Land South of High Street, Leighton Buzzard

Retail/Leisure Market Intelligence Report | November 2016

On behalf of **Central Bedfordshire Council**

Contents

1 INTRODUCTION

1.1 GVA previously prepared the Leighton Buzzard Development Brief: Land South of High Street (2012), and has subsequently been instructed by Central Bedfordshire Council to prepare a market intelligence report to research and update the retail and leisure prospects for the site.

1.2 The Development Brief set out the Council's development aspirations for the site to create a sustainable mixed-use extension to the town centre shopping area. The planning principles aim to enhance the retail offer and the centre's competitiveness, while preserving the town centre's existing high quality environment, reinforcing its distinctiveness and enhancing the town's historic character.

1.3 Our terms of reference for this commission are to:

- Provide an update of the national and leisure markets;
- Set out how the town centre is performing in the current market;
- Identify the delivery potential on Land South of High Street within this national and local context.

Report Structure

1.4 The following section details the current policy framework within which development can come forwards. Section 3 considers the national retail and leisure markets and the implications of this on attracting new and different commercial operators to Leighton Buzzard town centre. Section 4 sets out an up-to-date commentary on the composition and performance of Leighton Buzzard town centre, forming the baseline for the consideration of additional commercial floorspace. In Section 5 we focus on land South of High Street, setting out change since 2012 and delivery potential underpinned by the findings of previous sections.

2 POLICY FRAMEWORK

2.1 A joint Core Strategy between Central Bedfordshire Council and Luton Borough Council was formally withdrawn on 7th September 2011. Consequently the Local Planning Policy Framework for Leighton Buzzard consists of the Adopted South Local Development Framework described in further detail below.

2.2 Following the withdrawal of the joint Core Strategy, Central Bedfordshire Council are in the early stages of preparing a new Local Plan for the area, and in April 2016, the Council issued a 'Call for sites'. It is anticipated that the new Local Plan for Central Bedfordshire will have reached the Pre Submission Publication Stage by late summer 2017.

Adopted South Local Development Framework

2.3 The South Bedfordshire Local Plan is currently the adopted development plan for the south area of Central Bedfordshire - which includes Leighton Buzzard - and was formerly part of the area covered by South Bedfordshire District Council. The Local Plan consists of a Written Statement, which sets out policies and proposals for the development of the area and the justification for them, and the Proposals Map which represents the policies spatially. The South Bedfordshire Local Plan was adopted in January 2004.

South Bedfordshire Local Plan (adopted 2004)

2.4 Paragraph 1.23 of the South Bedfordshire Local Plan Review (SBLPR) states that central to the Local Plan is 'regenerating and managing town centres to protect and promote their vitality and viability'.

2.5 Paragraph 5.77 states how dependent town centres such as Leighton Buzzard are on good levels of accessbility by a variety of modes of transport to ensure vitality and viability. The paragraph goes on to state that the ability to access the centre by car remains very important and the supporting role of available short stay car parking in ensuring this. However the Council wish to maintain a balance through relatively controlled access to the town centre as it is aware of the problems associated with congestion.

2.6 Paragraph 8.8 goes on to state the importance of Leighton Buzzard as a market town and that it remains an important shopping centre for the local population and the rural hinterland.

2.7 Land south of High Street lies within the town centre boundary of Leighton Buzzard as defined on the proposals map. Policy TCS1 states that favourable consideration will be given to proposals which will sustain and enhance the vitality of the town centre, and to uses which support the retail function and contribute towards town centre regeneration. Policy TCS1 adds that the development of vacant sites for retail and/or other uses which support the vitality and viability of the town centre will be considered favourably, along with those that are likely to achieve qualitative improvements to and regenerative benefits for the existing town centre.

2.8 Policy TCS2 relates to the 'Main Shopping Area'; this is the Primary Shopping Area for the purposes of the NPPF. Land south of High Street is located outside of the Main Shopping Area, albeit adjoining.

2.9 Land south of High Street is an allocated site under Policy TCS4/7, which states that a mix of town centre uses other than retail to create a mixed use development is appropriate for the site, which should include an element of residential and leisure use. The policy goes on to state that design considerations relating to any development should be in line with the adopted development detailed under 'Local Plan Technical Guidance'.

2.10 In respect of car parking, Policy T7 states that the Council does not propose to add to the supply of public car parking and will not permit the expansion of any privately owned car parks. Policy T8 states circumstances where the loss of town centre car parking spaces will be permitted:

'(i) This is specifically allowed for in this local plan with the site identified on the proposals map; or

ii) The district council considers the benefits of the redevelopment for town centre regeneration outweigh the loss of parking spaces in the town centre'.

However, this policy is out of date and should be subject to new surveys.

Local Plan Technical Guidance

2.11 In March 2012, the Leighton Buzzard Development Brief: Land South of High Street was adopted as Technical Guidance for development management purposes. This guidance stated that land south of the High Street was key to the revitalisation of the town centre. The purpose of the brief is to showcase the development opportunity on the site and establish guiding planning principles for the preparation of development proposals. The Development Brief sets out a vision for the development of 'land south of High Street', and identifies three parcels of land for development. Parcel A was identified as being the retail quarter to provide an extension to the centre's Primary Shopping Area. It was suggested that this parcel of land should also provide car parking, food and drink uses, and A2 and B1 uses. Parcel B was identified as being the residential quarter, and Parcel C, the mixed use quarter, which would retain the existing Post Office.

2.12 The document goes on to state that the layout of the development should integrate with the primary shopping area through a series of linked streets and spaces. In terms of scale and massing the document states that there should be an opportunity within the eastern part of the site to accommodate bulkier buildings such as a larger anchor retail store and that the height of any new development should gradually mediate from the historic form and grain of the High Street southwards. In terms of delivery, the Development brief states that it would be the preferred option to assemble a single development site, through a private treaty with the various land owners. It states that the Council anticipates that the development will come forwards in 5 – 10 years' time.

Indicative Land Use Framework Plan

3 RETAIL AND LEISURE MARKET REVIEW

3.1 In this section we set out a summary of current national trends in respect of the retail and commercial leisure sectors, which can have implications for future growth of centres and demand for new retail floorspace. As part of our assessment, we consider the potential implications of these trends on Leighton Buzzard town centre.

A return to growth

3.2 Analysis published by Experian (Retail Planner 2015) identified that following several years of subdued performance, including a period of recession; a 'strong economic upswing' took place in early 2013, driven by increases in consumer spending and business investment. Experian expect the UK economic upswing to continue, although at a slower pace than seen in recent years. In the short-to-medium term, Experian expect progress to be 'restrained' due to government finances remaining under pressure, and weaker exports to the Eurozone.

3.3 Experian also point to the fact whilst retail sales have prospered between 2013 and 2016 due to the 'exceptional buoyancy' of consumer spending (because of low inflation and stronger earnings growth), this buoyancy is only true in terms of volumes of sales. Experian state that the value of goods has 'been depressed by heavy discounting and persistent deflation of goods prices'. This has been particularly noticeable in the convenience (food) goods sector.

3.4 There has therefore been a return in confidence to consumer spending since 2013, which offers potential for strongly-performing town centres to capitalise on, although this is tempered by other changes in the retail sector which we discuss below.

Changing Retailer Space Requirements

3.5 During the recession retailers' margins were squeezed, whilst other costs have continued to rise and a raft of multiple and independent retailers have either collapsed or significantly shrunk their store portfolios in recent years. The growth of the internet means that retailers no longer need stores in every town to achieve national coverage, and many are therefore focusing their development programmes on the provision of large flagship stores in strategic locations, supported by smaller satellite stores and transactional websites. Many operators are continuing to close stores in less-profitable, smaller locations as leases expire.

3.6 The larger flagships accommodate full product ranges whilst smaller stores offer more select ranges, supplemented by internet kiosks allowing access to the full range. This offers many advantages to retailers including lower property costs, more efficient logistics and being able to open stores where there is a high level of demand despite there being space restrictions. This 'polarisation' of retailing is enabling larger dominant centres to continue to attract key flagship formats. This can pose a particular challenge to smaller and medium-sized centres, where there are higher order centres in close proximity.

3.7 An often inevitable consequence is that smaller and medium-sized centres become home to more, value-orientated retailers – Poundland, Wilko, Primark and so on – who are more reluctant to pay the rental costs associated with higher-order centres, and, much in the same way that Woolworths previously did, are developing a comprehensive network of coverage in smaller towns, often by being able to acquire prime retail sites at relatively competitive rates. Leighton Buzzard appears to have been relatively resilient post-recession, with the centre retaining a large number of independent stores and a strong market town identity. Leighton Buzzard has the potential to attract brands that specifically target market towns – such as Mint Velvet, Fat Face and Crew Clothing.

3.8 Leighton Buzzard could successfully develop an upmarket / specialist retail offer in a similar style to Sevenoaks and Guildford, which is less affected by economic downturns. Examples of other centres that have successfully developed a more upmarket offer include Royal Tunbridge Wells, and Horsham which have continued to perform strongly throughout the economic downturn, by offering a curated, specialist retail offer centred on upmarket clothing, homewares, and casual dining offer. Typically these centres also offer a strong historical setting and environmental quality which increases their attractiveness as 'destinations' (a point we discuss further below).

Internet Growth & Multichannel Retailing

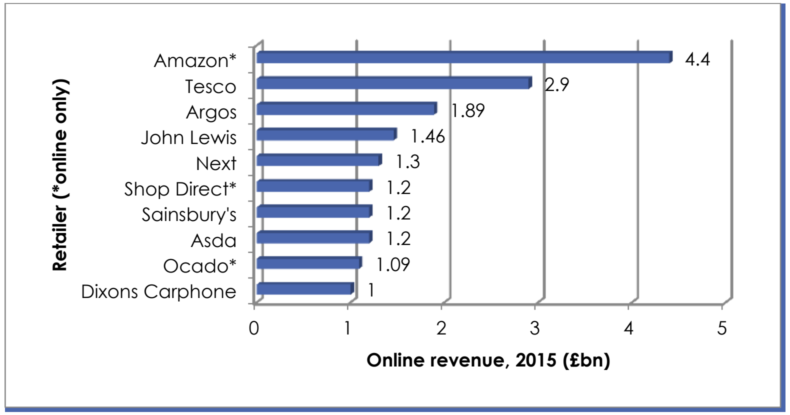
3.9 The online shopping population is reaching saturation, and any future growth in the market is likely to come from increased spend driven by new technology, a better 'browsing' experience and improved delivery options. The growth in online sales has previously raised concerns about the continued need for bricks and mortar stores; however trends indicate that online and in-store shopping channels are becoming increasingly blurred.

3.10 The 'Click and Collect' market is the largest on-line growth sector in the UK at the current time. It is forecast to be one of the most significant drivers of growth, with expenditure set to grow by 82% between 2014 and 2019 to £6.5bn (Verdict 2014). Verdict comment that '*the importance of click & collect should not be underestimated. Maintaining a store network that can offer locality, whilst also having highly informative websites to drive* *growth, is now a fundamental requirement'*. It can be used as an important tool in helping town centres to continue to have an important role and function, by being a footfall generator in its own right.

3.11 Many national retailers now operate 'Click & Collect' facilities, with examples in Sevenoaks District including Marks & Spencer, Sainsbury's, and Boots. It is noteworthy that of the top ten online retailers in 2015, seven have a physical presence on the UK High Street, and all of these offer 'Click & Collect' facilities (**Figure 3.1**). Of these seven, two are currently trading in Sevenoaks town centre (Tesco and Waitrose (for John Lewis) and Sainsbury's, Argos and Asda also have a trading presence elsewhere in Sevenoaks District. Despite being a relatively new concept for the retail sector to embrace, click & collect is therefore affirming that physical stores can continue to have a role in the multichannel shopping environment. The advantages of physical stores, in terms of the shopping experience, service and immediacy of products in a showroom setting, will ensure that a network of key stores remains a fundamental component of retailer's strategies to provide an integrated multichannel retail proposition. The Click & Collect phenomenon can be expected to drive an occupier desire to maintain a representation of physical store units across town centres.

3.12 It is understood that an on-line retailer is keen to use Leighton Buzzard as a test bed for new technology. This should be encouraged as a way to increase levels of footfall within the town centre.

Figure 3.1: Top ten UK retailers by online revenue, 2015



*Source: Retail Week/Prospect, January 2016. *denotes online only stores. Note: John Lewis also have Click & Collect facilities available via Waitrose stores*

The role of the town centre

3.13 The town centre has been the main shopping channel for centuries, but in the face of new forms of e-tailing (i.e. online shopping) and m-tailing (shopping through mobile phones, tablets and so on) competition many centres will need to continue to adapt in order to remain viable shopping destinations. Across the UK, footfall decreased in High Street locations during the final quarter of 2015[1], emphasising the need for centres to offer as broad a range of uses as possible to assist in driving footfall. Many centres are increasingly positioning themselves as being locations for leisure and social activities as well as traditional retailing, with more bars, restaurants, food outlets and community spaces.

3.14 Our health check assessment of Leighton Buzzard town centre has confirmed that there is scope to increase the level of provision of bars, restaurants and food outlets within the town centre, which will help to ensure that footfall, particularly outside of retail trading hours, is relatively strong. There is clearly potential to further integrate the retail and leisure offer within the town centre. We discuss this further in the following sections of this report.

[1] Source: British Retail Consortium, January 2016

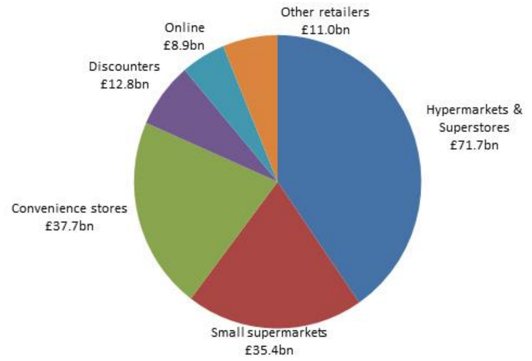
3.15 Centres which offer unique/specialist retail offer which cannot be matched online are also likely to continue to perform strongly, examples in the Midlands region include Melton Mowbray and Oakham. Enhancing the non-retail offer so town and district centres function as more than just retail locations will help drive footfall and increase dwell time. It is increasingly important for centres to promote unique attractions such as heritage assets, historic buildings and cultural features which can differentiate a centre and improve its attractiveness — this is particularly important in the case of Leighton Buzzard where a unique selling point needs to be developed.

3.16 To ensure that town and district centres have a viable function moving forwards they must provide an attractive shopping and leisure experience which the internet is unable to match. A wider strategy must deliver a mix of town centre uses to enhance the attraction of a centre, and increase frequency of visit and dwell time. A vital component of this will be making town centres as accessible as possible, with improved and affordable car parking, as well as investment in public realm and place marketing initiatives.

The convenience sector

3.17 The convenience goods market has witnessed a fundamental change in shopping patterns in recent years, as people increasingly prefer to shop more frequently in smaller-format 'convenience' stores such as Sainsbury's Local, Tesco Express, Co-Operative, Marks & Spencer Simply Food and Little Waitrose. The main foodstores (i.e. the 'big four' – Asda, Morrisons, Sainsbury's and Tesco) have responded to these changes by reigning in substantial expansion of their estates, particularly in terms of larger-format superstores. Both Tesco and Morrisons announced a closure programme of underperforming stores in 2015, and further store closures were announced by Morrisons in 2016.

Figure 3.2: UK grocery market spending, 2015



3.18 The combined spread of convenience store openings, online grocery sales, and the expansion of 'deep discount' retailers such as Aldi and Lidl has fundamentally changed consumer shopping behaviour. Both Aldi and Lidl have gained market share for a number of consecutive years, largely at the expense of the 'big four', and are pursuing ambitious development programme of opening new stores as well as refurbishing older stores. There has also been growth at the 'premium' end of the convenience goods market, with both Waitrose and M&S Food growing store numbers (with both retailers being represented within Sevenoaks town centre).

3.19 The chart below (**Figure 3.2**) shows the composition of the convenience goods sector in 2015, based on data collected by The Institute of Grocery Distribution (IGD). IGD estimate that the UK grocery market was worth £177.5bn in 2015, and of this 'convenience stores' (defined by IGD as stores under 3,000 sq.ft net) claiming £37.7bn of this (21.2%). However, as Figure 3.2 shows, notwithstanding the unquestionable growth in the popularity of 'convenience' stores, most of the food shopping spend is still accounted for by larger-format stores — £71.7bn was spent in 'hypermarkets and superstores' (stores over 25,000 sq.ft net), and a further £35.4bn in 'small supermarkets' (stores between 3,000 and 25,000 sq.ft net).

3.20 There is still therefore clearly a role for the larger-format store to play in convenience goods shopping, and indeed these remain the principle format of convenience goods shopping for the District, but more widely speaking operators are opening smaller format stores than was the case at the time of the Council's previous evidence base studies. Operators with 'hyper-market' format stores (over 60,000 sq ft net) are seeking to introduce concessions or sub-lets to make better use of excess space. For example, some branches of Sainsbury's are trialling Argos concessions, and branches of Tesco Extra include either concessions from other Tesco-owned brands, or other fashion retailers.

3.21 These examples confirm that there remains appetite from foodstore operators to open new stores where suitable opportunities arise, although the size of foodstores being committed to is generally less than has previously been the case. We expect the 'big four' retailers to be significantly more selective in committing to new sites, and to instead focus on programmes of enhancements and upgrades to their existing store network where this is considered to be needed.

Out-of-Centre Retailing

3.22 Retailers are opting to develop stores in the most strategic and cost effective locations, with a notable resurgence of out-of-centre destinations, which offer the benefits of lower rents, larger retail units and in most cases, free car parking. According to Verdict, out-of-town retailing is the only form of retailing which has seen store numbers increase consistently since 2000. The Department for Business, Innovation and Skills (BIS) reports that the number of out-of-centre stores has increased by up to c.1,800 (25%) since 2000;

whilst the number of town centre stores fell by almost 15,000 between 2000 and 2009, the majority of which are likely to have been in 'high street' locations.

3.23 The recovery of market confidence which has taken place since 2013 is benefitting out-of-town retailing. Vacancy rates have fallen, footfall has increased, and many retailers are seeking expansion in out-of-centre locations. A number of these are traditional town centre retailers which have developed out-of-town store formats, including John Lewis, which now operates a number of 'At Home' stores in prominent out-of-centre locations, as well as other traditionally 'high street'-focussed retailers such as Debenhams, Next, Primark and H&M and these can be expected to compete with Leighton Buzzard town centre for comparison goods spending.

Commercial Leisure

3.24 As the nature of retail and high-street shopping continues to change over time, the commercial leisure sector is becoming an increasingly important contributor to the vitality and viability of town centres.

3.25 Leisure time is a precious commodity to consumers and in order to maximise free time, research suggests that town centre visitors often combine leisure activities as part of an overall going out experience. Reflecting this trend, leisure is becoming an increasingly important component in town centre regeneration schemes, particularly in secondary towns, such as Edenbridge which, reflecting the wider trends in the retail sector previously identified, are in some cases becoming less attractive as retail destinations.

3.26 The recession brought mixed fortunes for the restaurant sector. The main casualties were from the more exclusive end of the market, as well as smaller companies with less established brands. Many companies owning multiple brands expanded throughout the economic downturn and continue to trade well, often by offering heavy promotions and discounts. In recent years, expansion in the restaurant sector has been driven by 'casual dining' operators such as Byron, Giraffe, GBK, Wagamama, Carluccios, Pizza Express and so on – although as mentioned above, whilst Leighton Buzzard town centre has attracted Pizza Express ,there are still gaps within this sector. It is also clear that in terms of food and beverage, Leighton Buzzard has successfully retained a number of independent operators.

3.27 The coffee shop sector remains buoyant; there are now approximately 16,500 coffee shops across the country. Recent analysis shows that the UK's coffee shop sector remains one of the most successful in the nation's economy and will continue to expand. Operators such as Costa are now a High Street staple whilst the independent coffee shop sector is also growing store numbers, albeit more slowly outside of London. A number of independent shops operate in Leighton Buzzard town centre in addition to Costa.

3.28 The pub industry suffered during the recession with a record number of pub closures across the UK as a direct consequence of a decline in both drinks sales and rental revenues. This decline continues today, at a rate of approximately 30 pub closures per week across the country. Many pubs have in recent years been converted to small-format convenience stores. Additional factors such as competition from supermarkets, changes to licensing legislation and the smoking ban have further compounded the problems faced by many operators. Similar to the foodstores, however, value led brands such as JD Wetherspoon (operator of The Swan Hotel) have achieved sales growth in recent years and continue to expand. In London, the popularity of specialist pubs offering craft beers and local ales also remains strong, and this is a trend which is now becoming popular in other urban areas. This is an area of potential growth that could be developed within Leighton Buzzard.

3.29 The health and fitness sector continues to perform strongly as the social trend involving the maintenance of personal health and fitness shows no sign of abating. The health and fitness market is currently being expanded through investment by value and budget operators such as Easy Gym, Gymbox and Pure Gym (none of which currently have a facility within Sevenoaks town centre). This new breed of venues aims to appeal to a wider market with flexible, low cost monthly or 'pay as you go' subscriptions. These facilities are usually located in high-footfall, in or edge of centre locations, often as part of a wider leisure offer.

3.30 The cinema market is also continuing to perform strongly, and in recent years has overtaken foodstores as a typical 'anchor' to new town centre development schemes. As of June 2016, there are 316 cinema multiplexes operational in the UK.

3.31 Both major cinema operators (e.g. Cineworld, Odeon) and smaller/independent operators (e.g. Curzon, Everyman) continue to open new developments — and importantly, cinema operators are willing to consider openings in smaller town centres, particularly when a development can also incorporate complementary 'family dining' restaurants such as Nando's, Pizza Express and so on, as well as coffee shops, enabling them to act as leisure 'destinations' in their own right. For example, Cineworld has opened eight new sites since 2015, including in market towns such as Loughborough and Hinckley; Odeon has opened fewer new sites (six since 2012) but also continues to open in smaller centres, such as Llanelli and Trowbridge. New cinema openings continue to be central to town centre regeneration schemes, with cinemas incorporating restaurant/casual dining uses.

4 LEIGHTON BUZZARD TOWN CENTRE

4.1 Leighton Buzzard is identified as one of the main towns within Central Bedfordshire in the South Bedfordshire Local Plan (2004) and performs an important retail function within the area. Leighton Buzzard is a traditional market town centre with the main shopping area focussed along the High Street and surrounding streets (including Lake Street, Hockcliffe Street, and North Street) and the Waterborne Walk Shopping Centre located to the north of the High Street.

4.2 The town centre sits at the heart of Leighton Buzzard and Linslade (which effectively form one town). The town centre follows a traditional market town street layout with the main shopping area focussed along the linear High Street with historic development patterns (including burgage plots) remaining largely intact. Multiple comparison retailers present include WH Smith, Argos, Boots and Peacocks as well as a number of smaller clothing and footwear national brands, although the health check identifies an under-provision of clothing and footwear stores. Multiple operators are concentrated within Waterborne Walk which contains the town centre's only concentration of larger modern retail units.

4.3 In preparing for the commissioned market intelligence report GVA met Central Bedfordshire Council and undertook an in-depth site survey of the town in July 2016. The general overview is that Leighton Buzzard, for a market town of its size and population circa 52,500 residents, including Leighton Linslade, the retail and quasi retail uses are in a reasonable state for an affluent catchment. As you might expect there is a good selection of independent retailers as well as a mix of more multiple retailers who tend to appear in towns of a similar size and demographic. In walking the town we identified the following recent additions since GVA's last involvement in 2012 and these include:-

- 1A Bridge Street - "To Have And To Hold" Wedding Shop.
- 25 Waterborne Walk Shopping Centre - "Farmer's Kitchen" farmer's market food use may be a pop-up shop.
- 12 High Street is currently being re-fitted.
- 37 High Street has been re-branded from 99p Stores to Poundland following their corporate acquisition.
- 8-9 Lake Street has been taken over by MEVAN Turkish Restaurant.
- 2-4 Peacock Mews had re-branded but is still operating as a knitting shop.

4.4 In terms of vacancies there was a relatively low vacancy rate on the high street and surrounding streets. But, the following were noted:-

- No. 22 High Street was vacant.
- 42 High Street was vacant, bank/ financial premises.
- No. 9 Lake Street, formerly Ladybird Delicatessen was vacant and to let.
- 20-22 Lake Street, former doctors or dentist's surgery was to let and a cancer research charity shop was under alteration.

Socio and Economic Characteristics

4.5 A contributory factor to the overall health, characteristics and potential for future development and change is the socio-economic profiling of the catchment population surrounding Leighton Buzzard. As such we have generated data from Experian within a 20 minute drive time from the centre of the town centre, which has taken into account the likely catchment reach in the context of the retail/town centre network geographically. This data has been compared to that generated for Central Bedfordshire and both have been benchmarked against the UK national average.

4.6 Table 4.1 details the occupation of residents in the district, indexed against the UK average; the groupings are set by our data provider, Experian. The data shows that those in the traditionally higher earning sectors (managers, directors, senior officials, associate professionals) are above the UK average, along with administrative and secretarial occupations.

Table 4.1: Occupation, indexed

Employment	UK Average Index	Central Bedfordshire	Leighton Buzzard
Managers, directors and senior officials	100	120	113
Professional Occupations	100	97	95
Associate professional and technical occupations	100	112	104
Administrative and secretarial occupations	100	107	108
Skilled trades occupations	100	108	97
Caring, leisure and other service occupations	100	92	92
Sales and customer service occupations	100	83	96
Process, plants and machinery operatives	100	93	97
Elementary Occupations	100	81	98

4.7 Table 4.2 sets out the social grade of residents within the catchment and county indexed against the UK average. The social grade index is based on the Occupational Code 2010, Employment Status, Qualification, Tenure and whether respondents work full or part time, and can be summarised as follows:

- AB – Higher and intermediate managerial, administrative and professional occupations;
- C1 – Supervisory, clerical and junior managerial, administrative and professional occupations;
- C2 – Skilled manual occupations; and
- DE – Semi- skilled and unskilled manual occupations, unemployed and lowest grade occupations.

4.8 Table 4.2 shows that both the Leighton Buzzard catchment and the County population consist of a high proportion of those in the more affluent categories, achieving above the UK average in the AB, C1 and C2 categories. There is a below average proportion of those within the lower income category DE.

Table 4.2 Approximated Social Class

Approximated social class	UK Average	Central Bedfordshire	Leighton Buzzard
AB	100	118	109
C1	100	107	103
C2	100	110	102
DE	100	69	87

4.9 Table 4.3 summarises the amount of available spend per capita within Central Bedfordshire and Leighton Buzzard for both convenience and comparison goods, again benchmarking this to the national average. Consistent with the findings of Table 4.1 and Table 4.2, spend per capita for both convenience and comparison goods is above the national average highlighting a stronger spend potential in Leighton Buzzard town centre.

Table 4.3 Comparison and Convenience spend

Actual Spend Per Capita

	UK Average	Central Bedfordshire	Leighton Buzzard
Convenience and Comparison Goods	5,272	5,738	5,409
Comparison Goods	3,157	3,519	3,272
Convenience Goods	2,115	2,219	2,136

Index to UK Average Spend Per Capita

National Spend	Central Bedfordshire	Leighton Buzzard
100	102	101

Convenience Index to UK Average spend per head

National Spend	Central Bedfordshire	Leighton Buzzard
100	96	98

Diversity of Uses

4.10 Based on the latest survey data undertaken by Experian Goad (September 2015), the town centre currently comprises 39,363 sq m gross retail and service floorspace across 258 units. Tables 4.4 and 4.5 below set out the diversity of retail and service units in Leighton Buzzard compared to the national average.

Table 4.4: Leighton Buzzard Composition of Uses (Units)

	No. of units	% of Total	UK Average (%)	Variance
Convenience	88	34.1	31.9	2.2
Comparison	16	6.2	8.6	-2.4
Leisure	60	23.3	23.4	-0.1
Service	81	31.3	24.6	6.7
Vacant	13	5.0	11.2	-6.2
Total	258	100	100	-

Table 4.5: Leighton Buzzard Composition of Uses (Floorspace sqm gross)

	Floorspace	% of Total	UK Average (%)	Variance
Convenience	7,776	19.7	15.2	4.5
Comparison	13,016	33.1	35.9	-2.8
Leisure	9,309	23.7	24.5	-0.8
Service	7,934	20.2	14.7	5.5
Vacant	1,328	3.38	9.02	-5.64
Total	39,363	100	100	-

4.11 In terms of comparison goods floorspace, the Goad survey excludes some upper floors and mezzanine floorspace sales areas. Comparison goods provision is 2.4% below the national average in Leighton Buzzard. The main comparison goods offer is centred on Waterbourne Walk, however there are further outlets distributed along the High Street.

4.12 Convenience goods provision in Leighton Buzzard is 4.5% above the national average, accounting for 19.7% of the units within the town centre (compared to the national average of 15.2%). There are three supermarkets within the town centre, two of which are large format foodstores– Waitrose at Waterbourne Walk and Morrisons on Lake Street. The Waitrose store has a delicatessen, butchers, fishmonger and bakery counter in addition to glass and fish kettle loan. The Morrisons store also has a butchers, fishmonger and bakery as well as a petrol station and dry cleaning pick up. There is also a smaller Iceland store within the town centre.

4.13 Tesco is edge of centre, located on a retail park off Vimy Road. The Tesco store also offers a butchers and fishmonger, in addition to a pharmacy and clothing range. The Tesco store also offers click and collect for groceries, Tesco Direct and Tesco clothing.

4.14 The rest of the convenience provision in the town centre is made up of bakeries and confectioners, off-licences, health food shops, butchers and a newsagent. Aside from the three supermarkets mentioned above, the majority of the convenience units are operated by independent retailers. There is a twice weekly market in Leighton Buzzard selling a range of goods including food products. Additionally, there is a Farmer's Market on every third Saturday of the month.

4.15 In terms of comparison goods, the composition of uses within the centre is a little below the national average at 33.1% (2.8% less than the national average of 35.9%. According to the Goad report, the town centre has above average provision of the following Goad categories (albeit between 0.2-1.0%):

- Charity shops;
- Chemist and drugstores;
- Crafts, gifts, china and glass;
- Florists;
- Furniture general;
- Greeting cards;
- Hardware and household goods;
- Ladies and menswear and accessories;
- Ladies wear and accessories;
- Leather and travel goods;
- Textile and soft furniture; and
- Toys, games and hobbies.

4.16 The provision of Leisure Services within Leighton Buzzard is marginally below the national average, however it should be noted that the Goad category report includes food and beverage. The town centre leisure offer includes a theatre and a number of restaurants and cafés, but is dominated by a 'wet-led' pub/bar offer. There is a reasonable range of eating and drinking operators in Leighton Buzzard town centre. These include a range of independent coffee shops on the High Street, as well as the national multiple, Costa. In terms of restaurants, there is a good range including Indian, Italian, and Thai, pubs and a Pizza Express located within the old fire station. Weatherspoons have recently taken over the running of the Swan Hotel. In terms of fast food, Leighton Buzzard has a number of Pizza Take Aways and two Fish and Chip shops.

Other Main Town Centre Uses

4.17 In addition to retail, there are a limited number of other main town centre uses in Leighton Buzzard. Leighton Buzzard Library is located on Lake Street; in addition to general library facilities the library also has a small exhibition area. Leighton Buzzard Arts Centre is also located on Lake Street and has a 170 seat theatre with cinema screen. The theatre provides a programme of films, music, drama, and operatic productions. The historic All Saints Church is visible from much of the High Street due to its 190 ft spire. The church is an attraction for visitors to the town and also has a coffee shop open three days a week.

Vacancy Rates

4.18 During our health check visit we identified the following recent additions since GVA's last involvement in 2012 and these include:-

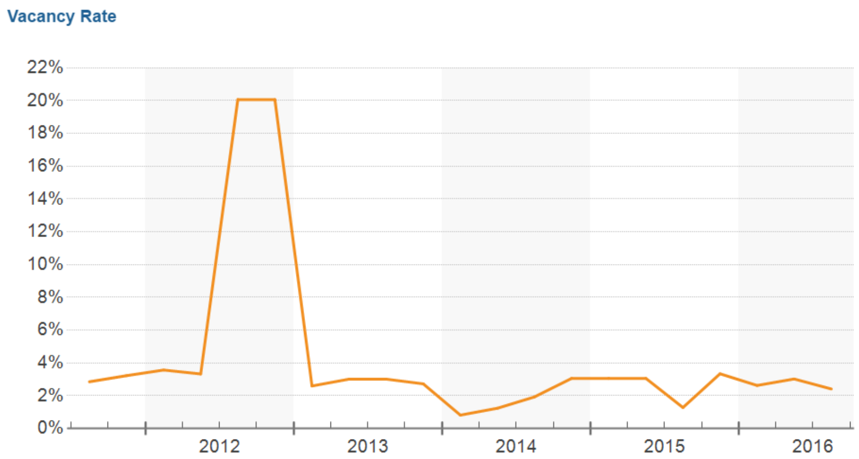
- 1A Bridge Street - "To Have And To Hold" Wedding Shop;
- 25 Waterborne Walk Shopping Centre - "Farmer's Kitchen" farmer's market food use may be a pop-up shop;
- 12 High Street is currently being re-fitted;
- 37 High Street has been re-branded from 99p Stores to Poundland following their corporate acquisition;
- 8-9 Lake Street has been taken over by MEVAN Turkish Restaurant; and
- 2-4 Peacock Mews had re-branded but is still operating as a knitting shop.

4.19 In terms of vacancies there was a relatively low vacancy rate on the high street and surrounding streets. But, the following were noted:-

- No. 22 High Street was vacant;
- 42 High Street was vacant, bank/ financial premises;
- No. 9 Lake Street, formerly Ladybird Delicatessen was vacant and to let;
- 20-22 Lake Street, former doctors or dentist's surgery was to let and a cancer research charity shop was under alteration.

4.20 The one asset that did appear to be struggling was Waterborne Walk, whereby Unit 25 looked to be a temporary occupant, Unit 27 is vacant and the large former Poundstretcher discount store at Units 13-17 Waterborne Walk was also vacant.

4.21 The most recent Experian Goad Report (September 2015) identified 13 vacant units representing 5.0% of units, significantly below the national average of 11.2%. The vacancy rate appears to have remained relatively constant over the last three years. Figure 4.1 below illustrates the vacancy rates for Leighton Buzzard over the last five years. These are different to those recorded with Experian Goad and are therefore not directly comparable, but they are useful to demonstrate the performance of Leighton Buzzard over time.



Pedestrian Flows

4.22 PMRS undertook a footfall survey on 22nd and 23rd April 2016 at 30 count points within Leighton Buzzard town centre. The survey area covered the contiguous retail area of Leighton Buzzard town centre. The highest levels of footfall were found to be within Winterbourne Walk and the area of the High Street in closest proximity to Winterbourne Walk. As described within the previous section, given that Winterbourne Walk is anchored by Waitrose and is surrounded by national multiples this is not a surprising result. The highest level of footfall was found to be outside Rosehill Pharmacy, followed by Oliver Adams Baker, Brown and Merry Estate Agents, vacant units in Winterbourne Walk and Argos. The lowest levels of pedestrian footfall were found at either end of the gateway to the town centre. The below graph provides a summary of footfall levels within Leighton Buzzard town centre.

Character Areas

4.23 In order to look in more detail at retail and leisure provision throughout the town centre we have identified five retail character areas which Leighton Buzzard town centre can be divided into, but does not relate to policy designations.

Bridge Street and Church Square

4.24 Bridge Street and Church Square are located to the western edge of the town centre and form the western gateway to the town centre. Bridge Street is characterised by historic terraces and predominantly either restaurants or independent shops with an arts and crafts focus are located within this area. Church Square is more open and residential in nature; it is dominated by historic buildings with the old post office building being a particularly dominant feature. There is also a good level of disabled parking provision within Church Square. The historic All Saints Church is visible from much of the High Street due to its 190 ft spire. The church is an attraction for visitors to the town and also has a coffee shop open three days a week.

4.25 In terms of footfall, these areas are on the periphery and as such the footfall counts reflect this, with lower counts in these locations.

High Street and Winterbourne Walk

4.26 The majority of Leighton Buzzard's national multiple comparison retail provision is located within Waterbourne Walk and the High Street that surrounds Waterbourne Walk. Waterbourne Walk is a covered shopping area which is more modern compared to other units within the centre. Key comparison retailers within Waterbourne Walk include Argos, Boots, Dorothy Perkins, New Look and M&Co. In terms of convenience goods, Waitrose is the key anchor retailer within Waterbourne Walk.

4.27 On the High Street surrounding Waterbourne Walk are Peacocks, Clarks Shoes, Millets and Wilko. There are no national department stores in the centre. The retail units on the High Street are older and smaller in size, compared to the Waterbourne Walk units. The comparison retail offer in Leighton Buzzard is predominantly tailored towards the mid/mass market and there is a notable gap in the provision of more upper middle/luxury/aspirational retailers.

4.28 The town centre follows a traditional market town street layout with the main shopping area focussed along the linear High Street with historic development patterns (including burgage plots) which remain largely intact. There are approximately 105 Listed Buildings within an 800 metre radius of the High Street. The variety in the built environment creates an interesting street scene and the well-preserved High Street is pedestrian friendly. The narrow streets/alleys leading off from the main High Street add character to the town and offer a good opportunity to create active linkages between different parts of the town.

4.29 Unsurprisingly the highest levels of footfall were found in this area, with the location of a number of national multiples being a strong footfall generator.

Southern High Street

4.30 The southern part of the High Street towards Market Square is more dominated by grander buildings such as those occupied by HSBC, the Swan Hotel, and Barclays. The architecture is this area is also more varied than the rest of the High Street. In keeping with the rest of the High Street there are also a number of alleyways linking land behind the High Street with the town centre. This area is mostly focused upon service provision in the form of banks, hotels and restaurants.

4.31 In terms of footfall, this area fairs relatively well, and is clearly more of a thoroughfare than the gateways to the town centre. A good mid-range level of footfall was recorded within this area.

Lake Street

4.32 Lake Street is narrower in nature than the High Street, with more varied uses including the Library, Dental Surgery, Beauty and Hair Salons, Charity Shop and public houses. The area continues the theme of the High Street with a number of alleyways through to land behind Lake Street.

4.33 In terms of footfall, Lake Street is not the most frequented area within the town centre, which could be reflective of the retail offer within this area. Morrisons, the other key anchor retailer within the town centre boundary is located towards the end of Lake Street. This is larger than the Waitrose store, but more disconnected from the town centre.

Market Square (including Peacock Mews, Hookcliffe Street and North Street)

4.34 The market cross (Grade II*) listed and the buildings behind it works with the topography to provide a visual anchor at the top of the High Street. The development of the old Fire Station into a restaurant is both sensitive and successful and demonstrates an appropriate response to the historic context. Peacock Mews, to the north also demonstrates how boutique shopping can be successfully integrated into historic alleyways, with courtyards along its length.

4.35 This character area is dominated by a narrower street pattern, particularly within Peacock Mews. The retail focus within this area is more upon independents, and there is a good range of independent convenience and comparison goods stores within this area. The successful conversion of the old fire station presides over the area in addition to Peacock Mews. There are a number of specialist comparison retailers in the centre and Peacock Mews is an attractive and notable area of the town centre which has a good offer of boutique shops.

4.36 In terms of footfall, perhaps reflective of the more independent and specialist nature of the shops in this area, footfall is mid to low when compared with the rest of the town centre.

Character Areas: Overview

4.37 The one asset that did appear to be struggling was the Waterborne Walk Shopping Centre, whereby Unit 25 looked to be a temporary occupant, Unit 27 is vacant and the large former Poundstretcher discount store at Units 13-17 Waterborne Walk was also vacant.

4.38 We would reiterate our commentary back in 2012 that the Waterborne Walk as an asset is looking dated. Whilst anchored by Waitrose Supermarket, which ought to be a strong selling point, the store does look in need of refurbishment and improvement and in need of a lift. The scheme ought to be strong with the town's principal 400 space multi-storey car park adjoining and this may form some of the redistribution of car parking on developing "Land South of High Street". The principle problems for Waitrose is that their store is not quite big enough and is remote from the car parking for ease of trolley shopping, the car park is also multi-level. In this regard the edge of town Tesco offers a better more simple shopping experience. Further, in Waterborne Walk the surrounding tenants are neither complimentary, or what you would expect from a Waitrose anchored scheme.

4.39 There was also a vacant unit at 9 Bell Alley. Whilst the retail market in particular has been through a decade of retail units getting bigger and bigger, particularly in the national multiple sector, it is comforting now that in a traditional high street setting that it is the smaller units that appear to be thriving, particularly around Market Square and around Peacocks Mews, and despite being secondary the retail mix along Hockliffe Street also seems to be trading well with artisan expresso coffee shops and some boutique fashion operators too.

4.40 Some encouraging signs of affluence and investment in the town are in the presence of at least one branded coffee shop operator in Costa Coffee at 23 High Street. You might expect more than this, however, the quality of the independents and population perhaps keep them at bay, with House of Coffee and Cookies Café and Peacocks Mews both trading very well as the Espresso Head Coffee Shop on Hockliffe Street, which judging by its top of the range Marzocco coffee machine should serve some pretty decent coffee.

4.41 The obvious shortfall in the town is the casual dining sector, which is abundant in other affluent cities, towns and similar market towns. Whilst the market leader, Pizza Express, have a great unit in the Old Fire Station at no. 33 Market Square, they are the only multiple casual dining offer in town. Whilst the surrounding villages and hamlets have some enviable gastro pubs, the offer in the town is of a very independent nature to include operators such as Martini Italian Restaurant on Hockliffe Street, the new Turkish restaurant on Lake Street and smaller coffee shop come cafes at no. 1 Bridge Street, there are also several Indian Restaurants. Despite the lack of a cinema anchor for the town, we would expect perhaps one or two more known operators to be present.

Accessibility

4.42 The centre is served by a number of bus routes connecting the town centre to Dunstable, Luton, Wootton, Milton Keynes and Bletchley. The train station is located away from the High Street to the west of the town centre – there is however a bus link between the High Street and town centre. The train station is served by London Midland trains and connects with London, Milton Keynes and Birmingham.

4.43 The main High Street is not a busy road; consequently pedestrians can easily cross the road. The absence of heavy traffic provides for a pleasant shopping environment. In terms of car parking, the council own four car parks within the town centre providing 573 parking spaces. Three of these car parks are pay and display. There are also two customer car parks at Waitrose and Morrisons.

State of Town Centre Environmental Quality

4.44 Leighton Buzzard town centre is an attractive environment due to the diversity and quality of its historic buildings and high quality public realm. There are approximately 105 Listed Buildings within an 800 metre radius of the High Street. The variety in the built environment creates an interesting street scene and the well-preserved High Street is pedestrian friendly. The narrow streets/alleys leading off from the main High Street add character to the town and offer a good opportunity to create active linkages between different parts of the town.

4.45 The town centre has an attractive, historic environment with attractive shop fronts and street furniture. The centre is well maintained and has a number of planters, benches and trees located throughout. Market Square is particularly attractive as a relatively open space within the centre.

4.46 The town centre follows a traditional market town street layout with the main shopping area focussed along the linear High Street with historic development patterns (including burgage plots) which remain largely intact. Much of the town centre is characterised by narrow, deep plots, with alleyways running through to service spaces behind the buildings, a legacy of the coaching inn tradition.

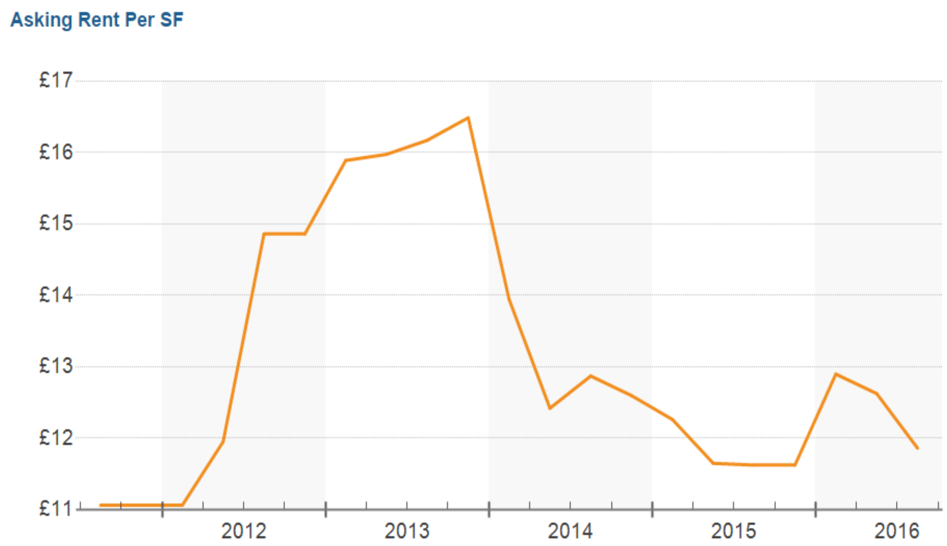
4.47 The development of the old fire station is both sensitive and successful and demonstrates an appropriate response to the historic context. There have been some unsympathetic demolitions and insertions on both sides of the High Street which in many cases detract from the generally attractive character.

Customer Views and Behaviour

4.48 The current retail study for Central Bedfordshire is the Central Bedfordshire Development Strategy Retail Study and Appendices (publication January 2013) prepared by Roger Tym and Partners. As part of this study, an on-street survey of shoppers was undertaken by NEMS Market Research in two locations within Leighton Buzzard town centre, including Waterbourne Walk. 31.7% of these respondents stated that there was a lack of choice of independent and specialist shops, with a further 28.9% stating that they would like more/wider range of national multiple (high street chain) shops.

Commercial Rents

4.49 Analysis of CoStar Suite data provides detail on average rents, as shown on the graph below. At Q2 2016 average retail rents in Leighton Buzzard town centre were c. £11.86. Over the last 5 years rents in Leighton Buzzard have remained relatively buoyant, peaking in 2012-2013. Rents have dropped over the last two years.



Surrounding Retail Uses and Competition

4.50 To the west of Leighton Buzzard High Street on Leighton Road on the route in from the train station is the Vimy Road Retail Park, which houses a number of large operators including Tesco Extra, Homebase and Aldi. To the front is more trade use in Linslade Tyres. In 2012 GVA discussed at length the proposals for Smith's Meadow to the south of Leighton Road opposite Vimy Road Retail Park and whilst no progress appears to have been made in the largely residential developments proposed, a void unit to the front has been let to Fit for Less Gymnasium.

4.51 To the south of Leighton Buzzard is the planned Grovebury Retail Park located on the A4012 Grovebury Road, 1.5 miles south of Leighton Buzzard centre. The park is not yet built, but has submitted outline planning for a modern purpose built retail park development totalling 64,000 sq ft, with units available for a 5,000-35,000 sq ft. The application is for a mix of quasi trade counter and Open A1 retail (Non-food). In addition 1,313 new dwellings have been built or are under construction on the Leighton Buzzard southern expansion zone. An additional 2,500 are proposed for the eastern expansion zone over the next 10 years.

4.52 This retail park when it proceeds will sweep up most of the large space users such as Next H&M, TK Maxx and Sports Direct, all of those large space retail users who might, if there was no other option go into the town's high street will much rather prefer a uniform rectangle box with free adjacent parking on the ring road and thus this is why Next have refused to occupy space in the town centre as we will come onto later.

4.53 In terms of competing larger centres Leighton Buzzard is a short drive from both Milton Keynes in the north-west and Luton directly to the east. Clearly the preference, and I would expect the statistics to back this up, that the majority of shoppers on a larger fashion and comparison shopping expedition will no doubt use the A5 or A4146 to visit nearby Milton Keynes which in recent times has had a significant amount of shopping centre development and improvement. Milton Keynes has also seen a vast leisure improvement including Snowdome, Multiplex Cinemas, leisure centre, music venue and offers a significant draw to the young and affluent spenders alike. Luton on the other hand is a far more ordinary offer, but has been seeking to improve in recent times.

4.54 Aylesbury is also within relatively easy reach to the south-west along with the major Stoke Mandeville Hospital which may of course attract visitors for linked trips.

Food Store Provision

4.55 Having met with Central Bedfordshire Council and with our knowledge of the surrounding area we know that Leighton Buzzard now has a strong network of foodstores in town and out of centre locations. Residents in the immediate vicinity have the choice between Tesco, Morrison's and Waitrose full range stores, and there is further the choice of Iceland Foods, several Tesco Express Stores an Aldi Supermarket, Co-operative, Londis, and further full range stores in neighbouring settlements.

5 DELIVERY

Critique of the Existing Development Space and Change Since 2012

5.1 Since reporting in 2012, there has been an intermediary report prepared by Tibbalds and they have also renumbered the sites to land south of High Street. Accordingly I will deal with them by name as well as by numbers. By way of introduction land south of High Street has been identified for some time as one of the key areas that can support growth for Leighton Buzzard High Street in a way which would be beneficial to the existing high street and town centre, rather than creating a separate destination. The principal reason for this is the large Council owned surface car park, together with the availability of certain other sites. The constraints for the site have always been the lack of permeability into the high street.

5.2 To the uninitiated, retail is the most sensitive of all of the commercial asset classes and the difference between being in the mix in prime pitch and not can merely be dictated by a slight reduction in the width of a road, a slight kink in the road or by turning a corner, therefore in distance terms you can be literally five metres away from the action, but in business and real terms this is the difference between success and failure.

5.3 It is more easily demonstrated by looking at London's famous Oxford Street where the 120 million people per year mostly walk up and down in an east and west direction between the tube stations an accordingly for the best part of Oxford Street retailers will currently pay a rather amazing £1,000 per sq ft Zone A to command a presence on the UK's if not Europe's most premier shopping street. However, if you merely turn the corner onto Duke Street, for example the rents will fall drastically to a much more affordable £200 per sq ft Zone A, however, the footfall will probably reduce by 90%.

5.4 Accordingly, with land south of the high street, the development does need to incorporate substantially improved linkages and connectivity with the high street to persuade the residents of Leighton Buzzard to explore the new scheme. In 2012, the areas under the Council's control were Duncombe Drive a surface car park, the Westlands Home and Day Centre were owned freehold by the Council but subject to a lease to BUPA. An area known as Area 4 which is two private dwellings on the corner of Duncombe Drive were identified but not acquired.

5.5 Area 3, known as the fire station is still being operated by Luton Fire and Rescue Service. Area 5, Bell Alley was held in a mix of ownerships. Area 6, disused former Cattle Market site was in private ownership. Area 7, disused land to the rear of the high street, a previously cleared site which is disused and understood to be in private ownership and then finally Area 8 which is the post office sorting office.

5.6 Fast forwarding to 2016, we now know that the Council have been incredibly proactive with land south of Leighton Buzzard High Street, and in the intervening period have acquired additional land/sites with which to enable development. Discussions with other landowners are on-going and accordingly there is now a much more cohesive ownership strategy to be able to develop land south of high street.

How Changes in the Retail Market Have Necessitated the Change in the 2012 Retail Brief

5.7 The 2012 retail brief was based on more buoyant conditions in the retail market and largely based on the competitiveness in the food store sector at the time. In addition, we had consulted directly with existing and potential major foodstore operators. They were, at that time, receptive to discussing a new modern store with immediate car parking, but the food store market has changed considerably and these can no longer be relied upon to be an anchor to mixed use development, and certainly nowhere near as cost effective as previously. Reverting back to 2012, supermarkets could almost be relied upon to self-fund a new store to anchor a scheme, these days you would be offering them incentives, if the interest was there at all.

5.8 When we looked at the land south of high street in 2010 to 2012 the ownerships were more disparate. Since implementing the strategy in 2012 Central Bedfordshire Council have proactively acquired assets, and accordingly are in a better position to now lead the development process. Where things haven't improved is that the Council do not appear to have a controlling interest with any asset that would create a better link with the high street and this in our view is fundamental to making a success of land south of high street if it is to be on a partial leisure and retail basis. Otherwise it becomes an effectively quasi in-town out-of-town development that sites behind high street, but has no real interaction with it.

5.9 Clearly to work with the town and to join up the retail circuit and ensure that Leighton Buzzard continues to thrive in the future it is critical that the development is complementary to the existing high street offer.

5.10 There needs to be an understanding in the Council and in the wider public that there are fundamentals of the development market that need to be understood in order for developments to be successful. Firstly, it is the anchor occupiers and larger space users, and in particular national multiples who are generally the only parties who will enter into meaningful legal discussions to commit to take space prior to space being built, when dealing with smaller occupiers both national multiples and independents included they will not generally sign-up for anything outside of a 12 month timetable for delivery and thus any development proposed with smaller units from a commercial sense would have to be done on an almost speculative basis. Accordingly, there would be risks attached and if the Council developed the site they would have to take those risks and if a private developer or development manager was appointed they would likely not be able to bear those risks, without a different sector providing the security.

5.11 It is appropriate, in the context of national commercial trends and operator appetite, to consider the wider mixed use agenda, and in this regard other uses such as a cinema, hotel, residential models and business space could well act as a catalyst for the development both in terms of being the lynch pin that helps secure funding for any development, but also provides a suitable reason to visit and footfall driver to enable complementary other uses to succeed.

5.12 Our market testing has identified initial interest from a boutique cinema operator of a smaller format 2 or 3 screen cinema and given the lack of catering offer in the town, some serious consideration should be given as to whether the scheme could be made financially viable to include a cinema operation. This would certainly provide the necessary draw and would inevitably attract the complimentary family friendly restaurant offers that are missing from Leighton Buzzard at present. Such an offer would be complementary to the character of the town and not compete with Milton Keynes, for example.

5.13 If a cinema operator is not found to be financially viable or secured, then alternatives including hotels gyms, trampoline, climbing, Adventure Golf, Ping Pong and boutique bowling are all options to explore. They are not individually as strong as a cinema, but alternative leisure is most definitely on the increase. In short the developer as part of the tender process will market test options and submit a scheme with a likely tenant mix as part of the submission. If that falls down as they try to legally secure their partners, there has to be a re-think.

5.14 Any development that reduced the car park here would need to be part of a wider car parking strategy for the town. However, a developer would need car parking, certainly for a retail and leisure orientated scheme and thus it is important to maintain a degree of on-site car parking together with provision nearby.

5.15 In order to help shape the above, we need to consider the policy framework, the demands of the residential catchment and also commercial demand. The Retail and Leisure Agency Team of GVA have been involved in specifically targeting known members of both of those fields we will cover below our findings in respect of market demand.

Best Methods for Delivering Development

5.16 Having been involved in land south of high street for a number of years now and being particularly familiar with the site make-up and ownership there is potential for a number of outcomes. It is highly likely that the development may happen organically and be delivered piecemeal by different owners. However, it will be left to chance as to whether those developments are joined up and provide the requisite type of development that Leighton Buzzard needs, alternatively, the Council can take a controlling role and seek to bind in other owners with perhaps compulsory purchase powers to provide a more cohesive and joined up approach. To ensure that the development provides what the Council and the town requires. This second method must be given serious consideration.

5.17 We know from our market engagement that there is interest from a major headquarters office occupier, a major hotel occupier and major restaurant and beverage occupiers. In order to deliver the elements that the constituents and the Council desire which may actually be the more risky and lower value elements of the development I think it is important to try and encompass other uses and/ or a strategy to ensure that the site provides its full potential.

5.18 What is key to providing footfall on a successful scheme is providing a route that joins up simply with the current high street circuit; this would route through from the post office and sorting office and then through to the high street at the other end such that shoppers and users of the town are happy to navigate their way around both the new development and the existing high street. This would be underpinned by improved linkages/integration.

5.19 In our research below we have identified a shortage of casual dining offers in the town and given the surrounding businesses we know from feedback and consultation that there is a shortage of venues to meet clients and entertain and hold business meetings. Attracting the better quality restaurant tenants at a level of rent that would be deliverable in development terms means that we need to provide them with a reason to come here.

5.20 The restaurant market vastly prefers a cinema as an anchor as this attracts a wide demographic throughout the day and also provides the highest ratio of linked visits. However, in the absence of the same we would need to use a potential hotel, headquarters office and integration to the high street to achieve the same result. Ultimately, it may not achieve the same level of demand and/ or rent, but if developed correctly could actually mean the scheme is achievable and viable. However, letting a hotel self-develop in isolation they will only have their own interests at heart and this may ultimately not provide the rest of the things the Council and the resident's desire.

5.21 In the same vein a developer who specialises purely in residential development may not have the necessary knowledge or indeed deliver the commercial element to the same calibre that a developer who is experienced in mixed use. If there is a commercial element included in the scheme we will want to ensure that it is of a suitable calibre, size, configuration and suit demand such that we have an element that is let and benefits the town rather than simply commercial space that is there for planning requirements.

Developer Opinion

5.22 As part of our brief, Central Bedfordshire Council have asked us to approach a number of suitable developers who could be relied upon to give a candid and honest appraisal of the development of land south of High Street. A further residential/mixed use developer was approached who confirmed that whilst the site would be ideal for a residential scheme, they would not take forward mixed use or commercial proposals on the site given 'restricted connectivity' with the high street.

Small Boutique Developer

5.23 This developer is interested in this site and has seen the layout plan of how it interacts with the town centre. Their initial thoughts were that a mixed use scheme could be structured here as long as the site was largely controlled as one development. They felt that the post office site would lend itself to conversion of the front period building to a Gastro pub / restaurant opportunity with residential or predominately residentially led development to the rear.

5.24 Given the size of the town of Leighton Buzzard and the location of the land to the south it is likely in their view that the ground floor commercial elements will be the secondary part to any scheme and that the success and financial viability of development here will rely on other components. They were supportive of headquarters office building and whilst in isolation it would not necessarily support a huge amount of additional retail, it will be an employment generating use and one that is viable. The rest of the scheme would rely on upper parts of either residential, private rented residential or hotel activity to complement what is likely to be either limited pre-lets or an almost solely speculative development from the retail point of view.

5.25 The developer was keen to look into the creation of a circuit from the post office site through to Market Square where Pizza Express is located and to look at a massing study. The conversation was left with them that they would be keen to discuss further and meet with the Council if appropriate and their thoughts were that a mixed use scheme could be viable. However, a solely retail led scheme was going to be less viable without a retail anchor or larger stores i.e. in excess of 5,000 sq ft each.

Major Developer

5.26 Having interviewed a smaller boutique developer, we thought we would balance the feedback from a major national development and contracting company. This company are looking more at the mixed use agenda and having recently acquired sites in other major towns to promote refurbishment of office for student housing as well as food store and complimentary retail. Like other developers at the moment they are also looking at the private rented sector model and private housing.

5.27 This site is possibly a little bit small for a major developer at this stage however they are interested in looking at it further if the opportunity arises. The development surveyor commented that they anticipated demand would come from the residential sector and if a solely residentially led scheme were allowed then it would probably be less of an interest to them. Certainly if the Council brought forward parcels of land separately then the likelihood is, planning policy permitting, that you would get predominately residential schemes that were not necessarily knitted together in such a way that was beneficial to the commercial element of the town centre.

5.28 The developer agreed that you needed to promote a circuit from the post office site through to Market Place to give people a reason to circulate and a reason to visit. This is particularly important if you are reducing the scale of car parking on the surface car parking site and careful consideration would need to be given to where alternative car parks are situated and what would make people come here if they are not parking. Therefore, if the commercial element is to be a substantial part of a development there would need to be some destination stores for anchors to persuade people to come here and they were less convinced smaller retail units and restaurants would do this. However, a boutique cinema, a hotel and a mix of residential uses as well as a headquarters office building might fulfil this role.

5.29 The developer stated that a fundamental part of a successful scheme is delivering the principles of the masterplan. If the remaining privately owned land parcels are sold off to separate developers then it will be the party who buys the sites that will need to be engaged with as to the wider picture. If they are set on providing their own scheme within the curtilages of the sites then you have to be further considered on what you can deliver with the remainder.

5.30 The fact that the Post Office are in the market seeking to sell their site is fundamentally a part of the master plan and clearly if the site is successfully sold it will be the party who buys the site that will need to be engaged with as to the wider picture. If they are set on providing their own scheme within the curtilage of the Post Office site then you have to be further considered on what you can deliver with the remainder.

Summary

5.31 Both developers were interested and are experienced in working with councils on a JV basis, or as development manager; they are actively considering the opportunity. There was some concern that the site might be a little small for the larger developer, but they remain keen to be contacted should the opportunity evolve. The third, predominantly residential developer, now pursuing more mixed-use opportunities, viewed it as a purely residential site, and clearly this would not sit well with the development brief or planning policy.

6 CONCLUSION

6.1 Land South of High Street is located adjoining the Main Shopping Area, but within the town centre boundary. Policy T7 states that in certain circumstances, the loss of car parking may be considered to be acceptable, with the Council considering the benefits of regeneration and redevelopment outweighing the loss of car parking. However, this policy is somewhat out of date and should be subject to an up to date review of car parking need and capacity.

6.2 Within site allocation TCS4/7, Land South of High Street, it is stated that town centre uses other than retail are appropriate for the site, directing more leisure based uses towards the site. The 'Land South of High Street Development Brief' states that the layout of the development should integrate with the primary shopping area through a series of linked streets and spaces, and that the eastern part of the site could accommodate bulkier buildings such as a larger retail store.

6.3 As detailed within the socio economic characteristics, it is evident that Leighton Buzzard has a strong and affluent catchment area, and our health check assessment of the town centre has found that the town centre is performing well. Foodstores are well represented with Waitrose and Iceland both located within the Main Shopping Area, and Morrisons, Tesco and Lidl being located within the wider catchment.

6.4 Leighton Buzzard is a successful market town within commuting distance of London. It has an affluent catchment. However, a good deal of that catchment will spend most of the working day outside of Leighton Buzzard. Accordingly, the town does need to evolve to ensure it is attracting more of its catchment population and to do this, it needs to provide uses that will prevent leakage. In this regard we have highlighted that certainly the catering offer needs to widen.

6.5 There are threats to the retail success of Leighton Buzzard in the shape of the out of town schemes, the two developments mentioned above need to be carefully considered. If open A1 consent is granted at the scheme to the south of the town this will sweep up any major multiple retail fashion brands who would prefer a rectangle box with surface car parking rather than a constrained town centre site. It is apparent from our market testing that a number of the well-known multiples are awaiting the outcomes of planning in this regard.

6.6 We believe the Post Office building is ideal for conversion to a food and drink led establishment and that demolition of the more mundane industrial buildings to the rear could make way for some attractive mixed use activity. We believe that the town is affluent and sought after enough that development can succeed in Leighton Buzzard. However, if the Council bring the site forward in parcels separately then the likelihood is the developers acquiring them will be focusing on their own agenda rather than the wider interests of Leighton Buzzard. This still may be a way forward in that it will bring a new headquarters office building, and perhaps a new hotel offer and some additional smaller residential units. However, it is debatable whether this will provide a truly joined up and commercially successful circuit for the town.

6.7 Regarding the headquarters office building we believe that this could be built in isolation so long as it sits away from the proposed retail circuit. The new office population will help any developing retail and commercial accommodation on neighbouring sites, but on its own would not support a retail scheme as an anchor.

6.8 Either securing further privately owned sites via the council or engaging with a genuine mixed-use developer, is likely to be the best outcome for delivering a retail and leisure scheme that the constituents appear to desire. A single developer driving the scheme can look at the connectivity in much more detail and will have a vested interest in generating footfall throughout the scheme in order to ensure its success.

6.9 We have concerns that land south of the High Street's current attraction and footfall is driven by the fact it is one of the more convenient surface car parks servicing the town and any development is likely to erode this and thus there needs to be a strong reason to deviate from the main high street.

6.10 We have explored in detail the previous suggestion of a food store anchored scheme which was based upon significant and positive discussions with a major supermarket. We now know that the food store market is in a different and more subdued place and thus this is no longer an option. Furthermore, with detailed investigation into the surrounding area, it is apparent that Leighton Buzzard is well served for supermarket and convenience shopping.

6.11 We have also explored major retail occupiers and the demand for bigger box fashion stores is also very limited and thus a scheme anchored by a "sub anchor" or large store unit is also questionable. However, our market testing has identified initial interest from a boutique cinema operator of a smaller format 2 or 3 screen cinema and given the lack of catering offer in the town, some serious consideration should be given as to whether the scheme could be made financially viable to include a cinema operation. This would certainly provide the necessary draw and would inevitably attract the complimentary family friendly restaurant offers that are missing from Leighton Buzzard at present.

6.12 In order to fund the build cost and incentives required by even a smaller format cinema, it will need to form part of a larger development with the associated better restaurant rents, hotel and retail and residential helping to contribute to make a scheme profitable. The target operators would offer that boutique cinema offer in contrast to the drive-to multiplex offers available in MK and Luton. The more established operators in this sector would be Everyman, Curzon, Kino, Picturehouse and Reel. Such a development would be dependent on the developer signing an early pre-let with the cinema operator.

6.13 The benefit of securing this is that it would prevent a lot of leakage from Leighton Buzzard and drive more restaurant interest and generate higher rents from said restaurateurs. For example, without an anchor, there would likely be demand from perhaps two operators and rentals in the region of £20 per sq ft. With the cinema, we may be able to squeeze three or four new restaurants in to the site and seek rentals in the region of £25 -27.50 per sq ft. This all needs looking at in some detail as the cinema costs will negatively impact land value and the financial appraisal. The other problem is that it is very difficult and costly to build above a cinema because of the acoustic dampening required. However, we could look at putting a cinema up at first floor with the restaurants beneath. The architects appointed will need to look at options, rights of light etc.

6.14 However, if it is found that the cinema is non-viable as they are very difficult to make financially viable and are also very difficult to build around because of acoustic issues, then some alternative anchor must be found and this will probably be a combination of providing an effective circuit to take advantage of the existing shoppers visiting Leighton Buzzard, some incorporation of surface parking and a number of other uses such as an hotel, residential and office accommodation.

6.15 However, without a major store unit or a cinema to start the mix we have concerns that the retail will largely be smaller units of a destination, convenience and impulse driven tenant mix. The problem with this type of retailer is that they are very unlikely to take pre-lets before they can see how the site works and thus any development will need to be predicated on values attributable to residential or offices or a hotel and the commercial built speculatively and let once the development can be seen coming out of the ground.

6.16 For a mixed use scheme with a retail and restaurant element to be successful, a further acquisition must be made to create a proper link through to the High Street. We are concerned that the current alleyways whilst providing some permeability do not provide a significant, attractive, or safe enough route through to support a scheme.

6.17 In today's fast moving society Leighton Buzzard cannot afford to stand still. Competing settlements have been investing and the draw of major centres such as Milton Keynes continues to improve. Thus if there is no intervention and development, for a small settlement such as Leighton Buzzard, it will only take the departure of two or three key retailers to have a very negative effect on the town. With luck it might be that such voids are filled with better occupiers and the town maintains its ranking. However, it could very easily be the wrong tenants and slip further down the rankings. Accordingly, making the case for council and developer intervention is compelling.