote from existing provision.

10. Conclusion

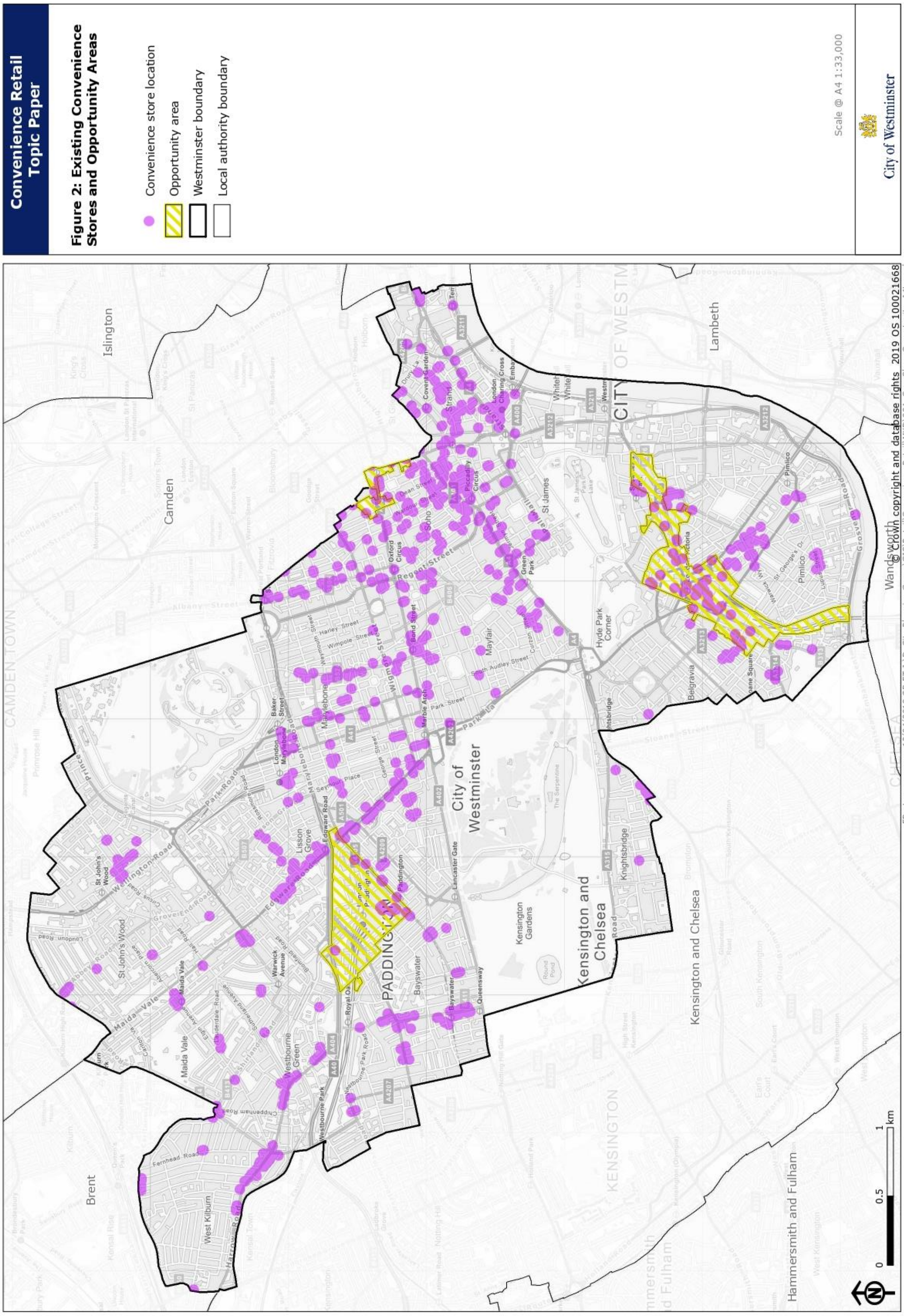
10.1 This paper has explored existing levels of provision for convenience retail in Westminster, population densities, and likely areas of growth. It identifies that most of the city (including its main growth areas and the areas of highest population density) are well served by existing convenience floorspace – including that provided in neighbouring boroughs. It has identified limited instances of existing residents being beyond a 10 minute walk from their nearest store. Where it is the case, there is likely to be limited opportunity for new provision due to the existing nature of the area affected.

10.2 The findings support the approach to town centres and high streets set out in Draft City Plan Policy 15. In particular, it provides evidence to support the approach set out with policy to protect existing A1 convenience retail in areas not well served by the town centre hierarchy.

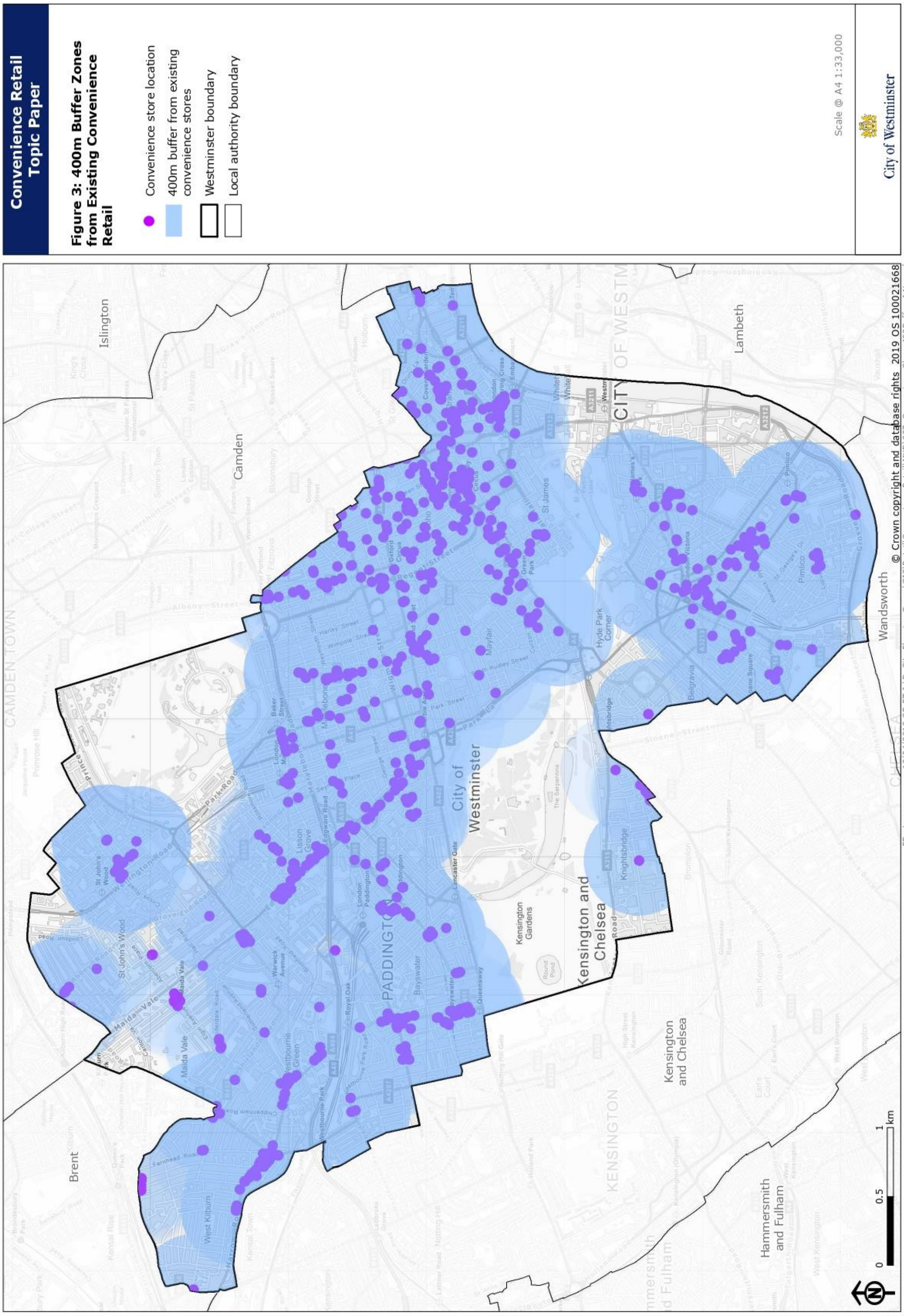
Appendix 1 Existing convenience retail stores and Westminster's town centre hierarchy



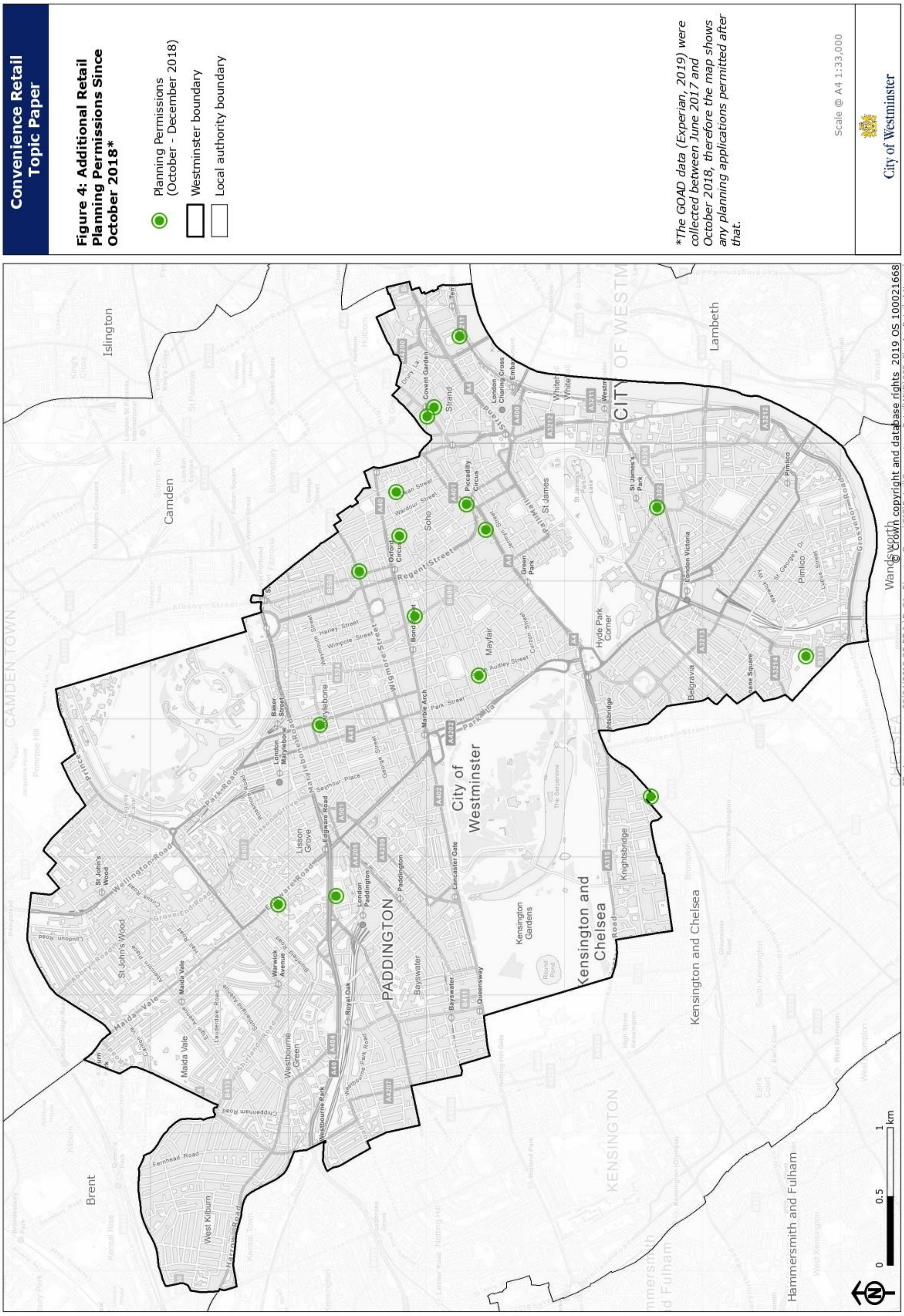
Appendix 2 Existing convenience retail stores and Opportunity Areas



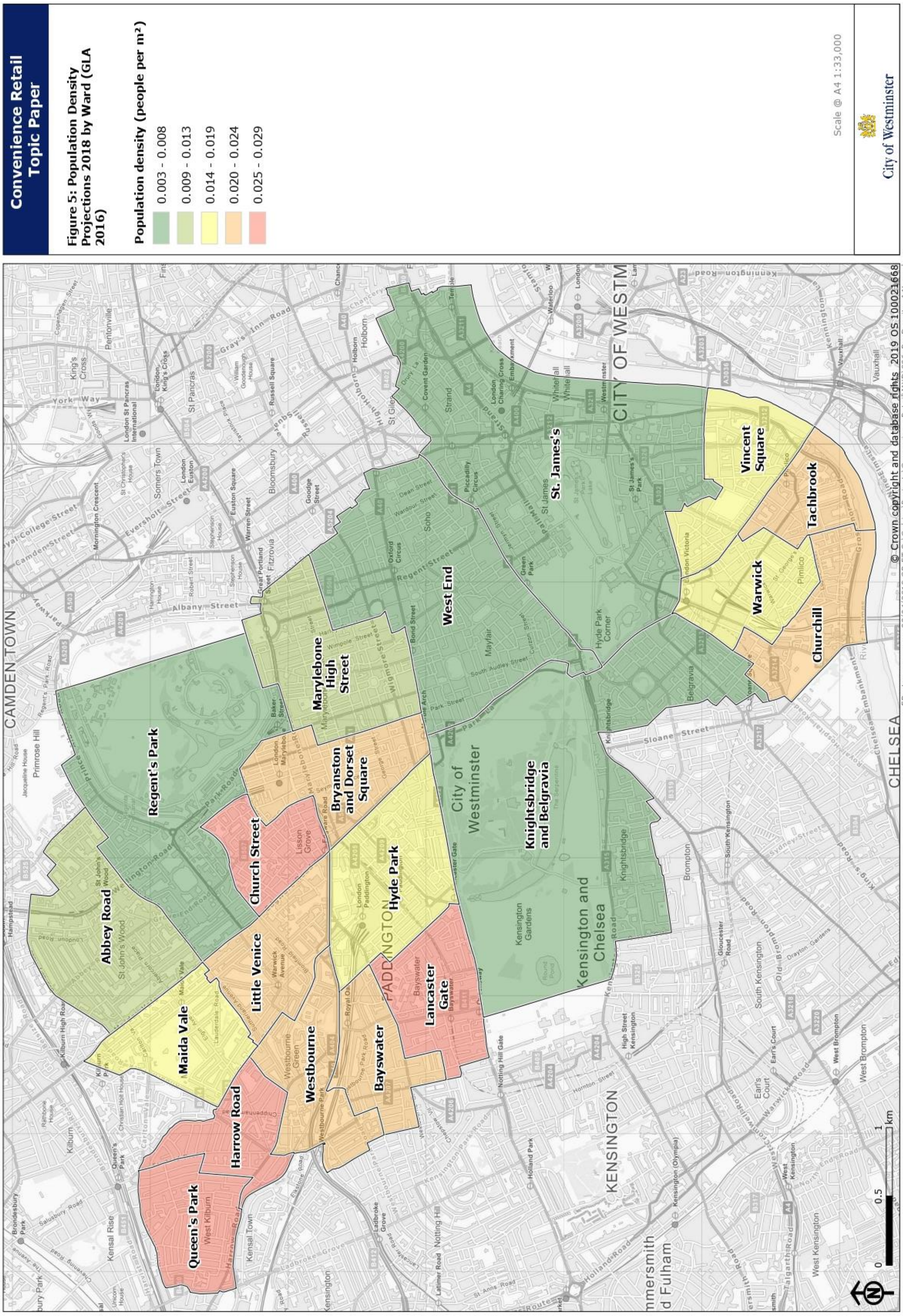
Appendix 3 400m buffer zones from existing convenience retail stores



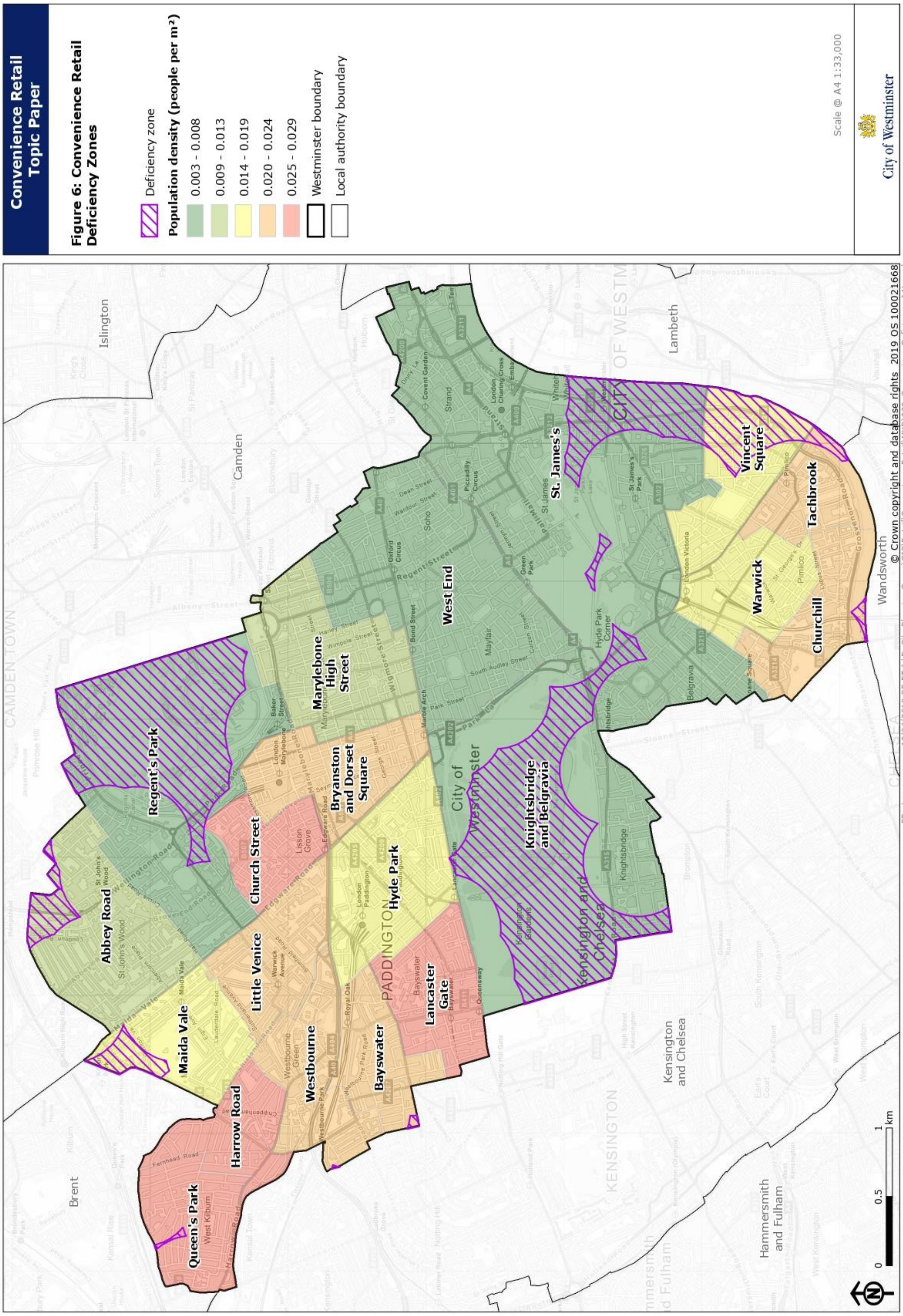
Appendix 4 Additional retail planning permissions since October 2018



Appendix 5 Population density projections by ward



Appendix 6 Convenience retail stores deficiency zones



CITY PLAN

2019 – 2040

City of Westminster