CITY PLAN 2019 – 2040

TOWN CENTRE HEALTH CHECKS REPORT

2018 – 2019

Preface

Westminster City Council is preparing a new City Plan which sets out the council's vision to make Westminster a city of excellence in all areas. It will replace the current Westminster City Plan (November 2016) and saved UDP policies. As part of this process, the council has produced an updated Town Centre Health Checks report, which presents an assessment of the vitality and performance of our town centres and monitors trends in their changing functions. The data gathered and analysed here has informed and supported the council's updated policies.

Executive Summary

Westminster has a diverse network of town centres which serve the city's residents, workers and visitors. It includes the International Shopping Centres of the West End and Knightsbridge, the West End Special Retail Policy Area (WESRPA), CAZ Frontages, Other Shopping Centres Within the CAZ and Major, District, and Local Centres. It is essential that planning policy recognises and supports the vital role these centres play, both socially and economically. Health Checks help inform our approach by evaluating their performance through a variety of indicators. By comparing and evaluating changes in retail and consumer trends – and how these affect different types of centre – we can develop appropriate policies to ensure each of these centres operates to its full potential.

A number of national, regional and local planning policies provide the context for the preparation of Town Centre Health Checks including The National Planning Policy Framework (NPPF)(MHCLG, 2018), The London Plan and local planning policy.

The starting point for this study has been the existing retail hierarchy as defined in the current Westminster City Plan (November 2016). Planning Practice Guidance – Ensuring the vitality of Town Centres (PPG) (DCLG) recommends a series of indicators which should be used to determine the health of a town centre. This study combines an analysis of ground floor land use data with a qualitative survey of individual centres to assess diversity of uses, proportion of vacant street level property, pedestrian flows, accessibility, perception of safety and occurrence of crime, and town centre environmental quality.

Key findings show that Westminster's retail hierarchy reflects the different roles and specific spatial and land use characteristics well, so therefore remains a useful planning tool. The study shows that Westminster's centres are performing well despite the structural changes and challenges faced by the retail industry, and that the hierarchy reflects the wide range of shopping centres and their different roles and specific spatial and land use characteristics.

Vacancies across Westminster's centres are lower than the UK average and are in line with what is considered necessary to allow for the efficient operation of the market.

The quality of the retail and town centre offer in Local Shopping Centres is sometimes low due to their generally more isolated location and lower footfall, especially in the

north west of the city where a large number of Local Centres exists. London's town centre demand and related growth are polarising, with larger centres growing at a greater pace than smaller centres. Occupiers tend to focus on prime, high-footfall locations rather than on smaller, more isolated centres which explains why higher vacancy rates can be found in secondary locations. Larger centres tend to have a stronger performance as they are not just used by residents, but also domestic and overseas visitors and commuters. Much of Westminster's retail hierarchy falls within this category.

The proportion of convenience floorspace has marginally decreased in a significant number of centres, which reflects the polarisation of the retail offer with operators focusing on larger centres. Conversely, 'social' uses such as restaurants, cafés and drinking establishments have increasingly taken a larger share of Westminster's centres in recent years. These changes, supported by evolving consumer demands, call for more flexibility in how we manage town centres and shopping areas, particularly to support the evolution of Westminster's town centres and high streets as multifunctional places to work, spend leisure time and engage with the local community, as well as shop. By creating places where people want to spend time, we increase consumer spending and offer a credible alternative to online shopping. This in turn helps sustain local businesses, create new jobs and boosts economic growth.

The London Plan identifies London's town centres as key locations for commercial and residential intensification as this can help sustain their performance and enhance their function while meeting sustainable development objectives. Whilst additional and higher density housing can boost centre vitality, policy should also protect the business function of town centres that existing B1 office space provides. Hotels can also add to the vibrancy and boost consumer spending, though this needs to be balanced against their potential impacts on residential amenity, and the supply of other commercial uses.

Policies should support Westminster's town centres to be places where people can access a range of amenities and employment opportunities, where they feel safe, part of a community and enjoy an active, healthy quality of life. It is essential that policies promote an inclusive and high-quality public realm. By enhancing a centre's attractiveness we encourage people to visit and to stay longer. Greater accessibility encourages more active travel, bringing both health and environmental benefits. Promoting uniqueness and collaboration with local stakeholders are also key ingredients to the success of a town centre.

Creating communities which promote social interaction is paramount and helps mitigate against social exclusion. There is a need to enhance local street markets and protect local pubs as both play a significant role in community identity and cohesion. It is also important that convenience floorspace is protected; the availability of these shops is particularly important largely residential areas that are not within easy reach of a town centre.

The health and wellbeing of residents remains at the heart of Westminster's planning policy. Town centres should look to promote a diverse and welcoming evening and

night-time economy that is not solely alcohol orientated, and also seek to prevent the overconcentration of takeaways, shisha and gambling outlets.

Despite structural changes and challenges faced by the retail industry, the Town Centre Health Checks 2018-19 Report shows that overall the city's centres are performing well. However, with the ongoing challenges facing the sector, continued regular Health Checks are more important than ever.

Through the City Plan 2019-2040 we look forward to creating a strong, resilient, accessible and inclusive retail and leisure environment throughout Westminster.

Table of Contents

Appendices:

Introduction and scope of the study

Local planning authorities need to regularly update their Town Centre Health Checks to inform policy production and implementation.

Westminster City Council is preparing a new City Plan that will replace its adopted Westminster City Plan (November 2016) and saved UDP policies. As part of this process, the council has produced a series of Town Centre Health Checks. Westminster's Town Centre Health Checks Report 2018-19 provides an assessment of the health of Westminster's town centres and shows how they have changed across the years. The data gathered and analysed forms part of the new City Plan evidence base that informs and supports the council's updated policies.

Westminster's approach to the Town Centre Health Checks is a proportionate approach. Accordingly, the council's objectives are:

- To inform and validate retail and town centre policies in the emerging City Plan;
- To monitor the performance and function of Westminster's shopping centres;
- To monitor trends and changes in the function of Westminster's network of shopping centres;
- To collect data and maintain an up to date database and GIS system.

The last time Westminster City Council produced Town Centre Health Checks it analysed its Local Centres in 2013-2014, updating past surveys. Centres higher up the retail hierarchy were previously assessed in 2008, 2012 and 2013. This report includes an overall network analysis and individual Health Checks for the International Shopping Centres, the Major Shopping Centre, the Districts Shopping Centres, the CAZ Frontages and the Other Shopping Centres within the CAZ, and key shopping areas that form part of the wider mixed-use area of the West End (designated in the 2016 City Plan as the WESRPA). A light-touch review of the Local Shopping Centres that presented a relatively high level of vacancy in 2017 has also been carried out as part of the study. A detailed summary of when Town Centre Health Checks have been carried out can be found in Appendix 1. Recommendations provided by previous Town Centre Health Checks have informed the analysis presented in this Town Centre Health Checks Report 2018-19.

This report presents a quantitative and qualitative assessment of Westminster's retail network, as defined in the adopted Westminster's City Plan (November 2016). The overall network assessment and the individual reports have been produced by Westminster City Council's officers and using the council's database and Experian GOAD data. A GIS solution has been used to carry out the spatial analysis and standardised questionnaires have been used when carrying out site visits. The report has also been informed by on-site information gathering, including site visits to each centre or primary shopping area, as well as centres which the council is considering as future designations.

Structure of the document

This report is divided into seven different sections:

- Section 1 details the current Westminster's retail hierarchy.
- Section 2 sets out the planning policy framework for the production of Westminster's Town Centre Health Checks Report 2018-19.
- Section 3 explains the methodology that has been followed to carry out the analysis.
- Section 4 presents the overall network assessment.
- Section 5 considers national trends in the retail sector and changing shopping behaviours.
- Section 6 presents key findings of the study.
- Section 7 includes a summary of conclusions and sets outs a series of policy recommendations;
- Section 8 provides a list of information resources that have informed this report;
- Section 9 includes a glossary of key terms used throughout the report.

In addition, a series of documents complementing the main report make up the appendices section:

- Appendix 1 lists previous Town Centre Health Checks by year of survey;
- Appendix 2 contains the individual Town Centre Health Check Reports that have been produced to support the overall analysis and the new City Plan policies;
- Appendix 3 sets out the proposed detailed changes to designation boundaries for each centre;
- Appendix 4 provides evidence for the re-designation of existing 'Other Shopping Centres within the CAZ' to 'CAZ Retail Clusters'.

1. Westminster's retail hierarchy

Westminster's retail hierarchy includes some of the most iconic parts of London, and provides a diverse network of areas to shop, work, visit and socialise. It includes the International Shopping Centres of the West End and Knightsbridge, the West End Special Retail Policy Area (WESRPA), CAZ Frontages, Other Shopping Centres Within the CAZ and Major, District, and Local Centres.

In line with planning policy requirements, the current **Westminster City Plan (November 2016)** sets out the retail hierarchy for the City of Westminster. The list comprises 61 shopping centres and includes the International, Major, District Centres and CAZ Frontages which are designated by the Mayor of London as well as Other Shopping Centres Within the CAZ and a series of Local Shopping Centres. In addition to designated shopping centres, Westminster's retail hierarchy also includes the wider West End Special Retail Policy Area (WESPRA), which captures iconic commercial areas such as Carnaby Street, Soho, and wider parts of Covent Garden. Westminster's retail hierarchy is shown in Figures 1 (list) and 2 (map).

Two **International Shopping Centres** (West End and Knightsbridge) sit at the top of the hierarchy. These provide London's prime retail destinations and offer unparalleled specialist and comparison retail of regional and national importance that draws in international visitors. The West End International Centre includes the primary shopping areas of Oxford Street, Regent Street and Bond Street, while Knightsbridge International Centre includes Brompton Road and extends beyond the city boundary into the Royal Borough of Kensington and Chelsea. These have been identified by the Mayor of London as being of high commercial growth potential and therefore especially suitable for further large-scale retail growth.

As the UK's premier shopping street, the impact of changes to the retail sector will likely be most strongly felt in Oxford Street – particularly given the existing presence of larger units and multiple stores by the same operators.

The **WESRPA** covers the wider West End, where there is an insatiable demand for new floorspace across all land uses. Beyond the West End International Centre, it captures iconic areas of retail and leisure activity such as Covent Garden, Leicester Square, Chinatown, Soho and Shaftesbury/Theatreland. Away from the main shopping streets, the land use is highly diverse, containing a mix of commercial activity including retail, pubs, bars, restaurants, theatres, cinemas and other entertainment venues. Together these provide a wealth of attractions that draw in visitors and make a major contribution to London's world city status. The mix of uses also provide rest and refreshment for workers and shoppers during the day.

While not forming part of Westminster's shopping centre hierarchy, the wider Central Activities Zone (CAZ) as defined in the London Plan covers much of the city. Town centre uses provide a key element of the mix of uses within it and contribute to its

character and strategic functions. However, the CAZ is also home to many local residents and some parts of it are also wholly residential in character.

Within the CAZ, eight **CAZ Frontages** are identified. Westminster's CAZ Frontages are in very accessible locations and provide a mix of retail and town centre functions which make a major contribution towards the strategic functions of the CAZ. The CAZ Frontages are diverse in nature and in spatial characteristics. They meet the needs of a combination of residents, workers and visitors, complement the activity of the International Shopping Centres adding to central London's wide appeal.

Although retail makes up a large proportion of floorspace at ground floor level, some CAZ Frontages present a mix of commercial floorspace, with a lower proportion of retail uses compared to other types of centres. Above ground floor level, the area also presents a large office and residential stock which contributes to supporting these centres.

Westminster's CAZ Frontages are also home to a wide range of uses linked to the evening and night-time economy.

The CAZ also hosts a wide range of **Other Shopping Centres within the CAZ**, which provide either a specialist or mixed but more localised offer, contributing to the function of the CAZ.

Queensway/Westbourne Grove is the only **Major Shopping Centre** in Westminster. It is designated as such due to the scale and nature of its mix of convenience and comparison retail activity and complementary town centre uses. It has a traditional high street character largely surrounded by residential areas and provides an important convenience shopping function to local residents.

The **District Shopping Centres** of Praed Street, St John's Wood, Harrow Road and Church Street have a convenience core function which is complemented by a range of other town centre uses and cater primarily to their local surroundings.

There are numerous **Local Shopping Centres** in Westminster. They are smaller in scale than District Shopping Centres, playing a more localised role for residents and workers. They normally contain a mix of convenience goods shops, local service uses, restaurants, cafés and pubs. These centres can provide a focal point for community activity, and the availability of a range of shops and services close to where people live can be particularly important for the less mobile.

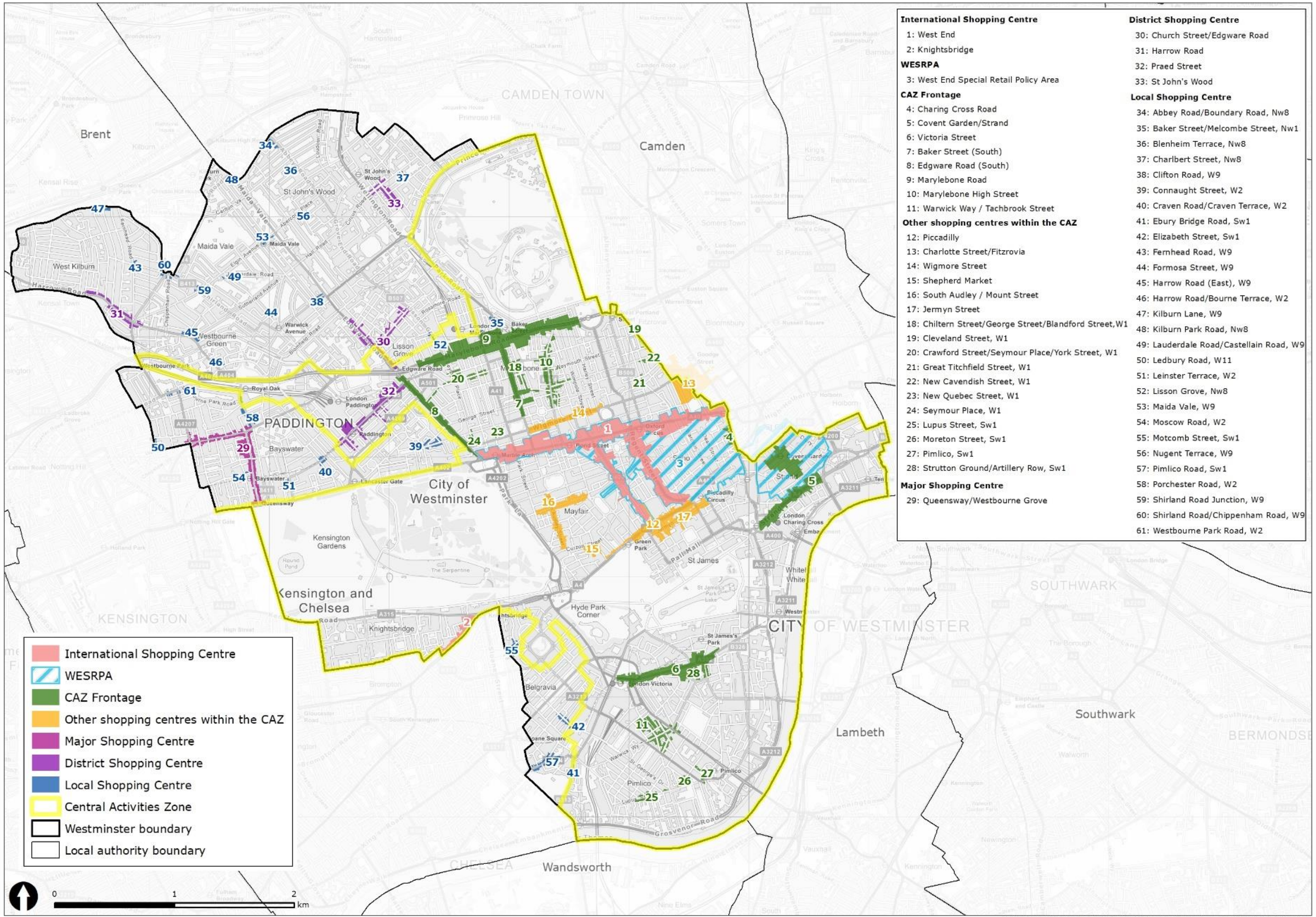
All frontages within the Retail Hierarchy are also categorised as either primary or secondary frontages in the adopted City Plan, based on their role, function, and the mix of uses within them.

Figure 1 - Westminster's Retail Hierarchy (Westminster's City Plan November 2016)

Centre name		Frontages
International Shopping Centres		
1	West End	Primary
2	Knightsbridge	Primary
West End Special Retail Policy Area (WESRPA)		
3	West End Special Retail Policy Area	Primary
CAZ Frontages		
4	Charing Cross Road	Primary
5	Covent Garden / Strand	Primary
6	Victoria Street	Primary
7	Baker Street (south)	Primary
8	Edgware Road (south)	Primary
9	Marylebone Road	Primary
10	Marylebone High Street	Primary
11	Warwick Way / Tachbrook Street	Primary
Other Shopping Centres within the CAZ		
12	Piccadilly	Primary
13	Charlotte Street / Fitzrovia	Primary
14	Wigmore Street	Primary
15	Shepherd Market	Primary
16	South Audley Street / Mount Street	Primary
17	Jermyn Street	Primary
18	Chiltern Street / George Street / Blandford Street	Primary
19	Cleveland Street	Secondary
20	Crawford Street / Seymour Place / York Street	Secondary
21	Great Titchfield Street	Secondary
22	New Cavendish Street	Secondary
23	New Quebec Street	Secondary
24	Seymour Place	Secondary
25	Lupus Street	Primary and Secondary
26	Moreton Street	Secondary
27	Pimlico	Primary and Secondary
28	Strutton Ground / Artillery Row	Primary and Secondary
Major Shopping Centres		
29	Queensway / Westbourne Grove	Primary and Secondary
District Shopping Centres		
30	Church Street / Edgware Road	Primary and Secondary
31	Harrow Road	Primary and Secondary
32	Praed Street / Paddington	Secondary
33	St John's Wood	Primary and Secondary
Local Shopping Centres		
34	Abbey Road / Boundary Road	Primary and Secondary

35	Baker Street / Melcombe Street	Primary and Secondary
36	Blenheim Terrace	Secondary
37	Chalbert Street	Primary and Secondary
38	Clifton Road	Primary and Secondary
39	Connaught Street	Primary and Secondary
40	Craven Road / Craven Terrace	Primary and Secondary
41	Ebury Bridge Road	Primary and Secondary
42	Elizabeth Street	Primary and Secondary
43	Fernhead Road	Secondary
44	Formosa Street	Primary and Secondary
45	Harrow Road (East)	Secondary
46	Harrow Road / Bourne Terrace	Secondary
47	Kilburn Lane	Primary and Secondary
48	Kilburn Park Road	Primary and Secondary
49	Lauderdale Road / Castellain Road	Primary and Secondary
50	Ledbury Road	Primary
51	Leinster Terrace	Primary and Secondary
52	Lisson Grove	Secondary
53	Maida Vale	Primary and Secondary
54	Moscow Road	Primary and Secondary
55	Motcomb Street	Primary
56	Nugent Terrace	Secondary
57	Pimlico Road	Primary
58	Porchester Road	Primary and Secondary
59	Shirland Road Junction	Secondary
60	Shirland Road / Chippenham Road	Primary and Secondary
61	Westbourne Park Road	Primary and Secondary

Figure 2 – Westminster's Retail hierarchy (Westminster's City Plan November 2016) Map



Contains Ordnance Survey data © Crown copyright and database right 2019

2. Planning policy framework

A number of national, regional and local planning policies provide the context for the preparation of Town Centre Health Checks and the preparation of planning policies. This section summarises the key policies on retail and on the role of town centres.

a. National planning policy

The **National Planning Policy Framework (NPPF) (MHCLG, 2018)** sets out the Government's planning policies for England and details how Local Planning Authorities should support the role of town centres:

> *"Planning policies and decisions should support the role that town centres play at the heart of local communities, by taking a positive approach to their growth, management and adaptation. 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 […];*
>
> *"f) recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.* (Paragraph 85)"

The NPPF also promotes healthy and safe communities which:

> *"a) promote social interaction, including opportunities for meetings between people who might not otherwise come into contact with each other – for example through mixed-use developments, strong neighbourhood centres, street layouts that allow for easy pedestrian and cycle connections within and between neighbourhoods, and active street frontages;*
>
> *b) are safe and accessible, so that crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion – for example through the use of clear and legible pedestrian routes, and high quality public space, which encourage the active and continual use of public areas; and*
>
> *c) enable and support healthy lifestyles, especially where this would address identified local health and well-being needs – for example through the provision of safe and accessible green infrastructure, sports facilities, local shops, access to healthier food, allotments and layouts that encourage walking and cycling".* (Paragraph 91)

Furthermore, the NPPF requires planning policies and decisions to:

"a) 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;

b) take into account and support the delivery of local strategies to improve health, social and cultural well-being for all sections of the community;

c) 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;

d) ensure that established shops, facilities and services are able to develop and modernise, and are retained for the benefit of the community; and

e) ensure an integrated approach to considering the location of housing, economic uses and community facilities and services". (Paragraph 92)

b. London Plan policy

At a regional level, the current **London Plan (GLA, 2016)** sets out strategic retail policy for Town Centres in London. Policy 2.15 "Town centres" is the key policy:

"The Mayor will, and boroughs and other stakeholders should, coordinate the development of London's network of town centres […] so they provide:

a. the main foci beyond the Central Activities Zone for commercial development and intensification, including residential development

b. the structure for sustaining and improving a competitive choice of goods and services conveniently accessible to all Londoners, particularly by public transport, cycling and walking

c. together with local neighbourhoods, the main foci for most Londoners' sense of place and local identity within the capital." (Policy 2.15, paragraph A).

According to this same policy, boroughs should:

"sustain and enhance the vitality and viability of centres" and *"ensure that local retail capacity requirements take realistic account of changes in consumer expenditure and behaviours"* and *"proactively manage the changing role of centres […]; promoting diversification, particularly through high density, residential-led, mixed use re-development; improving environmental quality; […] and revising the extent and/or flexibility for non-A1 retail uses in secondary shopping frontage policies"* (Policy 2.15, paragraph D)

Supporting text to policy 2.15 sets the context for the production of Health Checks:

"The current role of town centres should be tested through regular town centre "health checks". This process should ensure that the network is sufficiently flexible to accommodate change in the role of centres and their relationships to

one another. Centres can be reclassified and, where appropriate, new centres designated, in the light of these through subsequent reviews or alterations to this plan and DPDs" (paragraph 2.74).

The London Plan is currently undergoing a complete revision. The **draft New London Plan (Mayor of London, 2018)**[1] includes four policies specific to town centres: Policy SD6 "Town centres and high streets", Policy SD7 "Town centres: development principles and Development Plan Documents", Policy SD8 "Town centre network" and Policy SD9 "Town centres: Local partnership and implementation".

The draft New London Plan highlights the role of London's varied town centres as:

1. *"strong, resilient, accessible, inclusive and viable hubs for a diverse range of uses including employment, business space, shopping, culture, leisure, night-time economy, tourism, civic, community, social infrastructure and residential development*
2. *locations for mixed-use or housing-led intensification and higher-density renewal, securing a high-quality environment and complementing local character and heritage assets*
3. *the structure for delivering sustainable access by walking, cycling and public transport to a competitive range of services and activities*
4. *the main focus for Londoners' sense of place and local identity in the capital*
5. *the primary locations for commercial activity beyond the CAZ and important contributors to the local as well as London-wide economy*
6. *a key mechanism for building sustainable, healthy, walkable neighbourhoods with the Healthy Streets Approach embedded in their development and management." (Policy SD6, paragraph A)*

The draft plan recognises the structural changes in the retail sector and supports the adaptation and restructuring of town centres to respond to the connected challenges (Policy SD6, paragraph B).

The draft plan also identifies the potential for new housing within and on the edges of town centres to *"be realised through higher-density mixed-use or residential development, capitalising on the availability of services within walking and cycling distance, and their current and future accessibility by public transport". (Policy SD6, paragraph B)*

It also promotes *"the management of vibrant daytime, evening and night-time activities […] to enhance town centre vitality and viability […] and supporting the development*

[1] https://www.london.gov.uk/what-we-do/planning/london-plan/new-london-plan/draft-new-london-plan/chapter-2-spatial-development-patterns/policy-sd6-town-centres

of cultural uses and activities" as well as the enhancement and promotion of tourist infrastructure, attractions and hotels (Policy SD6, paragraphs F and G).

The draft plan supports the delivery of an accessible and inclusive town centre environment, improved safety and security, active street frontages and an enhanced provision of social infrastructure and facilities within town centres (Policy SD6, paragraphs H, I and J).

The draft plan details what Health Checks reports should include:

> *"Boroughs should undertake town centre health checks regularly. This should be informed by the London-wide town centre health check[2] and should be tailored to local circumstances. Town centre health checks should take information from a variety of sources, including desk-based research as well as on-the-ground surveys, to establish the overall health of the town centre. This should include an analysis of the performance of commercial premises in the town centre as well as wider issues such as environmental quality and accessibility" (paragraph 2.9.3).*

The new document also recognises that:

> *"Identified deficiencies in the London town centre network can be addressed by promoting centres to function at a higher level in the network, designating new centres (see Annex 1) or reassessing town centre boundaries (see Policy SD8 Town centres: development principles and Development Plan Documents). Centres with current or projected declining demand for commercial, particularly retail, floorspace may be reclassified at a lower level in the hierarchy." (Policy SD7, paragraph B)*
>
> *"The classification of International, Metropolitan and Major town centres (see Annex 1) can only be changed through the London Plan. Potential future changes to the strategic town centre network are set out in Figure A1.1 in Annex 1. Changes to District, Local and Neighbourhood centres can be brought forward through Local Plans where supported by evidence in development capacity assessments and town centre health checks" (Policy SD7, paragraph C).*

The draft New London Plan describes the role of the different type of centres as described by Figures 3 and 4.

Figure 3 –Town centre classifications as set out by the draft New London Plan[3]

[2] London Town Centre Health Check, GLA 2017

[3] Figure 2.18 of the draft new London Plan (2018)

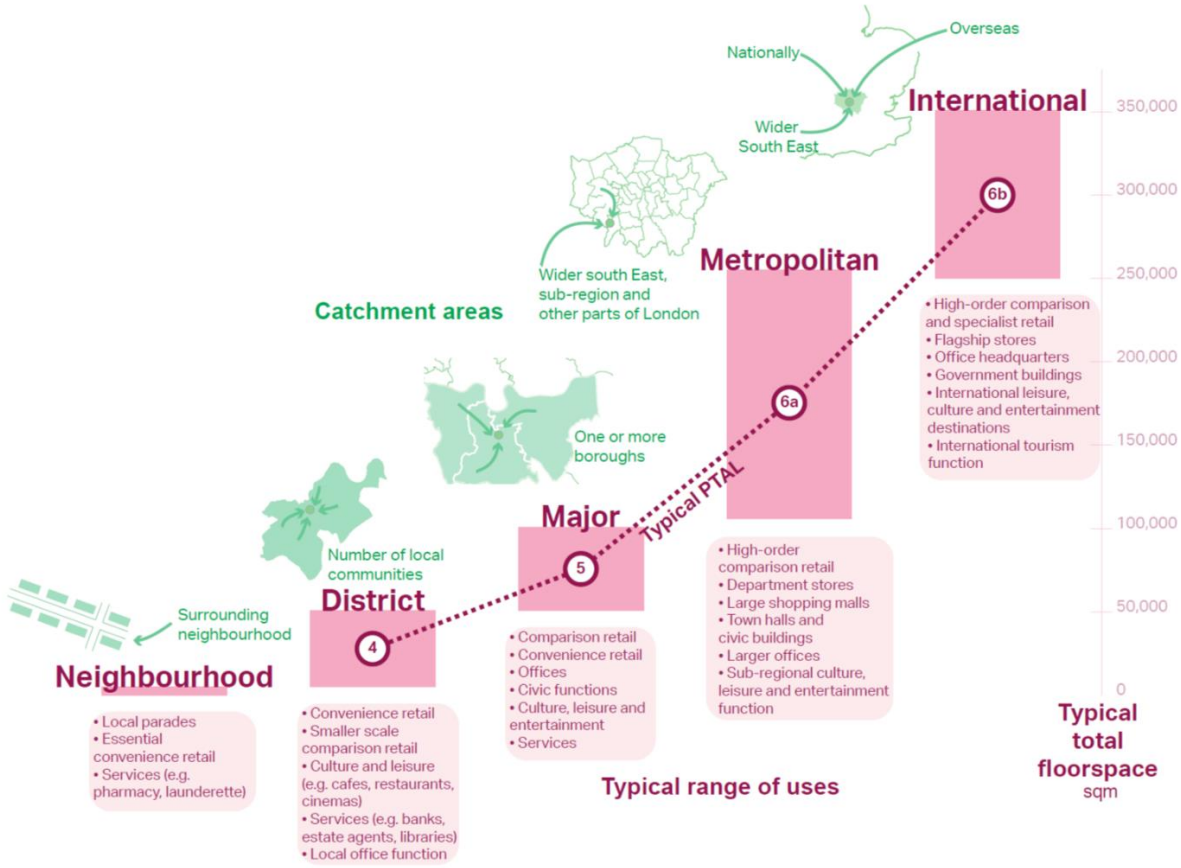


Figure 4 – Town Centre Network classifications[4]

International centres	London's globally-renowned retail and leisure destinations, providing a broad range of high-order comparison and specialist shopping, integrated into environments of the highest architectural quality and interspersed with internationally-recognised leisure, culture, heritage and tourism destinations. These centres have excellent levels of public transport accessibility.
Metropolitan centres	Serve wide catchments which can extend over several boroughs and into parts of the Wider South East. Typically, they contain at least 100,000 sqm of retail, leisure and service floorspace with a significant proportion of high-order comparison goods relative to convenience goods. These centres generally have very good accessibility and significant employment, service and leisure functions. Many have important clusters of civic, public and historic buildings.
Major centres	Typically found in inner and some parts of outer London with a borough-wide catchment. They generally contain over 50,000 sqm of retail, leisure and service floorspace with a relatively high proportion of comparison goods relative to convenience

[4] As set out in Table A1.1 of Annex One Town Centre Network (draft new London Plan, 2017)

	goods. They may also have significant employment, leisure, service and civic functions.
District centres	Distributed more widely than Metropolitan and Major centres, providing convenience goods and services for more local communities and accessible by public transport, walking and cycling. Typically, they contain 5,000–50,000 sqm of retail, leisure and service floorspace. Some District centres have developed specialist shopping functions.
CAZ retail clusters	The new draft plan also renames 'CAZ Frontages' as 'CAZ Retail Clusters' to reflect how they tends to serve a variety of functions and cover a broad area rather than linear frontages. These are significant mixed-use clusters located within the Central Activities Zone, with a predominant retail function and, in terms of scale, broadly comparable to Major or District centres. See Policy SD4 The Central Activities Zone (CAZ).
Local and Neighbourhood centres	Typically serve a localised catchment often most accessible by walking and cycling and include local parades and small clusters of shops, mostly for convenience goods and other services. They may include a small supermarket (typically up to around 500 sqm), sub-post office, pharmacy, laundrette and other useful local services. Together with District centres they can play a key role in addressing areas deficient in local retail and other services. This includes locally-identified CAZ retail centres.

The draft New London Plan identifies commercial and growth potential for a number of designated Westminster centres and designates a number of them as strategic areas for regeneration as set out in Figure 5.

Figure 5 – Westminster's centres identified as areas for commercial and residential growth potential, and strategic areas for regeneration

Centre	Commercial growth potential	Residential growth potential	Strategic area for regeneration
International Centres			
West End	High	Incremental	-
Knightsbridge	High	Incremental	-
CAZ Retail Clusters			
Covent Garden / Strand	Medium	Incremental	-
Victoria Street	High	Incremental	-
Baker Street (south)	Major	Incremental	
Edgware Road (south)	Medium	Incremental	Yes
Marylebone Road	Low	Incremental	Yes
Marylebone High Street	Medium	Incremental	-
Warwick Way / Tachbrook Street	Low	High	Yes
Major Centres			

Queensway / Westbourne Grove	Medium	High	Yes
District Centres			
Edgware Road / Church Street	Low	High	Yes
Harrow Road	Low	Medium	Yes
Praed Street / Paddington	Low	Incremental	-
St John's Wood	Low	Incremental	Yes

c. Local planning policy

Westminster's Development Plan consists of **Westminster's City Plan (November 2016)** and saved development management policies from the **Unitary Development Plan (UDP)** (originally adopted in January 2007 and 'saved' by the Secretary of State in January 2010).

The current City Plan policies that are relevant to retail are set out below:

Policy S21: Retail	S21 sets out the general approach to retail across Westminster and seeks to protect existing A1 uses, direct new retail floorspace to designated shopping centres and protect non-A1 retail and town centre uses in designated shopping centres from changes to uses that do not serve visiting members of the public and that do not have active shop fronts: *"New retail floorspace will be directed to the designated Shopping Centres.* *Existing A1 retail will be protected throughout Westminster except where the council considers that the unit is not viable, as demonstrated by long-term vacancy despite reasonable attempts to let.* *Existing non-A1 retail uses, and uses occupying shop-type premises within designated shopping centres will be protected from changing to uses that do not serve visiting members of the public and that do not have active shopfronts".* The supporting text to policy S21 details that larger developments should be directed to larger centres.
Policy S6: Core Central Activities Zone	Retail is encouraged throughout the Core CAZ, with large-scale units directed to the West End International Shopping Centre, CAZ Frontages and Opportunity Areas.
Policy S7: West End Special Retail Policy Area	The policy sets out retail space improvement and retail growth as priorities for the West End, including provision of A1 retail along Primary Shopping Frontages at least at basement, ground and first floors.

Policy S8: Marylebone and Fitzrovia	In Marylebone and Fitzrovia, retail is directed to Marylebone High Street and Local Shopping Centres, and also appropriate (along with a range of other uses including residential and other commercial) in named streets (Edgware Rd, Baker St, Marylebone Rd, Portland Place, Park Crescent and Great Portland St).

The current City Plan policies do not set any specific targets for retail growth.

In addition, a number of saved UDP policies are also relevant for the purpose of the Town Centre Health Check Report and for managing retail in Westminster. These are set out below:

Policy SS 3: Enhancing shopping in the International Centres' Primary Shopping Frontages	There should be no loss of A1 floorspace in International Centres (including basement and first floor), with flexibility on upper floors.
Policy SS 4: New retail floorspace in the CAZ and the CAZ Frontages	Development schemes in existing shopping frontages or in areas that would benefit from more shops and services must include an appropriate number of shop-type premises at street level. Developments should maintain the existing amount of A1 floorspace within the CAZ and CAZ Frontages. New units should be appropriate to the character and function of the street.
Policy SS 5: Seeking an appropriate balance of town centre uses in the West End International Centre and elsewhere in the CAZ and CAZ Frontages – outside the primary shopping frontages	Protects A1 uses at ground, basement and first floor level in the CAZ and seeks to avoid concentrations of non-A1 uses in the West End, CAZ and CAZ Frontages.
Policy SS 6: District Centres	Restricts non-A1 uses in District Centres to 20-30% of frontage and no more than two consecutive units in core frontages, and 45% or no more than three consecutive units in secondary frontages
Policy SS 7: Local Centres	Protects A1 uses in core frontages, and sets out criteria for secondary frontages to include no more than three non-A1 units consecutively in a frontage. The policy is generally restrictive on A3 (which would include today's A4).
Policy SS 8: Shops and services outside the District and Local Centres	Protects isolated A1 units and non-A1 retail uses (such as laundrettes).
Policy SS 9: Long-term vacant shop units in peripheral locations	Supports change of use to residential or other appropriate use of a long-term vacant shop-type unit which is on edge of centre or parade, and of isolated shop-type units formerly occupied by non-A1 uses.

Policy SS 10: New retail floorspace in development schemes	New developments in Town Centres should provide/ replace A1 retail.
Policy SS 11: Superstores, supermarkets and other major retail developments	Sets out a sequential approach to supermarkets and major retail developments.
Policy SS 13: Street markets and individual trading pitches	Protect existing street markets and requires improved re-provision whereby relocation is necessary. New proposals are judged on impact – amenity, parking, servicing, highway, cleansing, refuse storage, recycling and licensing, and the effect on existing street markets and local shopping facilities.

Specific policies relating to A3 uses as defined under the Use Classes Order 1987, now classified as A3, A4 and A5, can be found in Chapter 8 of the UDP, Tourism, Arts, Culture and Entertainment (Policies TACE 8, TACE 9 and TACE 10).

3. Methodology

The Westminster Town Centre Health Checks Report 2018-19 is a study of the individual[5] and cumulative performance of key centres within Westminster, namely:

- International Shopping Centres (2)
- Major Shopping Centres (1)
- District Shopping Centres (4)
- CAZ Frontages (8)
- Other Shopping Centres within the CAZ (17)
- Primary shopping areas within the WESRPA (4).

To prioritise the areas of greatest change and development pressure, and because a full review of local centres was more recently carried out compared to other centre types in the hierarchy, the Local Shopping Centres have been excluded from the detailed study. Nonetheless, the study provides a light-touch update on the overall performance of Westminster's Local Shopping Centres, with further insight for seven centres which the 2017 land use data analysis had found to have a higher-than-average level of vacancy.

The starting point for this study has been the existing retail hierarchy as defined in the current Westminster City Plan (November 2016). The assessment has been carried out using the boundaries as designated in November 2016 for the analysis, however there are a few exceptions which are set out below:

- The West End International Shopping Centre has been broken down into the following three primary shopping areas: Oxford Street, Regent Street and Bond Street. This helped review the performance of these streets separately due to their distinct function, which also assisted the comparison with previous years' results, as the same approach was taken by past Town Centre Health Check reports.
- Four undesignated primary shopping areas captured within the boundary of the WESRPA were also analysed separately. These are: Soho, Shaftesbury Avenue, Chinatown and Carnaby Street. Individual assessments have been made in recognition of their unique character and to align with the approach taken by past Town Centre Health Check reports.
- The Covent Garden/Strand CAZ Frontage has been broken down into its Covent Garden and Strand components, to recognise the distinct function of these two areas and align with the approach taken by past Town Centre Health Check reports. For completeness, the Covent Garden report also looks into the performance of the wider Covent Garden area, which is also covered by the WESRPA designation.
- The report includes an analysis of two non-designated areas of the city (Great Portland Street and Elgin Avenue/Chippenham Road) which have a function

[5] Individual surveys can be found in Appendix 2 of this report.

that is considered to align with that of existing CAZ Frontages and Local Centres respectively.

The study uses 2017 land use data provided by Experian GOAD which is limited to ground floor (street level) uses only. Where information gaps have been identified, detailed land use data has been obtained through site surveys conducted by council officers in May 2018.

While the 1997 to 2012/13 reports only analysed town centre uses (A1-A5, C1, D1, D2, Sui Generis), the 2018 have also looked into B1 (Business), B8 (Storage and distribution) and C3 (Residential) uses for the purpose of completeness, as these are uses that were found to be present across the centres surveyed, and to get a better understanding of the full mix of functions within each centre and their evolving nature.

The report has been informed by a qualitative site survey of individual centres, carried out by council officers between May and July 2018. The surveys helped validate the land use dataset provided by Experian GOAD and gather qualitative information on each specific area.

A small number of Shopping Centres fall within two different boroughs (e.g. Charing Cross Road is partly within Camden). In these instances, only the portion of the centre falling within Westminster's boundary has been analysed. This approach is consistent to that of previous Town Centre Health Checks and therefore makes comparison with results from previous studies comparable.

a. Planning Practice Guidance

The **Planning Practice Guidance - Ensuring the vitality of town centres (PPG) (DCLG, 2014)** sets out a series of indicators that should be used to determine the health of town centres. Of the ten indicators proposed by the PPG 2014, only the following six have been considered for this study:

- diversity of uses
- proportion of vacant street level property
- pedestrian flows
- accessibility
- perception of safety and occurrence of crime
- state of the town centre environmental quality

This ensured the scope of the study was proportionate to the amount of town centres and high streets that exist within Westminster, and the resources available.

Following the above guidance and indicators, individual reports have been developed for all designated centres with the addition of a number of undesignated primary shopping areas. For Local Shopping Centres, a focussed site survey has been carried out only in those instances where a preliminary land use analysis identified potential issues, particularly above-average vacancy levels.

b. Town Centre Health Check individual reports

The detailed structure and methodology used in the individual reports is set out in Appendix 2 of this report.

c. Shopping Centre network analysis

This section provides an analysis of the character and performance of Westminster's retail hierarchy as a whole. The analysis helps identify trends and discrepancies of individual centres from shopping centre type and/or Westminster averages. The network analysis has been informed by the methodology used in the London Town Centre Health Check 2017 and is structured around the following indicators:

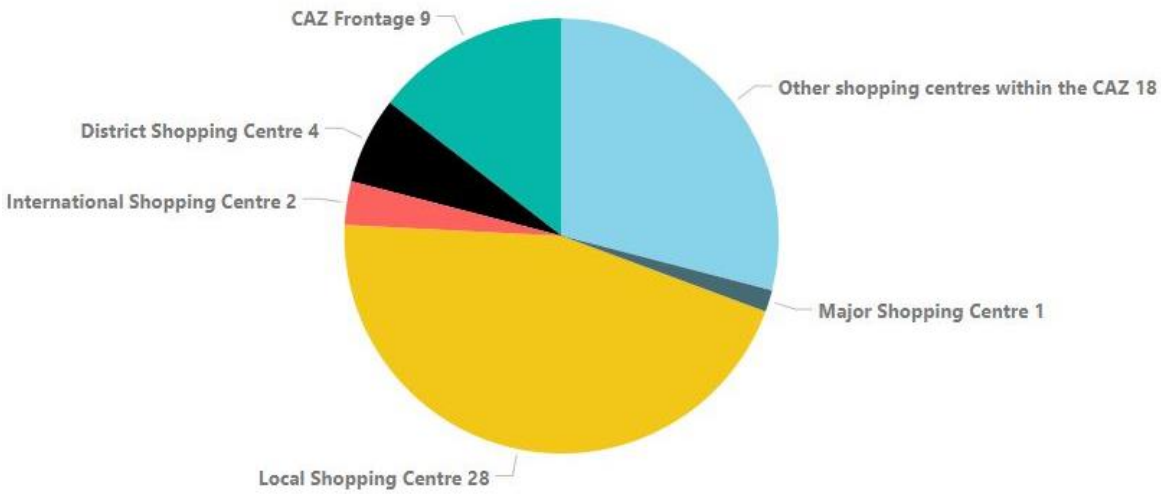
- Floorspace (total and average)
- Commercial floorspace (total)
- Commercial floorspace, of which retail (proportion)
- Diversity of retail (A-class) uses (proportion)
- Size of retail (A-class) premises (average)
- Comparison and convenience (proportion)
- Department store floorspace
- Office floorspace within centres (ground floor only)
- Vacant floorspace
- Transport and accessibility
- Town centre management
- Evening and night-time economy.

4. Shopping centre network analysis (2017)

This section of the report provides an overall analysis of Westminster's shopping centre network.

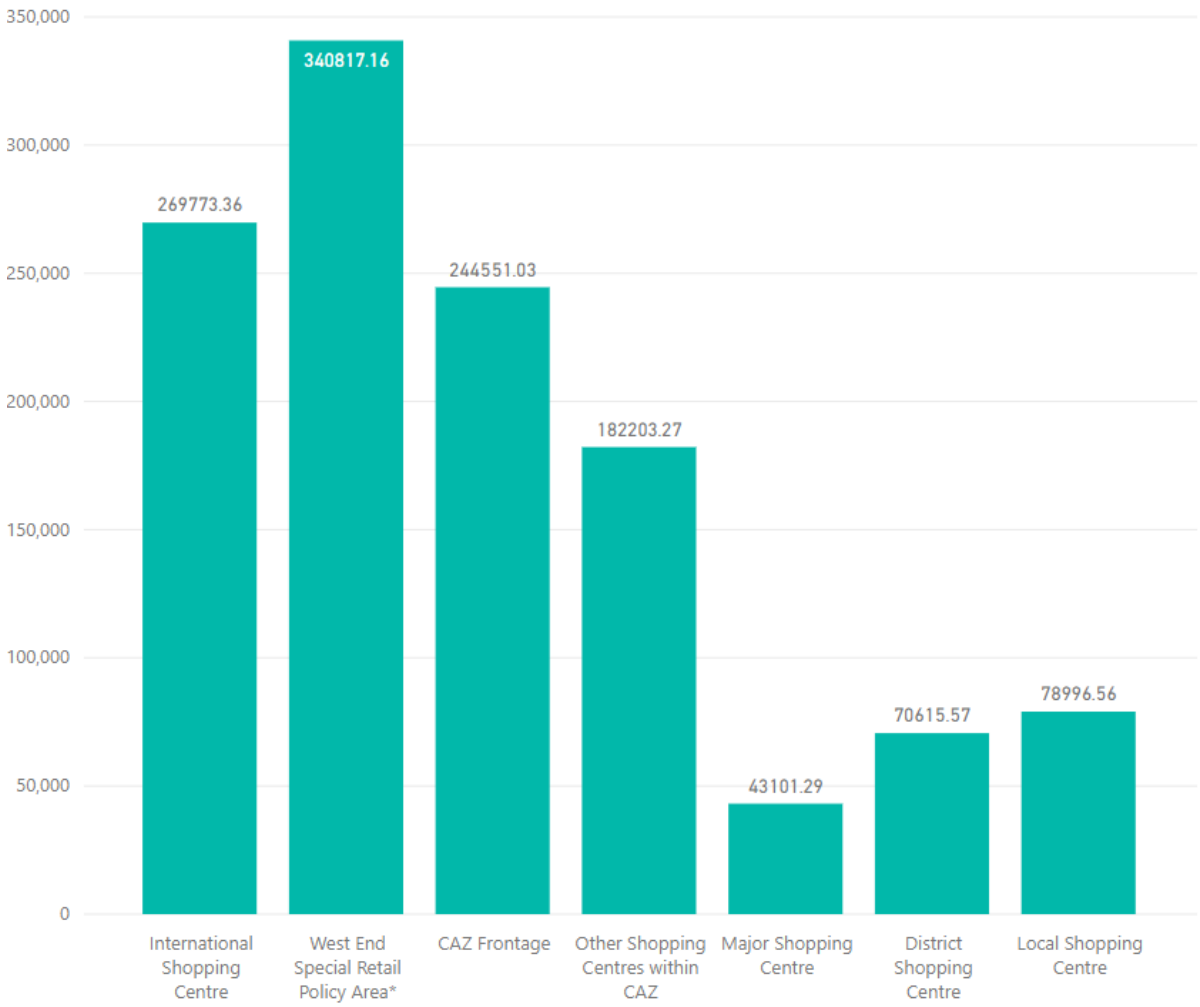
a. Shopping centre network and floorspace

Figure 6 - Number of shopping centres by centre type (2017)



The City of Westminster has 61 designated shopping centres. The city is home to two International Shopping Centres and a significant number of CAZ Frontages and Other Centres within the CAZ. Large parts of the West End beyond these designations are also covered by the WESRPA, where general support for commercial uses applies. Outside the CAZ, Westminster is shaped by a number of District and Major Centres as well as by 28 Local Shopping Centres that contribute to the vitality and vibrancy of Westminster's neighbourhoods.

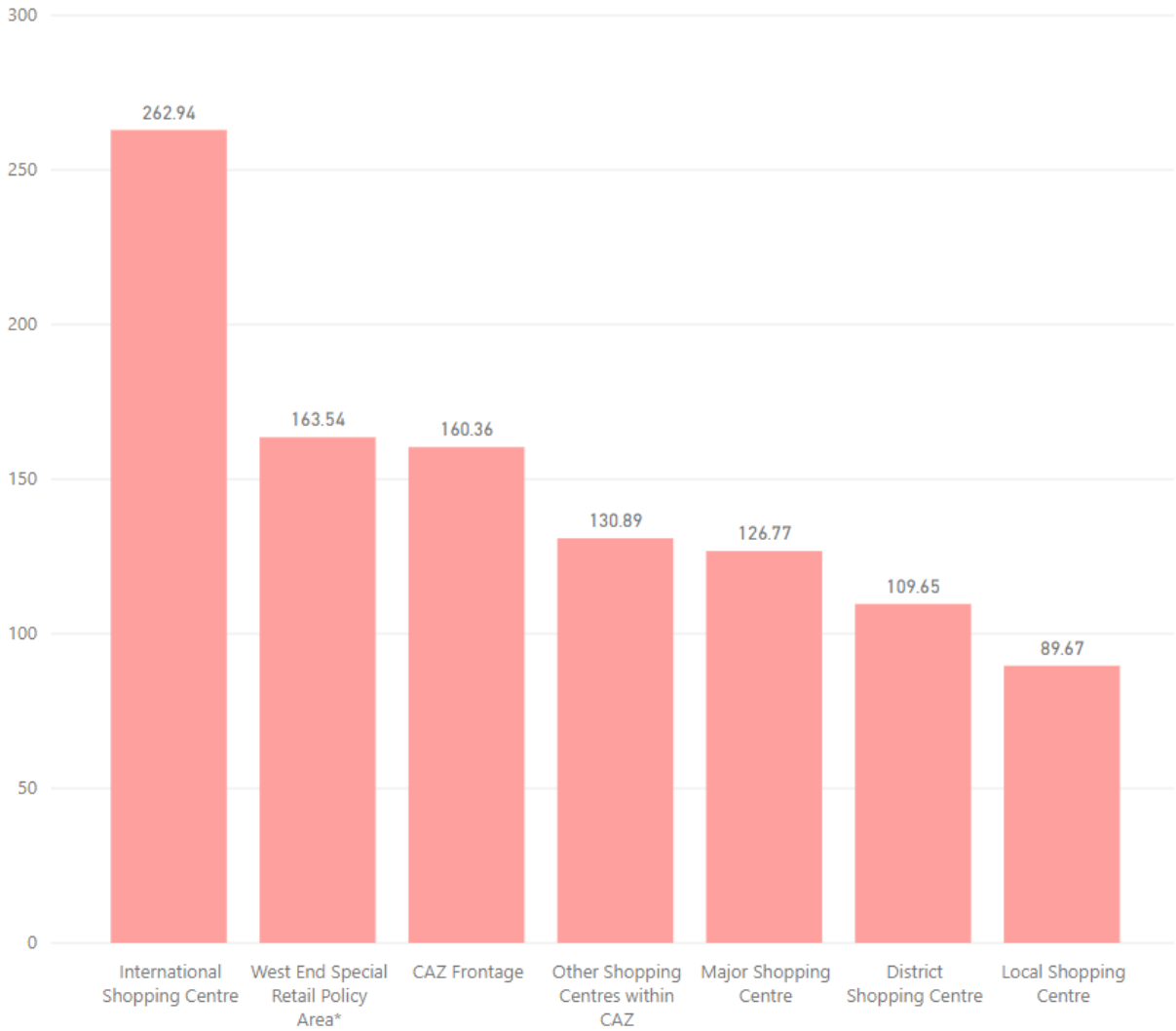
Figure 7 – Total floorspace (sq m) by centre type (2017)



* Refers to Carnaby Street, Chinatown, Covent Garden (wider area), Shaftesbury Avenue and Soho

Figure 7 illustrates the total amount of designated town centre (and non-designated primary shopping area) floorspace that is comprised within each centre type. The chart shows the majority of town centre floorspace is located in the core commercial areas of Westminster including the West End and the CAZ – i.e. areas that serve a more than local catchment.

Figure 8 - Average unit floorspace (sq m) by centre type (2017)



* Refers to Carnaby Street, Chinatown, Covent Garden (wider area), Shaftesbury Avenue and Soho

The analysis of the average size of commercial units in Westminster's centres shows how the hierarchy well reflects their role and function, with the two International Shopping Centres having the largest floorspace size and the Local Shopping Centres the smallest. The WESRPA and the CAZ Frontages have an average floorspace that is around 60% that of the International Shopping Centres. Other Shopping Centres Within the CAZ are comparable to Major Shopping Centres, averaging around 50% of the International Shopping Centres' floorspace. District and Local Shopping Centres follow with lower averages, in line with their position in the hierarchy.

b. Commercial floorspace[6] and retail floorspace[7]

Figure 9 - Average occupied commercial floorspace (sq m) by centre type (2017)

[6] Commercial floorspace (for the purpose of this study) relates to use classes A1, A2, A3, A4, A5, C1, D2 as well as Sui Generis uses (as categorised by Experian).

[7] Retail floorspace (for the purpose of this study) relates to use classes A1, A2, A3, A4 and A5 (as categorised by Experian).

The amount of occupied commercial floorspace[8] helps us understand the relative importance of commercial activities in different shopping centres and primary shopping areas. Figure 9 shows that there are significant differences in the average amount of commercial floorspace, which is consistent with the hierarchy: CAZ Frontages have a higher average than Major Shopping Centres, which in turn have a higher average than District and Local Shopping Centres respectively. International Shopping Centres have twice as much commercial floorspace than any other centre type. Other Shopping Centres within the CAZ have a similar average to District Centres, which suggests a number of these centres play a more localised role than CAZ Frontages.

Figure 10 - Average occupied commercial and retail floorspace (sq m) by centre type (2017)

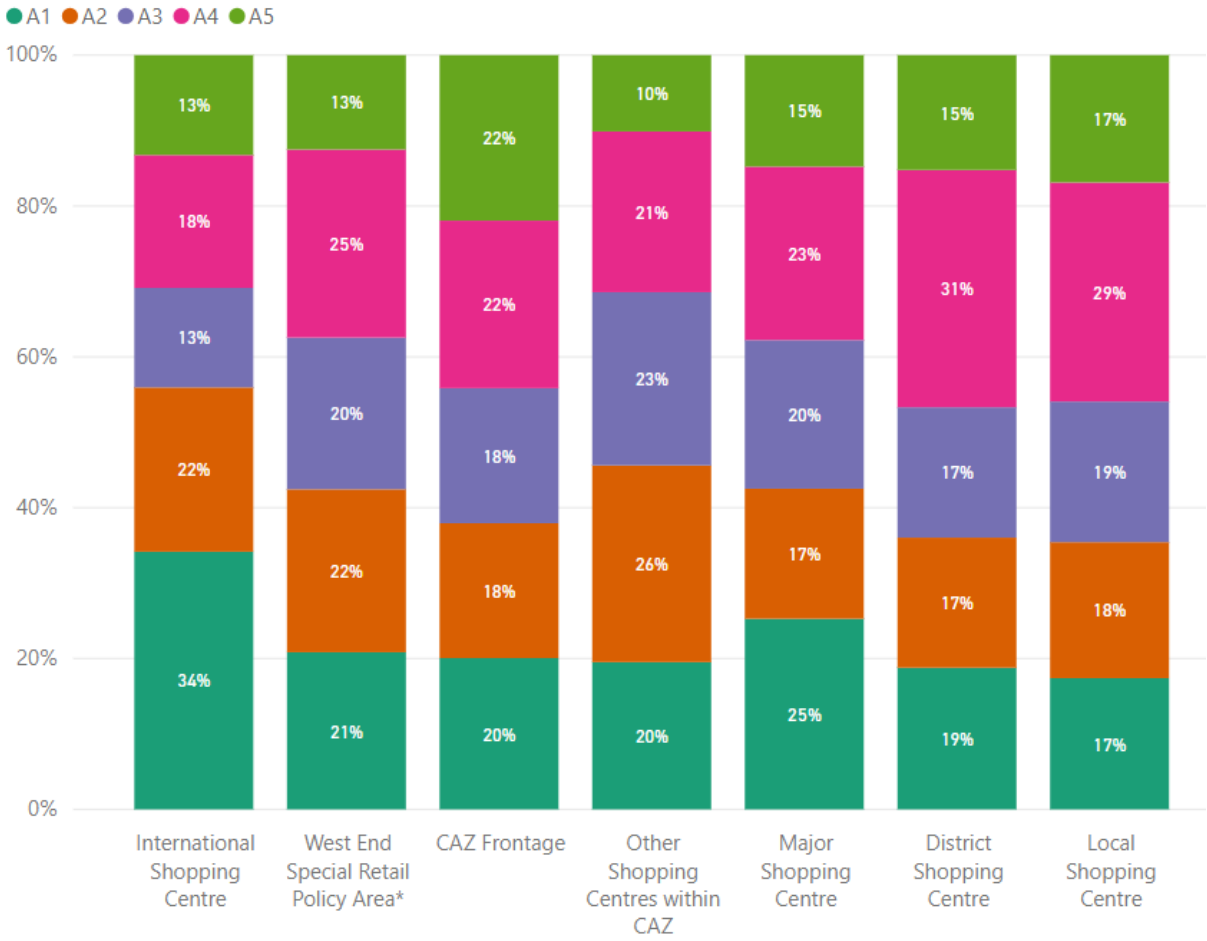
To analyse the retail floorspace, it is helpful to look at the ratio of retail floorspace over the total commercial floorspace within shopping centres: retail floorspace represents between 78% and 96% of the total floorspace in Westminster's retail hierarchy. Figure 10 shows that International Shopping Centres and Local Shopping Centres are more retail-led than other types of centres as the proportion of non-retail commercial floorspace is very limited and represents less than 4% of the total for these types of

[8] Commercial floorspace (for the purpose of this study) relates to use classes A1, A2, A3, A4, A5, C1, D2 as well as Sui Generis uses (as categorised by Experian).

centre. CAZ Frontages and the WESRPA present a broader mix of activities with 18-20% of the commercial floorspace being non-retail. This reflects the distinctive roles of International Centres as a focus for comparison shopping, the convenience role of Local Centres, and the strategic functions of the CAZ for a wider variety of commercial activity.

c. Retail diversity of uses

Figure 11 - Proportion of retail uses by centre type (2017)



* Refers to Carnaby Street, Chinatown, Covent Garden (wider area), Shaftesbury Avenue and Soho

Figure 11 shows the breakdown of retail uses[9] per centre type. Different types of centres have different proportions of A-class uses.

A1 Shops represent a higher proportion of the total retail land uses in the International Shopping Centres and the Major Shopping Centres than in other types of centre. Elsewhere, the average proportion of A1 Shops is relatively consistent. A2 Financial and professional uses are more significant in larger centres which sit at higher levels

[9] Retail land uses (for the purpose of this study) relates to use classes A1, A2, A3, A4 and A5 (as categorised by Experian).

of the retail hierarchy than in smaller centres, reflecting the higher demand for these services in larger centres.

The proportion of A3 restaurants and cafés is broadly consistent across the retail hierarchy with a marginally higher presence in the WESRPA and the Other Shopping Centres within the CAZ, which reflects the more extended leisure offer in these locations. A4 Drinking establishments take a larger share in the District and Local Centres, while their presence is more limited in the International Centres. The proportion of A5 Hot food takeaways premises is mostly consistent across centre types however they take a larger share in CAZ Frontages while they are the least present in the Other Shopping Centres within the CAZ.

d. Retail unit size

Figure 12 - Average size of retail premises (sq m) by shopping centre or primary shopping area (2017)

Centre	Centre type	Average Retail Unit Floorspace
Oxford Street	Part of International	335
Regent Street	Part of International	273
Charing Cross Road	CAZ Frontage	248
Bond Street	Part of International	214
Jermyn Street	Other Shopping Centre within the CAZ	199
Knightsbridge	International	185
Wigmore Street	Other Shopping Centre within the CAZ	162
Victoria Street	CAZ Frontage	162
South Audley / Mount Street	Other Shopping Centre within the CAZ	160
Covent Garden/Strand	CAZ Frontage	158
Charlotte Street/Fitzrovia	Other Shopping Centre within the CAZ	146
Carnaby Street	Part of the WESRPA	142
Ledbury Road	Local Shopping Centre	134
Piccadilly	Other Shopping Centre within the CAZ	134
Motcomb Street	Local Shopping Centre	133
Shirland Road Junction	Local Shopping Centre	132
Queensway/Westbourne Grove	Major	131
Warwick Way / Tachbrook Street	CAZ Frontage	118
Soho	Part of the WESRPA	117
Shaftesbury Avenue	Part of the WESRPA	113
Baker Street (South)	CAZ Frontage	113
St John's Wood	District Shopping Centre	110
Marylebone Road	CAZ Frontage	109

Cleveland Street	Other Shopping Centre within the CAZ	105
Marylebone High Street	CAZ Frontage	104
Porchester Road	Local Shopping Centre	104
Kilburn Lane	Local Shopping Centre	100
Harrow Road	District Shopping Centre	100
Chinatown	Part of the WESRPA	97
Baker Street / Melcombe Street	Local Shopping Centre	96
Church Street / Edgware Road	District Shopping Centre	95
Lisson Grove	Local Shopping Centre	93
Pimlico	Other Shopping Centre within the CAZ	91
Praed Street	District Shopping Centre	90
Pimlico Road	Local Shopping Centre	88
Fernhead Road	Local Shopping Centre	86
Elizabeth Street	Local Shopping Centre	85
Strutton Ground / Artillery Row	Other Shopping Centre within the CAZ	85
Clifton Road	Local Shopping Centre	84
Edgware Road (South)	CAZ Frontage	82
Connaught Street	Local Shopping Centre	82
Craven Road / Craven Terrace	Local Shopping Centre	81
Maida Vale	Local Shopping Centre	79
Chiltern Street / George Street / Blandford Street	Other Shopping Centre within the CAZ	79
Abbey Road / Boundary Road	Local Shopping Centre	79
Seymour Place	Other Shopping Centre within the CAZ	74
Lupus Street	Other Shopping Centre within the CAZ	74
Great Titchfield Street	Other Shopping Centre within the CAZ	73
Shirland Road / Chippenham Road	Local Shopping Centre	72
Moscow Road	Local Shopping Centre	72
Leinster Terrace	Local Shopping Centre	71
New Quebec Street	Other Shopping Centre within the CAZ	71
Crawford Street / Seymour Place / York Street	Other Shopping Centre within the CAZ	70
Westbourne Park Road	Local Shopping Centre	70
Lauderdale Road / Castellain Road	Local Shopping Centre	68
Moreton Street	Other Shopping Centre within the CAZ	68
Formosa Street	Local Shopping Centre	68
Nugent Terrace	Local Shopping Centre	67
Blenheim Terrace	Local Shopping Centre	66
Charlbert Street	Local Shopping Centre	63

Kilburn Park Road	Local Shopping Centre	63
New Cavendish Street	Other Shopping Centre within the CAZ	63
Harrow Road (East)	Local Shopping Centre	62
Harrow Road / Bourne Terrace	Local Shopping Centre	59
Shepherd Market	Other Shopping Centre within the CAZ	55
Ebury Bridge Road	Local Shopping Centre	54

Figure 12 illustrates how the average size of a retail unit varies across different centres within the hierarchy and shows how on average Local Shopping Centres tend to have the smallest units and International Shopping Centres the largest. This is not surprising, given the latter are more likely to host flagship stores, department stores and large comparison shops, while Local Shopping Centres tend to host more contained and often independent stores catering for a more local clientele. However, this is not always consistent across the hierarchy as it depends on the nature of each centre. Other Shopping Centres within the CAZ, in particular, do not show a strong hierarchy-to-unit size correlation which suggests this category comprises a wide range of centres which are not all consistent and play distinct roles from one another.

e. Comparison and convenience split[10]

Figure 13 - Proportion of average comparison and convenience retail floorspace by centre type (2017)

[10] For the purpose of this report, comparison and convenience has been analysed as categorised by Experian (see Section 3 “Methodology”).

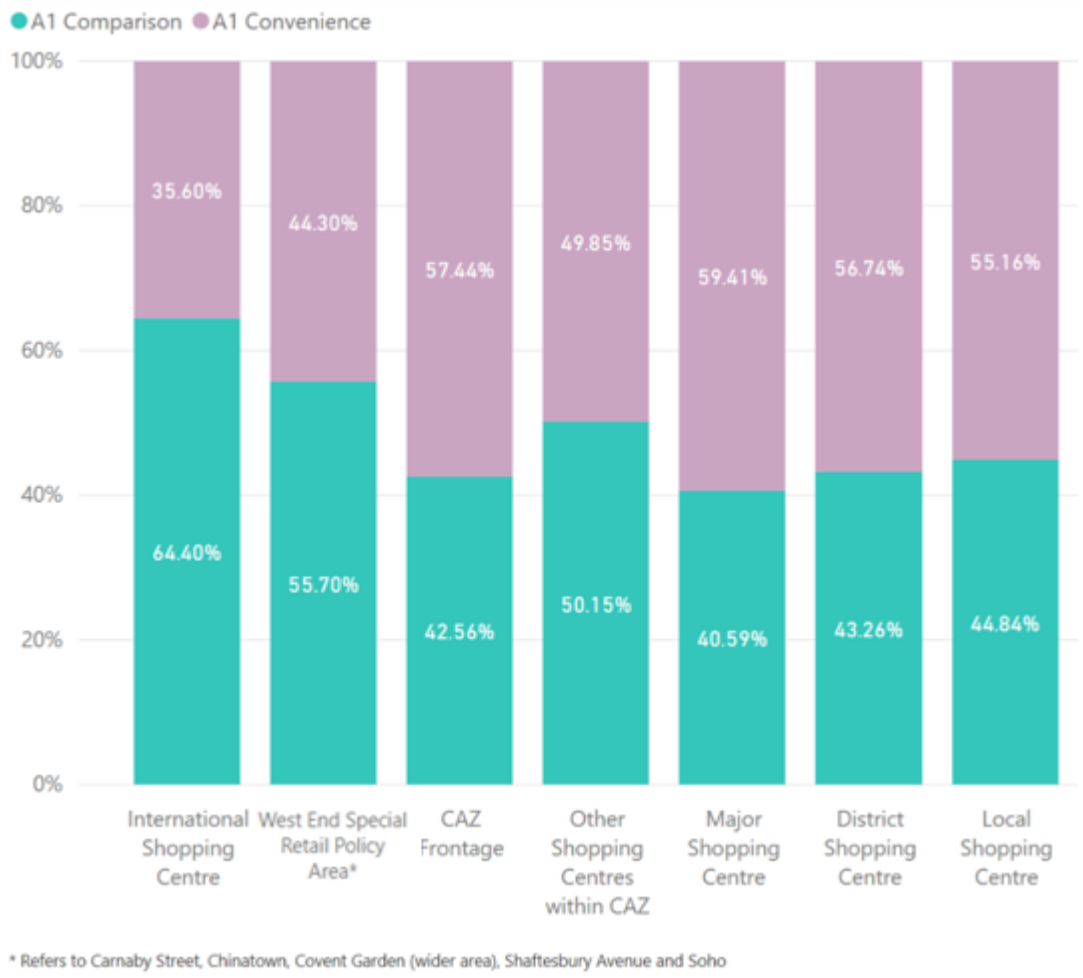


Figure 13 shows that different types of centres have different proportions of comparison/convenience A1 floorspace. A1 Comparison floorspace makes up the largest proportion of all A1 floorspace in the International Shopping Centres, reflecting their position as London's premier destination for comparison shopping, and in the wider WESRPA area (excluding parts covered by the West End International Shopping Centre designation). In addition, the Other Shopping Centres within the CAZ show a relatively higher proportion of A1 comparison floorspace reflecting the function of a number of centres within this category play as specialist comparison retail outlets. All the other types of centres have, on average, a balanced comparison to convenience split which is marginally in favour of convenience retail.

Figure 14 - Variation of the proportion of average Comparison/Convenience retail units

Type of centre	Period	Convenience A1 Variation (percentage points)
International Shopping Centre	2007/2008 to 2017	+0.26
WESRPA		+2.94
CAZ Frontage		-1.07
Other Shopping Centre within the CAZ		-3.14
Major Shopping Centre	2012/2013 to 2017	-2.47

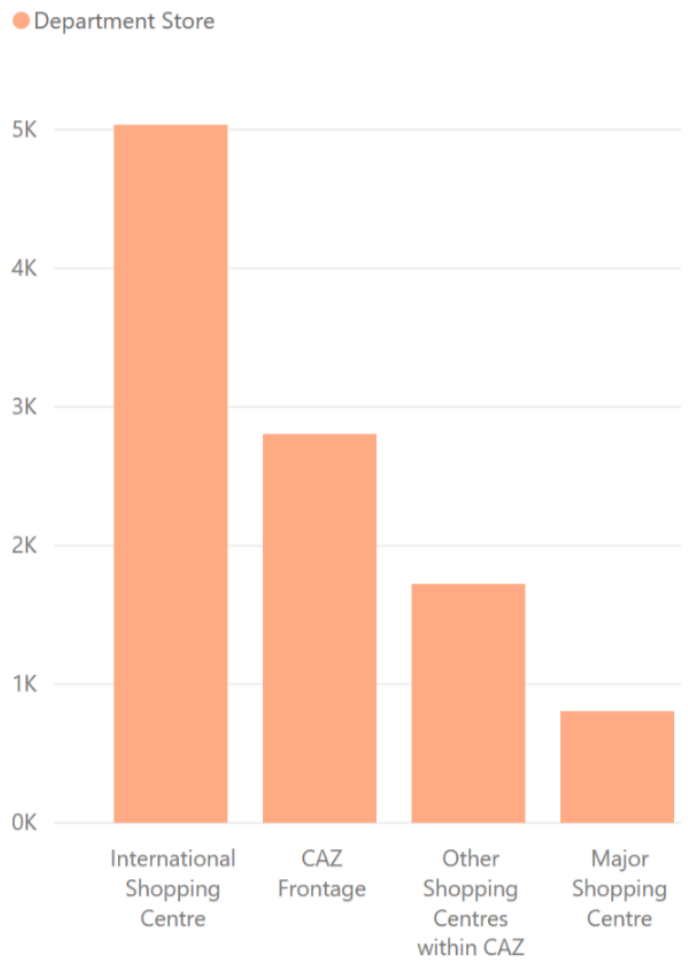
District Shopping Centre		-6.99
Local Shopping Centre		-1.6

If we analyse the variation of the proportion of the average proportion of convenience over comparison retail units over time, we can see that the proportion of convenience outlets has experienced a marginal increase in the International Shopping Centres and in the WESRPA between 2007/2008 and 2017. However, smaller centres have experienced a loss of convenience retail in relation to comparison uses between 2012/2013 and 2017. The most significant drop, of nearly 7% from the previous survey, has occurred in the District Shopping Centres. When analysed individually, the centres or areas that have experienced the most considerable loss of convenience units are Chinatown (9 units lost since 2007/08), Harrow Road, Praed Street, Baker Street (South) and Motcomb Street (8 units each since 2012/13, which is the largest loss in the shortest time). This reflects general retail trends where smaller centres suffer from competition from larger centres and could be indicative of these centres adapting to the challenges facing the sector through a move away from A1 shops to complementary town centre uses such as cafes. **The loss of A1 convenience uses will need continued monitoring.**

f. Department stores

Westminster accommodates ten department stores within its designated shopping centres: seven of them are located in the International Shopping Centres. Oxford Street alone is home to four department stores, which shows a concentration of department stores in the West End area and reflects the street's role as international shopping destination. Other department stores are found in the CAZ Frontages (one unit), Other Shopping Centres within the CAZ (one unit) and the Major Shopping Centre (one unit).

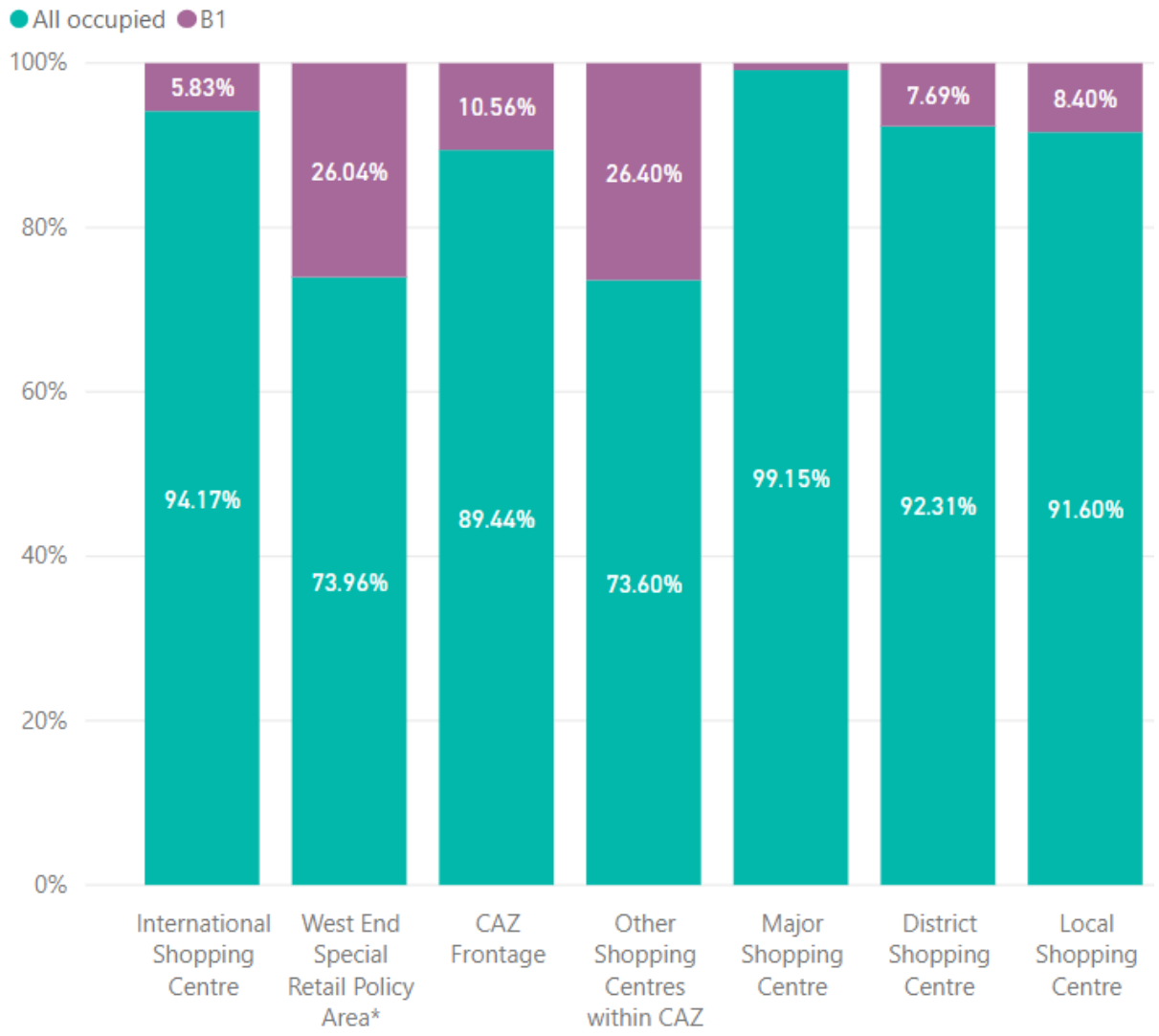
Figure 15 - Average department store floorspace (sq m) by centre type (2017)



In terms of average floorspace, International Shopping Centres and CAZ Frontages have larger department stores than the rest of the retail hierarchy, reflecting the central role of the West End and Knightsbridge as primary destinations for comparison retail.

g. Office floorspace

Figure 16 - Proportion of ground floor office floorspace of all occupied commercial floorspace (2017)



* Refers to Carnaby Street, Chinatown, Covent Garden (wider area), Shaftesbury Avenue and Soho

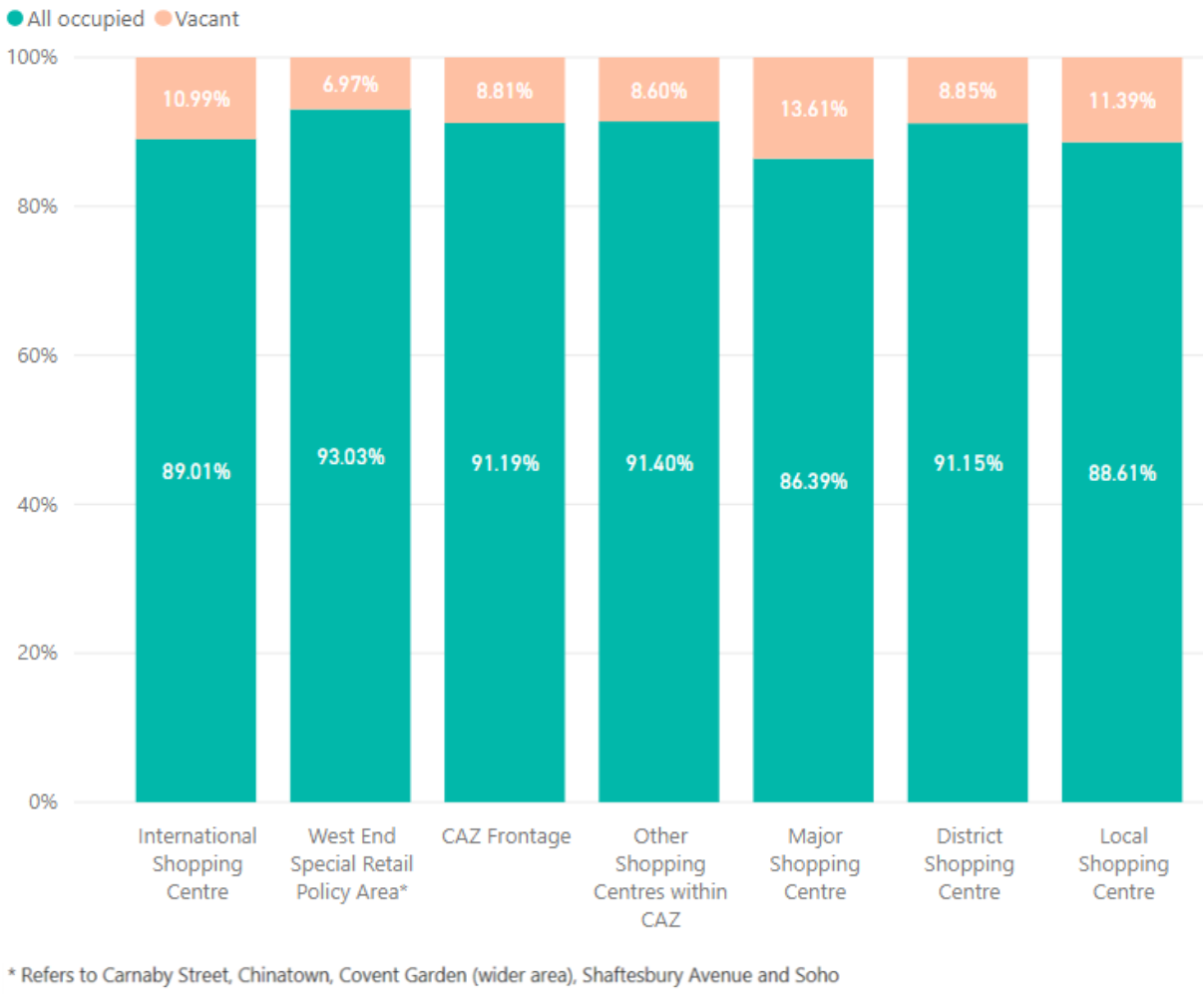
Office floorspace is vital to Westminster as it contributes to the city's role as an economic powerhouse, provides a major source of employment, and enhances the vibrancy of shopping centres through day to day activity and local worker spend. Ground floor data shows that the CAZ and WESRPA provide the main concentrations of ground floor office use, reflecting the more mixed nature of activities in these areas. Within the WESRPA, the areas with the largest amount of office floorspace[11] are in Soho, Covent Garden and Great Portland Street. Ground floor office floorspace is understandably lower in the International Centres where comparison retail is the focus, and smaller centres that provide a more localised shopping role. That said, Local Centres do appear to provide for an important sector of the office market, as office floorspace in Local Centres makes up 8.4% of the total commercial floorspace in such centres in Westminster. Furthermore, across the town centre hierarchy, upper floors provide a major source of office floorspace.

[11] Ground floor space only.

h. Vacant floorspace

Land use data survey have found that the overall average level of vacancy in Westminster's centres in 2017 is 9%[12], which is higher than the average vacancy rate for London (6.1% in 2016)[13]. This figure broadly aligns with optimum 'frictional vacancy rates' (typically between 5% and 10%) which allow for the efficient operation of the market (i.e. through turnover, as this allows new occupiers entering the market to have a reasonable choice of available property to take up) and is below the overall UK retail and leisure vacancy rate of 12%[14]. Nonetheless, a number of shopping centres and areas are undergoing change or have relatively higher vacancy levels. Whenever the figure departed from this 12%, further investigation was carried out to understand the reason behind the vacancies.

Figure 17 - Proportion of vacant floorspace of all occupied commercial floorspace (2017)



Overall, as shown in Figure 17, the primary shopping areas in the WESRPA are performing better than the rest of centres in terms of low vacancy rates followed by

[12] Experian GOAD land use data 2017
[13] London Town Centre Health Checks 2017, Mayor of London, 2017
[14] UK Retail Market Snapshot Q4 2018, Cushman and Wakefield 2018

the Other Shopping Centres within the CAZ, CAZ Frontages and the District Shopping Centres. The level of vacancy is broadly consistent across the types of centres surveyed which reflects how vacancies are not more present in a specific type of centre.

Figure 18 lists the vacancy rates per town centre or primary shopping area as found by the analysis of the 2017 land use data sourced by Experian GOAD. These have been colour coded where:

- red indicates a level above both the average vacancy rate for that town centre type in Westminster and the average UK retail and leisure vacancy rate of 12%:
- orange indicates a vacancy level below the UK average but above the average vacancy rate for that town centre type in Westminster; and
- green indicates a vacancy level below both the UK average and the average vacancy rate for that town centre type in Westminster.

Figure 18 - Vacancy rates (2017)

	Vacancy rate	Average vacancy rate per town centre type
International Shopping Centres		**9.07%**
1: West End		
Oxford Street	12.25%	
Regent Street	8.22%	
Bond Street	11.03%	
2: Knightsbridge	4.77%	
WESRPA		**8.57%**
3: West End Special Retail Policy Area		
Soho	6.48%	
Shaftesbury Avenue	11.11%	
Carnaby Street	3.8%	
Chinatown	15.49%	
Covent Garden (wider area)	5.99%[15]	
CAZ Frontages		**8.88%**
4: Charing Cross Road	31.15%	
5: Covent Garden/Strand	5.36%	
Covent Garden (core area)	5.99%	
Strand	1.26%	
6: Victoria Street	21.49%	
7: Baker Street (South)	5.72%	
8: Edgware Road (South)	5.68%	
9: Marylebone Road	5.92%	
10: Marylebone High Street	6.37%	
11: Warwick Way / Tachbrook Street	5.26%	

[15] 15.36% in the core portion of Covent Garden covered by the Covent Garden/Strand CAZ Frontage designation.

Other Shopping Centres within the CAZ		**10.30%**
12: Piccadilly	8.28%	
13: Charlotte Street/Fitzrovia	1.26%	
14: Wigmore Street	8.35%	
15: Shepherd Market	4.12%	
16: South Audley / Mount Street	10.30%	
17: Jermyn Street	4.27%	
18: Chiltern Street/George Street/Blandford Street	4.28%	
19: Cleveland Street	24.68%	
20: Crawford Street/Seymour Place/York Street	4.93%	
21: Great Titchfield Street	21.49%	
22: New Cavendish Street	17.36%	
23: New Quebec Street	13.92%	
24: Seymour Place	5.46%	
25: Lupus Street	8.35%	
26: Moreton Street	13.57%	
27: Pimlico	22.73%	
28: Strutton Ground/Artillery Row	1.79%	
Major Shopping Centres		**13.61%**
29: Queensway/Westbourne Grove	13.61%	
District Shopping Centres		**8.48%**
30: Church Street/Edgware Road	11.53%	
31: Harrow Road	11.78%	
32: Praed Street	7.59%	
33: St John's Wood	3.00%	
Local Shopping Centres		**10.10%**
34: Abbey Road/Boundary Road	5.88%	
35: Baker Street/Melcombe Street	8.77%	
36: Blenheim Terrace	4.32%	
37: Charlbert Street	23.50%	
38: Clifton Road	4.48%	
39: Connaught Street	4.24%	
40: Craven Road/Craven Terrace	10.24%	
41: Ebury Bridge Road	3.23%	
42: Elizabeth Street	14.01%	
43: Fernhead Road	9.64%	
44: Formosa Street	6.27%	
45: Harrow Road (East)	26.54%	
46: Harrow Road/Bourne Terrace	4.93%	
47: Kilburn Lane	7.98%	
48: Kilburn Park Road	9.66%	
49: Lauderdale Road/Castellain Road	26.69%	
50: Ledbury Road	0.00%	
51: Leinster Terrace	4.80%	

52: Lisson Grove	1.18%	
53: Maida Vale	0.00%	
54: Moscow Road	0.00%	
55: Motcomb Street	6.45%	
56: Nugent Terrace	9.24%	
57: Pimlico Road	17.04%	
58: Porchester Road	41.51%	
59: Shirland Road Junction	6.22%	
60: Shirland Road/Chippenham Road	18.38%	
61: Westbourne Park Road	7.58%	

The data above shows that there are significant differences in the level of vacancy between centres, even within the same layers of the retail hierarchy.

Site surveys carried out by Westminster Council officers have found that above-average vacancy rates in International Shopping Centres, Primary shopping areas within the WESRPA, and CAZ Frontages were largely linked to ongoing large-scale development such as Crossrail sites on Oxford Street or the Nova development on Victoria Street, therefore the higher than average vacancy figures are not considered a major concern, as they will be reduced when new developments are completed and occupied.

Relatively high vacancy rates have been found for a number of Other Shopping Centres within the CAZ. While the figure for Cleveland Street is justified by approved plans for the redevelopment of an extensive portion of the centre, the case is different for Great Titchfield Street, New Cavendish Street and New Quebec Street. The level of vacancies for these centres is thought to be linked to the centres' limited local function and their close proximity to larger centres that operate at higher level of the town centre hierarchy, which offer a much wider range of uses and reduce the smaller centres' catchment areas. However, the 2018 site survey found vacancies in these centres to be largely due to refurbishment works and a number of them to have been occupied since the 2017 land use survey data presented above was collected. This suggests these areas are not subject to persistent high levels of vacancy. Combined with site survey findings of an overall high quality retail environment, the 2017 land use data is not a source of major concern.

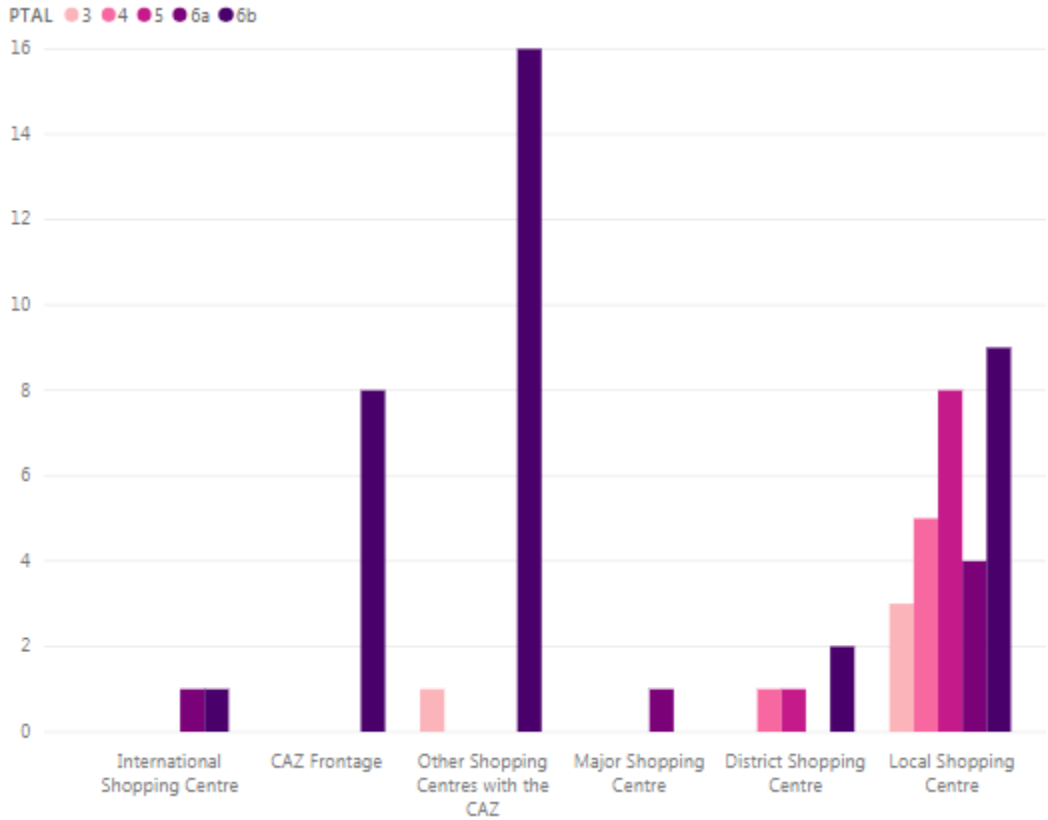
The sole Major Shopping Centre in Westminster (Queensway/Westbourne Grove) has a marginally higher vacancy rate than other types of centres. The detailed land use analysis and survey of the centre have revealed that this is linked to approved redevelopment plans on the footprint of an existing shopping centre which covers a large portion of the area. The performance of the centre will have to be monitored as the development progresses.

The Church Street and Harrow Road District Shopping Centres have a slightly higher vacancy rate than other District Centres at present. As both centres are close to areas identified for regeneration, their health may improve as a result of continued investment in the vicinity, and **should continue to be monitored.**

Site surveys to local centres with higher-than-average vacancy levels indicated in Experian data have found the majority of these vacant units to be occupied, therefore these figures represent an overestimation of the actual vacancies in these centres. The redevelopment of a large portion of Porchester Road have recently been completed and the site now hosts a large Waitrose and complementary town centre uses, with only a limited number of redeveloped commercially units still being advertised for let. Among these local centres, Harrow Road (East) presented the largest proportion of vacant units therefore the health of this centre will need to be closely monitored in future studies.

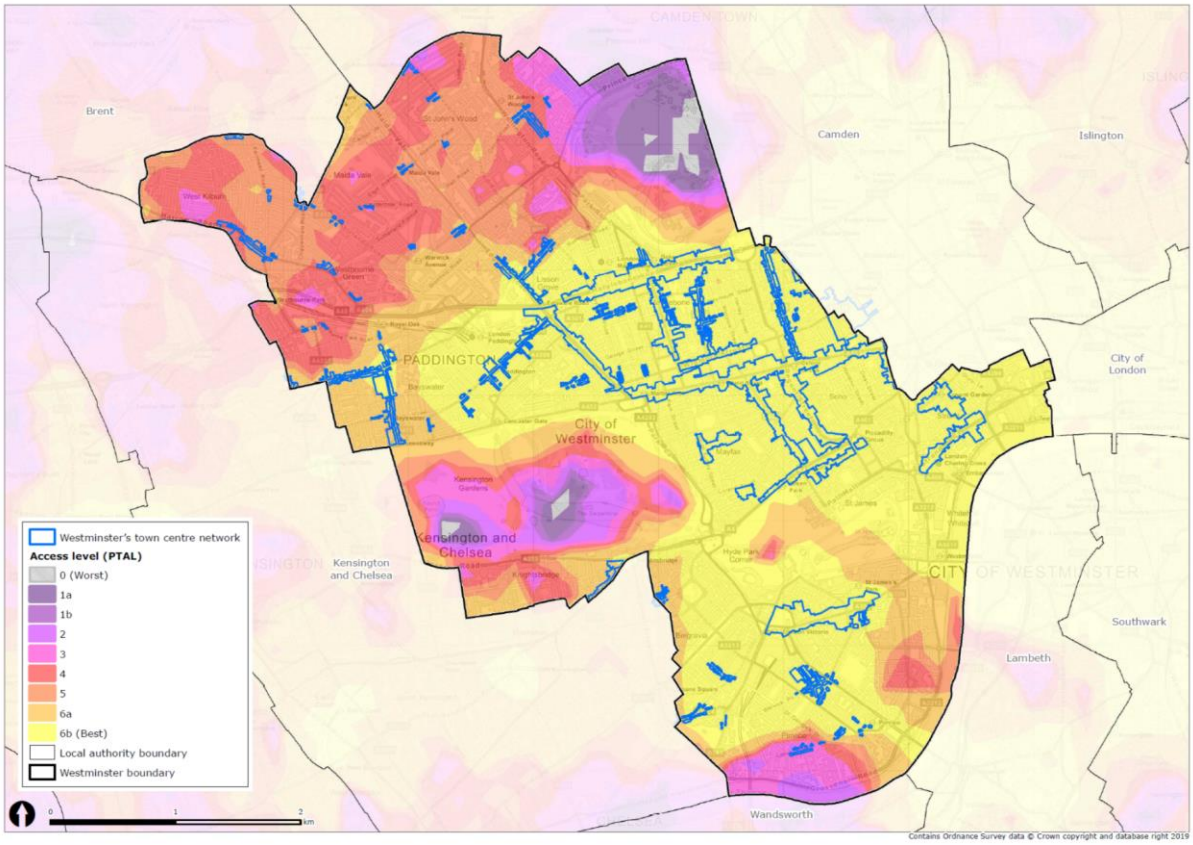
i. Transport and accessibility

Figure 19 - Number of shopping centres in each PTAL rating (2018)



Public Transport Accessibility Level (PTAL) ratings measure how accessible an area is by public transport. The higher the rating, the better connected a place is and a PTAL of 6b indicates excellent (the best possible) access to public services. Westminster's Shopping Centres are all well-connected: there are no shopping centres with a PTAL lower than 3 and 59% of Westminster's shopping centres or primary retail areas have a PTAL of 6b. There appears to be no direct correlation between the level of accessibility of centres and their level of vacancy.

Figure 20 – Location of Westminster's designated shopping centres and PTALs



j. Town Centre Management

The London Town Centre Health Check report 2017 recognises the need for boroughs and other stakeholders to proactively manage Town Centres to take account of new trends in the retail industry and the impacts on centres of different types and sizes.

BIDs are business led partnerships between local authorities and local businesses that deliver projects or services that benefit the local trading environment. They operate through a business levy which allows members to benefit from shared services such as investment in public realm projects and green infrastructure or security measures which can often be under-resourced within local authority budgets. Given their significant potential annual levy incomes, BIDs are increasingly recognised as key drivers for growth and regeneration for town centres[16]. BIDs tend to be very responsive to issues like inadequate public realm or soaring vacancies and are likely to develop management strategies or initiate projects to improve the general appeal and consequently the commercial performance of the locality.

Figures 21 and 22 show that nearly a quarter of Westminster's retail hierarchy falls within areas that are covered by a Business Improvement District (BID), which is more than the average for London. Most of these cover areas in the central and southern portion of Westminster, while there is none in the north of the city.

[16] BIDs mean Business (Improvement Districts), Lichfields' Planning matters, 15 November 2018

Figure 21 - Proportion of centres with a Business Improvement District (BID)(2017)

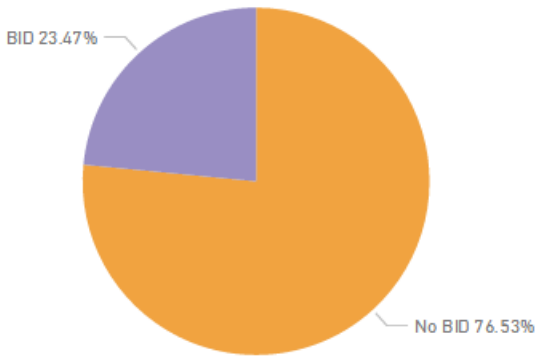
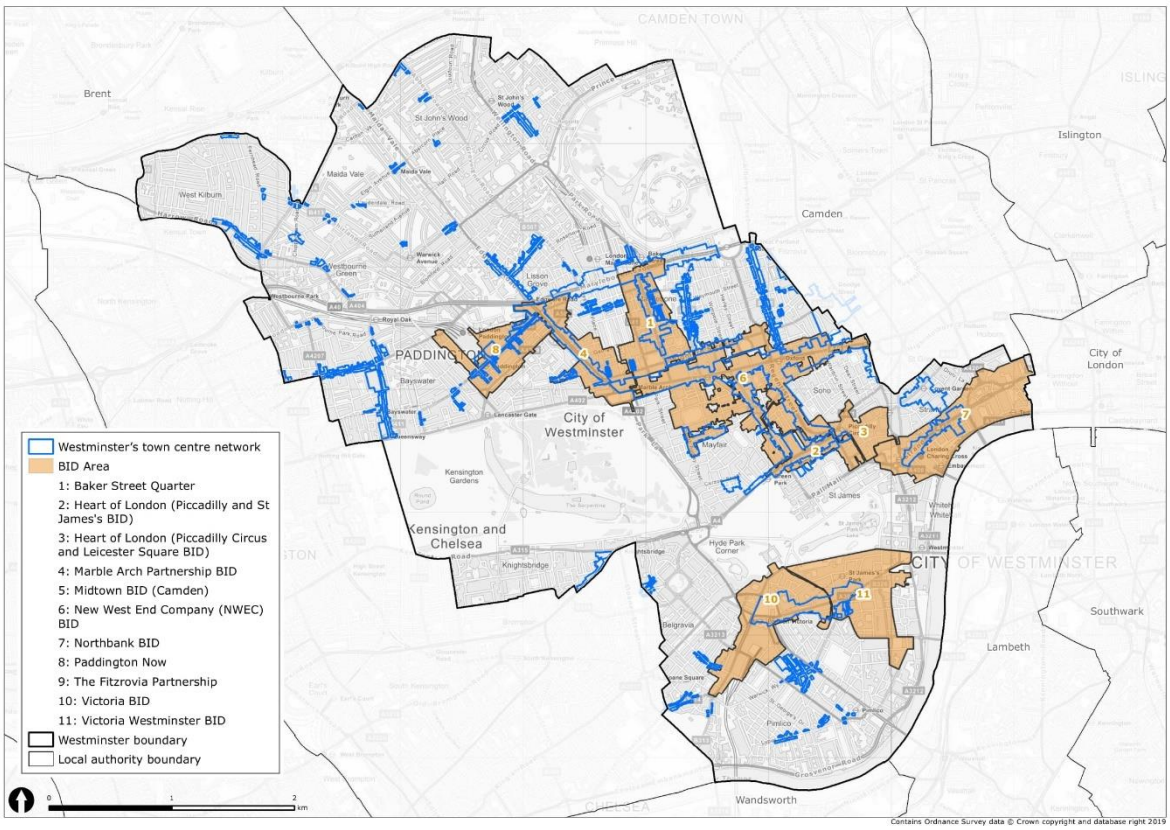


Figure 22 – Location of Westminster's BIDs and designated shopping centres



In addition to BIDs, the council is currently developing Place Plans for Oxford Street, Paddington, Harrow Road and Victoria – a series of place-based strategies developed in partnership with local stakeholders, often including the BIDs, with the aim of guiding the future of an area. These also consider the role of town centres in driving change and delivering vibrant places, and can often lead to masterplans or regeneration programs.

k. Evening and Night-Time Economy

The Evening and Night-Time Economy (ENTE) plays an important role in Westminster and, most importantly, in the WESRPA. The draft New London Plan (2018) identifies

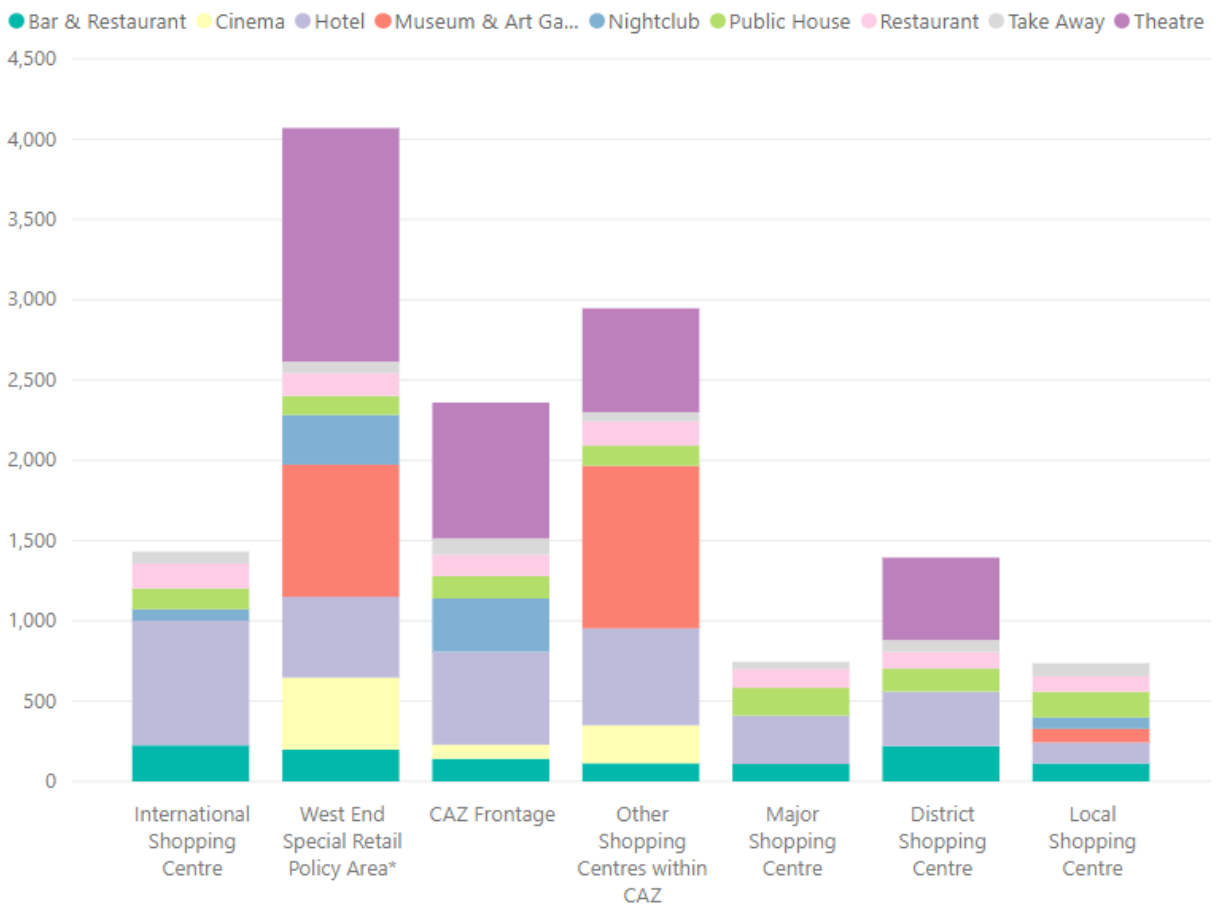
a number of centres within Westminster that have a strategic ENTE function which complement their daytime offer and include most or all of the following uses: culture, leisure, entertainment, food and drink, health services and shopping. These centres are set out below.

Centre	Night-time economy classification[17]
International Shopping Centres	
West End	NT1
Knightsbridge	NT3
CAZ Frontages	
Covent Garden / Strand	NT1
Victoria Street	NT2
Edgware Road (south)	NT3
Marylebone High Street	NT3
Major Shopping Centres	
Queensway / Westbourne Grove	NT2
District Shopping Centres	
Church Street / Edgware Road	NT3
Praed Street / Paddington	NT3
St John's Wood	NT3

i. Evening and night-time land uses

Figure 23 – Average ENTE floorspace by centre type (2017) (sq m)

[17] NT1 – Areas of international or national significance; NT2 – Areas of regional or sub-regional significance; NT3 – Areas with more than local significance.



* Refers to Carnaby Street, Chinatown, Covent Garden (wider area), Shaftesbury Avenue and Soho

The wider WESRPA and parts of the CAZ provide a significant concentration of uses that contribute to Westminster's ENTE. International and District Shopping Centres also play a major role.

The figure above shows that some uses are predominantly located within the WESRPA and in the Other Shopping Centres in the CAZ, including cinemas, museums and theatres.

While on average hotels make up the largest portion of the ENTE in the International Shopping Centres, the WESRPA, CAZ Frontages and Other Shopping Centres within the CAZ also have a substantial hotel presence, while smaller centres contribute to the offer to a more limited degree but still make up a significant proportion of ENTE activity in local centres.

Nightclubs are mostly present in the WESRPA and the CAZ Frontages, but can also be found in some smaller centres. Bars, restaurants and public houses, on the other hand, appear to have a consistent presence throughout the hierarchy, showing how dining and drinking establishments have a key function across centre type.

Although the presence of ENTE uses can help diversify the offer within a centre and sustain its vitality, an overconcentration of such uses can result in conflicts with other uses and can have a detrimental impact on the locality. The council has identified areas where it considers restaurants, cafes, takeaways, public houses, bars and other

entertainment uses have become concentrated to an extent that harm is caused to residential amenity, the interests of other commercial uses, the local environment and to the character and function of the locality. These are termed “stress areas” and have been designated in the adopted 2016 City Plan in the West End, Edgware Road and Queensway.

Figure 24 - The 10 largest shopping centres and primary retail areas by night-time economy floorspace (2017)

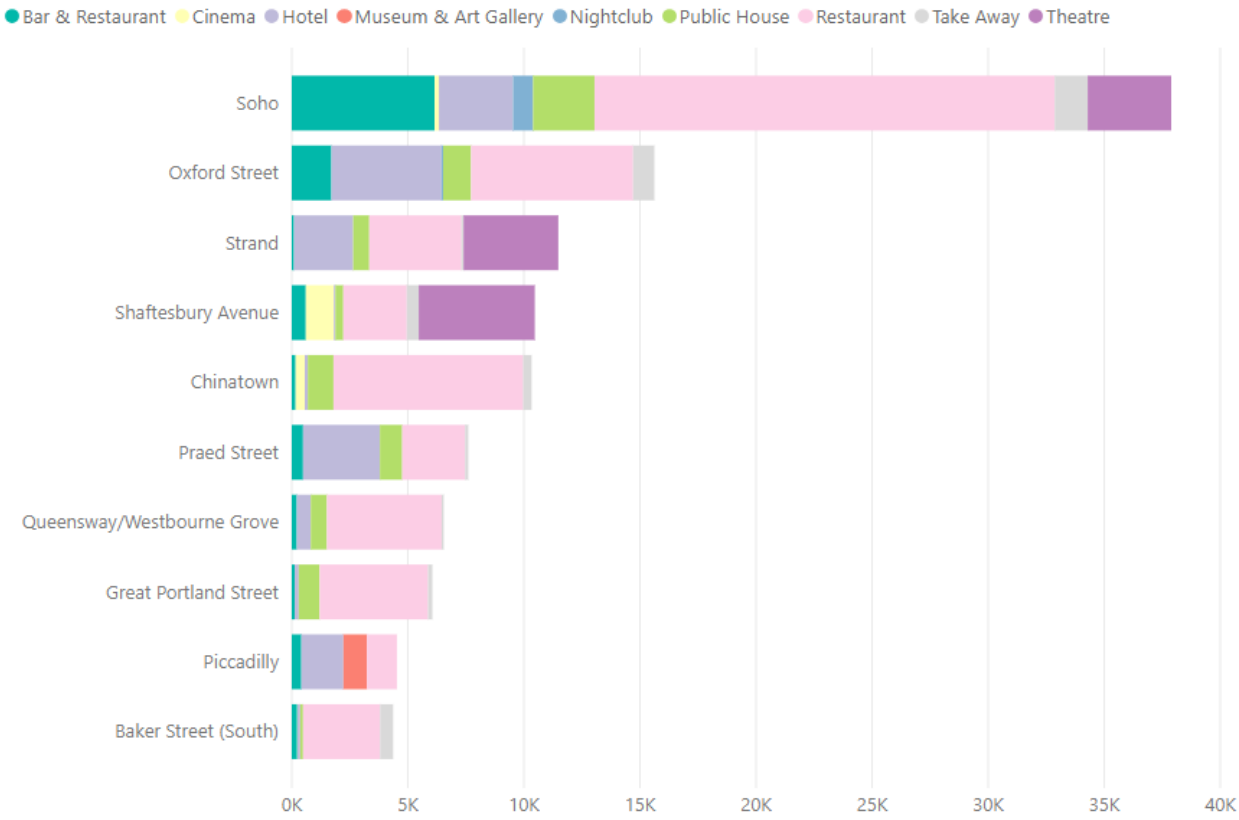
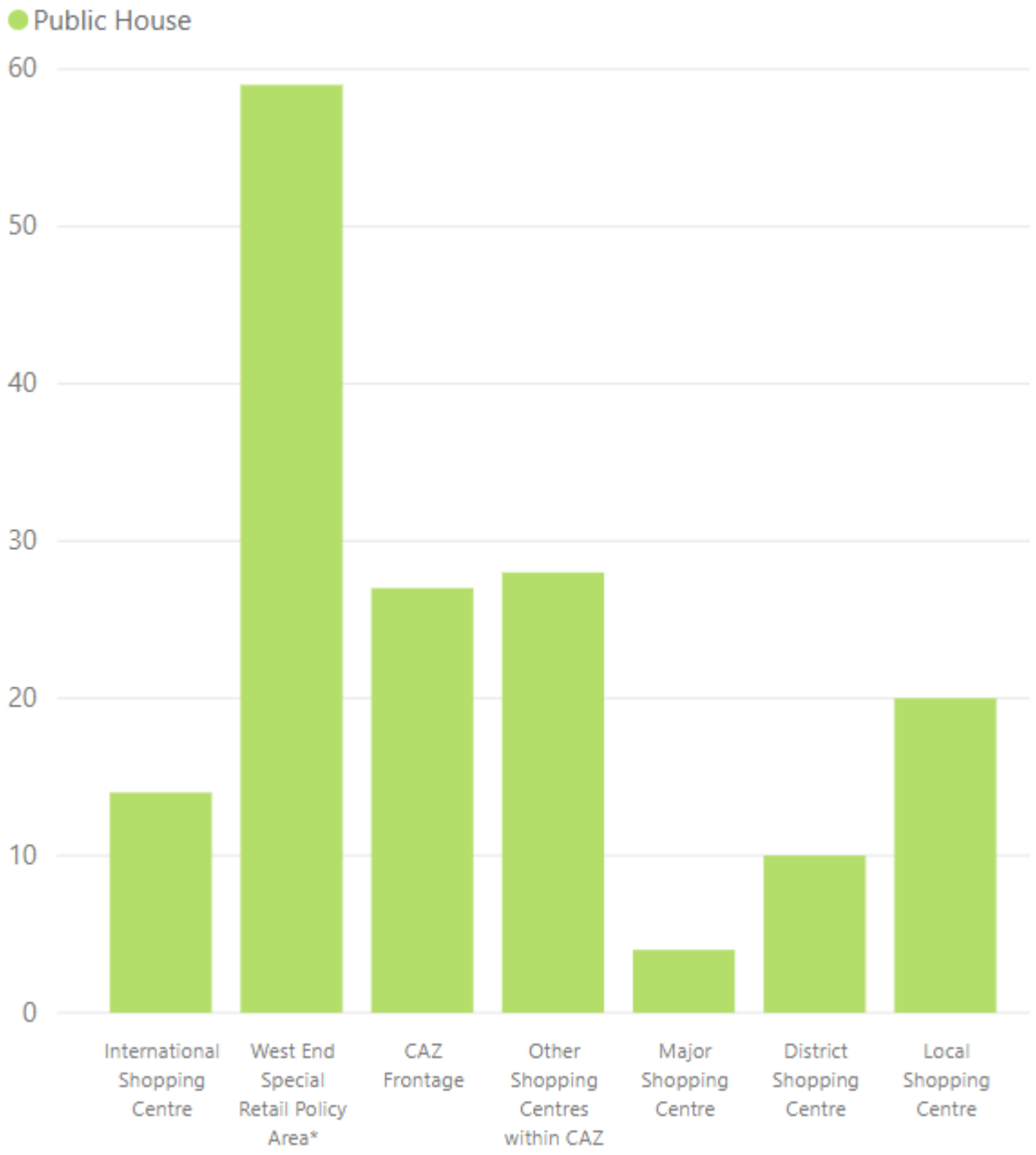


Figure 24 shows that five out of ten centres with the largest amount of ENTE uses fall within the WESRPA and two within the CAZ. However, Queensway/Westbourne Grove, Baker Street (South) and Praed Street also score high and, especially, provide a significant level of restaurants.

ii. Public Houses

Figure 25 – Public Houses by centre type (2017)



* Refers to Carnaby Street, Chinatown, Covent Garden (wider area), Shaftesbury Avenue and Soho

Pubs are captured by the use class A4 Drinking establishments, which comprises a broader range of establishments, including bars.

CAMRA[18] define a public house (pub) as a licensed premises which meet the below criteria:

1. Are open to the public without membership or residency;
2. Serve draught beer or cider without requiring food be consumed;
3. Have at least one indoor area not laid out for meals;
4. Allow drinks to be purchased at a bar (i.e. not only table service).

[18] Campaign for Real Ale (CAMRA) is a consumer campaign promoting good quality real ale, real cider and the traditional British pub.

Pubs have long performed a central social role in the UK as places to meet, eat and drink and as such can positively add to the vibrancy of the city as well as to the social and community infrastructure of different neighbourhoods. Further to that, pubs are also part of British culture and contribute to Westminster's visitor and evening economy.

Figure 25 shows that, as of 2017, a significant proportion of Westminster's pubs were located in the Central Activities Zone, particularly in the WERSPA. Major and District Shopping Centres had, on average, the lowest proportion of pubs while these were significantly present in Local Shopping Centres which highlights their social function at a more granular level of the hierarchy.

In line with trends witnessed across the country, London and Westminster have experienced a loss of pubs in recent years, due to increasing pressure for other land uses and the tax system[19]. Pubs that have closed were located both in and outside of designated shopping centre boundaries, which suggests the loss was not location-specific but rather linked to broader market and real estate dynamics.

Although Westminster experienced a notable net loss of A4 floorspace in the last decade – and specifically a net loss of 75 pubs between 2001 and 2016[20] – the city still retains by far the largest number of pubs (over 450 in 2017) when compared to other London boroughs. This reflects how a number of redevelopments have taken away floorspace from existing A4 premises (e.g. upper floors on top of pubs) while the number of net losses of A4 premises has not followed the exact same trend. In addition, the appeal of Westminster's evening and night-time economy has contributed to sustaining the opening of new premises, particularly across the West End.

In May 2017, changes to the Town and Country Planning (General Permitted Development Order 2015) came into force. These removed permitted development rights which had hitherto allowed the demolition and change of use of pubs to other A-class uses. This has added an additional layer of protection to existing pubs.

[19] Closing time: London's public houses, GLA April 2017
[20] Closing time: London's public houses, GLA April 2017

5. General retail trends

It is well documented in the media how *"over the last five years, changing consumer trends, higher inflation, lower consumer spend and higher costs for retailers have undoubtedly increased the pressure on retail business models"*[21] with market researchers predicting the overall size of the physical retail and leisure market will continue to shrink.
E-commerce sales represent 18% of the UK market – and 25% of all fashion sales – and are predicted to grow at a faster rate (15%) than other Western European countries between 2017 and 2021.

Continued structural transformation in retailing, on the other hand, is creating opportunities to re-purpose prime sites to meet changing lifestyles[22]. The Mayor's London Town Centre Health Check Report 2017 notes that *"retailing has evolved to become multi-channel, with a mix of physical stores, 'click and collect' points, direct delivery to homes and workplaces, and showrooms for digital businesses".* The Mayor's report recognises the challenges and opportunities presented by these trends which include *"adapting to new innovative forms of retailing, accommodating new space where there is identified demand, and managing the transition of surplus retail floorspace to other uses, such as leisure, business, and more intensive forms of mixed-use development that include a residential component, in appropriate locations[23]".* Given the strong need for market operators to diversity their business models to adapt to the evolving nature of retail, there appears to be an increased focus on improving the overall shopping environment to provide a broader leisure experience to visitors and increase dwell time. In recognition of this, the Westminster Town Centre Health Check Report 2018 **recommends the West End Special Retail Policy Area becomes the West End Retail and *Leisure* Special Policy Area**, to reflect the shift in focus from retail to a broader leisure and entertainment offer.

The Mayor's report has also found that "*household expenditure on retail is projected to rise but this demand will be spread unevenly across London's town centres, reflecting trends towards the polarisation of retail space towards the larger and stronger centres in London[24]. Approximately 76 per cent of the gross comparison goods retail floorspace requirement is anticipated to be focused in the International, Metropolitan and Major town centres and CAZ frontages, with 11 per cent in District centres".* This is likely to be a factor contributing to higher vacancy rates in secondary locations.

[21] National Retail Barometer Spring 2018, Colliers International (2018)
[22] Savills Programme and Cost Sentiment Survey, Savills (February 2019)
[23] London Town Centre Health Check 2017, GLA 2017
[24] Experian. Consumer Expenditure and Comparison Goods Retail Floorspace Need in London, GLA, 2017

Larger centres which are not just used by residents, but also domestic and overseas visitors and commuters tend to have a stronger performance. Much of Westminster's retail hierarchy falls within this category, hence projections that it will absorb a significant portion of London's retail growth[25]. GLA forecasts based on a range of scenarios indicate that, over the period 2016 to 2041, there will be a need for between 464,865 sq m and 579,194 sq m (gross) new comparison retail floorspace in Westminster[26], assuming base expenditure levels continue. Small scale growth in convenience shopping is also expected. Despite the growing use of online shopping and increased space efficiency within stores, demand for growth will be driven by increased spending from a growing resident population and from domestic and overseas visitors. The increased trend in retail towards larger, more successful centres reinforces the need **to continue to plan for retail growth in Westminster through the intensification of existing centres and high streets.**

The Mayor of London, Local Authorities and the development industry are increasingly recognising the untapped potential[27] of empty or underused spaces. Meanwhile uses can make a major contribution to the economic and social environment of a locality, help change the perception of a place, create local value and support the development process. They can provide space for uses often squeezed out of high-value areas, including artist studios and affordable retail space thereby enabling low cost and low risk opportunities for small enterprises, businesses or community groups[28]. Meanwhile uses can also bring vacant land and properties back into use and help contribute to the vibrancy of a locality[29].

[25] Between 375,468 sqm and 467,811 sqm of (net) comparison retail floorspace across Westminster 2015-2041
[26] Experian. Consumer Expenditure and Comparison Goods Retail Floorspace Need in London, GLA, 2017
[27] A study by Centre for London has found that at least 20,000 commercial units in London have been empty for at least six months, and 11,000 for over two years. (Meanwhile in London: Making use of London's empty spaces, October 2018)
[28] Meanwhile, in London: Making use of London's empty spaces, Centre for London, October 2018 https://www.centreforlondon.org/project/meanwhile-use-london/
[29] Croydon Meanwhile Use Toolkit

6. Key findings

Westminster's shopping centres and primary shopping areas provides a focus for retail, leisure and other commercial uses that serve a variety of people and businesses. Overall, the Town Centre Health Checks Report 2018-19 shows that the city's centres are performing well despite the structural changes and challenges faced by the retail industry, and that the hierarchy reflects the wide range of shopping centres and their different roles and specific spatial and land use characteristics.

Land use data survey has found that the overall average level of vacancy in Westminster's centres in 2017 is 9%. This is at the upper end of the scale of optimum 'frictional vacancy rates' (typically between 5% and 10%) which allow for the efficient operation of the market (i.e. through turnover) and is below the overall UK retail and leisure vacancy rate of 12%[30]. Nonetheless, a number of shopping centres and areas have been identified as having higher than average vacancy levels. Whenever a centres vacancy level exceeded 12%, further investigation found that this was largely related to large ongoing redevelopment projects, and was therefore considered not indicative of underperformance.

Centres with higher-than-average level of vacancy include Great Titchfield Street, New Cavendish Street and New Quebec Street. All are small "Other shopping centres in the CAZ" that comprise between 19 and 26 units at ground floor level with vacancy rates ranging from 14% to 21% according to the 2017 land use survey. Although the study did not comprise a business and customer survey, some common elements that may be influencing these above-average figures are as follows:

- Small centres with limited offer, comprising a comparison-led retail offer combined with shops or cafes/restaurants, most of which appear to be independent businesses;
- Centres are mainly used by local residents and workers;
- Catchment areas are limited by proximity to larger designated centres (e.g. Oxford Street, Regent Street, Edgware Road) or to "Other Centres in the CAZ" such as Charlotte Street/Fitzrovia;
- Lower levels of accessibility compared to nearby designated centres, no tube station within the centre boundary;
- A number of units undergoing refurbishment.

The 2018 site survey found a portion of the vacancies identified by the 2017 land use survey to have now been occupied, which is likely to bring vacancy figure broadly in line with the average for Westminster's Other Shopping Centres within the CAZ. The overall quality of the retail environment was also considered high; indicating there are no major concerns with the ongoing health of these centres.

Vacancies in Westminster's Local Shopping Centres are largely in line with Westminster's average vacancy rates however the quality of the retail and town centre

[30] UK Retail Market Snapshot Q4 2018, Cushman and Wakefield 2018

offer in these location is sometimes low due to their generally more isolated location and lower footfall, especially in the north west of the city where a large number of Local Centres exists. There also appears to be a general trend in the sector with occupiers focussing on prime, high-footfall locations rather than on smaller, more isolated retail clusters with vacancy rates in secondary locations significantly higher than those of prime locations[31].

The London Town Centre Health Checks 2017[32] also confirms that London's town centre demand and related growth are polarising, with larger centres growing at a greater pace than smaller centres. Larger centres tend to have a stronger performance as they are not just used by residents, but also domestic and overseas visitors and commuters. Much of Westminster's retail hierarchy falls within this category, hence projections that it will absorb a significant portion of London's retail growth[33].

Analysis of the 2017 land use data show how the proportion of convenience floorspace has marginally decreased in a significant number of centres, which reflects the polarisation of the retail offer with operators focusing on larger centres. Conversely, food and drink uses such as restaurants, cafés and drinking establishments have increasingly taken a larger share of floorspace in designated centres in recent years. Only some of these uses fall under the A1 use class, whilst many of these are considered A3 and A4 uses with many actually falling under a mixed-class regime (e.g. A3 predominant use with ancillary A1). These changes call for more flexibility in how we manage town centres and shopping areas, particularly to allow a healthy mix of uses to support and enhance the function of these areas while maintaining a balance with A1 uses.

These dynamics also highlight the need to actively manage and protect the convenience function of Local Shopping Centres so that they suitably meet the needs of local residents and workers. This is particularly relevant in wards that have the greatest population density: Harrow Road, Queens Park, Tachbrook, Westbourne, Churchill, Little Venice. The London Plan identifies London's town centres as key locations for commercial and residential intensification as this can help sustain their performance and enhance their function while meeting sustainable development objectives. This is an **approach that could be considered when managing development in areas of Westminster that are currently served by local centres.**

[31] National Retail Barometer Spring 2018, Colliers International 2018

[32] London Town Centre Health Checks 2017, GLA 2017

[33] Between 375,468 sqm and 467,811 sqm of (net) comparison retail floorspace across Westminster 2015-2041

7. Conclusions and policy recommendations

Following the cumulative and individual analysis of Westminster's shopping centres and primary shopping areas, a series of policy recommendations for Westminster's City Plan 2019-2040 are listed below.

a. General policy and strategy recommendations

1. **Maintain the current overall approach to classifying Westminster's town centre designations.** Westminster's retail hierarchy well reflects the different roles played by the centres and remains a useful planning tool to support and manage commercial, leisure and community uses.

2. **Remove reference to 'shopping' in the hierarchy and the wider policy terminology** in order to support the wider commercial and social function of the centres and to align with the Mayor of London and other Westminster's designations. Refer to centres as "Town Centres" rather than "Shopping Centres".

   Following the above recommendations, it is recommended that the different types of centres are renamed as follows:

Current classification	Recommended classification
International Shopping Centre	International Centre
CAZ Frontage	CAZ Retail Cluster
Major Shopping Centre	Major Centre
District Shopping Centre	District Centre
Local Shopping Centre	Local Centre

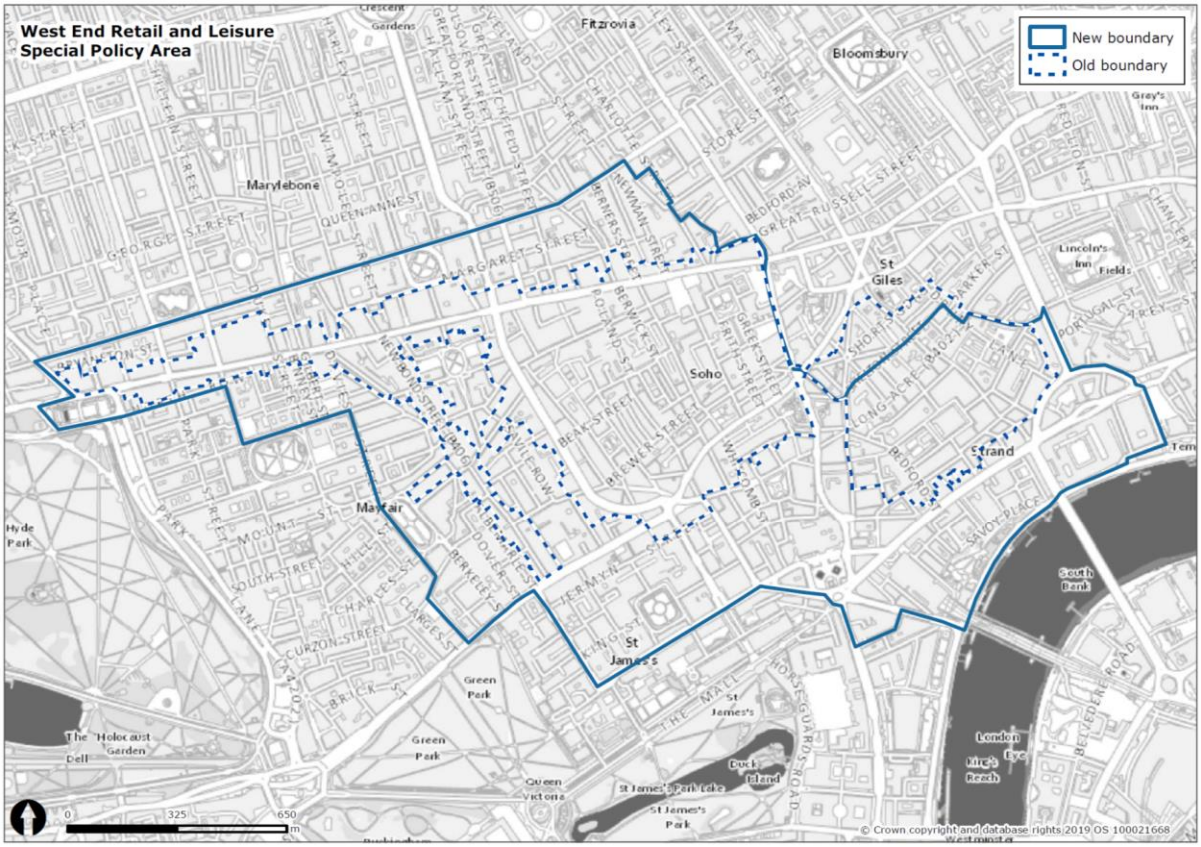
   New policies should refer to the hierarchy as "Town centre hierarchy" rather than as "Retail hierarchy".

3. **Rename the West End Special Retail Policy Area (WESRPA) as West End Retail and Leisure Special Policy Area (WERLSPA) and extend its boundary.** To better capture the continued commercialisation and diversity of the West End, a wider area has been identified by this study. An opportunity also exists to remove the existing Core CAZ designation due to the similar policy approach in this area and the proposed WERLSPA.

Current classification	Recommended classification
West End Special Retail Policy Area	West End Retail and Leisure Special Policy Area

   The boundary of the wider WERLSPA area (which is referenced in the emerging London Plan) is shown in Figure 26.

Figure 26 – WESRPA and recommended WERLSPA boundaries



4. **Rename the 'CAZ Frontages' as 'CAZ Retail Clusters'** to align with the draft New London Plan terminology.

5. **Review the current classification for all the Other Shopping Centres within the CAZ** so that centres are re-classified either as CAZ Retail Clusters or Local Centres as detailed in the table below. Evidence supporting the recommended reclassification to CAZ Retail Clusters is provided in Appendix 4.

	Current City Plan (2016) designation	**Recommended designation**
Piccadilly	Other Shopping Centre within the CAZ	CAZ Retail Cluster
Charlotte Street/Fitzrovia	Other Shopping Centre within the CAZ	CAZ Retail Cluster
Wigmore Street	Other Shopping Centre within the CAZ	CAZ Retail Cluster
Sheperd Market	Other Shopping Centre within the CAZ	Local Centre
South Audley/Mount Street	Other Shopping Centre within the CAZ	CAZ Retail Cluster
Jermyn Street	Other Shopping Centre within the CAZ	CAZ Retail Cluster

Chiltern Street	Other Shopping Centre within the CAZ	CAZ Retail Cluster
Cleveland Street	Other Shopping Centre within the CAZ	Local Centre
Crawford Street/Seymour Place/York Street	Other Shopping Centre within the CAZ	Local Centre
Great Titchfield Street	Other Shopping Centre within the CAZ	Local Centre
New Cavendish Street	Other Shopping Centre within the CAZ	Local Centre
New Quebec Street	Other Shopping Centre within the CAZ	Local Centre
Seymour Place	Other Shopping Centre within the CAZ	Local Centre
Lupus Street	Other Shopping Centre within the CAZ	Local Centre
Moreton Street	Other Shopping Centre within the CAZ	Local Centre
Pimlico	Other Shopping Centre within the CAZ	Local Centre
Strutton Ground	Other Shopping Centre within the CAZ	Local Centre

6. **Policies should continue to promote a town centre first approach** in line with the NPPF and recognise the role that town centres can play when supporting continued economic development and healthy communities. Policies should provide guidance for new development within designated shopping centres and primary shopping areas in order to promote their uniqueness, make the most effective use of land and support businesses and local communities.

7. **Allow more flexibility for changes from A1 to other town centre uses.** In recognition to the changing nature of retail and consequently the evolving role of town centres, and in recognition of some centres being at the upper end of the vacancy rate, while aiming to protect essential A1 retail uses policy should allow some flexibility to change to other town centre uses that can positively contribute to the centre's offer and vitality. Not doing so risks increased levels of vacant premises, and/or an overconcentration of uses such as hairdressers, beauty salons (as change of use from a shop to any of these will not need planning permission), or lower quality shops which do not contribute to the vitality of the high street. Policies should aim to support the evolution of Westminster's town centres and high streets as multifunctional places to work and spend leisure time, as well as shop. A greater mix of complementary town centre uses will enable these areas to offer something different to online shopping, and ensure they are key places for the communities and which people want to visit and spend time. This in turn will support economic growth by helping sustain existing businesses, increasing consumer spend, and create new jobs. In line with this approach, it is recommended to move away from the

distinction between primary and secondary frontages with rigid percentage targets.

8. **A1 Convenience floorspace should be protected and its loss prevented.** Westminster's centres are mainly comparison led and although there remains a good convenience offer across Westminster's centres, convenience floorspace has marginally decreased in a significant number of centres. With much of the city being at the core of London's visitor economy, which includes its premier and specialist retail offer, it is likely that most demand for new retail floorspace in the city will be comparison-led, which is a trend that is unfolding across the whole of London[34]. Convenience floorspace serves local residents as well as workers and visitors. Availability of convenience type shops in the centres can help reduce the need to travel, as increased local access can encourage more localised trips on foot or by bike which can help reduce pollution from other transport modes and contribute to increased wellbeing. It is however recognised how it may be difficult to always protect A1 convenience uses as they can be converted to A1 comparison without the need for planning permission.

9. **Monitor the effect of permitted development rights on Westminster's retail hierarchy.**
   Many town centre uses benefit from permitted development rights under national planning legislation. Recent changes to permitted development rights allow town centre uses (A1, A2, A3, A5, B1, D1 and D2) below a certain size to change to a temporary "flexible" use (i.e. A1, A2, A3 or B1) for a period of up to three years. Further changes now allow A1, A2 and A5 to change permanently to B1, and A5 to C3 uses. It is recommended that a balance of uses and emerging clusters across the centres is kept under review through updates to Town Centre Health Checks and through the Authority Monitoring Report. The council should also use its powers to make Article 4 Directions to require the submission of planning application as appropriate.

10. **Department stores should be supported by allowing them to diversify their offer.** Westminster is home to a significant number of department stores which are iconic retail destinations that also provide employment opportunities. Department stores are hit particularly hard by the structural changes in the sector due to their scale of operation. In order to maintain their function, it is important to support their diversification to allow them to survive. This could mean allowing a range of ancillary uses within the store's boundary, particularly with regards to the leisure and entertainment offer.

11. **Policies should support the role of B1 office in supporting town centres.** Office uses can positively contribute to footfall and to centre viability. Think-tank Centre For Cities has found that stronger city centres were the ones dominated by offices, particularly businesses selling goods and services elsewhere which choose locations with a good supply of skilled labour and the type of public amenities that attract them. These employees tend to be better paid and,

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

consequently, spend more money in their local town centres. On the other hand, weaker city centres have more retail space that they could sustain, which also makes them more vulnerable to closures[35].

12. **Policy should support new hotels across the town centre hierarchy where this does not compromise their retail and employment functions.** Hotels play an essential role in Westminster's economy and can make a positive contribution to the vitality and viability of Westminster's town centres. New hotels should be directed to the CAZ and areas at the higher level of Westminster's town centre hierarchy and with a high level of public transport accessibility. It is recognised that at times hotel uses can cause amenity issues or have a negative impact on the commercial and residential provision, particularly in local centres. In smaller centres, when hotels occupy residential buildings, policies should allow the change of use to their original use.

13. **Policy should recognise the role of residential intensification in supporting smaller town centres**. Additional and higher density housing can contribute to vitality and viability, particularly in smaller centres with low footfall and a local function. Care should be taken to avoid compromising the operational requirements of existing businesses; in particular, the impact of proposed large-scale developments on the mix of uses within centres should be assessed.

14. **Policy should encourage meanwhile uses where appropriate.** Temporary or 'meanwhile' uses can have a positive impact on town centres at a time when high streets are changing and the retail sector is undergoing restructuring, as they allow operators to test new business formats and provide smaller businesses with an opportunity to enter the market. They help avoid long-term vacancies and can add to the vibrancy of an area by attracting new footfall.

15. **Street markets should be enhanced and promoted.** Street markets provide local residents with fresh food, complement the A1 offer, add to the centre's vibrancy and contribute towards the creation of a local economy and identity. Market can help reduce isolation and improve wellbeing by enabling social interaction. Opportunities for new markets in town centres should be explored, where these can complement the existing offer and contribute to the vitality of the centre.

16. **Local pubs should be protected.** Pubs can contribute to the vibrancy of town centres thanks to their social function as places for communities to gather and contribute to the ENTE, however health impacts of a 'drinking culture' are recognised and it is recommended that the entertainment offer in town centres is diversified so that it is increasingly less alcohol-orientated.

17. **Leisure uses in town centres should be supported**, provided a balanced mix of uses is achieved and residential amenity protected. They contribute to London's evening economy and help ensure that town centres remain lively beyond shopping hours.

[35] City centres: past, present and future, Centre for Cities 2019

18. **Policies should prevent concentrations of hot food takeaways.** Hot food takeaways provide active frontages and contribute to the diverse offer of our town centres, however the concentration of such uses in one locality can have negative impacts on health, particularly on the younger population.

19. **The impacts that premises and outdoor areas that are used for shisha smoking have should be managed.** The Town Centre Health Checks 2018-19 have identified clusters of this type of premises that can have a negative impact on residential premises.

20. **The impacts that gambling uses can have on the vitality and viability of town centres should be managed.** A significant number of gambling offices and clusters have been identified throughout Westminster and it is considered that if not managed these can create non-active frontages and encourage anti-social behaviour.

21. **Policies should promote uniqueness in the town centre offer.** Enhanced diversity across the hierarchy and unique local character can help the vitality of Westminster's centres at a time of sector restructuring and increased competition, which many smaller centres suffer from larger and stronger centres in the hierarchy.

22. **Policies should promote enhanced pedestrian and cycle accessibility, and an inclusive and high quality public realm throughout the town centre hierarchy.** Improvements to public realm quality as well as walkability and cyclability contribute to enhancing the centre's attractiveness and encourage people to stay in the area for longer, which supports the economic function of the centre.

23. **Collaboration with local stakeholders and neighbouring authorities should be encouraged.** Westminster has a number of good examples that show that collaboration between the council and local organisations can help improve the vibrancy of an area. Policies should support and encourage the role that BIDs, Town Centre Managers and Neighbourhood Forums can play in supporting Westminster's town centres. The council should produce strategies, policies or guidance when assessed necessary. When a centre falls within two boroughs, collaboration between the council and other local authorities should also be encouraged.

b. Detailed analysis and recommendations for individual centres or areas

i. Performance analysis, key issues and recommendations

These are set out in each individual town centre health check report, which can be found in Appendix 2.

ii. Recommended changes to designation boundaries

The report contains a series of recommended changes to centre boundaries. These comprise:

- Overall boundary reviews to fix boundaries of units that are currently inaccurately drawn, and
- The addition or removal of units from the existing designation following this analysis.

Recommended boundary changes are set out in Appendix 3.

iii. Other formal changes to the town centre network

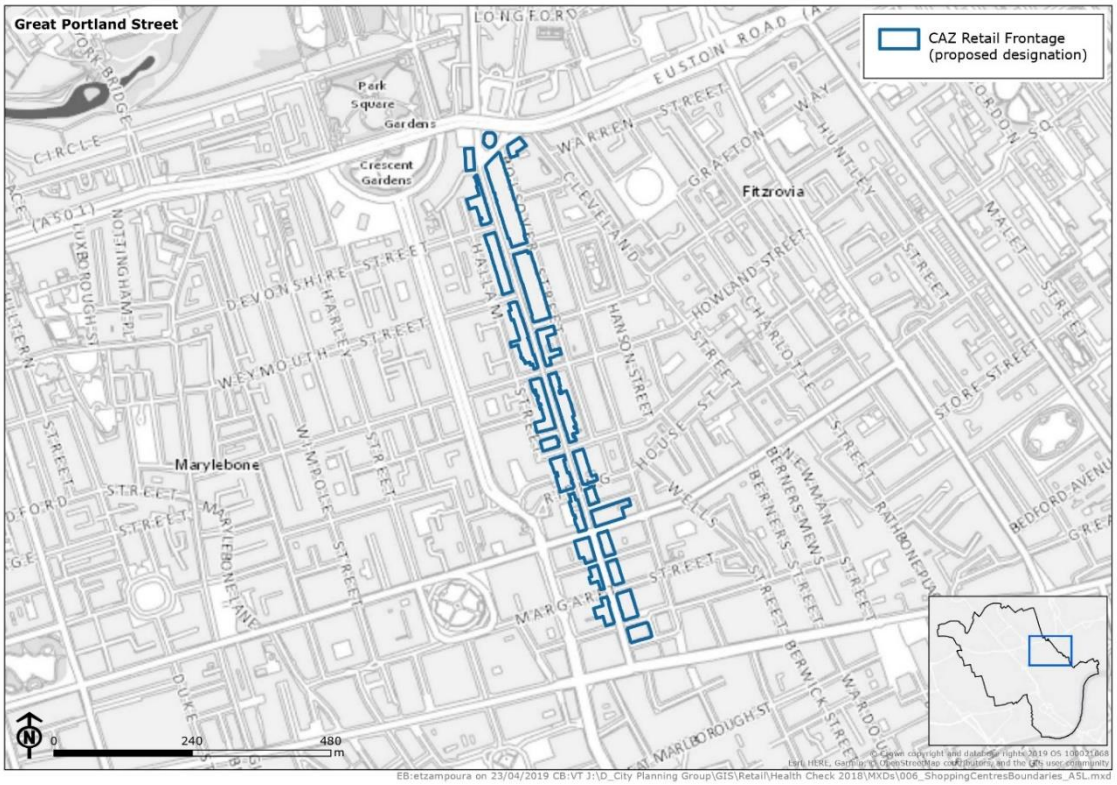
If the recommended boundary changes are taken on board, a number of centres will need to be renamed to recognise the spatial changes:

- Strutton Ground/Artillery Row should be renamed Strutton Ground;
- Chiltern Street/George Street/Blandford Street should be renamed Chiltern Street.

iv. Designation of new town centres

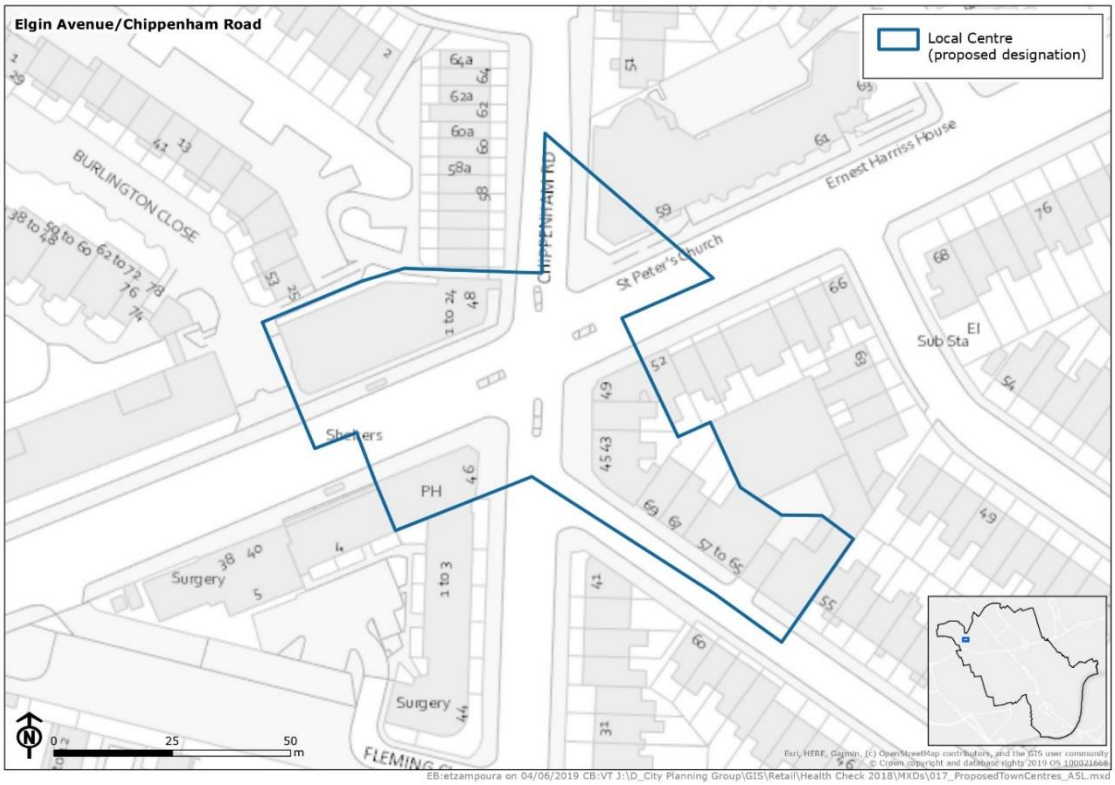
1. Great Portland Street

The current City Plan (2016) identifies Great Portland Street as a Named Street but not as a designated Shopping Centre. However, Great Portland Street plays a major role in the north-east part of the city. This historic street connects the residential areas of the north of the city with the creative cluster of Fitzrovia, the institutional area of Portland Place and the wider West End. The data analysis and site survey have confirmed that the street has a size and mix of uses consistent with other CAZ Retail Clusters, mostly comprising retail use while also hosting a significant office stock. The level of vacancy for this centre is in line with the average for CAZ Retail Clusters. It is recommended that this area is designated as a CAZ Retail Cluster to recognise its role and contribution to the function of the CAZ.



2. *Elgin Avenue/Chippenham Road*

The crossing where Elgin Avenue meets Chippenham Road is a small non-designated cluster of retail and town centre uses which mostly cater for the local resident population. The area's function and scale are comparable to those of the other Westminster's Local Centres. Despite there already being a number of other small Local Centres in the North West of the city, the area is not optimally served in terms of convenience retail and has a relatively low PTAL score which makes it more difficult for local people, particularly the elderly and those with mobility issues, to access basic everyday convenience. It is therefore considered important to protect the convenience function of this cluster and it is therefore recommended it is designated as a Local Centre.



c. Future research recommendations

- Subject resource availability, it is recommended that future Town Centre Health Checks:
  1. are carried out regularly to monitor the performance of Westminster's town centre network;
  2. explore the possibility of including more information about whether occupiers are independents or multiple businesses, and of rental levels in different centres;
  3. incorporate data on footfall analysis where it is made readily available from partner organisations such as BIDs;
  4. consider the use of customer and occupier surveys in struggling centres to provide further intelligence on their role and challenges;
  5. take a partnership approach with neighbouring authorities to analysing centres that straddle administrative boundaries – to provide a more comprehensive picture of such centres' overall health.

8. Information resources

National

Revised National Planning Policy Framework (NPPF) (MHCLG, July 2018)
https://www.gov.uk/government/collections/revised-national-planning-policy-framework

Planning Practice Guidance (PPG) (March 2014)
http://planningguidance.planningportal.gov.uk/

National Retail Planning Forum – Retail definitions
http://www.nrpf.org.uk/PDF/Definitions.pdf

Regional

The Mayor's draft New London Plan (GLA, August 2018)
https://www.london.gov.uk/what-we-do/planning/london-plan/new-london-plan/draft-new-london-plan/

The Mayor's London Plan (GLA, 2016)
https://www.london.gov.uk/what-we-do/planning/london-plan/current-london-plan

The Mayor's London Town Centre Health Check Analysis Report (GLA, 2017)
https://data.london.gov.uk/dataset/london-town-centre-health-check-analysis-report

Closing time: London's public houses, GLA April 2017
https://www.london.gov.uk/sites/default/files/closing-time-pubs-final.pdf

Consumer expenditure and comparison goods floorspace need in London (GLA, 2017)
https://www.london.gov.uk/sites/default/files/consumer_expenditure_and_comparison_goods_floorspace_-_experian_2017.pdf

Local

Westminster's City Plan (adopted November 2016)
https://www.westminster.gov.uk/westminsters-city-plan-strategic-policies

Westminster's Unitary Development Plan (UDP, adopted January 2007)
https://www.westminster.gov.uk/unitary-development-plan-udp

Westminster Health Check Reports
https://www.westminster.gov.uk/economic-growth-and-development

Other

City centres: past, present and future (Centre for Cities, 2019)
https://www.centreforcities.org/wp-content/uploads/2019/02/2019-02-13-City-centres-past-present-and-future.pdf

Croydon Meanwhile Use Toolkit (London Borough of Croydon, 2014)

GOAD land use data 2017 (Experian, 2017)

Meanwhile, in London: Making use of London's empty spaces (Centre for London, 2018)
https://www.centreforlondon.org/project/meanwhile-use-london/

National Retail Barometer Spring 2018 (Colliers International, 2018)

Savills Programme and Cost Sentiment Survey, Savills (February 2019)

UK Retail Market Snapshot Q4 2018 (Cushman and Wakefield, 2018)

9. Glossary

Active frontage	A ground floor frontage which generates passing trade and provides a 'shop-type' window display with interest at street level.
CAZ Frontage or CAZ Retail Cluster	Clusters of retail activity within the CAZ that have been designated through the London Plan or the City Plan. The London Plan defines them as "significant mixed-use clusters located within the Central Activities Zone, with a predominant retail function and, in terms of scale, broadly comparable to Major or District centres".
Central Activities Zone (CAZ)	A diverse area covering Central London and extending across 10 London boroughs, as designated by an indicative boundary in the London Plan. It is the area where planning policy recognises the importance of strategic finance, specialist retail, tourist and cultural uses and activities, as well as residential and more local functions.
Commercial use/ development / floorspace	Comprises all A uses, all B uses, C1 Hotels, private C3 hospitals, private D1 Non-residential institutions such as medical care and schools, private D2 Assembly and leisure such as private gyms and clubs, and commercial sui generis uses in accordance with the Town and Country Planning (Use Classes) Order and its subsequent amendments.
Comparison goods	Predominantly durable goods and services where customers may wish to compare prices/quality/type of product sold, with other similar products sold in other shops. Comparison goods retail use falls within A1 Retail in accordance with the Town and Country Planning (Use Classes) Order and its subsequent amendments.
Convenience goods	Basic goods or services which people may need on a weekly, if not daily, basis. Convenience goods retail uses include grocers and newsagents, and fall within A1 Retail in accordance with the Town and Country Planning (Use Classes) Order and its subsequent amendments.
District Shopping Centre	Service centre, usually with up to one hundred commercial premises of various kinds, with a predominantly retail function.
Evening economy	Economic activity where main business hours are between 6pm and midnight (e.g. restaurants, theatres, public houses).
International Shopping Centre	Town centre at the top of London's town centre hierarchy of international reputation and attracting global visitors.
Local Shopping Centre	Small centre, usually containing convenience goods shops, local service uses, restaurants, cafés and pubs, mainly providing facilities for people living or working nearby.
Major Shopping Centre	Predominantly retail centre providing a range of services to a wide catchment area.
Meanwhile use	Short-term use of temporarily empty buildings such as shops until they can be brought back into commercial use.
Neighbourhood forum	A community group of residents or businesses that has been established to prepare a neighbourhood plan for their area.
Night-time economy	Economic activity that occurs between midnight and 7am, e.g. late night bars, casinos, night-clubs.
Non-A1 retail uses	Comprises A2 Financial or professional services, A3 Restaurants and cafés, A4 Drinking establishments (not nightclubs), A5 Hot food takeaways in accordance with the Town and Country Planning (Use Classes) Order and its subsequent amendments.

Opportunity Areas	Areas defined in the London Plan with good public transport accessibility that provide London's principal opportunities for accommodating large-scale development. The Areas will provide substantial numbers of new employment and housing opportunities.
Retail floorspace	Includes all A-Class uses in accordance with the Town and Country Planning (Use Classes) Order and its subsequent amendments: A1 Use Class (A1 retail use) and Non-A1 retail uses (see definition).
Retail frontage	A street level frontage characterised by a predominance of shop-type premises.

CITY PLAN 2019 – 2040

City of Westminster