EXECUTIVE SUMMARY

1.1 Content of Study

1.1.1 WYG Planning & Environment (WYG) was commissioned by Luton Borough Council in December 2014 to undertake the Luton Retail Study Update (2015) ("The Study"). This study provides an update to the previous 2012 Retail Study Refresh and is underpinned by updated population and expenditure information.

1.1.2 In accordance with the agreed brief the objective of the Update is to:

- Carry out an updated quantitative assessment of retail capacity for additional convenience and comparison floorspace, based on Luton Borough Council's latest population/ household projections[1] and up to date expenditure data;
- Carry out an update of the Town, District and Neighbourhood Centres Assessment; and
- Provide qualitative recommendations for developing a vision for town centre enhancement.

1.2 Town Centre vitality and viability

1.2.1 Overall, there has been a modest but positive change in the retail environment of Luton town centre since 2012. In the north of the town centre there has been recent pedestrianisation and environmental improvements on Guildford Street and improved Bute Street environment and connectivity to the railway station (which is planned to be upgraded).

1.2.2 The centre continues to maintain a healthy mix and representation of units which, albeit the centre remains under represented in convenience terms. Unit vacancies remain broadly comparable to the UK average. The centre continues to offer a good selection of national multiples. Vacancies are mostly concentrated in the Northern Gateway area which remains a key opportunity site for retail investment.

1.2.3 The town centre remains generally vital and viable, but must continue with its programme of planned investments and improvements in order to continue to function as a regional centre, and compete with the higher order centres. A key priority for Luton Council is the delivery of identified opportunity sites which will extend the town centre, in order to provide a step change in retail provision over the plan period. This should secure the town centre as a competitive regional centre.

[1] derived from the Strategic Housing Market Assessment Update (SHMA) 2015

1.3 District and Neighbourhood Centres

1.3.1 WYG has carried out an update of each of the District and Neighbourhood centres first carried out in 2012. A summary of the recommended centre designations is provided below.

Table 1.0 Updated Centres Assessments – Recommended designations

Ref	Centres	Recommended Designation
1	Bury Park	District
2	Marsh Road	District
3	Purley (Marsh Farm)	District
15	Sundon Park	District
5	Stopsley	District
6	Wigmore	District
4	St Dominic's Square	Neighbourhood
7	Biscot Road/ Blenheim Crescent	Neighbourhood
8	Calverton Road	Neighbourhood
9	Freeman Avenue	Neighbourhood
10	Bushmead (Hancock Drive)	Neighbourhood
11	High Town	Neighbourhood
12	Hockwell Ring	Neighbourhood
13	Market Square, Farley	Neighbourhood
14	Round Green	Neighbourhood
26	Birdfoot's Lane South	Neighbourhood

1.3.2 WYG do not consider the establishment of neighbourhood centres at Dallow Road Downs or Dunstable Road/Waller Avenue to be feasible. These areas of the borough should provide the focus of search areas for consolidated neighbourhood centre provision in future years.

1.4 Retail Capacity

1.4.1 WYG consider there is potential for Luton to increase its market share of convenience (food) and comparison (non-food) expenditure within the Study Area in future years. This is based on a combination of factors that are likely to improve the attractiveness and competitiveness of Luton town centre as a convenience shopping destination. Principally, through the delivery of additional development at the two large allocated opportunity sites, namely Power Court. This is likely to result in a step change in the quality of the town's retail offer and viability as a convenience retail destination.

1.4.2 Adopting an increased market share scenario the Study finds demonstrable capacity for further convenience retail floorspace within Luton. Based on forecast increases in population and expenditure and current overtrading, accounting for commitments, there is assessed to be an immediate convenience goods expenditure capacity of £67.4m. This is forecast to increase to £91.8m by 2020, to £149.8m by 2025, and to £174.6m by 2030 and £179.7m by 2031.

1.4.3 Applying a range of sales densities the Study finds immediate capacity to accommodate between 2,402sq m net and 3,393sqm net of new convenience goods floorspace, rising to between 4,446sqmnet and 6,279sqm net by 2025, between 4,125sqm net and 5,757sqm net by 2030 and 6,450sqm net and 9,064sqm net by 2031.

1.4.4 With respect to comparison (non-food) goods, an increased market share uplift scenario in future years identifies capacity of £206.4m by 2025, increasing to £310.0m by 2030 and £334.6m by 2031. This would result in capacity for between 2,642sqm net and 4,420sqm net of additional comparison retail floorspace to be delivered by 2020, increasing to between 18,057sqm net and 30,096sqm net by 2025, 29,690sqm net and 49,483sqm net by 2030 and between 32,229sqm net and 53,715sqm net by 2031.

1.5 Additional Floorspace Provision

1.5.1 WYG recommend that priorities for floorspace provision are:

- The provision of up to 6,279sqm net of convenience floorspace to be provided by 2020. A significant proportion of this should be provided at the Power Court site;
- The provision of up to 30,096sqm net of comparison goods floorspace by 2025. The delivery should be met primarily at the Northern Gateway and Power Court sites;
- Remaining convenience and comparison floorspace capacity to be met in accordance with the key policy tests relating to the sequential approach to site selection and impact.

1.5.2 Assessed capacity and floorspace requirements should be kept subject to review.

1.6 Recommendations for Town Centre Enhancement

1.6.1 The emerging Luton Local Plan outlines the key strategic objectives with respect to Luton's town and district centres:

1.6.2 Strategic Objective 4: To establish an effective network and hierarchy of town, district and neighbourhood centres to serve as the heart of local communities and improve health through improved access by train, bus, walking and cycling to a mix of uses including shopping, services and jobs.

1.6.3 Strategic Objective 6: Reduce social, economic and environmental deprivation, particularly where it is spatially concentrated, by taking priority measures to reduce unemployment, improve skills and education and renew housing, community and environmental conditions.

1.6.4 Strategic Objective 8: Improve accessibility, connectivity, sustainability and ease of movement to, from and within the borough.

1.6.5 In order to deliver town centre enhancement WYG recommend the Council seeks to deliver a vision which:

- Diversifies Luton town centre's offer in order to adapt to changing needs and compete more effectively with regional competitors;
- Delivers new opportunities to enhance the town centre's retail and leisure offer;
- Consider initiatives for better town centre management to attract visits and support economic activity; and
- Creates desirable urban spaces to enhance the visitor experience.

1.6.6 **Diversification –** WYG recommend the Council works together with key stakeholders to provide uses beyond traditional retail in order to ensure the centre remains vital and viable. The development of a strong leisure offer to complement improved retail provision should help to increase footfall and generate linked trips. The Council should also encourage residential or employment development in the town centre, particularly on the upper floors above commercial units.

1.6.7 Relaxation of permitted development rights makes it easier for Luton based businesses to provide a mix of leisure and entertainment uses. It enables occupation of units by operations such as small scale gyms, dance centres and other indoor and outdoor recreational facilities.

1.6.8 Retail should remain the principal focus of the premier shopping area, however the Council should deliver policy wording which provides sufficient flexibility for a range of appropriate retail and non-retail uses to co-exist.

1.6.9 **Deliver additional floorspace -** The Council should continue its efforts to bring forward the development of the Northern Gateway (Creative Quarter) opportunity site as a priority. Beyond the Northern Gateway Power Court site is considered to remain the sequentially preferable location to accommodate additional large-scale retail and leisure development within the Borough.

1.6.10 Consideration should also be given to delivering complimentary non-retail uses including food and drink and other Class C1 and D2 leisure uses (e.g. gyms/ cinemas etc). This is in order to secure multi-faceted development which will diversify the town centre economy as well as addressing deficits of provision identified in the Leisure Study 2015 and Hotel Study 2015.

1.6.11 Out-of-centre development of a size and scale prejudicial to the delivery of the Northern Gateway and Power Court site and/or the enhancement of retail facilities within the borough's other key centres should be resisted, in accordance with policy set out at paragraphs 26 and 27 of the NPPF.

1.6.12 WYG recommend an appropriate locally set impact threshold policy would ensure that development proposals providing greater than 1,000sqm gross floorspace for main town centre uses in an edge or out of centre location should be the subject of an impact assessment.

Town Centre Management

1.6.13 A cross-departmental management approach in partnership with other key organisations is necessary to deliver tangible improvements to the town centre environment.

1.6.14 *Parking* - WYG recommend the Council explore parking incentives so that, rather than discouraging visitors, provision is more commensurate to out-of-centre facilities. Pay on exit schemes could help remove time constraints placed on visitors, and facilitate the linking and prolonging of trips to the centre (i.e. shopping and evening leisure activity).

1.6.15 *Environmental enhancements and improved public realm* - Additional investment in the public realm should be sought to further enhance the town centre environment. Environmental improvements should help better connect the various components of the town centre, improve dwell time and seek to enhance the evening economy.

1.6.16 *Community Infrastructure Levy* - WYG understand a Community Infrastructure Levy (CIL) is not currently considered viable. The Council intend to review this position in the future. The Council could consider exemptions within the town centre and, conversely, out-of-centre development charged at a specific rate.

1.6.17 *Business rate relief* - Luton Council's business rate discount scheme could be reviewed to target certain businesses and areas of the centre in order to encourage local investment.