

**EAST LINDSEY DISTRICT COUNCIL
RETAIL & LEISURE STUDY
Volume 1**

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CONTENTS

PAGE NO

1.	INTRODUCTION	1
2.	PLANNING POLICY FRAMEWORK	3
3.	RETAIL AND LEISURE TRENDS	12
4.	OVERVIEW OF EXISTING SHOPPING PATTERNS IN EAST LINDSEY	19
5.	ASSESSMENT OF THE HEALTH AND VITALITY OF SKEGNESS AND MABLETHORPE	22
6.	QUANTITATIVE NEED ASSESSMENT	32
7.	NEED FOR FURTHER LEISURE FLOORSPACE IN SKEGNESS AND MABLETHORPE	46
8.	POTENTIAL POLICY OPTIONS	50
9.	CONCLUSIONS AND RECOMMENDATIONS	54

VOLUME 2 – bound separately

APPENDICES

A	Lincolnshire Tourism Model 2003
B	Household survey questionnaire
C	National multiple retailers – Boston, Grimsby, Lincoln, Skegness
D	Business survey results – Skegness
E	Retailer requirements – Skegness
F	Business survey results – Mablethorpe
G	MapInfo brief 07/02
H	Expenditure flows

PLANS

1	Study Area
2	National multiple retailer Representation in Skegness town centre
3	Skegness – potential development sites
4	Skegness – recommended town centre frontages

1. Introduction

- 1.1 Chase & Partners were instructed by East Lindsey District Council in April 2007 to prepare a comprehensive retail and leisure study for both Skegness and Mablethorpe and the surrounding area. This study, together with a previous assessment for Louth, will form part of the evidential base for the Council's emerging Local Development Framework (LDF).
- 1.2 The Study will be used to assist the Council in devising policies for new retail and leisure development in the emerging LDF, and to provide background information to assist the determination of planning applications for such development in the future.
- 1.3 The original brief required Chase & Partners to:
- Critically assess the current health, role and position of Skegness and Mablethorpe in the sub regional retail hierarchy;
 - Provide an overview of changing retail patterns, new technologies and retail formats and their implications for East Lindsey;
 - Establish the extent, and provide analysis of, the retail and leisure catchments of Skegness and Mablethorpe;
 - Undertake a quantitative assessment of the need for, and impact of, further retail and leisure floorspace in the two centres, and, having regard to a qualitative assessment of the centres, identify any gaps in existing provision;
 - Advise on the likely demand for additional retail floorspace and how this might best be secured for the benefit of the town centres;
 - Evaluate sites with potential for development for new retail, leisure and entertainment uses and how these might be brought forward; and
 - Provide specific policy advice including identification of primary and secondary frontages of the town centres.

1.4 In addition to this introduction the Study is divided into eight further sections:

- **Section 2** outlines the national, strategic and existing local planning policy framework within which the Study has been prepared;
- **Section 3** provides an overview of current retail and leisure trends – including a brief review of the implications of the 2005 Gambling Act the and the decision of the Casino Advisory Panel to award a ‘small’ casino licence to East Lindsey;
- **Section 4** then provides an overview of current shopping patterns based on a Household Survey undertaken on behalf of Chase & Partners by Research & Marketing in June 2007. It pays particular regard to existing shopping behaviour for both convenience and comparison goods, and the relationship between Skegness and Mablethorpe and other nearby retail centres – including Louth, Lincoln, Boston and Grimsby – particularly for comparison goods shopping. The section also considers existing patterns for leisure and the importance of tourism to the retail and leisure economy of Skegness and Mablethorpe;
- **Section 5** then presents the results of the ‘health checks’ undertaken by Chase & Partners of Skegness and Mablethorpe town centres as well as other retail facilities currently trading in the area;
- The results of our quantitative need assessment are then set out in **Section 6**; this outlines the potential floorspace requirements for the two centres for the period to 2016 and beyond;
- **Section 7** then critically appraises those sites in, and immediately adjacent to, Skegness and Mablethorpe town centres that Chase & Partners have identified that may either be currently available, or could be made available, to accommodate such development;
- **Section 8** then sets out the Council’s potential policy options; and
- **Section 9** summarises our conclusions and recommendations.

2. Planning Policy Framework

(i) National Planning Policy Guidance

2.1 Relevant national guidance is contained within Planning Policy Statements 1, 6 and 12 and Planning Policy Guidance Note 13.

PPS1: Planning Policy Statement, Delivering Sustainable Development

2.2 This document was published in 2005. This aims to shape the way in which we live and work in ways which are sustainable and which will meet the needs of future generations as well as our own. With regard to delivering sustainable development, it is highlighted that there are a number of specific objectives that should be achieved, namely:

- promoting urban and rural regeneration;
- promoting regional, sub-regional and local economies;
- promoting communities which are inclusive, healthy, crime free;
- bringing forward sufficient land of suitable quality in the right locations to meet housing and retail development;
- promote the more efficient use of land; and
- reducing where possible, the need to travel.

PPS6: Planning For Town Centres, 2006

2.3 This Planning Policy Statement was published in March 2005 and replaced Planning Policy Guidance Note 6. In keeping with its predecessor and wider planning objectives it makes clear that the Government's key objective is to promote vital and viable town centres by planning for growth and focusing development, wherever possible, there.

2.4 Local planning authorities are encouraged to plan positively for the growth and development of town centres by, inter alia:

- assessing the need for further main town centre uses, and ensuring there is the capacity to accommodate them, and

- planning for the expansion of centres and identifying appropriate sites in development plan documents (paragraph 1.6).
- 2.5 Local planning authorities should adopt a proactive, plan led approach to planning for town centres. Such a plan led approach involves:
- making better use of existing land and buildings, including, where appropriate, redevelopment, and
 - where necessary, extending the centre (paragraph 2.3).
- 2.6 In this connection, advice is given that opportunities within existing centres should be identified for sites suitable for development or redevelopment. Planning authorities are urged to ensure that the number and size of sites identified for development or for redevelopment are sufficient to meet the scale and type of need identified. Where growth cannot be accommodated in existing centres, PPS6 advises that planning authorities should plan an extension of the primary shopping area (if there is a need for additional retail provision) or plan for the extension of the town centre to accommodate other town centre uses. The important point is made that extensions of primary shopping areas should be carefully integrated with the existing centre, both in terms of design and accessibility.
- 2.7 Specific advice is given on the role of plans. In this way, local planning authorities are urged to work with stakeholders and the local community to:
- assess the need for new floorspace for, inter alia, retail uses, taking account of both quantitative and qualitative considerations,
 - identify deficiencies in provision and assess the capacity of existing centres to accommodate new development,
 - identify centres where development will be focused,
 - define the extent of the primary shopping area for each centre,
 - identify and allocate sites as appropriate,
 - review all existing allocations and reallocate sites if necessary or appropriate.

- develop spatial policies and proposals to secure and promote investment, and
 - set out criteria based policies for assessing and locating new development proposals, including development on sites not allocated in development plan documents (paragraph 2.16)
- 2.8 In addition to defining the extent of the primary shopping area for their centres, local planning authorities are empowered to distinguish between primary and secondary retail frontages, which should be realistically defined (paragraph 2.17).
- 2.9 PPS6 provides specific guidance to local planning authorities when allocating sites. In this connection it asserts that local planning authorities should:
- assess the need for development,
 - identify the appropriate scale of development,
 - apply the sequential approach to site selection,
 - assess the impact of development on existing centres,
 - ensure that locations are accessible and well served by a choice of means of transport (paragraph 2.28).
- 2.10 Local needs assessments should take account of the strategy for the region's centres set out in the regional spatial strategy, as well as the catchment areas of each of their centres (paragraph 2.32). In assessing the need and capacity for additional retail development, greater weight should be placed on the quantitative need than qualitative need elements (paragraph 2.32).
- 2.11 Advice is given that in assessing quantitative need, expenditure growth should be analysed in relation to the classes of goods to be sold within the broad categories of comparison and convenience goods. In considering qualitative need issues, a key consideration for local authorities is to provide for consumer choice by ensuring that a range of sites is brought forward to meet the needs of a variety of retailers.
- 2.12 In selecting suitable sites for development, planning authorities should ensure that the scale of opportunities identified is directly related to the role and function of the centre and its catchment. The scale of development should relate to the

role and function of the centre within the wider hierarchy and the catchment served. In this connection, PPS6 advises that local centres would generally be inappropriate locations for large-scale developments.

2.13 The sequential approach to site selection, first introduced in 1994 in PPG13, remains a key part of contemporary policy advice. Its current manifestation requires that locations are considered in the following order:

- first, locations in appropriate existing centres, where suitable sites or buildings for conversion are available, or will become available within the development plan period, taking account of the appropriate scale of development,
- edge-of-centre locations, and
- out-of-centre locations, with preference given to sites which are or will be well served by a choice of means of transport, and which have a high likelihood of forming links with the centre.

2.13 However, the contemporary sequential 'test' has the caveat that allocated sites should be capable of accommodating a range of business models. In planning terms, the factors that should be taken into account in considering business models include scale, format, car parking provision and the scope for disaggregation (paragraph 2.45).

2.14 Where a site is proposed to be allocated in an edge-of-centre or out of centre location, planning authorities should assess the impact of the development on centres within the catchment. Moreover, in selecting sites for development, local planning authorities must ensure the site is accessible by choice of means of transport.

2.15 PPS6 gives clear advice to Authorities on the important issue of site assembly. Most notably, this is that planning authorities should allocate sufficient sites to meet the identified need for at least the first five years from the adoption of their development plan documents. Moreover, planning authorities should consider the scope for effective site assembly using their compulsory purchase powers to ensure that sites are brought forward for development.

2.16 Unless allocated in development plan documents, planning authorities should not regard existing out of centre developments, such as retail warehouse parks, as being centres.

2.17 PPS6 acknowledges that a network of local shopping centres in any area is essential in order to provide for day-to-day needs. As such, planning authorities are urged to protect existing facilities which provide for day-to-day needs and seek to remedy the deficiencies in local shopping and other facilities.

PPS12: Local Development Frameworks

2.18 PPS12, published in 2004, sets out the Government's policies for the preparation of Local Development Documents which will comprise the Local Development Frameworks (LDF). PPS12 indicates that the statutory development plan documents will contain the Council's Core Strategy, site-specific allocations and, where relevant, Action Area Plans.

2.19 It advises that the Core Strategy should draw on all those strategies of the local authority and other organisations that have implications for the development and use of land and provide an integrated approach to their implementation. It should set out the long term spatial vision for the area and the strategic policies required to deliver that vision - having regard to the spatial and transport policies of the regional spatial strategy (see below) and its housing requirement. It should set out broad locations for delivering the housing and other strategic development needs - including retail and leisure development.

PPG13: Transport, March 2001

2.20 PPG13 published in March 2001, recognises that land use planning has a key role in delivering the Government's integrated Transport Strategy. The guidance notes that land use planning can help to reduce the need to travel, reduce the length of journey times and make it safe and easier for people to access jobs, shopping, leisure facilities by means other than the private car.

Communities and Local Government Committee on Coastal Towns

2.21 In the light of growing concern regarding the economic and social well-being of many coastal towns – including those on the Lincolnshire Coast, the Communities & Local Government Committee resolved to undertake an inquiry into coastal towns in December 2005. Its terms of reference were

- to investigate the need for special initiatives to tackle the needs of coastal towns;
- to consider the work the (then) ODPM was undertaking to address the problems such towns face, and to evaluate whether it is effective, well-focused or adequately funded;
- to assess the effectiveness of ODPM's liaison with other departments, in key areas such as employment, migration, and social housing, and co-operation with local authorities;
- to examine whether there is there a case for more specific regional initiatives, and whether enough attention is paid to regional disparities;
- to consider the security of future funding for regenerating and supporting coastal towns; and
- to evaluate the success of the RDAs and other bodies in supporting and developing the economies of coastal towns.

2.22 The Committee's report 'Coastal Towns' was published in February 2007*. It contained a series of findings and wide-ranging recommendations on the characteristics of coastal towns, their diverse economic fortunes, and variety of regeneration and funding initiatives that are currently in place to address the problems they face; the Committee expressed concern at the lack of a properly co-ordinated response to the problems in many cases within the various levels of government.

2.23 The Response to the Report issued in May 2007[†] gave a cross-government response to the 'Coastal Towns' report that recognises the unique challenges and opportunities coastal towns face. It rejected the need for a national strategy for

* House of Commons Communities and Local Government Committee 'Coastal Towns' Second report of Session 2006-2007 HMSO

† Government Response to the Communities and Local Government Committee report on Coastal Towns Cm 1726 HMSO

such towns as this would not adequately address the diverse and variety of difficulties they face. It was accepted however that there was a need to strengthen cross-departmental activities and is committed to a more integrated approach towards the management of coastal areas.

(ii) Strategic Planning Policy

Draft East Midlands Regional Spatial Strategy

- 2.24 Regional Policy for the Skegness and Mablethorpe area is contained in the Draft Regional Spatial Strategy (RSS) for the East Midlands. This was issued for consultation in September 2006 and was the subject of an Examination in Public in 2007. Once adopted, it will form the Regional Spatial Strategy for the Region to 2026.
- 2.25 The draft Strategy is divided into five sub areas; East Lindsey forms part of the Eastern sub-area. Within this sub-area, Skegness is identified as one of the 'third-tier' settlements, or 'Main Towns' (along with Bourne, Gainsborough, Louth, Oakham, Sleaford and Stamford). These currently provide a range of higher order district-wide services and facilities. The draft Strategy encourages Authorities to allocate appropriate amounts of development land in these towns to maintain viability, promote regeneration or allow growth - depending on local circumstances.
- 2.26 Similarly Mablethorpe is identified as a 'small town' within the sub-area (along with Alford, Caistor, Crowland, The Deepings, Holbeach, Horncastle, Long Sutton, Market Rasen, Spilsby, Sutton Bridge, Tattershall, Coningsby and Uppingham). It currently provides a more limited range of convenience shopping, education, community and health facilities and is considered suitable for development that meets local needs.
- 2.27 In this regard Draft RSS Policy 6 seeks to maintain and enhance the roles of both Skegness and Mablethorpe as locally significant service and employment centres through the protection of existing retail and community facilities, and sustainably located new housing and local employment generating development. Moreover, in recognition of the fact that both Mablethorpe and Skegness contain concentrated areas of deprivation of regional significance, draft Policy 6 also seeks to encourage regeneration of the centres.

2.28 Within this overall context, draft Policy 21 of the RSS outlines the regional priorities for town centres and retail development. It states:

Local Authorities, EMDA and Sub-Regional Strategic Partnerships should work together on a Sub-area basis to promote the vitality and viability of existing town centres, including those in rural towns. Where town centres are under performing, action should be taken to promote investment through design led initiatives and the development and implementation of town centre strategies.

Local Planning Authorities should:

- *bring forward retail and leisure development opportunities within town centres based on identified need;*
- *prevent the development or expansion of additional regional scale out-of-town retail and leisure floorspace; and*
- *monitor changes in retail floorspace on a regular basis.*

2.29 The draft RSS also contains a policy for casino development - in recognition of the fact that, amongst other bids, East Lindsey had submitted a bid for a 'small' casino to the Government's Casino Advisory Panel. The draft RSS recognises that the area has significant regeneration needs that could be benefit from such development. On the other hand, the draft Strategy also wishes to ensure that the full social, economic and environmental implications are properly assessed and that any sites that are allocated for such uses should be done so in accordance with the sequential approach and other relevant sustainability criteria. Draft Policy 21 states:

Local Authorities, EMDA and Sub-Regional Strategic Partnerships should work together to ensure that proposals for new casinos licensed under the 2005 Gambling Act benefit the regeneration areas identified in Policy 19 and are subject to a full assessment of social, economic and environmental impact.

Panel Report on Draft East Midlands Regional Spatial Strategy

- 3.30 The consultation period on the Draft RSS ended in December 2006 and an Examination in Public (EIP) was held in July 2007. Following this, the Panel overseeing the EIP produced its report in November 2007 making recommendations for changes to the draft strategy.
- 3.31 The Panel recommended that an additional policy be added to the draft strategy following Policy 6 to mandate a "coastal strategy" for the East Lindsey Coast to address the matter of economic regeneration. The panel also recommended that given the large number of planned housing commitments in Boston, South Holland and East Lindsey, "there is no great urgency to allocate more." Until the coastal strategy is complete, the local authorities for these areas should include only these planned commitments in their Local Development Documents, based upon an annualisation for the plan period. For East Lindsey, there are 5,999 housing commitments which over the twenty years of the plan period (2006-2026) equates to 300 per year.
- 3.32 The Panel Report is currently being examined by the Secretary of State and proposed changes to the draft RSS will be published for consultation in the Spring of 2008.

(iii) Local Planning Policy

- 3.33 The East Lindsey Local Plan was adopted in 1995 and amended in 1999. Following the 2004 Planning and Compulsory Purchase Act, a number of local plan policies were "saved" pending the completion of the Local Development Framework. The first part of this is to be a Local Development Scheme (LDS), the first version of which was approved by the Council in February 2006. This sets out which documents will comprise the LDF and the timetable for their drafting and publication.
- 3.34 The LDF is to consist, apart from the LDS, of a Statement of Community Involvement, a Core Strategy, a Settlement Proposals document and a Proposals Map for each document. The Statement of Community Involvement was approved by an Inspector and formally adopted by East Lindsey District Council in

June 2007. The Core Strategy is now in the process of being drafted and is expected to be adopted in March 2009.

3. Retail and Leisure Trends

3.1 Before considering existing shopping patterns in East Lindsey, the health and vitality of Skegness and Mablethorpe and the quantitative need for additional floorspace, it is relevant to consider the wider retail and leisure trends that are likely to influence retailing in East Lindsey in the future.

3.2 There are a number of trends likely to affect the future pattern of retail and leisure development in the area. Accordingly this section examines key trends and drivers for change in the retail and leisure industry.

Demographics

3.2 Demographic changes over the last 20 years have had a fundamental impact on consumer spending patterns. Amongst a series of changes there are perhaps two that have, in particular, influenced how much people spend,

- **Increased household formation:** Whilst UK population has increased at about 0.3% per annum the number of households has increased by nearly three times that rate, as household size has decreased with smaller families, more divorces, people living longer etc.
- **An ageing population.** Over the next 20 years the over 60's age group in the UK as a whole is expected to grow by 5.3m or 41% and the Under 60's age group by only 4%. In the study area, the over 60s population is forecast to grow by over 10,000 people by 2016, compared to only 3,000 in the 16-60 age bracket. Older shoppers have a younger mindset than in the past, are more fashion aware and generally are financially better off than their predecessors. Whilst many have benefited from house price and personal income growth, the adequacy of existing pension arrangements are a growing concern for many. Older consumers tend to have more time to shop, and, often spend more on DIY and gardening items and will expect good customer service. At the other end of the spectrum younger shoppers will experience higher housing costs, will generally be more computer literate and spend more on-line, and will spend more on entertainment/leisure so they may have less to spend in the retail property sector.

Income and Expenditure

- 3.3 Incomes and expenditure have shown strong growth over the last 20 years, with retail expenditure growing faster than incomes. Overall retail expenditure has increased by about 4% per annum in real terms over the last 20 years. Most of this growth in expenditure on comparison goods – where growth has been close to 5% per annum over the last 30 years, over 6% per annum over the last 20 years and even stronger over the last 10 years. Growth in expenditure on convenience goods has generally been more modest at less than 1% per annum.
- 3.4 These strong trends are not expected to continue in the foreseeable future due to current high levels of consumer debt, an already low savings ratio and a weaker housing market. Over the next 5-10 years the latest economic forecasts suggest that comparison goods expenditure growth will be about 3.5-4.5% per annum.
- 3.5 With longer working hours for many, shop opening hours in the larger centres have been extended and Sunday is now one of the strongest trading days in the week. This has implications for where retail expenditure is concentrated and the nature of some shopping trips which are considered to be a quasi leisure experience.

Increased Mobility

- 3.7 Income growth has also led to increased car ownership and personal mobility. Over the last 25 years the number of households having access to one or more cars has increased from about 55% to about 75% nationally and the number with two or more cars has nearly trebled from 11% to 30%.
- 3.8 This increased mobility has meant that the overwhelming majority of households have greater choice of shopping destinations, and are increasingly willing to travel to either individual retail outlets or centres that offer the choice they are looking for or best serve their needs. These trends are expected to continue but the combination of improved retail provision locally, growing use of on-line retailing and the potential impact of government policies to control use of the private car and reduce the need to travel may well diminish the previous rate of growth.
- 3.9 In general this increased mobility and affluence has favoured larger centres over small centres. As a result larger regional or sub-regional shopping centres have tended to increase in size and importance relative to small centres. This has, in

turn, further reinforced their attraction to more mobile shoppers. Smaller centres have, therefore generally lost market share – particularly for comparison goods – and, in the main, have seen much less new development than the overall rate of expenditure growth would imply. This is now recognised by PPS6, which urges local authorities to be pro-active in trying to encourage development in smaller centres.

- 3.10 Increased mobility and affluence has also stimulated out-of-centre development, which has grown much more rapidly than town centre development. Over the last 20 years the majority of new retail floorspace has been in edge or out-of-centre locations. This has led to increasingly restrictive planning policy in favour of town centres over the last 10 years, but only recently has the growth in out-of-centre development started to slow. This slow down is expected to continue, but the respected data provider Verdict still expects sales at out-of-centre locations to increase at a faster rate than at in-centre locations.

Size of Units

- 3.11 At the same time the growth of multiple retailers and increased competition between companies has meant that the retail structure is increasingly dominated by large companies requiring larger shop units. Shopping centres and out-of-centre development that has been able to accommodate this demand for larger sized units (typically 500 – 2,000 sq m or larger) have grown in importance, reinforcing the trend of higher order centres and out-of-centre retailing growing in relative importance, i.e. polarisation in the retail hierarchy.
- 3.12 The growth in the size of stores has caused a contraction in the number of shop units and consumer choice. This is particularly evident in the food sector, with a marked decline in the number of smaller and more specialist food retailers (green grocers, butchers, fishmongers etc), and a large increase of superstores. These trends may well weaken in the future due to possible market saturation of large foodstores and concerns over lack of competition due to the market dominance of a few key multiples.

Increased Productivity and Sales Density Increases

- 3.13 The acutely competitive nature of UK retailing has meant that there has been increased productivity. Whilst growth in retail expenditure may have been running at around 4% per annum on average, retail employment has increased

much more slowly. Over the last ten years total employees in retail employment have increased from 2.1 million to 2.9 million, an increase of 1.75% per annum. However, this growth has been almost entirely in part time employees. Full time equivalent (FTE) employment has hardly increased at all, from about 2 million to 2.2 million, a 0.5% per annum increase. Continued pressure for productivity improvements is likely to mean that employment in retailing is unlikely to grow significantly. For example, in the next 15 years Experian Business Strategies expect an overall decline in FTE employment with only a marginal increase in part time employment.

- 3.14 Improving productivity has also led to an intensification of sales densities—particularly amongst the leading and most successful multiple retailers. Although there is no definitive evidence of how sales densities are likely to evolve in the future, it seems likely that growth in retail expenditure will continue to outstrip the growth in new floorspace. As a result, it is generally accepted that sales densities could be expected to grow between 1.5-2.5% per annum for comparison goods, although growth in sales densities for convenience goods will be minimal. Indeed PPS6 requires that quantitative need/capacity assessments have regard to the potential continuing effect of such improvements in assessing the need for further floorspace growth[‡].
- 3.15 In the light of the limitations on convenience goods expenditure, and in an effort to serve growing customer demand, there is an increasing emphasis on the sale of comparison goods at large foodstores. Whilst sales densities for comparison goods may be lower than for convenience goods, future growth rates for comparison goods are much higher than for convenience goods and margins are greater. As a result all the leading foodstore operators are seeking to extend their comparison goods offer; some are turning the largest, or extended, stores into variety or mini department stores. This trend poses a potential threat to smaller centres, as larger foodstores will increasingly sell a wider product range of day-to-day convenience and comparison goods and services.
- 3.16 At the same time restrictions on out-of-centre development, and changing socio-economic trends, has meant that several large operators have begun to return to the high street with small convenience stores.

On-line Retailing

- 3.17 The combination of longer working hours, the demand for extended consumer choice, growing price awareness, and the availability of the internet has led to a huge growth in non-store shopping in the last 10 years – albeit from a small base. Total non-store trading (including mail order and on-line retailing) is currently estimated to be about 2.5% of convenience goods spending and about 6% of comparison goods spending. The latest forecasts suggest continuing strong growth over the next 5-10 years before a plateau is reached at about double current proportions of expenditure.

Shopping and Leisure

- 3.18 Retailing in the larger sub-regional centres and the more attractive smaller centres is changing and there is a blurring of the distinction between trips made exclusively for shopping and those being made for leisure. Growth in expenditure on leisure is outstripping that on retail goods.
- 3.19 Quality restaurants, coffee shops, cafes and bars, as well as health and fitness centres and multiplexes in larger centres, are therefore important to attract shoppers and encourage longer stays and higher spending. Better integration of retail and leisure facilities mutually benefits both sectors. Pedestrianised streets and covered retail areas are also important in attracting shoppers, as is the overall attractiveness of the town centre, along with good accessibility and car parking.
- 3.20 In the commercial leisure sector, changing social demographic trends and increased personal disposable income has stimulated and now sustains growth in mainstream commercial leisure activities, including cinemas, bars, restaurants and, following de-regulation, is expected to encourage additional investment in the entertainment and gambling industry. The combination of these trends and prevailing planning policy, has now encouraged mainstream commercial leisure activities to, once again, locate in traditional town centre locations rather than in the edge-of-centre and out-of-centre locations that predominated in the 'nineties.

‡ See PPS 6 paragraph 2.34

Tourism

- 3.21 Tourism is one of the largest industries in the UK. It currently accounts for 3.5% of the UK economy and worth approximately £74.2 billion in 2003. Around 2 million people (7% of the working population) work in the tourism sector in the UK. According to UKTS, UK residents took 126.6 million trips in 2004 and spent over £24 billion.
- 3.22 Growth in tourism has been fuelled by growing disposable incomes. This has led to increased overseas travel, supplemented by more frequent, short breaks and special interest holidays in Europe and the UK. There is also growing expectations in terms of product quality. This growth has generally been at the expense of the traditional UK seaside holiday destination - including places like Skegness and Mablethorpe.
- 3.23 Nonetheless tourism remains critical to the Lincolnshire coastal economy. The Lincolnshire Tourism Model 2003, prepared by Geoff Broom Associates (Appendix A) shows that East Lindsey as a whole hosted over 1.4 million domestic tourism visits in 2003, with over 1 million of these to the coastal areas around Skegness and Mablethorpe. In terms of expenditure, the immediate value to the local economy is estimated at £170 million, with retail expenditure estimated at some £68.3 million.

4. Overview of Existing Shopping Patterns in East Lindsey

- 4.1 In order to provide empirical evidence on existing local shopping patterns and preferences, a household survey was commissioned by Chase & Partners on behalf of the council. Agreement on the survey methodology and questionnaire format was reached with officers prior to commencement of the fieldwork. A copy of the questionnaire is included in Appendix B.
- 4.2 The survey concentrated on households living within the following eight postcode areas:
- Zone 1 – PE25 (Skegness)
 - Zone 2 – PE24 (Skegness rural area)
 - Zone 3 – PE22 (Rural area north of Boston)
 - Zone 4 – PE23 (Spilsby)
 - Zone 5 – LN9 (Horncastle)
 - Zone 6 – LN13 (Alford)
 - Zone 7 – LN11 (Louth)
 - Zone 8 – LN12 (Mablethorpe)
- 4.3 The study area as defined by these postcode sectors is shown on Plan 1. It was designed to cover an area sufficiently large to ensure that the extent of both Skegness and Mablethorpe's catchments could be accurately determined. Fieldwork for the survey was carried out in June 2007.
- 4.4 Structured interviews were carried out by telephone with the person responsible for the main household shop in a total of 1,000 households. The remainder of this section describes the main results of the survey. The full-tabulated results are provided in a separate volume.

4.5 The survey was designed so as to enable destinations to be identified by the following types of shopping trips:

- main food,
- top up food,
- clothes, footwear and fashion,
- furniture, floor coverings,
- household textiles, soft furnishings,
- domestic appliances, e.g., fridges, washing machines,
- radio, TV's, hi-fi, photographic equipment,
- china, glass and hardware,
- DIY goods,
- books, jewellery, watches, recreational and luxury goods.

4.5 It also sought information on how shoppers usually travelled (e.g., modes of transport) and general attitudes to shopping in both Skegness and Mablethorpe.

Overview of Results

Convenience Shopping

4.6 In accordance with most surveys of this nature, the study confirms that catchments for food shopping in East Lindsey tend to be less extensive than for non-food shopping. In most zones, the majority of main food shopping trips were undertaken at local superstores and supermarkets. Most main towns have at least one foodstore operated by the major market players (Asda, Tesco etc) and these tend to absorb the majority of the local trade.

Comparison Shopping

4.8 Patterns of shopping for comparison goods are more complex. Towns within the study area such as Louth, Alford, Spilsby, Mablethorpe and, to a lesser extent, Skegness, do not provide an extensive comparison goods offer and are dominated by towns further afield such as Grimsby, Lincoln and Boston.

Bulky Goods

- 4.7 The situation with bulky goods retailing mirrors that of comparison goods generally. The limited bulky goods offer in towns such as Louth, Mablethorpe and Skegness leads to considerable trade being attracted to the retail warehouse parks at towns further afield, Grimsby and Lincoln in particular.

Skegness Town Centre: Likes and Dislikes

- 4.8 Skegness' principal attraction according to those surveyed seems to be the fact that it is close to their home. Beyond this, respondents do not appear to have a particularly high opinion of the town – in response to the question "what do you like about Skegness?", "nothing/very little" scores highly.

Overview of Household Survey Data

- 4.9 The survey data has been fundamental in seeking to establish the extent of the catchment of the town and identifying the significant retailing "centres of gravity" in the wider area. In this way, the strength of Skegness and Mablethorpe relative to other towns in the area can be assessed.

5. Assessment of the Health and Vitality of Skegness and Mablethorpe

5.1 The health of both Skegness and Mablethorpe town centres has been assessed, where information is available, using the indicators of vitality and viability outlined in chapter four of PPS6, "Planning for Town Centres". These are:

- diversity of uses,
- amount of retail, leisure and office floorspace in edge and out of centre locations,
- potential for growth,
- retailer representation and demand,
- rental levels,
- vacancies,
- commercial yields,
- pedestrian flows,
- accessibility,
- customer and residents' views and behaviour,
- perception of safety and occurrence of crime,
- environmental quality.

(i) Skegness

Diversity of uses

5.2 In addition to its retail offer, Skegness is home to range of other uses. Historically, the town has been first and foremost a leisure destination and the importance of tourism to the local economy has already been highlighted. As a result the town centre is host to many leisure uses such as amusement arcades,

bingo halls, bowling alleys, boating lake, crazy golf, cinema and a theatre. There are also significant numbers of guest houses, bed-and-breakfasts and hotels, alongside normal residential properties.

Retail Floorspace in Edge and Out of Centre Locations

- 5.3 Skegness has significant edge-of-centre retailing as Tesco, Morrisons and Lidl are all located adjacent to the town centre, just beyond the railway station. Further out, Skegness has one small retail park, occupied by Carpetright, Currys, Halfords and Focus DIY.

Potential for Growth

- 5.4 Skegness has considerable potential for growth as there are relatively few physical constraints upon the town centre. The foreshore area, the station and the adjacent gyratory system are all areas with great potential for redevelopment.

Retailer Representation and Demand

- 5.5 Attached at Appendix C is a schedule setting out leading multiple retailers, across a variety of goods categories that are currently represented in Skegness town centre. The schedule also shows multiple retailer presence in neighbouring and competing centres, specifically Lincoln, Grimsby and Boston.

Table 1: Representation of Multiple Retailers

Centre	Multiple Count
Boston	93
Grimsby	118
Lincoln	165
Mablethorpe	8
Skegness	63

- 5.6 Attached at Appendix D are the results of a survey of retailers undertaken by Chase & Partners in August 2007. Examination of the results indicates that the majority of retailers are independent traders of long standing in Skegness who intend to remain in their current premises over the medium term. However, a significant number (35%) are national multiples.

5.7 Retailer demand for a presence in any centre is a significant indicator of the centre’s health. Set out below is an extract from the reputable Town Focus database identifying trends in the number of retailer requirements (the number of new shops sought by national multiple retailers) for Skegness town centre over the period. In this connection, the Town Focus database ranks the town’s position within the UK retail hierarchy, based upon some 1,500 shopping centres:

Table 2: Skegness - Retailer Demand

Date	No. of Multiple Retailer Requirements	Ranking (1st Highest)
Oct 07	26	346
Apr 07	23	371
Oct 06	26	337
Apr 06	27	312
Oct 05	31	269
Apr 05	25	295
Oct 04	24	297
Apr 04	21	312
Oct 03	12	454
Apr 03	13	416
Oct 02	12	422
Apr 02	11	416
Oct 01	12	375
Apr 01	13	360
Oct 00	18	275
Apr 00	18	267

5.8 This can be compared with the Focus rankings for Skegness’ main competitors, compared on the same basis:

Table 3: Retailer Demand in Competing Centres

Date	Grimsby		Lincoln		Boston	
	Reqs	Rank	Reqs	Rank	Rank	Reqs
Oct 07	42	184	69	88	33	265
Apr 07	42	187	70	88	29	308
Oct 06	43	190	73	78	29	305
Apr 06	41	193	74	84	25	325
Oct 05	40	202	82	76	32	259
Apr 05	39	193	79	75	34	223
Oct 04	39	188	75	71	35	209
Apr 04	37	189	70	76	32	211
Oct 03	49	143	69	92	24	279
Apr 03	46	141	62	91	26	243
Oct 02	52	129	66	84	23	263
Apr 02	51	129	70	79	24	254
Oct 01	44	138	60	85	23	242

Apr 01	45	129	58	88	22	252
Oct 00	42	140	52	109	26	218
Apr 00	43	130	66	68	21	242

5.9 Appendix E provides an insight into the nature and range of Skegness’ published retailer requirements, again taken from the Focus database. Whilst this cannot be comprehensive (other retailers may be tempted into the centre if the right unit were to become available in the right location), it does demonstrate that retailers perceive the centre to be a desirable trading location. However, the quality of retailers seeking representation in Skegness is not “top-flight” with the emphasis very much on the value end of the market. Examples include Aldi, British Heart Foundation, Farmfoods, Netto, Peacocks and Poundland.

5.10 Plan 2 sets out the location of national multiple retailers within Skegness town centre. This demonstrates that comparison goods retailing is focused almost exclusively on Lumley Road and this can be considered the prime retailing area of the town.

Shopping Rents

5.11 Prime zone A rents in Skegness are currently circa £60 per square foot. To set Skegness’ zone A rentals into context, the table below compares the town’s levels with those of its principal competitors (£ per sq ft):

Table 4: Retail Rents

Town	'00	'01	'02	'03	'04	'05	'06	'07
Boston	75	70	70	70	70	70	70	85
Grimsby	110	115	120	120	120	120	135	135
Lincoln	120	130	130	130	130	135	140	140
Skegness	-	-	50	50	55	60	60	60

Source: Colliers CRE Retail Rents Map 2007

5.12 It can be noted that prime Zone A in Skegness rents have increased slightly in the last five years, rising from £50 to £60 per sq ft which is consistent with the steady growth shown by neighbouring and competing centres. £60 per square foot is however, a very low rental level when compared to other centres throughout the country.

Proportion of Vacant Street Level Property

5.13 Chase & Partners’ survey shows that there are almost no vacancies within the town centre, though there may be seasonal variations. We would expect to see some vacant property during the winter months as some of the uses within Skegness town centre appear to operate only during the peak tourist months.

Shopping Centre Yields

5.14 A further objective comparison of retail performance is provided by an assessment of investment yields. In brief terms, yield is a measure of property value. It is a ratio of rental income to capital value and is expressed in terms of the open market rent of a property as a percentage of the capital value. In this way, the higher the yield, the lower the rental income is valued and vice versa. A higher yield is an indication of concern by investors that rental income might grow less rapidly and be less secure than a property with a lower yield. Set out below is a table of yields taken from the Property Market Report prepared by the Valuation Office and dated July 2007.

Table 5: Shopping Centre Yields

Town	1/4/01	1/10/01	1/4/02	1/10/02	1/4/03	1/1/04	1/7/04	1/1/05	1/7/05	1/1/06	1/7/06	1/1/07	1/7/07
Boston	7	7	7	7	7	7	7	7	7	7	6.5	6.5	6.5
Grimsby	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.25	6.25	6.25	6.25	6.25
Lincoln	5	5	5	5	5	5	5	5	5.25	5.25	5.25	5.25	5.25
Skegness	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7	7	6.5	6.5	6.5

Source: Valuation Office Property Market Report July 2007

5.15 The table above reveals that Skegness’ yield has fallen over the last six years, in line with the general improvement throughout the area. This demonstrates that investors are less concerned about Skegness than in previous years, although a yield of 6.5% is still high and does not suggest strong investor confidence.

Accessibility

5.16 Skegness is relatively remote, existing on the coast well away from any major cities. It is also a long way from the motorway network and other major roads. Skegness benefits from a mainline train station in close proximity to the town

centre and although linkages between the station and the town centre are not ideal, it is possible for train passengers to access the town centre quickly and easily.

- 5.17 The survey of retailers sought information on the most important issues facing Skegness. The results indicate that retailers consider the most important issue facing Skegness to be traffic congestion (19%). Increasing the provision of car parking (15%) also featured highly.

Perception of Safety and Occurrence of Crime

- 5.18 In reviewing this issue, we have examined statistics for Skegness and the wider area obtained from the Home Office. The statistics show that crime in East Lindsey as a whole is slightly lower than the national average for all categories of crime. This is reflected in the results of the survey of retailers in which crime was only the fifth most important issue in Skegness according to respondents. There is therefore no negative perception of crime in Skegness.

Town Centre Environmental Quality

- 5.19 There is a perception amongst retailers that the environmental quality of Skegness is poor, with 26% of respondents considering this to be the case. From our own observations, we consider Skegness to be somewhat tired in places but with some areas of good environmental quality.

Customer and Residents' Views and Behaviour

- 5.20 Full results of the retailer survey are attached at Appendix D and questions 14 and 15 address the views of locals. As stated, traffic and car parking are considered key issues. Also considered important is the need to increase Skegness' importance as a tourist destination and increase the number of national multiple retailers.
- 5.21 The household survey also contained questions relating to shopper's attitudes to Skegness town centre. In particular, information was sought on likes and dislikes and which stores shoppers particularly favour. The results show that Skegness is popular with local residents mainly because it is close to their home.

Comparison with other coastal towns

- 5.22 In addition to comparing Skegness with neighbouring and competing centres, we have also made a comparison with other coastal towns which share many of the

same issues faced by Skegness: a limited “180 degree” catchment; a reliance on tourism; and relative geographic isolation. Data on prime Zone A rents, yields and retailer requirements has been compiled and the results are shown in the tables below:

Zone A rents

Centre	00	01	02	03	04	05	06	07
Bangor	50	50	50	50	50	55	60	65
Blackpool	110	110	110	115	115	120	125	125
Bognor Regis	55	55	55	55	60	60	60	60
Eastbourne	95	90	95	95	100	110	110	110
Great Yarmouth	55	55	65	65	70	70	70	75
Llandudno	70	75	75	75	80	80	85	85
Lowestoft	65	65	70	70	70	70	75	75
Margate	35	35	35	40	40	40	45	45
Newquay	45	45	45	45	50	55	55	60
Rhyl	50	55	55	55	55	55	60	60
Skegness	-	-	50	50	55	60	60	60
Weston-Super-Mare	70	70	75	80	80	90	90	90
Weymouth	65	65	70	70	70	75	75	80

Yields

Centre	4/01	10/01	4/02	10/02	4/03	1/04	7/04	1/05	7/05	1/06	7/06	1/07	7/07
Bangor	8	8	8.5	8.5	8	8	8	8	8	8	7.5	7.25	7.25
Blackpool	5.75	5.75	5.75	6	6	6	6	6	6	5	5	5	5
Bognor Regis	7.25	7	7	7	7	7.25	7.25	7.25	7.5	7.5	7.25	7.25	7.25
Eastbourne	6	6	6	6	6	6	6	6.5	6.5	6.5	6.5	6	6
Great Yarmouth	7	7	7	7	7	7	7	7	7	7.5	7.5	7.5	7.5
Llandudno	7	7	7	7	7	7	7	7	7	7	6.5	6.5	6.5
Lowestoft	7.5	7.75	7.75	7	6.75	6.75	6.75	6.75	6.75	6	6	6	5.75
Margate	8.25	8.25	8.25	8.25	8.25	7.75	7.5	7.5	7.5	7.5	6.5	6.5	6
Newquay	8.5	8	8	8	8	8	8	7.5	7	6.5	6	5.5	5
Rhyl	8	8	8	8	8	8	8	8	8	8	7.5	7.25	7.25
Skegness	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7	7	6.5	6.5	6.5
Weston-Super-Mare	7	7	7	7	7	7	7	7	7	7	7	7	7.5
Weymouth	7.5	7.5	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7	6.5	6.5	6.5

Retailer Requirements

Centre	10/00	4/01	10/01	4/02	10/02	4/03	10/03	4/04	10/04	4/05	10/05	4/06	10/06	4/07	10/07
Bangor	22	20	17	18	23	24	24	27	28	28	35	29	23	17	15
Blackpool	69	69	70	66	58	57	58	54	57	59	69	65	52	49	49

Bognor Regis	19	17	18	23	32	31	25	30	30	31	30	34	31	27	31
Eastbourne	50	59	64	55	52	62	61	57	58	65	62	59	56	54	50
Great Yarmouth	24	23	23	19	27	27	29	27	30	32	32	32	29	30	34
Llandudno	28	24	21	16	27	23	25	30	30	30	34	34	34	29	26
Lowestoft	23	24	23	19	29	28	26	25	27	27	28	33	32	30	22
Margate	15	17	18	19	25	23	23	17	19	19	18	19	17	14	16
Newquay	13	15	16	23	24	22	25	28	32	31	28	25	33	38	33
Rhyl	16	16	18	18	22	20	16	17	17	18	21	20	20	15	12
Skegness	18	13	12	11	12	13	12	21	24	25	31	27	26	23	26
Weston-Super-Mare	37	37	36	29	34	42	44	44	47	48	52	52	45	44	36
Weymouth	26	27	33	39	44	42	36	39	43	42	47	50	51	52	44

5.23 The data shows that Skegness is performing as well as the likes of Newquay, Rhyl, Bognor Regis and Bangor in terms of prime rents and is out performing these in terms of yields. Skegness is out performed in prime rents by towns such as Weymouth, Lowestoft, Llandudno and Weston-Super-Mare, none of which are significantly larger centres, however, Skegness is viewed by investors as less of a risk. On the important measure of retailer demand, Skegness performs poorly with only 23 requirements in April 2007, lower than most of the comparable towns.

(ii) Mablethorpe

5.24 Data on Mablethorpe is harder to obtain than for Skegness and our assessment is therefore based on our own survey work and observations. Mablethorpe’s role is clearly very different from that of Skegness and it exists primarily in a “local centre” role, providing essential services to the local resident population. PPS 6 notes that local centres might typically include “a *small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and laundrette.*” Mablethorpe contains all of these facilities along with banks and estate agents so the town can be said to be fulfilling its role in terms of diversity of uses.

5.25 Mablethorpe also caters to the tourist market with amusement centres, bars and cafes. The town has some potential for growth in terms of the physical infrastructure and services, although there are constraints through the proximity of residential areas and the sea defences. Nevertheless, opportunity sites such as the area around the existing Co-op store are available for further development, probably in the form of store extensions.

5.26 Mablethorpe does not have significant numbers of multiple retailers. Beyond a handful of banks (Lloyds TSB, HSBC, Barclays), Mablethorpe has only the Co-op foodstore, an out-of-centre Lidl, an Alliance pharmacy and a William Hill bookmakers. There are no comparison goods multiples as Mablethorpe does not

cater to this market. For this, the results of the household survey suggest that Grimsby and Skegness are the preferred destinations.

- 5.27 Data on rents and yields is not available but we would not expect prime zone A rents to exceed £35 per square foot. Yields are likely to be high as investors will not consider Mablethorpe to be a safe investment. In terms of the town's environmental quality it has suffered from a lack of investment over the long term and parts of the town centre appear tired and in need of refreshing. However, there is no negative crime perception or fears for safety and as a result the town is frequented by many older people.
- 5.28 Mablethorpe is extremely isolated on the coast, being a significant drive from any major town. There is no rail link and therefore the only way to access the town centre is by car, or by foot. Nevertheless, there is no traffic or congestion problem and there is sufficient parking provision.
- 5.29 The survey of businesses identified three main areas which locals feel should be addressed. The first is to increase the town's importance as a tourist destination; the second is to improve the town's appearance and the third is to increase the number of multiple retailers. The results of the business survey are attached at Appendix F.

Overall Conclusions on Health and Vitality of Skegness and Mablethorpe

- 5.30 Skegness experiences significant seasonal variations in tourist expenditure and this makes assessing the retail health of the town difficult as the response to the vitality and viability indicators may be different at various points throughout the year. However, judging by our assessments both at peak season and in the off-season, Skegness has a healthy, vital and viable town centre. It has a good range of shops with a decent comparison goods offer and all of the services that might be expected. While it lacks a major town centre foodstore, the edge-of-centre Morrisons and Tesco stores cater for this requirement. Skegness retailers' major concerns appear to relate to traffic congestion and a need to improve the range and quality of the retail offer.
- 5.31 Mablethorpe's role is to act as a local centre, serving the immediate convenience and service needs of its population. The presence of the Co-op foodstore, banks, estate agents, pharmacy, post office, takeaways and hairdressers ensures that

the town fulfils its role. Although the town has suffered from a lack of investment and does have a tired appearance, there is no negative crime perception. Overall, although not vital or viable, Mablethorpe is fulfilling its role adequately.

6. Quantitative Need Assessment

Catchment Area

- 6.1 As can be noted from the study brief, an important component of the study is to provide a robust assessment of the current catchment area of Skegness and Mablethorpe, bearing in mind different types of retailing such as food and non-food, with the latter disaggregated into bulky and non-bulky goods.
- 6.2 Shoppers in and around Skegness and Mablethorpe have a choice of destination for shopping trips. To the north lies Grimsby, to the west Louth and Lincoln and to the south, Boston. Shoppers' choice of destination is informed by a number of elements including:-
- the perceived strength of anchor traders;
 - the volume, variety and quality of other shops present;
 - the quality and convenience of the centre itself, including such aspects as safety and security;
 - the availability of facilities such as public lavatories;
 - accessibility of the centre by public and private transport;
 - the quantum and convenience of car parking; and
 - the shopping environment generally.
- 6.3 It is therefore appropriate to consider other destinations and their retail offer in assessing retailing in Skegness and Mablethorpe. By understanding the context of retailing in Skegness and Mablethorpe, a further understanding of the scope for managing change can be gained. Skegness and Mablethorpe's retail performance and prospects cannot be divorced from those of competing centres. Significant improvements to one centre holds the threat/promise of drawing trade from others. On the one hand, standing still is akin to decline in retail terms; if other centres improve their retail offer, so must Skegness and Mablethorpe if they are to retain their current position.
- 6.4 In order to provide empirical evidence as to local shopping patterns and preferences, a household survey was commissioned on behalf of the Council. Agreement on the survey methodology and questionnaire format was reached with officers prior to commencement of the fieldwork. The survey concentrated on households living in the following eight postcode areas:-

Zone 1	-	PE25 (Skegness)
Zone 2	-	PE24 (Skegness rural area)
Zone 3	-	PE22 (Rural area north of Boston)
Zone 4	-	PE23 (Spilsby and surrounding area)
Zone 5	-	LN9 (Horncastle and surrounding area)
Zone 6	-	LNB (Alford and surrounding area)
Zone 7	-	LN11 (Louth and surrounding area)
Zone 8	-	LM12 (Mablethorpe)

6.5 The study area as defined by these postcode sectors is shown at Plan 1. It was designed to cover an area sufficiently large to ensure that the extent of Skegness and Mablethorpe's catchment could be accurately determined. Fieldwork for the survey was carried out in June 2007. Structured interviews were carried out by telephone with the person responsible for the main household shop in a total of 1,000 households. The full-tabulated results are provided in an accompanying volume.

6.6 The survey was designed so as to enable destinations to be identified for the following types of shopping trips:

- main food;
- top-up food;
- clothes, footwear and fashion;
- furniture and floor coverings;
- household textiles and soft furnishings;
- domestic appliances e.g. fridges, washing machines;
- radio, TVs, hi-fi, photographic equipment;
- china, glass and hardware;
- DIY goods;
- books, jewellery, watches, recreational and luxury goods.

6.7 It also sought information on how shoppers travelled (i.e. modes of transport) and general attitudes to shopping in Skegness and Mablethorpe.

Results

- 6.8 The survey revealed that for convenience goods shopping, the Morrisons and Tesco stores are dominant within Skegness and the surrounding area (zones 1 and 2) with Tesco also attracting significant trade from zones 4 (Spilsby), 6 (Alford) and 8 (Mablethorpe). Taken together, Morrisons and Tesco account for 86% of the convenience trade in zone 1 and 78% in zone 2.
- 6.9 With regard to comparison goods, Skegness town centre is the dominant shopping destination in zones 1 and 2, as might be expected. Skegness also attracts a significant number of trips from zones 4, 6 and 8. However, Skegness attracts very few shoppers from zones where other centres are nearby e.g. zone 3 from where Boston attracts most of the retail spend.
- 6.10 Mablethorpe is not a strong comparison goods retail centre and significantly, more trade from Mablethorpe is attracted to Grimsby than to Skegness. The picture to emerge is that while Skegness dominates its immediate area, where there are viable alternatives to Skegness, shoppers are inclined to use them.

Town Centre Catchment

- 6.11 The convenience goods offer within Skegness is so limited (Tesco and Morrisons being outside the town centre boundary) that its catchment can be said to consist only of Skegness itself. In contrast, the convenience goods catchment for the superstores can be said to extend to zones 1 and 2, with a secondary catchment encompassing zones 4, 6 and 8. With regards to the comparison goods catchment, looking at the results for all categories of goods, we consider the catchment to consist of zones 1, 2, 4, 6 and 8. Beyond this area, other centres such as Grimsby, Lincoln and Boston are dominant.

Overview of Survey Data

- 6.12 The survey data has been fundamental in establishing the extent of the catchments of the town. The comprehensive database is useful, therefore, not only in the information it presently provides, but also as a foundation upon which future surveys may be undertaken, so that a time series of empirical data can be developed.

Quantitative Assessment

- 6.13 In addition to the household survey data, we have also obtained population and expenditure per capita data from MapInfo. Applying this to the household survey data allows us to estimate the amount of expenditure on convenience and comparison goods arising from each zone and to value the expenditure flows to and from each location. It is also possible to estimate the growth in such expenditure over the periods to 2026, as required by the local planning authority, by utilising MapInfo’s forecasts of changes in per capita expenditure.
- 6.14 On a note of caution, MapInfo has long advised that the longer the term utilised for projecting forward growth in expenditure per capita, the less reliable are the conclusions. For this reason, greater reliance can be given to the forecasts in expenditure growth in the period 2007 to 2012 than the 2012 to 2017 estimates. In practical terms, we would anticipate that the 2012 to 2026 estimates and forecasts would be reviewed over the next five years when the LDF is reviewed.
- 6.15 In forecasting forward, we use the MapInfo goods base and for the actual growth rates utilised we have had regard to the recently published MapInfo Brief 07/02 “Goods Based Retail Expenditure Estimates and Price Indices”. This contains actual growth rates for expenditure per capita to 2006 and forecasts growth rates to 2017 (Appendix G). For convenience goods, we adopt the suggested growth rate of 1.0% to 2007 and 1.2% thereafter. For comparison goods we use 4.6% to 2012 and 4.9% thereafter.

Convenience Goods Expenditure

- 6.16 A TargetPro report has been commissioned from MapInfo for the study area as a whole, with separate reports commissioned on zones 1 and 2 in order to assess the Skegness area in finer detail. MapInfo calculate that convenience goods expenditure per capita in 2004 amounted to £1,386 in zone 1. Allowing for a small percentage of expenditure that does not take place in shops (special forms of trade i.e. mail order, vending machines, internet) and utilising the growth rates given above, the following per capita forecasts are provided:-

Table 6: Expenditure per capita

Year	Expenditure per capita (zone 1)
2007	£1,403.72

2012	£1,489.98
2017	£1,581.55
2022	£1,678.75
2026	£1,760.80

6.18 The MapInfo TargetPro reports also contain population estimates and forecasts for the constituent postcode zones of the study area. From these, we conclude that the population of the town centre’s primary catchment is due to increase as follows:-

Table 7: Population growth

Year	Population
2007	21,817
2012	23,108
2017	24,397
2022	25,692
2026	26,728

6.19 MapInfo advise that their population forecasts are based on demographics rather than on planning information. They therefore take account of the age structure of the population, expected birth and death rates and trends in migration. They do not incorporate information from the planning system on where new housing developments are likely to take place. The figures above would therefore be unaffected by implementation of the recommendations contained in the Draft East Midlands Regional Spatial Strategy Panel Report (see Section 2). The population forecasts would only be affected if a large number of houses were to be allocated to East Lindsey. As this is not the case, we consider the forecasts to be robust and appropriate for this modelling exercise.

6.20 By applying the forecast expenditure per capita estimates to the population forecasts, the following levels of growth in expenditure can be calculated:-

Table 8: Total Expenditure

Year	Population	Expenditure per capita (£)	Total Expenditure (£)
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2007	21,817	1,403.72	30.62m
2012	23,108	1,489.98	34.43m
2017	24,397	1,581.55	38.59m
2022	25,692	1,678.75	43.13m
2026	26,728	1,760.80	47.06m

Growth in Expenditure:

2007-2012: 3.81m

2007-2017: 7.97m

2007-2022: 12.51m

2007-2026: 16.44m

6.21 This shows the theoretical pool of expenditure generated within Skegness. As the household survey results show however, very little of this expenditure is retained within the town centre, with the vast majority leaking out to Morrisons and Tesco.

Comparison Goods Expenditure

6.22 The same methodology used to estimate convenience goods expenditure has also been applied to comparison goods. In this case, the identified catchment area extends to zones 1, 2, 4, 6 and 8. We have utilised the following expenditure per capita figures, supplied by MapInfo:-

Zone 1: £2,353

Zone 2: £2,306

Zones 4, 6 & 8: £2,411

6.23 Again, special forms of trade are accounted for and actual and forecast growth rates applied. For comparison goods, a growth rate of 4.6% is used to 2012 and 4.9% thereafter, in line with MapInfo’s advice. In this way, the following levels of per capita expenditure are forecast.

Table 9: Expenditure per capita

Year	Expenditure per capita
------	------------------------

	Zone 1 (£)	Zone 2 (£)	Zones 4, 6 & 8 (£)
2007	2,521.83	2,471.45	2,583.99
2012	3,157.73	3,094.65	3,235.56
2017	4,011.00	3,930.87	4,109.85
2022	5,094.83	4,993.05	5,220.40
2026	6,169.24	6,045.99	6,321.29

6.24 These figures must then be applied to estimated and forecast population figures to obtain the total available expenditure:-

Table 10: Estimated and Forecast Population

Year	Zone 1	Zone 2	Zones 4, 6 & 8
2007	21,817	12,267	29,777
2012	23,108	13,438	31,770
2017	24,397	14,252	33,775
2022	25,692	15,062	35,750
2026	26,728	15,710	37,330

Table 11: Total Expenditure – Comparison Goods

Year	Zone 1 (£)	Zone 2 (£)	Zones 4, 6 & 8 (£)	Total (£)
2007	55.02m	30.32m	76.94m	162.28m
2012	72.97m	41.59m	102.79m	217.35m
2017	97.86m	56.02m	138.81m	292.69m
2022	130.90m	75.21m	186.63m	392.74m
2026	164.89m	94.98m	235.97m	495.84m

Growth in expenditure (£):

2007-2012: 55.07m

2007-2017: 130.41m

2007-2022: 230.46m

2007-2026: 333.56m

- 6.25 Although growth in expenditure on comparison goods in the town centre's catchment in the period 2007-2012 is considerable (34% of the current pool of expenditure), not all of this is available to support new and existing floorspace in the town centre. To gain an insight into the level of expenditure growth that would reasonably be available to support new and existing floorspace, we need to provide an estimate of the town centre comparison goods turnover and assess the share that such a level of turnover enjoys in terms of total comparison goods expenditure arising from the catchment.
- 6.26 In order to gain such an insight, we have modelled the results of the household survey applying the MapInfo expenditure per capita figures for individual goods categories to the recorded expenditure flows. These are shown at Appendix H. In this way, the modelled household survey data reveals that the comparison goods turnover of the town centre sums to approximately £54m in 2007.
- 6.27 This exercise is, we acknowledge, imperfect. The goods categories modelled do not include every item for sale in Skegness, and this leaves a certain amount of expenditure unaccounted for. On the other hand, the household survey assumes that where people shop for particular goods is where they always shop for those goods. This has the effect of overestimating the value of the expenditure flow. Despite these deficiencies, we consider that on balance, the modelling exercise is a reasonable assessment of the town centre's turnover.
- 6.28 Referring back to the forecast level of growth in comparison goods expenditure arising from the catchment in the period 2007-2012 (£55.07m), applying the town centre's present market share of circa 33% would indicate that, other things being equal, some £18.17m would be available to support new and existing comparison goods floorspace in the town centre in the period to 2012.

Tourism Spend

- 6.29 The exercise above relies entirely upon the household survey of shopping habits and in this way it ignores the value of other sources of expenditure, in particular tourism. This is particularly important in Skegness as tourists are a major driver of the local economy. In examining tourist expenditure, we have had regard to the Lincolnshire Tourism Model 2003 produced by Geoff Broom Associates in April 2005. A summary of this report is included at Appendix A. This report notes that

East Lindsey hosted over 1.4 million tourism trips in 2003, of which over 1 million visited the coastal areas. The expenditure of such a significant number of visitors is therefore crucial to understanding the local retail economy.

6.30 The Lincolnshire Tourism Model estimates the total visitor spend in coastal areas of East Lindsey to be over £301m with retail attracting £68.3m in 2003 prices. Given the presence of large superstores and the retail offer in Mablethorpe, Butlins and Fantasy Island, we work on the basis that 50% of this expenditure goes to Skegness. This figure can be broken down into convenience and comparison goods.

6.31 The MapInfo TargetPro report shows that total expenditure consists of 37% convenience expenditure and 63% on comparison goods. Applying this general ratio to the tourist spend gives the following levels of expenditure: -

Convenience Goods: £12.64m (2003)

Comparison Goods: £21.52m (2003)

6.32 Utilising the actual and forecast growth rates supplied by MapInfo allows us to estimate the growth in tourist spend for the study years:

Convenience goods:

2007-2012 - £0.81m

2007-2017 - £1.68m

2007-2022 - £2.60m

2007-2026 - £3.38m

Comparison goods:

2007-2012 - £6.64m

2007-2017 - £15.54m

2007-2022 - £26.85m

2007-2026 - £38.07m

6.33 This represents a considerable level of expenditure which should be taken into account when making policy.

6.34 Further assumptions can be made about this tourism expenditure. Tourist visitors are unlikely to spend greatly on furniture, carpets, household textiles, soft

furnishings, domestic appliances, audio visual, electrical, china, glass, hardware, DIY or decorating supplies. The shopping patterns recorded in the household survey therefore do not apply to tourist spend. Instead, we would expect a heavy bias in favour of recreational goods, clothing and footwear.

Floorspace Guidelines

- 6.35 Referring back to the forecast levels of growth in comparison goods expenditure arising from the catchment, this can be applied to a general level of turnover per sq ft to give a guideline for the quantum of floorspace the estimated growth in expenditure could support. The Experian Goad centre report shows a total quantum of comparison goods floorspace in Skegness of 267,000 sq ft. Taking the estimated town centre turnover of £54m from households and a further £26m from tourists, this equates to a turnover per sq ft figure of £300 in 2007.
- 6.36 MapInfo advise that retail floorspace efficiency is likely to increase at a rate of 1.5% for the foreseeable future. On this basis we would estimate an appropriate turnover per sq ft figure in 2012 to be circa £320. At this level, growth of £25m (c.£18m from households, c.£7m from growth in tourist spend) between 2007 and 2012 would support a further 78,125 sq ft (7,258 sq m) of further comparison goods retail floorspace (net). This would equate to 111,600 sq ft (10,368 sq m) of gross comparison goods retail floorspace.
- 6.37 On the same basis, growth to 2017 of £59m would support circa 168,600 sq ft (15,660 sq m) of further comparison goods floorspace (net – 240,800 sq ft, 22,370 sq m gross) at £350 per square foot.
- 6.38 For convenience goods, floorspace efficiencies of supermarket and superstore retailers vary tremendously. On the basis of a range between £500 and £1,000 per sq ft, the level of growth forecast in the period 2007-2012 would support 4,620 to 9,240 sq ft (429 sq m to 858 sq m) net floorspace (6,600 to 13,200 sq ft, 613 to 1,226 sq m gross). For the period 2007-2017, growth in expenditure would support 9,650 to 19,300 sq ft (896 to 1,793 sq m) net (13,786 to 27,571 sq ft, 1,281 to 2,561 sq m gross).

6.39 On this basis, there is considerable scope for further comparison goods floorspace in Skegness, particularly in the clothing and recreational goods areas to which most tourist expenditure will go. With regard to convenience goods floorspace, the level of forecast expenditure growth would not be sufficient to support a new foodstore, though it may support extensions to existing stores.

Quantitative Analysis: Mablethorpe

6.40 The same methodology used for Skegness has also been applied to Mablethorpe. In this case, the household survey shows very limited catchment areas for both comparison and convenience goods. For the purposes of this exercise we have taken zone 8 (postcode zone LN12) as Mablethorpe’s catchment which we consider to be reasonable, given the zone’s relatively small size.

Convenience Goods

6.41 Using the MapInfo expenditure data with actual and forecast growth rates, the following levels of convenience goods expenditure are forecast:

Table 12: Expenditure per capita (zone 8)

Year	Expenditure per capita (zone 8)
2007	£1,423.98
2012	£1,511.49
2017	£1,604.38
2022	£1,702.98
2026	£1,786.21

6.42 Applying the forecast population to these expenditure per capita figures produces the following levels of growth:

Table 13: Total Expenditure

Year	Population	Expenditure per capita (£)	Total Expenditure (£)
2007	13,380	1,423.98	19.05m
2012	14,425	1,511.49	21.80m
2017	15,477	1,604.38	24.83m
2022	16,502	1,702.98	28.10m

2026	17,322	1,786.21	30.94m
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Growth in expenditure:

2007-2012: 2.75m

2007-2017: 5.78m

2007-2022: 9.05m

2007-2026: 11.89m

6.43 As with Skegness, it is necessary to consider the expenditure by tourists and factor this into the model. As noted above, tourist expenditure on retail goods was estimated at £68.3m in 2005 (2003 prices). Whilst Mablethorpe does attract visitors, it clearly does not attract the same level of interest and therefore expenditure as Skegness. Therefore, whereas we estimated 50% of the tourist retail expenditure flowed to Skegness, we estimate Mablethorpe's share of this at only 5%, or £3.96m in 2007 (2007 prices). Again, dividing this into convenience and comparison goods along the same lines as in the MapInfo TargetPro report gives a convenience goods tourist spend of £1.33m and a comparison goods spend of £2.63m in 2007. Applying the MapInfo actual and forecast growth rates reveals the following levels of growth:

6.44 Combining the growth in household expenditure with the estimated growth in tourist spend produces the following levels of expenditure growth:

2007-2012: £2.83m

2007-2017: £5.95m

2007-2022: £9.31m

2007-2026: £12.23m

6.45 Estimating Mablethorpe's average turnover per square foot is difficult due to a lack of published data, however, from our own observations, we would not expect convenience retailers to achieve in excess of £500 per square foot even in prime locations. At this general level, the above growth in expenditure would support the following levels of additional convenience goods floorspace:

2007-2012: 526 sq m (5,660 sq ft) net (751 sq m, 8,084 sq ft gross)

2007-2017: 1,106 sq m (11,900 sq ft) net (1,580 sq m, 17,008 sq ft gross)

2007-2022: 1,730 sq m (18,620 sq ft) net (2,471 sq m, 26,603 sq ft gross)

2007-2026: 2,272 sq m (24,460 sq ft) net (3,246 sq m, 34,938 sq ft gross)

6.46 The figures suggest, therefore, that there would be sufficient capacity to support a new small foodstore in Mablethorpe over the plan period or that an extension to the existing offer could be supported.

Comparison Goods

6.47 For comparison goods, the following levels of expenditure are forecast:

Table 14: Expenditure per capita (zone 8)

Year	Expenditure per capita (zone 8)
2007	£2,583.99
2012	£3,235.56
2017	£4,109.86
2022	£5,220.40
2026	£6,321.29

6.48 Applying the forecast population to these expenditure per capita figures produces the following levels of growth:

Table 15: Total Expenditure

Year	Population	Expenditure per capita (£)	Total Expenditure (£)
2007	13,380	£2,583.99	34.57m
2012	14,425	£3,235.56	46.67m
2017	15,477	£4,109.86	63.61m
2022	16,502	£5,220.40	86.15m
2026	17,322	£6,321.29	109.50m

Growth in expenditure:

2007-2012: £12.10m

2007-2017: £29.04m

2007-2022: £51.58m

2007-2026: £74.93m

6.49 Adding the estimated tourist expenditure produces the following levels of growth in overall expenditure:

2007-2012: £12.76m

2007-2017: £30.59m

2007-2022: £54.27m

2007-2026: £78.74m

6.50 Using an estimated turnover per square foot of £300, the above levels of growth would support the following levels of further comparison goods floorspace:

2007-2012: 3,950 sq m (42,518 sq ft) net (5,643 sq m, 60,743 sq ft gross)

2007-2017: 9,475 sq m (101,991 sq ft) net (13,536 sq m, 145,702 sq ft gross)

2007-2022: 16,800 sq m (180,840 sq ft) net (24,000 sq m, 258,342 sq ft gross)

2007-2026: 24,380 sq m (262,433 sq ft) net (34,829 sq m, 374,904 sq ft gross)

6.51 The above figures show that there is a theoretical need for a considerable expansion of Mablethorpe's retail offer over the next ten years. However, theoretical exercises such as this and real demand are very different things and it is hard to see Mablethorpe attracting this level of investment.

7. Need for further leisure floorspace in Skegness and Mablethorpe

- 7.1 Assessing the need for further leisure provision is a much more subjective exercise than establishing quantitative need for retail floorspace. "Leisure" is not a well-defined term and could be assumed to encompass any number of uses from cinemas to golf courses, bars and bowling alleys. In assessing need for leisure uses it is therefore important to establish what we mean by the term and in this we have regard to the type of location under consideration.
- 7.2 Skegness already attracts large numbers of tourists due to its nightlife, the leisure parks (Butlins, Fantasy Island) and the seafront, with its existing leisure uses such as bingo and bowling. As such, its vitality and viability is substantially underpinned by leisure and tourism. We have therefore concentrated on the need for further commercial leisure rather than other types of leisure such as sports pitches and parks.
- 7.3 We do not believe that a quantitative assessment of need would be either practical or useful. The broad nature of leisure uses, as opposed to relatively homogenous retail floorspace, makes any quantitative calculation meaningless. For example, an identified need for, say, 50,000 sq ft could mean a need for one multi-screen cinema or twenty 2,500 sq ft restaurants. Our assessment of need therefore focuses on qualitative factors and the level of demand from key leisure operators.

Skegness

Qualitative Need

- 7.4 Leisure provision in Skegness town centre currently takes the form of various amusement arcades, bingo halls, a bowling alley, small cinema and numerous pubs, restaurants and bars. All are independent operators catering to the lower end of the market and despite the strong leisure/tourism market in the town, national multiple operators are conspicuous by their absence.
- 7.5 Whilst facilities such as Butlins and Fantasy Island are established destinations, which are clearly very popular in their own right, the extent to which they contribute to the vitality and viability of the town centre is not clear. Indeed, it is questionable whether there is any synergy between these destinations and the town centre's leisure offer.

- 7.6 At present the town centre itself lacks a single commercial leisure destination such as a multiplex cinema around which other uses such as bars and restaurants can gather. Most of the leisure provision is fragmented along Grand Parade, South Parade and the eastern end of Lumley Road.
- 7.7 We believe that this lack of a cohesive leisure destination is one of the reasons why quality multiple operators have not located in Skegness, despite several (such as Pizza Express, Zizzi, ASK and Frankie & Benny's) having published requirements for the town. Moreover, the presence of relatively low quality leisure uses undoubtedly harms the profile of Skegness and re-enforces a sense of decline that is commonly (and not inaccurately) associated with British seaside towns. The existence of this operator demand and the poor quality of the existing leisure provision suggests that there is a clear qualitative need for further leisure uses in Skegness, provided it is of better quality than is currently operating.
- 7.8 The provision of a cohesive leisure destination anchored by a cinema and supported by ancillary bars and restaurants operated by national multiples would materially improve the quality of the leisure offer in the town. It would also offer the prospect of enhancing Skegness as a leisure/tourism destination, providing a better offer to existing patrons and offering the prospect of attracting new visitors to the town.
- 7.9 As we explain below, a qualitative improvement can only be achieved by delivering a certain "critical mass" of development, including some of the key uses highlighted above.

Demand Assessment

- 7.10 In our opinion, no serious leisure scheme will succeed without a modern, multi-screen cinema. The current cinema in Skegness has only two screens and does not occupy a particularly prominent site. It is not, therefore, a significant leisure destination around which other uses, such as bars and restaurants, will cluster. Modern multiplex cinemas by contrast are major drivers of leisure activity, attracting repeat visits and trade for surrounding uses. Such a cinema would be crucial in creating a scheme which would make a significant difference to Skegness' vitality and viability.

- 7.11 However, we have canvassed a number of the major cinema operators who have confirmed that they would be unlikely to consider a multiplex cinema for Skegness based on the size, potential catchment and current perception of the town. Competition from Lincoln and Grimsby reduces Skegness' catchment population to a level too low to support their type of operation at a viable level. Realistically, only a smaller operator would consider Skegness for a multi-screen cinema. Operators such as Reel Cinemas and Apollo have confirmed they would consider up to a 6-screen cinema provided it were part of a larger leisure development. They do not, however, believe that a stand-alone cinema would be commercially viable.
- 7.12 Both Reel cinemas and Apollo feel that the likely catchment and dynamics of Skegness against its competition dictates that multiplex cinema representation in the town is still finely balance in terms of viability. As a result it is likely that even these smaller operators will require substantial subsidy from either the developer or the landowner for them to commit to any scheme in the town.
- 7.13 Any other uses such as the casino which can add to the attraction of Skegness as a visitor destination particularly during the winter months will help to assist viability and reduce the likely level of subsidy.
- 7.14 In terms of need, a major leisure scheme of superior quality to existing uses is clearly required. The potential for a cinema-led scheme is therefore finely balanced and it is likely to require a mix of uses which can generate value in order to cross-subsidise the cinema representation.

Mablethorpe

- 7.15 Mablethorpe is in an altogether different category to Skegness in terms of leisure provision. Clearly leisure and tourism is critical to the vitality and viability of the town, but none of the current amusement arcades, children's play areas or the bowling alley are of great quality or are well patronised. As with Skegness, they do not help the town's profile or image. The Spanish City attraction in particular appears tired and poorly used. The main attraction in Mablethorpe appears to be the sea, particularly amongst older visitors.
- 7.16 Unlike Skegness, our research has shown that Mablethorpe is not a town in which any of the major leisure operators would consider locating. There is currently no

demand from national restaurant or bar operators due to the town's limited catchment, lack of critical mass and geographic isolation.

- 7.17 As section 5 shows, Mablethorpe is neither vital nor viable and the poor state of the current leisure provision suggests that there is a clear qualitative need for further provision. However, there is no demand for such provision from any major operators and the poor condition of current uses suggests there is barely enough demand to support what already exists.
- 7.18 In our view, the best way to promote Mablethorpe is to concentrate the existing uses on one area. At present, the leisure, retail and service uses are fragmented and do not support one another in terms of footfall. Concentration of key uses in a location well related to the town's main attraction – the sea front – would greatly aid the town's vitality and viability.

8. Potential Policy Options

Skegness

- 8.1 The above sections show that there is quantitative need for further comparison and, to a lesser degree, convenience floorspace within Skegness, even based upon relatively conservative assumptions regarding market share and tourism numbers.
- 8.2 Our analysis has concluded that there is currently one potential site within the designated town centre that is worthy of further investigation. This is within the existing the gyratory site at the western end Lumley Road (currently occupied by Iceland, the Lumley Hotel, a car showroom and a postal sorting office); this is shown at Plan 3.
- 8.3 In addition to this site, there is the possibility of redeveloping the Hildreds Shopping Centre, also shown at Plan 3. We have also identified a further opportunity on the eastern edge of the designated town centre boundary at the southern foreshore site.

"Gyratory" Site

- 8.4 This site occupies a key "gateway" position in the town. It connects the main retail area at Lumley Road with the train station, the main road and the major foodstores. The site has great potential to facilitate improved links between the town centre and these sites as well as providing further retailing for the town, including the potential for large format stores. However, we are aware that the site is in multiple ownership and that any development would have implications for traffic management. Given this, it may be a difficult and expensive site to develop and we would not expect any serious development occurring in the short or even medium term.
- 8.5 We therefore recommend that as part of the emerging LDF the Council considers the development potential of this site and identifies the type of development it would prefer to see. In this regard, it may be advantageous for the Council to produce a design brief, in which case reference should be made to this within the LDF.

Hildreds Shopping Centre

- 8.6 Aside from the gyratory site, we are aware of the possibility of enhancement, extension or even redevelopment the existing Hildreds Shopping Centre, also shown at Plan 3. However, in our view this would most likely involve a modest extension or reconfiguration of the retail units, perhaps taking in part of the car park but not bringing a dramatic increase in the amount of floorspace. Such an increase is likely to require decking of the car park and/or first floor trading, the financial viability of which may be questionable.
- 8.7 Nevertheless, this is an important town centre site and should a suitable redevelopment scheme come forward which has the potential to attract quality retailers to Skegness, it should be supported.

Southern Foreshore

- 8.8 The Southern Foreshore site, shown at Plan 3, is a natural extension to the town centre and has the potential to add significantly to the town's retail and leisure offer. Furthermore, it can be made available in the short term. Although it lies outside the town centre boundary it is directly adjacent to it and will be considerably easier to develop than either of the two town centre sites. We therefore believe this site offers the greatest potential for significant enhancement of Skegness' retail and leisure offer in the short to medium term.
- 8.9 Given this potential, we recommend further investigation into this site and identification of the type of development the Council would prefer to see. Again, this should be included within the emerging LDF. A design brief for this site, linked to the LDF, would be advantageous in ensuring the Council secures the type of development which best supports the town centre.

Foodstores

- 8.10 In terms of further convenience goods floorspace, it is clear from the household survey that Skegness currently relies for the most part on out-of-centre superstores. However, foodstores can be major contributors to the vitality and viability of town centres if they are well located as they can bring shoppers into the town frequently and regularly.
- 8.11 At the present time, the only centrally located foodstore is the Co-op at the Hildreds Shopping Centre. The household survey indicates that this is not well patronised and, as such, does not appear to be a major driver of footfall in the

town centre. On the other hand the two main superstores serving Skegness, Tesco and Morrisons, are very popular but are not well related to the town centre. Accordingly the town would potentially benefit from better pedestrian links between these stores and the town centre. These matters should be addressed by policies within the LDF through:

- a) directing further foodstore development toward the town centre in accordance with the principles of the sequential test;
- b) improving links between existing foodstores on the edge of Skegness to the remainder of the town centre including supporting redevelopment of the station/gyratory system area.

8.12 A potential constraint on improving the retail offer of Skegness is the seasonal fluctuation in tourist numbers. Retailers are reluctant to locate in Skegness if they feel that a store will only be profitable for part of the year. It would therefore be advantageous to make Skegness more of a year-round tourist destination and to this end the LDF should include policies which promote the development of new leisure activities including their preferred location.

Town Centre Primary Shopping Areas

8.13 PPS6 at Annex A, table 2, explains primary shopping areas as follows:

"Defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are contiguous and closely related to the primary shopping frontages."

Thus the primary shopping area is not the same as the primary shopping frontage.

8.14 At Plan 4 we set out our view as to the primary shopping area including the primary and secondary frontages. The primary frontages include all of Lumley Road which is the principle retailing axis in the town. We believe that the Council should resist the loss of A1 floorspace in this crucial area and direct non-retail uses to the secondary areas. We do not recommend limits on the number of non-A1 units in these frontages as these can be somewhat arbitrary. More appropriate would be a policy stating that all proposals will be considered on their merits but that in the primary frontages, proposals for change of use away from A1 will generally be resisted.

- 8.15 We recommend no change to the town centre boundary, which we consider appropriate. However, in line with our advice above, we recommend designation of the Southern Foreshore site as the location for a town centre extension.

Mablethorpe

- 8.16 Mablethorpe town centre is currently extremely vulnerable and anything detrimental to its retail health should be resisted. However, our quantitative need assessment indicates that there is a need for further comparison and convenience goods floorspace within the town although this is not necessarily matched by commercial demand. Should a scheme for Mablethorpe come forward it should only be supported if it is well related to the town centre. We cannot envisage any out-of-centre scheme which would merit the Council's support.
- 8.17 Regarding the town centre boundary, we recommend no changes at this time. Beyond this, future policy for Mablethorpe should be considered further once the Regional Spatial Strategy, and potentially the coastal strategy, is sufficiently advanced.

9. Conclusions and Recommendations

- 9.1 Chase & Partners have been instructed by East Lindsey District Council to provide a retail study in order to examine existing shopping patterns and establish the need for additional retail floorspace in Skegness and Mablethorpe. Additionally, the study is to inform the preparation of policies and proposals for inclusion in the Local Development Framework and assist the Council in determining applications for planning permission.
- 9.2 Contemporary national retail planning policy makes it clear that the government has an explicit preference for encouraging retail development in town centres. In this connection, planning authorities are encouraged to plan positively for the growth and development of town centres by:
- assessing the need for further main town centre uses, notably retail uses, and ensuring there is the capacity to accommodate them; and
 - plan for the expansion of centres by identifying appropriate sites in development plan documents.
- 9.3 PPS6 advises that planning authorities should allocate sufficient sites to meet the identified need for at least the first five years from adoption of development plan documents.
- 9.4 In order to provide empirical evidence as to local shopping patterns and preferences, household surveys were commissioned. Agreement on the survey methodology and questionnaire format was reached with officers prior to commencement of the fieldwork.
- 9.5 The study area was designed to cover an area sufficiently large to ensure that the extent of Skegness and Mablethorpe's catchments could be determined. Structured interviews were carried out by telephone with the person responsible for the main household shop in a total of 1,000 households.
- 9.6 The survey results revealed that Skegness has a limited catchment and that Lincoln, Boston and Grimsby draw considerable trade from its surrounding area. Indeed, it is noticeable that when shoppers have a choice between Skegness and one of these other towns, they are more inclined to avoid Skegness. In terms of convenience goods shopping, Morrisons and Tesco dominate Skegness and the

surrounding area, together taking 86% of the zone 1 expenditure and 78% of that from zone 2. Skegness' comparison goods retail offer is reasonable for a town of its size, though there is little "bulky goods" provision such as furniture and DIY goods. Lincoln and Grimsby tend to dominate these sectors. Overall, Skegness' retail offer caters to the lower, discount end of the market.

9.7 Mablethorpe is a small town which provides key services to its local population. It does however look tired, lacks investment and is not vital or viable. There is no significant comparison goods offer and the town is dominated in this respect by Skegness and Grimsby.

9.8 Skegness relies heavily upon tourism and we have made a judgement as to the value of this to the retail economy. Taking this into consideration, along with growth in household expenditure, our quantitative assessment of need/capacity for further floorspace reveals the following:

Skegness

Convenience goods

Period	Net		gross	
	Sq m	Sq ft	Sq m	Sq ft
2007-2012	429 – 858	4,620 – 9,240	613 – 1,226	6,600 – 13,200
2007-2017	896 – 1,793	9,650 – 19,300	1,281 – 2,561	13,786 – 27,571
2007-2022	1,404 – 2,807	15,110 – 30,220	2,030 – 4,011	21,856 – 43,171
2007-2026	1,841 – 3,683	19,820 – 39,640	2,630 – 5,261	28,314 – 56,629

Comparison goods

Period	Net		gross	
	Sq m	Sq ft	Sq m	Sq ft
2007-2012	7,258	78,125	10,368	111,600
2007-2017	15,660	168,600	22,370	240,800
2007-2022	25,492	274,400	36,417	392,000
2007-2026	34,406	370,350	49,151	529,071

Mablethorpe

Convenience goods

Period	Net		gross	
	Sq m	Sq ft	Sq m	Sq ft
2007-2012	526	5,660	751	8,084
2007-2017	1,106	11,900	1,580	17,008
2007-2022	1,730	18,620	2,471	26,603
2007-2026	2,272	24,460	3,246	34,938

Comparison goods

Period	Net		gross	
	Sq m	Sq ft	Sq m	Sq ft
2007-2012	3,950	42,518	5,643	60,743
2007-2017	9,475	101,991	13,536	145,702
2007-2022	16,800	180,840	24,000	258,342
2007-2026	24,380	262,433	34,829	374,904

9.9 It should be noted that these figures are guidelines and are neither ceilings nor targets. They are the result of several assumptions including constant market share and no change in tourist visitor numbers. Furthermore, the allowance made for tourist expenditure does not account for variations in tourist numbers over the course of a year. It is also important to reiterate that greater reliance can be placed upon the estimates for the periods 2007-12 and 2007-17 than for the later periods. In practical terms, we would anticipate that the estimates to 2022 and 2026 would be revised when the LDF is reviewed.

9.10 An important point to note is that theoretical need is not the same as commercial demand. This is particularly the case in Skegness and Mablethorpe where visitor numbers vary tremendously over the course of a year and not all retailers will be prepared to locate all-year-round in a location where they will only make a profit during peak tourist months.

Mablethorpe

- 9.11 Mablethorpe is clearly a town which is struggling and has suffered from an isolated location and poor investment. Any scheme which is brought forward must be well related to the town centre in order to support its function, vitality and viability. Due to the town's vulnerability, any out-of-centre scheme which threatens Mablethorpe's vitality and viability should be resisted. Indeed, such is the fragility of this centre, we cannot envisage any circumstances under which an out-of-town scheme should be supported by East Lindsey District Council.
- 9.12 With regard to the long term, we recommend awaiting the publication of the Regional Spatial Strategy before making policy, particularly as this may include a mandate for a "coastal strategy". East Lindsey District Council's policies for Mablethorpe must have regard to this strategy, should it emerge.

Policy Recommendations

Sites for further retail and leisure development

- 9.13 Local authorities are required to plan for growth and it is therefore necessary for East Lindsey District Council to identify sites where this identified growth can be met. In Skegness we have identified two sites with significant development potential:
- the gyratory site between Lumley Road and the railway station;
 - the Southern Foreshore site, adjacent to the town centre boundary.
- 9.14 We recommend that as part of the LDF process the Council investigates these sites for their development potential and produce development briefs to clarify the type of development it would prefer to see.
- 9.15 In addition to these sites we are aware of some limited potential for further floorspace at the Hildreds Shopping Centre, either through extension or redevelopment. However, given the constraints on the site we do not believe that a significant increase in floorspace would be financially viable. Nevertheless, this is a key part of the town centre and any suitable proposal for its expansion would be in line with PPS6 and should be supported.

Primary Shopping Area

- 9.16 We recommend no changes to the existing town centre boundaries which we consider to be appropriate. We do recommend, in line with the advice on sites for further development above, identification of the Southern Foreshore site in Skegness as a natural and logical town centre extension.
- 9.17 Our recommendations for primary and secondary frontages for Skegness are shown at Plan 4.

Supporting the Town Centre

- 9.18 We have identified certain weaknesses in Skegness town centre in particular the limited foodstore provision. The current Co-op store at the Hildreds Shopping Centre performs poorly in the face of strong out-of-centre competition and this is clearly an area which could be strengthened. We therefore recommend supporting proposals for further town centre foodstore provision and thoroughly examining out-of-centre proposals using the sequential test.
- 9.19 A further weakness is the lack of good pedestrian links between the railway station and the nearby retail uses, and the town centre's core retail area at Lumley Road. The Council should seek to improve these links through environmental improvements. Should the gyratory site be redeveloped the Council should ensure that any proposal includes measures to improve pedestrian links.