

Oadby & Wigston Main Town Centre Uses Study

Final Report

ON BEHALF OF OADBY AND WIGSTON BOROUGH COUNCIL

January 2024

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1. Introduction

Instruction and Purpose

- 1.1 Nexus Planning has been instructed by Oadby & Wigston Borough Council (hereafter referred to as ‘the Council’) to undertake a new Main Town Centre Uses Study. The primary focus of the Study is to establish the current position in respect of the need for additional retail and leisure facilities in the Oadby & Wigston authority area, and to consider the vitality and viability of the principal centres of Wigston, Oadby, and South Wigston.
- 1.2 The Study replaces the previous Retail Capacity Study, which was authored by Nathaniel Lichfield & Partners and which reported in November 2016. The principal purpose of the commission is to inform the emerging Local Plan (which has an end date of 2041), and to act as an evidence base to assist in the determination of future planning applications for retail and other main town centre uses.
- 1.3 The supplied Project Brief (dated December 2022) sets out the Council’s full requirements. Paragraph 3.1 of the Project Brief indicates that the Study should:
 - make sufficient provision for retail, leisure, and other commercial development in the Borough of Oadby and Wigston over the plan period to 2041;
 - provide an up-to-date assessment of each of the Borough’s town and district centres as well as other key retail destinations throughout the authority area;
 - give consideration to structural changes in the economy and other relevant trends in respect of shopping and leisure-use patterns;
 - offer guidance and ideas for future opportunities to retain and/or enhance the vitality and viability in each of the Borough’s town, district, and local centres;
 - review and define the network and hierarchy of town and district centres, and identify a strategy for their long-term vitality and viability including their role and function;
 - define the extent of town and district centres and their primary shopping areas and provide positive recommendations in relation to the appropriate future mix of uses;
 - review the current Local Plan policy in relation to proposals for hot food takeaways;
 - advise on a locally appropriate impact test threshold (above which there will be a requirement for retail and leisure planning application proposals to be supported by a formal assessment of town centre impacts); and
 - identify the ability of centres to accommodate the scale of assessed needs in respect of additional main town centre uses.
- 1.4 The Study is underpinned by new empirical evidence in the form of a new household shopper survey, stakeholder consultation, and our site visits to survey and assess the health of the principal centres and other key retail destinations. The household survey was undertaken by NEMS Market Research in May 2023 and covers six separate zones, which are collectively considered representative of the principal catchment area for retail facilities and leisure facilities located within Oadby & Wigston. The zones are generally consistent with those utilised in the previous 2016 Study.¹
- 1.5 A plan of the Study Area is provided at Appendix 1, and the tabulated household survey results are provided at Appendix 2. The Study Area includes parts of Blaby, Harborough, and Leicester authority areas, where residents

¹ Zones 1 to 5 are identical to those used by the previous 2016 Study. Zone 6 is a new zone which extends into the Leicester City Council authority area, reflecting the fact that the A6 allows Oadby’s retail and leisure facilities to be accessible to residents in the south-eastern part of the City of Leicester administrative area.

may sometimes look to facilities in Oadby & Wigston to meet at least some of their retail and leisure needs.

- 1.6 In this regard, it is important to recognise that shopping habits are not governed by local authority area boundaries. It is therefore appropriate to consider the 'inflow' of retail expenditure from residents of neighbouring authority areas to destinations in Oadby & Wigston in order to identify retailers' overall turnover and understand the role of centres and standalone stores across the wider area. The household survey also allows us to identify expenditure that originates within Oadby & Wigston but which 'leaks' to destinations outside of the authority area.

Structure of Report

- 1.7 Our report firstly provides an overview of prevailing retail and leisure trends, before then going on to consider the planning policy context for the Study. We then considering the vitality and viability of the three principal centres of Wigston, Oadby, and South Wigston.
- 1.8 The remainder of the report identifies retail and leisure needs arising within the Borough to 2041. To undertake this assessment, we identify population and expenditure growth across the Study Area, before then reviewing shopping patterns across the Study Area as established by the household survey. The final sections of the report provide our conclusions in respect of retail and leisure needs, and provide our planning policy recommendations.
- 1.9 Accordingly, this report is structured as follows:
- Section 2 sets out key retail and leisure trends of relevance to the commission;
 - Section 3 provides an overview of the planning policy context;
 - Section 4 summarises our assessment of the vitality and viability of the defined centres;
 - Section 5 provides an overview of forecast changes in Study Area population and expenditure;
 - Section 6 sets out the findings of the household survey;
 - Section 7 provides an assessment of retail needs;
 - Section 8 provides an assessment of leisure needs; and
 - Section 9 summarises our key findings and sets out our conclusions and policy recommendations.

2. Current and Emerging Retail and Leisure Trends

- 2.1 In order to provide a context for this Study and to help identify the sectors that are more likely to be the subject of additional development proposals, we set out a summary of current retail and leisure trends below. In reading the summary, it should be noted that the retail and leisure sectors are dynamic and, whilst online shopping and economic conditions have impacted on the high street, new retailers and formats continue to evolve to meet shoppers' needs.
- 2.2 The below commentary should therefore be taken as a 'snapshot' in respect of current market conditions; it will be necessary to judge future development proposals for main town centre uses with reference to the prevailing circumstances at the time of a proposal's determination. Whilst the impact of Covid-19 on the retail and leisure sectors has lessened in 2022 and 2023, the trading outlook remains challenging due to inflationary pressures and significant increases in the cost of living. We reflect further on the current economic outlook below.

Economic Conditions

- 2.3 The UK economy was impacted significantly by the Covid-19 pandemic in 2020 and 2021, and by restrictions on movement and behaviour which sought to mitigate its impact. This uncertain background caused retail and leisure expenditure (and business investment) to decline. Household spending fell by over 20% quarter-on-quarter in the second quarter of 2020 following the imposition of national lockdown measures. This is the largest quarterly contraction on record. Retail sales volumes also suffered double-digit falls in April 2020 as all but essential stores closed during the height of the lockdown.
- 2.4 However, following the gradual reopening of businesses over summer 2020, the economy returned to growth, with this gathering momentum as a greater number of sectors reopened, including hospitality and leisure services. A resurgence in the number of cases of Covid-19 then resulted in the Government reinstating a nationwide lockdown in early 2021. The general economic outlook in 2022 and 2023 has continued to be of concern given very significant increases in the rate of inflation and the general cost of living.
- 2.5 In February 2023, Experian published its Retail Planner Briefing Note 20 ('ERPBN20'), which identifies anticipated future growth in the retail and leisure sectors and considers likely changes in bricks and mortar retail floorspace and online sales.
- 2.6 ERPBN20 anticipates that retail spending has been squeezed in 2022 and 2023 as a consequence of inflationary pressure and increases in the cost of living. Page 5 of ERPBN20 provides the following summary of the short-term economic outlook:
- 'Pay is expected to grow strongly given a tight labour market, though will fail to keep pace with inflation, underpinning a decline in real personal disposable incomes and a curbing of consumer spending. Further out real incomes will recover as inflation subsides, however the rebound in spending is mild given unfavourable demographics and a rising tax burden on households.'**
- 2.7 Overall retail sales are therefore forecast to reduce in the very short term, with growth returning over the medium and longer term. The Covid-19 pandemic has accelerated the shift to online retailing with a consequent reduction in bricks and mortar retail floorspace. As a consequence, the proportion of expenditure committed via special forms of trading (i.e. internet and mail order sales) has increased.
- 2.8 More generally, as a result of relatively modest growth forecasts and the shift to online retailing, Experian forecasts that there will be a reduction in the stock of retail floorspace over the next few years.

- 2.9 In terms of inflation, Office for National Statistics data² indicates that the rate of inflation (as measured by the consumer price index) increased from 0.8% at April 2020 to 1.5% at April 2021, before then increasing significantly to 9.0% at April 2022. The rate of inflation appears to have peaked at 11.1% in October 2022 and has reduced significantly to 6.7% at August 2023. Retail has been an industry under significant stress, as many retailers find themselves squeezed between rising costs and the increasing volume of sales over the internet. Such difficulties have, of course, been exacerbated by the Covid-19 pandemic and the cost of living crisis associated with rising energy prices and inflation.
- 2.10 There will still be the need and demand for physical stores, despite the increase in shopping online. This is particularly the case for convenience goods sales given that online shopping orders are typically picked from the shelves of physical stores. In respect of comparison goods, there is a need for the offer to become more 'experiential' to encourage shoppers onto the high street, and to ensure that shopping is viewed as a pleasurable pastime. The shopping experience needs to evolve and diversify both to attract footfall and convert increased activity into sales. Independents clearly have an important role to play in adding interest and in providing differentiation between shopping venues.
- 2.11 In considering the current strength of the retail and leisure sectors, it is important to recognise that different types of retailer have been the subject of different fortunes.
- 2.12 Non-essential retailers have been impacted by enforced 'lockdown' closures in 2020 and 2021. However, dispensing chemists traded more strongly from March 2020, and their sales continued to be above pre-pandemic levels into 2022 and early 2023. Foodstores also generally traded consistently above their pre-pandemic levels. This was initially due to a degree of stockpiling of grocery goods, but some ongoing boost in sales was evident due to the ongoing prevalence of working from home. Furniture and homeware retailers also generally benefitted from people spending more time in their homes and wanting to improve their own environment. However, in light of increasing inflation and changes to working patterns throughout 2022, it is understood that there has now been a shift away from this pattern.³

Available Expenditure and the Impact of the Internet

- 2.13 Experian expenditure data and growth forecasts confirm that the pandemic has resulted in turbulent short term changes in per capita convenience and comparison goods expenditure. In this regard, ERPBN20 identifies that per capita convenience goods expenditure decreased by 6.7% in 2022 with a further reduction of 2.4% forecast to follow in 2023. This follows a further reduction of 1.4% in 2021. Before this, in 2020, per capita convenience goods expenditure increased by 10.2%. The strong level of growth at 2020 is largely attributable to consumers spending more on such goods as a result of lockdown measures. Limited annual per capita expenditure growth (relative to that which has been achieved historically) is anticipated to return across the medium to long term.
- 2.14 As the below Table 2.1 indicates, the position in respect of annual per capita comparison goods expenditure has been changeable in the past few years. Whilst annual per capita comparison goods growth of 6.7% was recorded in 2021, this followed a reduction of 6.8% in 2020. Forecast per capita comparison goods expenditure increases over the medium and longer term are positive but still below the level apparent at the turn of the millennium. Experian identifies that UK annual per capita comparison goods expenditure growth decreased from 3.9% at 2017 to 1.0% at 2018, and forecasts that it will remain between 2.8% to 2.9% per annum across the medium to long term.

² ONS 'Consumer price inflation tables' dataset, July 2023.

³ Article headlined 'Retail sales in Great Britain rise despite cost of living crisis', The Guardian, 19 August 2022.

Table 2.1: Experian’s Identified and Forecast UK Convenience and Comparison Goods Per Capita Expenditure Growth

Volume Growth per Head (%)	2018	2019	2020	2021	2022	2023	2024	2025-29	2030-40
Convenience goods	0.1	0.2	10.2	-1.4	-6.7	-2.4	0.4	0.1	0.2
Comparison goods	0.7	2.5	-6.8	6.7	-0.4	-1.6	0.3	2.5	3.0

Source: Figure 1a and Figure 1b of Experian Retail Planner Briefing Note 20

- 2.15 Whilst the above figures identify a level of growth which is significantly below that which has historically been achieved, the situation for high street stores is exacerbated through the increasing amount of expenditure which is committed through special forms of trading⁴ and, in particular, through online sales.
- 2.16 In this regard, Figure 5 of ERPBN20 indicates that special forms of trading accounted for just over 30% of total retail sales at 2021 as a consequence of Covid-19 and subsequent to very strong growth in online retailing over the past decade. Although the growth in special forms of trading is anticipated to drop back slightly in 2022, Experian anticipates that special forms of trading will again account for over 30% of all retail sales by 2024, increasing to around 36% of retail expenditure by 2033.
- 2.17 The below Table 2.2 sets out Experian’s identified and forecast level of special forms of trading as a proportion of overall convenience and comparison goods expenditure. Experian estimates that special forms of trading will account for more than four out of every ten pounds spent on comparison goods and more than a quarter of convenience goods expenditure at 2033.

Table 2.2: Experian’s Identified and Forecast Market Share of Non-Store Retail Sales for Convenience and Comparison Goods Sectors

Volume Growth Per Head (%)	2018	2019	2020	2021	2022	2023	2028	2033	2038
Convenience goods	10.9	12.8	16.6	19.3	19.4	18.6	22.5	24.4	25.5
Comparison goods	21.4	24.5	37.6	38.3	36.0	35.4	39.5	41.5	42.7

Source: Figure 5 of Experian Retail Planner Briefing Note 20

- 2.18 The ongoing popularity of internet shopping continues to have clear implications in respect of the viability of some ‘bricks and mortar’ retailers. However, it is important to note that changes in how people shop also bring about some opportunities for retailers trading from the high street. In particular, many stores sell online but fulfil orders from regular stores rather than warehouses⁵, with purchases therefore helping to sustain tangible retail floorspace. As a consequence, Experian also provides an ‘adjusted’ estimate of special forms of trading, which relates to expenditure which is not available to actual stores.

Convenience Goods

- 2.19 Recent socio-economic conditions have led to significant shifts in convenience goods retailing, which have resulted in the ‘big four’ supermarket operators’ market share being cut. Indeed, analysis from Kantar has identified that the traditional ‘big four’ supermarket operators are no longer such, with Aldi’s market share overtaking that of Morrisons over the 12 weeks to 4 September 2022. Over this period, Aldi’s market share of 9.3% was ahead of

⁴ Including internet sales, mail order, stalls and markets, door-to-door and telephone sales.

⁵ This is particularly the case with food shopping and speciality comparison goods purchases, where retailers often try to tap into a wider market through an online presence.

Morrisons' share of 9.1%.⁶

- 2.20 Mintel⁷ finds that the decline of the food superstore is well established and that this can be attributed to two matters.
- 2.21 Firstly, people are undertaking food shopping in different ways. More people are living in town and city centres, and are generally purchasing their own home at a later age than was previously the case.⁸ Mintel indicates that such people are more likely to undertake food shopping on an 'as needs' basis and are more likely to eat out or use takeaways. As such, they are less likely to have need to undertake a weekly 'main food shop'.
- 2.22 Secondly, the current uncertainty in the economy has made discount foodstore operators (namely Aldi and Lidl) a more attractive proposition, and many such foodstores are thriving given that shoppers are currently having to be 'money savvy'. Discounters have also made efforts to try to compete more directly with the 'big four' supermarket operators, with larger stores, greater ranges of goods, fresh foods, and premium products becoming increasingly prevalent. It is evident that the likes of Aldi and Lidl are no longer 'hard discounters' in quite the same way they once were, as they now fulfil a wider range of customers' needs by offering a greater range of products. The move towards the middle ground has allowed discounters to secure market share from both superstores and smaller convenience stores. In addition, we note that discount retailers are often happy to trade alongside more upmarket convenience goods retailers (such as M&S Foodhall) as, collectively, the two stores can meet a comprehensive range of grocery shopping needs.
- 2.23 The shifts in the sector are illustrated with reference to changes in retailers' market share in recent years, as shown in Table 2.3.

Table 2.3: Market Share of Convenience Goods Operators

Operator	December 2016	December 2017	December 2018	December 2019	December 2020	December 2021	December 2022
Tesco	28.4%	28.1%	27.8%	27.4%	27.3%	27.9%	27.5%
Sainsbury's	16.5%	16.5%	16.1%	16.0%	15.9%	15.7%	15.5%
Asda	15.3%	15.3%	15.2%	14.8%	14.3%	14.2%	14.0%
Morrisons	10.8%	10.8%	10.6%	10.3%	10.4%	10.1%	9.1%
Aldi	6.2%	6.8%	7.4%	7.8%	7.4%	7.7%	9.1%
Co-op	6.3%	5.8%	5.9%	6.1%	6.0%	5.8%	5.6%
Lidl	4.6%	5.0%	5.3%	5.9%	6.1%	6.3%	7.2%
Waitrose	5.1%	5.2%	5.0%	5.0%	5.0%	5.1%	4.7%
Iceland	2.2%	2.2%	2.2%	2.3%	2.5%	2.4%	2.5%
Symbols & Independent	1.8%	1.7%	1.5%	1.6%	1.7%	1.6%	1.4%
Other Outlets	1.7%	1.6%	1.7%	1.6%	1.8%	1.8%	1.8%
Ocado	1.1%	1.1%	1.2%	1.3%	1.6%	1.7%	1.7%

Source: KANTAR Grocery Market Share. Figures shown are for the final reporting period in each calendar year

- 2.24 The past few years has seen the closure of a number of unprofitable grocery stores (from small convenience stores to large superstores) and the continuation of Aldi and Lidl's expansion programme. Aldi announced in September

⁶ Article headlined 'Big four no more': where now for UK grocers as Aldi overtakes Morrisons?', The Guardian, September 2022.

⁷ 'UK Retail Rankings', Mintel, April 2018.

⁸ Article headlined 'Average UK first-time buyer is now older than 30, says Halifax', The Guardian, January 2022.

2023 that it intends to open another 500 stores in the coming years.⁹ Lidl intends to open a further 250 stores across the UK.¹⁰ Whilst the traditional ‘big four’ remain more cautious in respect of new openings, a limited number of proposals for mid-sized foodstores are currently being promoted by these operators in areas where there is a growing population or an obvious shortfall in existing provision. These stores are often of a scale that is broadly comparable to that provided by Aldi and Lidl, which allows customers to shop in a convenient and efficient manner.

Comparison Goods

- 2.25 The comparison goods sector is currently being squeezed by a number of factors, including increasing operator costs and a reduction in discretionary spending as a result of increases in the cost of living.
- 2.26 Whilst the sector is continually evolving and there are a number of retailers performing well (including JD Sports, Next, Primark, and Zara), recent headlines have focused on failing retailers and store closures. High profile retailers that have struggled include Debenhams, which announced the closure of all 124 stores in December 2020¹¹, and the Arcadia Group, which owned Topshop, Topman and Dorothy Perkins. Arcadia Group announced the closure of around 500 stores in February 2021.¹² Furthermore, Intu Properties, one of Britain’s biggest shopping centre owners, fell into administration in June 2020 after failing to secure an agreement with its creditors.¹³ More recently, Wilko entered into administration in August 2023 and ceased trading shortly after.
- 2.27 Whilst the loss of some of the above names will have significant repercussions for certain towns (particularly those that have lost one or more of Debenhams, Marks & Spencer, or House of Fraser from their high street), some well-known retailers have failed to ‘move with the times’ and update their offer, accommodation, and online presence. This is partly a consequence of retailers struggling to reinvest in their business when margins are tight (or non-existent).
- 2.28 Many operators have also rationalised their portfolio with the aim of serving the UK by concentrating on larger centres, supplemented by a strong online presence. It will be interesting to see whether any permanent change in respect of working from home may act to counterbalance this ‘polarisation’ trend, given the prospect of fewer commuters travelling to larger centres and greater numbers of people spending the working day in and around their home. The impact on larger centres may be to reduce footfall, particularly within the week, and result in the shift in expenditure being directed to the smaller town, district, and local centres. Whilst this will be a positive for the smaller centres, larger centres may suffer as a result.
- 2.29 Whilst structural changes have had a material impact on the vitality and viability of many UK high streets, there are some beneficiaries. Notwithstanding Wilko’s recent problems, some ‘discount variety’ operators – such as B&M Bargains and Poundland – have taken advantage of lower rents and reoccupied a number of medium to large retail units. However, as evidenced by recent events, the discount variety market may be approaching capacity.

Leisure and Food & Drink

- 2.30 The greater availability of high street units appears to have helped stoke an entrepreneurial spirit in recent years, with a number of centres beginning to benefit from a greater focus on independent retailers and also modern

⁹ Article headlined ‘Aldi claims it is increasingly shoppers’ main supermarket for weekly shop’, The Guardian, 8 September 2023.

¹⁰ As set out in the press release headlined ‘Lidl continues to search to secure sites for new stores’, 24 April 2023 (<https://corporate.lidl.co.uk/media-centre/pressreleases/2023/lidl-continues-search-to-secure-sites-for-new-stores>).

¹¹ Article headlined ‘Debenhams set to close putting 12,000 jobs at risk’, BBC, 1 December 2020.

¹² Article headlined ‘After Topshop owner Arcadia’s demise, what now for UK clothes shopping?’ The Guardian, 13 February 2021.

¹³ Article headlined ‘Shopping centre owner Intu collapses into administration’, The Guardian, 26 June 2020.

markets, which are frequently focused around food and drink operators.

- 2.31 More generally, the food and drink sector was buoyed pre-pandemic by the success of mid-market national multiples, which expanded quickly across the UK. However, this market has become saturated in many locations and a number of high profile operators have been in financial difficulty. Given the problems suffered by such operators, the market has become more cautious and mid-market operators are picking new sites carefully as a result. Instead, we have seen a number of independent operators flourish, both before and throughout the pandemic, and a desire for customers to choose local operators over larger regional and national brands.
- 2.32 A further significant recent high street success story has been the resurgence of the town centre leisure sector, which has resulted in new cinemas being developed close to the shopping core and the emergence of ‘competitive socialising’ concepts, which include bowling, crazy golf, table tennis, darts, axe-throwing, escape rooms and other seemingly niche pursuits.
- 2.33 Cinema openings have been on the up in the early part of this century (until the Covid-19 pandemic) and ‘boutique’ cinema operators – including Curzon, Everyman, and The Light – are able to operate from smaller sites in town centres (partly as a consequence of digital technology). Town centre cinema development has successfully underpinned wider mixed-use developments, as food and drink operators are typically keen to locate in close proximity to benefit from spin-off custom. New, innovative leisure operators have been particularly beneficial both in re-using existing difficult to let premises, and in driving the evening economy.
- 2.34 More generally, the gym market continues to perform well, with there now being around 7,200 health and fitness clubs across the UK, which are estimated to have a total turnover of approximately £2bn.¹⁴ Around one in every seven Britons has a gym membership. Budget gyms are currently particularly popular, with operators such as Pure Gym, the Gym Group, and easyGym utilising a format that is based on low costs and high volume.

The Night-Time Economy

- 2.35 The term night-time economy is used to describe a wide range of activities that (typically) take place after 5 pm. This could range from a trip to the theatre or cinema, to a family meal, to a night out at a club. A successful night-time economy generally caters for a wide range of demographics and interests.
- 2.36 Creating a safe, vibrant and well-balanced evening and night-time offer is a challenge that can dramatically improve the overall health of a town centre and boost the economy.
- 2.37 The Association of Town and City Management (‘ATCM’) has identified a number of themes to help improve the attraction and operation of the night-time economy, which are summarised as follows:
- **Alive After Five** – This relates to revisions to trading hours to better suit customers’ shopping needs and availability. A Retail Trading Hours Study commissioned by ATCM found that sales between 5 pm and 8 pm are typically 50% greater than those between 9 am and 11am. Revising trading hours to open and close later could increase sales by around 10% to 12%.
 - **Late Night Transport** – The lack of frequent, efficient and safe public transport late at night, or at least the perception of this being the case, could be having a detrimental effect on night-time economy and social scene. One way of increasing night-time visitor numbers is to promote late-night travel provision and its publicity.

¹⁴ ‘Number of health clubs in Europe in 2020, by country’ dataset, Statista, 27 October 2022.

- **Purple Flag** – This is an accreditation scheme which recognises excellence in the management of town and city centres at night. Obtaining Purple Flag accreditation demonstrates that a town’s night-time economy offers clean and safe environments, great bars and clubs, a variety of arts and cultural attractions, and excellent transport links.
- **Evening Economy Ambassadors** – The ambassadors improve the evening and night-time experience in a town centre by liaising between visitors, police, door staff, licensees, and transport operators.
- **Light Night** – This is an initiative where town or city centres stays open after dark for people to enjoy local shops and services within a wider cultural event involving music, art and, most importantly, through the lighting up of buildings and light-based art installations.

2.38 The above list is not exhaustive, and the development of a bespoke evening economy strategy can help prioritise and deliver events and initiatives which draw on a town centre’s strengths and address weaknesses.

Planning Reform on the High Street

- 2.39 One of the most impactful planning reforms in recent times has been the consolidation of a number of separate Use Classes under a single Class E ‘Commercial, Business and Service’ use. This update to the Town and Country Planning (Use Classes) Order 1987 (the ‘UCO’) came into effect in September 2020. The new Use Class combines shops, restaurants, offices, gyms and nurseries (amongst other uses) such that planning permission is no longer required to switch uses.
- 2.40 Furthermore, in March 2021, an update was made to the General Permitted Development) (England) Order 2015. This allows for the change of use from Class E properties to residential from August 2021 (extending a right that had previously been restricted to office uses). This permitted development right is subject to maximum size requirements, the property having been in use as Class E for two years and having been vacant for three months. An application to the determining authority for ‘prior approval’ is also required for limited consideration of impacts relating to transport, contamination, flood risk, noise, light, and neighbourhood amenity. Further limitations apply in Conservation Areas and for nurseries, as well as in areas covered by ‘Article 4 directions’ where permitted development rights are extinguished.
- 2.41 On 20 July 2021, paragraph 53 of a new iteration of the National Planning Policy Framework (‘NPPF’) set out limitations on the use of Article 4 directions. The revised national policy seeks to qualify the areas in which it is justified to introduce Article 4 directions, limiting local authorities’ ability to control development.
- 2.42 The changes in the application of Article 4 directions were first put forward in the January 2021 consultation for draft revisions to the NPPF. However, the actual policy provision differs from the initial consultation in a couple of key areas. Paragraph 53 of the previous NPPF of July 2021 recognised that the loss of the ‘essential core of a primary shopping area’ could result in wholly unacceptable adverse impacts on an area’s vitality and viability. This was the Government’s first acknowledgement of the potential for the permitted development rights to undermine the health of centres in the NPPF. The updated text also introduced a requirement for ‘robust evidence’ to support the removal of development rights. The most recent iteration of the NPPF, published in December 2023, retains these changes.
- 2.43 This can be seen as generally good news for local authorities concerned about the erosion of retail and service uses, and the need to protect vulnerable centres from potentially poor quality residential development. Protection of the vitality and viability of a high street or town centre against the adverse impacts of change of use is now established as justification for issuing an Article 4 direction.

2.44 In addition to the above, the Levelling-up and Regeneration Act 2023 (LURA) received Royal Assent on 26 October 2023. The Secretary of State for Levelling Up, Housing and Communities, Rt Hon Michael Gove MP, has stated that the new Act:

'...will deliver revitalised high streets and town centres. A faster and less bureaucratic planning system with developers held to account... Communities taking back control of their future with new powers to shape their local area. And our long-term levelling up missions enshrined in law.'

2.45 Most of the provisions of the LURA that pertain to development management and plan-making have no appointed commencement date as yet, given the need for secondary legislation to enact these measures. Notwithstanding, the Act is expected to have a number of important implications for the future of town centres and high streets, including:

- **High Street Rental Auction Process:** Subject to forthcoming regulations to be made by the Secretary of State, the LURA grants local authorities the power to hold rental auctions in respect of 'persistently vacant' commercial premises located on high streets and in defined town centres. The process will require landlords to let these properties to new tenants such as local businesses or community groups. The objective of this measure is to reduce the number of vacant properties and ensure that short to medium-term meanwhile uses can help drive footfall on the high street.
- **Locally-led Urban Development Corporations:** The Act introduces a new power for a local authority, or two or more local authorities acting jointly, to propose to the Secretary of State that s/he designate an area of land as an urban development area and establish a development corporation to lead regeneration in that area. Oversight of these urban development areas and corporations will be the responsibility of the relevant local authority or authorities, rather than central government, with the details of how specific functions will be exercised to be set out in future Regulations by the Secretary of State. Locally-controlled development corporations have the potential to be a powerful tool for the transformation of struggling town centres, having wide-ranging planning and development management powers that can effect large-scale change.
- **Supplementary Plans:** Local planning authorities will be given the ability to prepare Supplementary Plans to address site-specific needs or opportunities which require a new planning framework to be prepared quickly (such as a new regeneration opportunity) or to set out design codes for a specific site or area. Unlike the older Supplementary Planning Documents (SPDs) which they replace, Supplementary Plans will have the weight of the development plan. The LURA allows for the Secretary of State to make Regulations in respect of the preparation, withdrawal or revision of Supplementary Plans. The possible benefits of Supplementary Plans include more speed and certainty for developers of major town centre regeneration projects, with key aspects, such as policies for design, being afforded the same weight as the development plan.
- **Amendments to Legislation on Compulsory Purchase Orders (CPOs):** The LURA amends the existing Town and Country Planning Act 1990 to clarify that local authorities may use their power to acquire land by CPO for the purposes of 'regeneration'. It also modernises and streamlines the current CPO system by, for example, making explicit allowance for online publicity in the Acquisition of Land Act 1981, extending the period within which CPO powers can be exercised, and granting Inspectors the ability to choose the appropriate procedure to confirm a CPO. These amendments recognise the potential for CPOs to stimulate regeneration in town centres that suffer from concentrations of long-term vacancies within various land ownerships.
- **Changes relating to Pavement Licensing:** The LURA will make permanent the temporary changes to the pavement licensing system introduced by the Business and Planning Act 2020 in response to the Covid-19

pandemic. This will enable high street hospitality businesses to acquire fast-track pavement licenses permitting the placement of removeable furniture along adjacent highways to allow for food and drink to be sold and served outdoors year-round.

Implications for the Oadby & Wigston Authority Area

2.46 The above trends have a number of potential implications for retail and leisure provision within Oadby & Wigston.

2.47 Wigston is the Borough's main town centre and contains the greatest variety of shops, services, and facilities. Oadby is a large district centre (focused around The Parade) and South Wigston is a smaller district centre (focused around Blaby Road). The role of all three centres is shaped by the proximity of Oadby & Wigston residents to both Leicester city centre and Fosse Shopping Park.

2.48 As a consequence of this higher order provision, the comparison goods offer is moderate in Wigston town centre and relatively limited in scope within the two district centres. Few national multiple comparison goods operators are present within the three principal centres. The comparison operators who have located within Oadby & Wigston's centres generally sell day-to-day household comparison goods¹⁵ or are specialist independents. In light of the comparison goods sector being further squeezed generally, it will be important to retain the existing comparison goods offer within the three principal centres in order to add interest and help drive footfall. The overall market conditions and local geography may mean that any future expansion of the comparison goods offer is unlikely.

2.49 Wigston town centre benefits from a strong grocery offer, with Sainsbury's, Farmfoods, and Iceland located within the defined centre, and Aldi immediately adjacent to the south.

2.50 Oadby's district centre grocery offer is more modest and principally comprises the M&S Foodhall at The Parade. However, the Asda superstore at Leicester Road is located at the edge of Oadby district centre and is able to support linked trips should shoppers decide to go on to use other facilities within the centre itself.

2.51 South Wigston district centre also has a limited in-centre grocery offer albeit there is an edge of centre Tesco superstore located to the east. Beyond this lies a Lidl discount foodstore.

2.52 Accordingly, it is evident that each of the three centres benefits (to varying degrees) from the presence of convenience goods retailers within or around the centre. In this context, we note that a number of grocery operators remain acquisitional. Aldi's website¹⁶ identifies that it has a current outstanding requirement for a new store in Oadby. It will be important to try to direct any future foodstore requirements to central, sustainable locations which have the potential to support linked trips to in-centre retailers and service providers (in line with 'town centre first' principles).

2.53 Given changes in the retail sector, it will be important to consider whether there are any opportunities for Oadby's centres to provide a greater experiential offer to attract activity and encourage visitors to stay for longer periods. The independent and food and drink sectors are likely to be a particularly important in this regard. There may also be a benefit in actively managing centres to assist with their general maintenance and to help allow for greater differentiation between different centres' respective offers.

2.54 There is a need for flexibility in planning for town centres, so they can adapt to future needs and accommodate a wider range of uses. This is particularly important following the Covid-19 pandemic to help sustain the recovery of

¹⁵ This includes discount variety operators such as Poundland and Poundstretcher.

¹⁶ <https://www.aldi.co.uk/about-aldi/property/required-towns/east-midlands>, consulted on 11 September 2023.

high streets and to ensure that they meet local needs in a sustainable manner. Oadby and Wigston's centres are not principally sustained through an influx of office workers, and any longer-term trend to working from home may provide some potential for residents to use nearby centres during the week and particularly at lunchtime.

- 2.55 In this regard, as we go on to explore in greater detail in this report, we recommend that the authorities ensure that policies are sufficiently flexible to allow for a wide range of town centre uses beyond retail, and that consideration is given to repurposing surplus stock to support new residential, leisure and community uses.

3. Planning Policy Context

3.1 In order to shape the direction of this Study, it is helpful to understand relevant retail and town centre planning policy at a national and local level. As such, we first summarise national planning policy of relevance before considering retail and town centre development plan policy as set out in the current development plan. We also consider changes to the Use Classes Order and the application of permitted development rights to town centre uses.

Revised National Planning Policy Framework

3.2 The most recent iteration of the National Planning Policy Framework ('NPPF') was published in December 2023. The NPPF reflects the fact that the traditional role of town centres has been somewhat undermined by structural changes in the retail sector, and that there may be a need to plan for a more diverse range of uses going forward. As such, the NPPF advocates a more flexible policy framework to support the future vitality and viability of town centres.

3.3 NPPF policies are considered on a thematic basis below.

Plan-Making

3.4 Paragraph 20 of the NPPF indicates that development plans should set out an overall strategy for the pattern, scale and quality of development, including policies to deliver retail, leisure and other commercial development. Paragraph 31 states that the preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be proportionate and take into account relevant market signals.

Building a Strong, Competitive Economy

3.5 Paragraph 85 of the NPPF indicates that planning policies and decisions should help create the conditions in which businesses can invest, expand, and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development.

Ensuring the Vitality of Town Centres

3.6 Paragraph 90 specifically relates to planning for town centres. It states that:

'Planning policies should:

- a. define a network and hierarchy of town centres and promote their long-term vitality and viability – by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters;
- b. define the extent of town centres and primary shopping areas, and make clear the range of uses permitted in such locations, as part of a positive strategy for the future of each centre;
- c. retain and enhance existing markets and, where appropriate, re-introduce or create new ones;
- d. allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary;
- e. where suitable and viable town centre sites are not available for main town centre uses, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies

should explain how identified needs can be met in other accessible locations that are well connected to the town centre; and

- f. recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.’

- 3.7 The requirement to plan to meet needs across a minimum ten-year period represents a change from the previous NPPF which required town centre needs to be met in full across the entire plan period.
- 3.8 In addition, it is notable that the NPPF Annex 2 Glossary fails to make any reference to the designation of primary and secondary frontages. Page 32 of the Government Response to the Draft Revised National Planning Policy Framework Consultation¹⁷ indicates that, whilst the revised NPPF has removed the expectation in national planning policy that such frontages must be defined, this does not necessarily preclude authorities from doing so where their use can be justified. However, it is evident that the general intention is to provide for more flexibility through a less prescriptive approach to land use.
- 3.9 Paragraph 94 of the NPPF states that it is appropriate to identify thresholds for the scale of edge of centre and out of centre retail and leisure development that should be the subject of an impact assessment. Any such threshold policy applies only to the impact test. All planning applications for main town centre uses that are not in an existing centre and not in accordance with an up-to-date development plan will generally be the subject of the sequential test.

Promoting Healthy and Safe Communities

- 3.10 Paragraph 97 seeks to support the social, recreational, and cultural facilities and services communities need. The guidance states that planning policies and decisions should:
- plan positively for the provision and use of shared spaced, community facilities (such as local shops, meeting places, sports venues, open space, cultural buildings, public houses, and places of worship), and other local services to enhance the sustainability of communities and residential environments;
 - take into account and support the delivery of local strategies to improve health, social and cultural well-being for all sections of the community;
 - guard against the unnecessary loss of valued facilities and services, particularly where this would reduce the community’s ability to meet its day-to-day needs;
 - ensure that established shops, facilities, and services are able to develop and modernise, and are retained for the benefit of the community; and
 - ensure an integrated approach to considering the location of housing, economic uses and community facilities and services.

Ensuring the Vitality of Town Centres Planning Practice Guidance

- 3.11 The Town Centres and Retail Planning Practice Guidance (‘the Town Centres PPG’) was published in July 2019 and thereafter updated in September 2020. It provides additional direction in respect of how retail and town centre planning policy should be applied in respect of plan-making and decision-taking. The Town Centres PPG affirms the Government’s aspiration to support town centres in order to generate employment, promote beneficial competition and create attractive, diverse places where people want to live, work and visit.
- 3.12 Paragraph 004 of the Town Centres PPG indicates that a local planning authority’s strategy for their town centres

¹⁷ Published July 2018.

should include:

- The realistic role, function and hierarchy of town centres over the plan period. Given the uncertainty in forecasting long-term retail trends and consumer behaviour, this assessment may need to focus on a limited period (such as the next five years) but will also need to take the lifetime of the plan into account and be regularly reviewed.
- The vision for the future of each town centre, including the most appropriate mix of uses to enhance overall vitality and viability.
- The ability of the town centre to accommodate the scale of assessed need for main town centre uses, and associated need for expansion, consolidation, restructuring or to enable new development or the redevelopment of under-utilised space.
- How existing land can be used more effectively – for example, the scope to group particular uses such as retail, restaurant and leisure activities into hubs or for converting airspace above shops.
- Opportunities for improvements to the accessibility and wider quality of town centre locations, including improvements to transport links in and around town centres, and enhancement of the public realm.
- What complementary strategies are necessary or appropriate to enhance the town centre and help deliver the vision for its future, and how these can be planned and delivered. For example, this may include consideration of how parking charges and enforcement can be made proportionate.
- The role that different stakeholders can play in delivering the vision. If appropriate, it can help establish the level of cross-boundary/strategic working or information sharing required between both public and private sector groups.
- Appropriate policies to address environmental issues facing town centres, including opportunities to conserve and enhance the historic environment.

3.13 This Study seeks to provide a high-level authority-wide retail and leisure strategy, which will provide an overall context to the determination of planning applications for such uses and will support the Council's future development plan policy. The Study will also help underpin future town centre-specific strategies or masterplans.

3.14 Paragraph 006 of the Town Centres PPG identifies a series of key indicators of relevance in assessing the health of a centre over time. The indicators allow the role, performance, and function of centres to be monitored and are considered in greater detail at Section 4 of this report (which specifically addresses the vitality and viability of Oadby & Wigston's principal centres).

Use Classes Order

3.15 Significant changes to the Use Classes Order have been enacted through the Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020, which came into force on 1 September 2020.

3.16 The amendments include the revocation of Parts A and D, and the introduction of three new Use Classes, these being Classes E, F1 and F2. The Government's objective is that the changes will support the revival of the high street and allow for greater flexibility in changing uses within town centres without the need for planning permission.

3.17 In addition to the three new Use Classes, the changes also result in some changes in respect of uses classified as *sui generis*. In practical terms, the changes comprise:

- **Use Class E** – Commercial, business and service uses include: shops or retail; cafes or restaurants; financial services; professional services; any service appropriate to provide in a commercial, business or service

locality; indoor sports, recreation or fitness; medical or health services; crèche, day nursery or day centre; and, offices.

- **Use Class F1** – Learning and non-residential institutions include any non-residential use for the: provision of education; display of works of art; museum; public library or public reading room; public hall or exhibition hall; for or in connection with public worship or religious instruction; or, as a law court.
- **Use Class F2** – Local community uses include: a shop selling mostly essential goods, including food, no larger than 280 sq.m and where there is no other such facility within 1,000 metres radius of the shop’s location. A hall or meeting place for the local community, an area or place for outdoor sport or recreation and an indoor or outdoor swimming pool or skating rink.
- **Sui Generis** – Use within this Class now include a public house, wine bar or drinking establishment; a drinking establishment with expanded food provision; a hot food takeaway for the sale of hot food where consumption of that food is mostly undertaken off the premises; live music venue; cinema; concert hall; bingo hall; or, dance hall.

3.18 The introduction of Class E is significant and places a wide range of uses including retail, food, financial services, gyms, healthcare, nurseries, offices, and light industry into a single use class. Unless restrictive planning conditions extinguish the provisions of Class E, the ability to significant change the commercial use of premises without planning permission allows centres to evolve in a flexible manner.

3.19 However, the provisions of the Use Classes Order are not linked to any spatial considerations. As such, the expanded Use Class E applies equally to both town centres and out of centre locations, and there may be unintended consequences in providing for additional flexibility across Class E outside of town centres. Accordingly, it may be necessary for the Council to apply restrictive conditions to certain forms of development to restrict the authorised use to that which has been justified in the application submission. This will help ensure that unacceptable impacts do not arise from future Class E development.

Town Centre Use Permitted Development Rights

3.20 An amendment was made to the General Permitted Development) (England) Order 2015 (the ‘GPDO’) in March 2021. This allows for the change of use from Class E properties to residential from August 2021 (extending a right that had previously been restricted to office uses). This permitted development right is subject to maximum size requirements, the property having been in use as Class E for two years, and the property having been vacant for three months. In addition to this, ‘prior approval’ for the change of use must be sought from the planning authority. Restrictions on this right apply in conservation areas and for nurseries and health centres, as well as in areas that are covered by an Article 4 direction.

Local Planning Policy Context

Adopted Development Plan

3.21 The relevant statutory development plan is the Oadby & Wigston Local Plan 2011-2031, which was adopted in April 2019.

3.22 Paragraph 3.2.1 of the Local Plan identifies an objective to support vibrant town centres.

3.23 Spatial Objective 1 relates generally to the regeneration of town and district centres. It states that:

‘Masterplans and associated policies and land allocations will deliver regeneration, investment and growth in the centres of Wigston, Oadby and South Wigston. The centres will be a focus of growth due to their sustainable locations at the heart of

their communities. They will be the key locations for retail, leisure, community facilities, office based employment and some residential development. New development will respect the unique character of each centre and ensure the provision of open areas of public space that residents and visitors can enjoy.'

3.24 Spatial Objective 2 relates more particularly to Wigston town centre. It sets out an aspiration to reinforce the centre's role and to build on the recent public realm regeneration works along Bell Street. Spatial Objective 2 also seeks to encourage investment from national multiple operators as well as supporting smaller independent retailers that provide a diverse and unique mix of retail outlets.

3.25 Spatial Objective 3 seeks to support a good mix of retailers on Oadby district centre's main shopping streets and attract supplementary uses such as cafes, bars, and restaurants. As well as encouraging growth in the local residential population, a concerted effort will be made to encourage the use of the centre by the thousands of students that reside under a mile away in University of Leicester's Manor Road student campus.

3.26 Spatial Objective 4 promotes regeneration opportunities within South Wigston district centre which build upon significant investments made to Blaby Road Park and the South Leicestershire College campus.

3.27 Paragraphs 4.2.21 to 4.2.26 of the Local Plan sets out the Council's general aspirations in respect of town centre growth. Paragraph 4.2.22 states that:

'In 2013, the Council adopted a Town Centres Area Action Plan that set out levels of growth for the centres of Wigston and Oadby. The Area Action Plan also, through a masterplan, illustrated one way in which the levels of growth set out could be implemented. Since the adoption of the Area Action Plan, a certain level of growth and regeneration has occurred within the two centres. For the purposes of this Plan, levels of growth will be set out for the town centre of Wigston and the district centre of Oadby, that are similar to the levels set out within the Town Centres Area Action Plan 2013. This Plan, however, has amended the levels of growth to take account of development and regeneration that has occurred (since 2013) and up to date evidence base. The amended levels of growth are contained within this spatial strategy.'

3.28 Previously identified levels of future growth will be superseded by the findings of this Study.

3.29 Paragraph 4.2.25 identifies that, upon adoption of the Local Plan in 2019, the previously adopted Town Centres Area Action Plan 2013 will become advisory guidance (rather than have formal status as part of the development plan).

3.30 Chapter 8 of the Local Plan (titled 'Economic Prosperity') sets out three policies of direct relevance to main town centre use development.

3.31 Local Plan Policy 22 'Delivering Retail' indicates that the Borough's town centre district centres will be the focus for new additional retail floorspace. Prescribed retail floorspace requirements are set out for the three principal centres and across the local centres.

3.32 Plan Policy 22 identifies that retail development must be of a scale appropriate to the needs of the local area. The policy also confirms that proposals for new retail development will be subject to the sequential and impact tests as set out in the NPPF and associated practice guidance.

3.33 Local Plan Policy 23 'Retail Hierarchy' states that:

'The role of Wigston as the Borough's main town centre and Oadby and South Wigston as district centres as well as specified local centres (identified below) will be preserved and enhanced. In order to enhance the existing blend of facilities and

promote competitive town and district centres, proposals for appropriate town centre uses, including, retail, employment, residential, community, leisure, culture and tourism uses will be supported.'

3.34 The Borough's local centres occupy the third tier of the retail hierarchy below Wigston town centre and Oadby and South Wigston district centres.

3.35 Local Plan Policy 24 'Local Impact Threshold' identifies that applications for retail, leisure and office development outside of a defined centre will require an impact assessment where it is over the following impact local impact thresholds:

- Wigston town centre – 1,500 sq.m gross floorspace;
- Oadby district centre – 1,500 sq.m gross floorspace; and
- South Wigston district centre – 500 sq.m gross floorspace.

3.36 Chapter 9 goes on to provide a further number of policies of relevance to town centres.

3.37 Policy 27 'Primary Shopping Frontages' and Policy 28 'Secondary Shopping Frontages' set out restrictions to guide land use defined within centres and prevent inappropriate development. Policy 29 'Town and District Centre Boundaries' identifies tight boundaries for the centres of Wigston, Oadby and South Wigston to ensure that 'main town centre uses' are focused and located in proximity to one another.

3.38 Policy 30 'Other Areas within the Town and District Centre Boundary' relates to land use within defined centre boundaries but beyond the primary and secondary frontages. It indicates that proposals for the change of use of premises to residential within such areas will be supported in principle.

3.39 Policy 31 'Use of Upper Floors within Centres' identifies that proposals to change the use of floorspace above ground floor level to residential, office and other appropriate service or community uses will be considered favourably.

3.40 The Local Plan then goes on to address hot food takeaways. The supporting text at paragraph 9.11.1 of the Plan indicates that:

'Hot food takeaways can contribute to both daytime and evening economies of town centres, district centres and local centres, but could also generate a range of detrimental impacts including anti-social behaviour, litter, highway safety concerns and impacts upon upper floor uses. This policy seeks to minimise such impacts, whilst acknowledging the contribution that hot food takeaways can make.'

3.41 The related Policy 36 states that:

'To avoid the potential significant adverse impact of hot food takeaways, all such proposals will be assessed against the following criteria:

- Any proposal for a hot food takeaway, particularly a change of use from an existing A1 use, will be assessed for its impact on the vitality and viability of the frontage or block of units of which it forms part of. Any proposal which is likely to damage the primary retail function of a block or frontage will not be permitted.
- Where hot food takeaways are already present within the vicinity, the cumulative effect/impact of any proposal will be taken into account. Where a number of takeaways occur that are already causing problems in terms of unacceptable traffic generation and deterioration in the amenity of the area, planning permission will not be permitted if the proposal will increase the nuisance.
- In all cases, account will be taken of the effects of the proposal on the amenity of the area, with particular regard to

the proposed opening hours, the impact of noise, public health, disturbance, design (including ventilation), smell and litter, traffic generation, parking problems and highway safety.

Where significant adverse effects are likely to occur, the proposal will not be permitted.

In some cases there may be circumstances where any adverse impacts or effects of a proposal could be reduced by the introduction of conditions personal to that permission. Where this is not possible, permission will not be permitted.'

Emerging Development Plan

3.42 Oadby & Wigston Borough Council undertook a public consultation in respect of a new Local Plan and the accompanying Sustainability Appraisal Scoping Report for an eight week period between 3 September 2021 and 29 October 2021. This early 'Regulation 18' consultation related to a suite of Issues and Options documents which confirmed the key issues and challenges that the Borough may face in the coming years. The consultation process allowed residents, local businesses and other interested parties to provide their views in respect of the key challenges and how these could be addressed by the planning system.

3.43 Issues and Options Paper 11 related to 'Economy, Retail and Leisure'. Five key themes are identified, relating to:

- cafes, restaurants and the night-time economy;
- delivering retail;
- local impact thresholds;
- primary and secondary frontages; and
- tourism.

3.44 The following questions identified in Issues and Options Paper 11 are of direct relevance to this Study:

- How big of a role do you think the Council should play in relation to the provision of hot food takeaways and the potential negative impacts on local communities and well-being?
- Should the Council be applying greater flexibility in respect of the proportion of cafes, bars, and restaurants within its main centres?
- Should the Council be maintaining a locally set Local Impact Threshold for each of its main centres?
- Should the Council be removing the policy approaches relating to the high levels of provision of retail uses within town centres?
- Should the Council draft a new Policy to address Tourism and the Visitor Economy in the Borough, taking account of up-to-date national planning policy and guidance, as well as local evidence?

3.45 We return to the above matters elsewhere in this report, most particularly within the concluding Section 9.

4. Healthcheck Assessments and Land Use

Introduction

- 4.1 Paragraph 90 of the NPPF indicates that planning policies should promote the long-term vitality and viability of town centres by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries. The same paragraph also states that town centres should accommodate a suitable mix of uses (including housing) and provide for development that reflects a centre’s distinctive character.
- 4.2 Paragraph 006 of the Town Centres PPG identifies a range of indicators that should be assessed over time in reviewing the health of a town centre. The indicators include the following:
- diversity of uses;
 - proportion of vacant street level property;
 - retailer representation and intentions to change representation;
 - pedestrian flows;
 - accessibility;
 - perceptions of safety and occurrence of crime;
 - the state of town centre environmental quality;
 - the balance between independent and national multiple retailers; and
 - the extent to which there is an evening and night-time economy offer.
- 4.3 New healthcheck assessments have been undertaken for Wigston town centre and the district centres of Oadby and South Wigston. The detailed healthcheck assessments are provided at Appendix 3 and we provide a summary of the key conclusions below.
- 4.4 The assessments are based on site visits which were undertaken in August 2023. These assessments should be taken as a ‘snapshot’ of the performance of each centre at a moment in time.

Oadby & Wigston’s Principal Centres

- 4.5 The composition of each of the three principal centres in Oadby & Wigston is set out at Table 4.1 below. As the table highlights, the prevailing vacancy rates (in respect of units) in Wigston and Oadby are more favourable than the UK national average vacancy rate of 13.9%.

Table 4.1: Oadby & Wigston’s Principal Centres Unit Composition at August 2023

	Total Units	Comparison	Convenience	Financial	Leisure	Retail Service	Vacant
Wigston TC	100.0%	26.6%	10.5%	7.0%	23.1%	23.8%	9.1%
Oadby DC	100.0%	26.3%	10.5%	10.5%	18.4%	23.7%	10.5%
South Wigston DC	100.0%	25.0%	9.2%	5.3%	30.3%	23.7%	6.6%
National Average	100.0%	26.8%	9.3%	8.7%	25.3%	15.9%	13.9%

Source: Composition of principal centres derived from Nexus Planning survey of August 2023; Experian Goad national averages at June 2023

- 4.6 We provide a summary of the vitality and viability of Oadby & Wigston’s centres below.

Wigston Town Centre

- 4.7 Wigston is a moderately-sized and well-connected town centre which contains a good mix of comparison, convenience, leisure, and retail service uses. The layout of the centre is 'L-shaped', with the main shopping frontages comprising Leicester Road and Long Street (which run north to south) and Bell Street (which runs east to west).
- 4.8 Wigston is at the top of Oadby & Wigston's retail hierarchy and is the largest centre in the Borough. It accommodates a total of 143 units¹⁸, which collectively provide 29,840 sq.m of gross floorspace. The centre predominantly comprises two to three storey contemporary style buildings, which are of variable architectural merit. Commercial units occupy the ground floors of units, with some residential accommodation located above.
- 4.9 Wigston benefits from relatively high levels of pedestrian activity and the centre provides a generally pleasant and well maintained environment.
- 4.10 Land use within the centre is broadly similar to UK national average composition. Comparison and convenience goods retailers collectively account for 37.1% of commercial units, with financial service, leisure service and retail service respectively accounting for 7.0%, 23.1% and 23.8% of units. Convenience goods operators within the defined Experian Goad centre boundary include includes some key foodstores, including Sainsbury's (on Bell Street), Aldi (on Bull Head Street), and Iceland (also on Bell Street). These provide a strong day-to-day retail offer, drive footfall, and anchor the centre.
- 4.11 The centre is considered to support a good balance of uses, with a number of food and drink operators present. Whilst there are six cafes, four public houses and three restaurants, the centre also supports 12 takeaway uses. These are generally focused on Leicester Road in the northern part of the centre.
- 4.12 Overall, Wigston appears to be performing relatively well in meeting the day-to-day needs of local residents and it contains a good variety of commercial uses, operating within both the daytime and evening economies. The streetscape is generally pleasant and well maintained, particularly along Bell Street. The vacancy rate in Wigston town centre is low and it is considered to be a generally vital and viable centre.
- 4.13 We note that Experian Goad includes Bulls Head Retail Park within the town centre. This area is excluded from the Wigston town centre boundary as defined by the Oadby & Wigston Local Plan Policies Map and, in practice, the Retail Park 'turns its back' on the centre to some degree. There is a slight disconnect between the town centre and the Retail Park, albeit the limited distance between the two means that linked trips are supported in practice.

Oadby District Centre

- 4.14 Oadby district centre is a well-connected and vibrant centre which benefits from a good range of comparison, convenience, leisure, and retail uses, operated by both independent and national retailers.
- 4.15 The centre is primarily focused along The Parade, with an Asda superstore located off Leicester Road to the north. The Asda superstore is located within the district centre boundary as identified by Experian Goad but beyond the boundary as identified by the Local Plan Policies Map. The surrounding area is largely residential in nature and the centre therefore also benefits from a strong walk-in catchment.
- 4.16 Oadby accommodates a total of 114 commercial units which collectively provide 23,400 sq.m of floorspace. The commercial units are located on the ground floors with a mixture of residential and employment use above. The

¹⁸ Based on Experian Goad's definition of the centre.

architectural style is generally of the 20th century and the majority of shopfronts are well maintained. Furthermore, the wider urban environment contributes to an overall pleasant atmosphere. The centre benefits from relatively high levels of pedestrian activity and low volumes of traffic.

- 4.17 Oadby also generally contains a good mix of uses. The Asda store is supplemented by an M&S Foodhall and the comparison goods offer includes Boots, Card Factory and Poundstretcher.
- 4.18 The principal land use which is underrepresented in Oadby relative to national average provision is leisure service. Leisure services account for 15.1% of Oadby's commercial floorspace and 18.4% of its units, which is below the respective national average figures of 26.1% and 25.3%. Services which are available within the centre include eight takeaways, six cafes, three restaurants, and a public house. National multiple operators include Costa, Papa John's Pizza, Subway, and Wetherspoons. Much of the leisure service provision is focused around convenient refreshment and sustenance, and there are few licensed premises or restaurants which trade until later in the evening.
- 4.19 Notwithstanding the limited evening economy, the vacancy rate in Oadby is low and there is a good feeling of activity within the centre during the day. The streetscape is generally pleasant and well maintained, and the centre performs an important function in meeting the day to day needs of local communities. Oadby is also found to be a generally vital and viable centre.

South Wigston District Centre

- 4.20 South Wigston district centres is well located in respect of the surrounding residential catchment area and benefits from strong bus and rail connections to Leicester city centre and other urban locations around Leicester. The centre is focused around Blaby Road, which runs east to west. It largely contains small scale and independent comparison, leisure, and retail services, with dominant uses including takeaways (comprising 17.1% of all units) and health and beauty services (comprising 21.1% of all units).
- 4.21 There are a total of 76 commercial units within South Wigston, which together comprise 8,840 sq.m of floorspace. South Wigston is the smallest of the Borough's centres, and the majority of its commercial premises are located on the ground floors of converted Victorian terraces with residential accommodation located above. A number of larger buildings are sited towards the centre of Blaby Road and towards Canal Street. The adjacent streets are residential in nature, and therefore South Wigston benefits from a strong walk-in catchment.
- 4.22 Notwithstanding its size, South Wigston also provides a relatively balanced offer with a number of key retailers supported by leisure and retail service providers. In terms of retail, key operators include Co-operative Food (which has a small supermarket on Blaby Road) and a range of comparison goods operators including two pharmacies, a discount variety retailer (Poundstretcher), a DIY shop, a jewellers', and a children's clothing shop.
- 4.23 The leisure service offer in the centre includes the district centre's third largest unit, this being South Wigston Working Men's Social Club. The leisure provision includes 13 takeaways, five cafes, two social clubs, a restaurant, and a betting shop. The number of takeaways is high for a centre of South Wigston's size and there are concentrations of such uses in the central and western part of the centre.
- 4.24 Other negative factors include the condition of some shopfronts and the amount of vehicular traffic along Blaby Road. South Wigston's vacancy rate is also high in respect of the quantum of vacant floorspace, which equates to 14.8% of all commercial floorspace.

4.25 Aside from this, South Wigston has a generally pleasant urban environment. Attractive buildings and large mature trees contribute to a pleasing setting. Footfall is assisted by the presence of North Warwickshire and South Leicestershire College on Canal Street, which is located immediately to the east of the district centre boundary. Whilst the centre would benefit from greater variety in respect of its leisure service sector/evening economy and from a reduction in the amount of vacant floorspace, it is considered to be a moderately vital and viable centre.

Hot Food Takeaways

4.26 Each of the three principal centres supports a number of takeaway uses. In South Wigston, a significant proportion of all commercial units are in use as takeaways.

4.27 In this regard, we note that one of the objectives identified by the Project Brief is for the Study to review the current Local Plan policy in relation to proposals for hot food takeaways.

4.28 The adopted development plan recognises that hot food takeaways can contribute to both the daytime and evening economies of defined centres but can also generate a range of detrimental impacts including anti-social behaviour, litter, highway safety concerns, and impacts upon upper floor uses.

4.29 In our experience, these negative impacts increase in magnitude where there is a concentration of takeaways in proximity to one another.

4.30 Local Plan Policy 36 indicates that proposals for additional takeaways will be determined with reference to three criteria:

- the impact of such a use on the frontage or block of units which the takeaway would form part of;
- the cumulative impact of the proposal when judged in the context of existing takeaways uses and the potential for unacceptable traffic generation and deterioration in the amenity of the area to result from development; and
- the effects of the proposal on the amenity of the area, having regard to the proposed opening hours, the impact of noise, public health, disturbance, design (including ventilation), smell and litter, traffic generation, parking problems and highway safety.

4.31 The principal Government document of relevance to proposals for takeaway uses is Public Health England's Using the Planning System to Promote Healthy Weight Environments guidance ('the PHE guidance') (published February 2020).

4.32 Page 13 of the PHE guidance identifies that:

'Hot food takeaways are one example of retail uses that can be the subject of local planning controls. Hot food takeaways are often co-located with other potentially less healthy land uses, such as betting shops, gambling and shisha bars and the availability of alcohol.'

4.33 The above uses are *sui generis* in respect of the Use Classes Order (i.e. they are not ascribed to any one use class), reflecting the need for careful consideration to be given of the impact of such proposals on the surrounding locality when considering planning application proposals.

4.34 Appendix 2 of the PHE guidance provides a template to assist local planning authorities in the drafting of supplementary planning documents to support healthy weight environments. The guidance provides standard wording which can be used as the basis for locally appropriate policies.

4.35 On this basis, paragraph 5.9 of the PHE guidance provides for following text in respect of planning application proposals for additional takeaway uses.

‘The following criteria will be used for managing planning applications which have an element of fast food to promote healthier food environments:

Concentration and Clustering of Hot Food Takeaways

- Applications for new A5 hot food takeaways should not lead to an overconcentration of A5 uses within any one individual locality by overly dominating the street scene or have an adverse impact on the standard of amenity for existing and future occupants of land and buildings. It is also appropriate to control the number of outlets where there are concerns regarding levels of obesity or where it exceeds average densities.
- Decisions regarding appropriate concentrations of hot food takeaways will be based on the following factors:
 - within primary frontages, no more than X% of the frontage will be in A5 use
 - within secondary frontages, no more than X% of the frontage will be in A5 use
 - within Local Centres or Neighbourhood Centres, no more than X% of the frontage will be in A5 use
 - at all locations no more than 2 hot food takeaways being located adjacent each other
 - at least 2 non-hot food takeaway units between groups of hot food takeaway units
 - locations where there are high levels of obesity, planning permission will not be granted for A5 use in wards where there is more than X% of the year 6 pupils classified as obese
 - planning permission will not normally be granted for A5 use where the number of approved A5 establishments, within the ward, equals or exceeds the UK national average, per 100,000 population.’

4.36 No specific guidance is provided in respect of the appropriate proportion of units in hot food takeaway use in any given location.

4.37 In the case of this Study, our work in respect of land use is principally focused around the composition of defined centres. The land use surveys informing our healthcheck assessment work have identified a number of takeaway uses in the each of Oadby & Wigston’s three principal centres. The below Table 4.2 sets out the number of hot food takeaway uses within each of these centres and confirms takeaway uses as a proportion of the overall number of commercial units within the subject centre.

Table 4.2: Takeaway Uses in Oadby & Wigston’s Principal Centres Unit Composition at August 2023

	Takeaway Units	Total Number of Units in Commercial Use	Proportion of Commercial Units in Takeaway Use (%)
Wigston TC	12	143	8.4%
Oadby DC	9	114	7.9%
South Wigston DC	13	76	17.1%
National Average	-	-	6.1%

Source: Composition of principal centres derived from Nexus Planning survey of August 2023; Experian Goad national average takeaway figure at June 2023

4.38 As is evident from Table 4.2, all three centres have an above average proportion of units in takeaway use. However, in Wigston town centre and Oadby district centre, there are essentially two or three more takeaway uses than may be expected with reference to national average figures. Given the fact that Oadby & Wigston’s centres are of a relatively small scale (with a high proportion of units being of a modest scale), the fact that takeaway uses are common is not surprising.

4.39 However, in South Wigston district centre, the proliferation of takeaway uses is more significant and there are stretches where such uses dominate. The potential negative effects of takeaways are also potentially exacerbated in South Wigston as its vacancy rate is higher than that evident at the two other principal centres. This means there is greater potential for a large number of units to be ‘shuttered’ and not in active use through much of the working day.

4.40 From review of the Experian Goad plan for South Wigston, we note that:

- of the run of eight commercial properties from 35 Blaby Road to 49 Blaby Road, three are in use as takeaways (these trading as Big China, Dorido’s Pizza, and TJ’s Burgers & Alfa Kebabs); and
- of the run of seven commercial properties from 50A Blaby Road to 50G Blaby Road, three are in use as takeaways (these trading as New Garden, Chipstop Fish Bar, and Urban Diner).

4.41 As we have identified above, it is important to recognise that takeaway uses can have positive benefits. By way of example, such uses can:

- contribute to the evening economy through the creation of street level activity and animation, particularly in smaller centres which may otherwise have limited attractions driving footfall in the evening;
- provide a degree of ‘natural surveillance’, which may help with the perception of safety within a centre;
- provide an opportunity to support linked trips (particularly with convenience stores); and
- support local jobs.

4.42 Notwithstanding this, from the above analysis we believe that it will be appropriate for the Council to continue to safeguard against the potential increased proliferation of takeaway uses within centres. In particular, the number of takeaways in South Wigston is such that further provision could negatively impact on the role and function of the centre. In our view, it will be appropriate for development plan policy to continue to address the potential harmful impacts arising from takeaway uses to ensuring that such operations remain part of a balanced offer and do not unduly dominate parts of a defined centre.

4.43 We provide planning policy recommendations in respect of takeaway uses in the concluding Section 9 of this report.

5. Population and Expenditure

Study Area and Household Survey

- 5.1 The quantitative retail and leisure need assessment set out in this report is based upon a Study Area which is broadly reflective of Oadby & Wigston’s principal catchment area. In defining the Study Area, Nexus revisited the zones utilised in the previous Oadby & Wigston Retail Capacity Study 2016¹⁹ and reviewed the shopping patterns identified by the earlier Study. The previous Study Area was comprised of five zones which extended well beyond the Oadby & Wigston authority area to the south and south-east, but which did not extend substantially into the Leicester City authority area at all.
- 5.2 Given the geographic proximity of parts of the City of Leicester authority area²⁰ to Oadby and Wigston’s centres, we have added a further sixth zone to this Study in order to capture expenditure inflow from these areas to the north.
- 5.3 The defined Study Area therefore comprises six separate zones based on postcode sectors. The six zones are considered representative of geographic areas that may accommodate broadly similar patterns of shopping behaviour. The below Table 5.1 identifies the postcode sectors which define each of the zones. A plan defining the geographic extent of the Study Area and the below zones is provided at Appendix 1.

Table 5.1: Study Area Zones by Postcode Sector

Survey Zone	Area Covered	Postcode Sectors
1	Oadby	LE2 2, LE2 4, LE2 5
2	Wigston	LE18 1, LE18 2, LE18 3
3	Glen Parva	LE2 9, LE18 4
4	Kibworth	LE8 0, LE8 8, LE8 9
5	Blaby	LE8 4, LE8 5, LE8 6
6	South Leicester	LE2 1, LE2 3, LE2 6, LE2 8, LE5 5

- 5.4 In May 2023, a survey of 706 households was undertaken by NEMS Market Research within the defined Study Area to ascertain where residents go to undertake a range of shopping and leisure activities. Across each of the six zones, a minimum of 100 surveys were undertaken, with the remaining additional 100 surveys apportioned on a pro-rata basis according to the population of each zone (i.e. more surveys were undertaken in the most populous zones).
- 5.5 The above zones were used as the basis for the NEMS household survey, which informs the assessment of shopping patterns as set out at Section 6 of this report. The survey results also underpin the quantitative retail capacity assessment which follows at Section 7 of the report and the quantitative leisure capacity assessment at Section 8.
- 5.6 To identify the expenditure claimed by retail destinations (and the capacity which is potentially available to support additional retail and leisure development), the first step is to estimate the population and future

¹⁹ Authored by Nathaniel Lichfield & Partners and published in November 2016.

²⁰ Including Clarendon Park, Knighton and Stonegate.

convenience and comparison goods expenditure associated with the Study Area.

Study Area Population

5.7 The population within each postcode sector and each zone at 2023 has been calculated using Experian Micromarketer G3 data (2021 estimate, which was issued in February 2023). We have confirmed with Council Officers that Experian’s population projections are broadly consistent with the level of growth which is being planned for across the authority area in practice. Table 5.2 below sets out Experian’s population projections for each zone in the Study Area for reporting years 2023, 2026, 2028, 2031, 2036, and 2041.²¹

Table 5.2: Estimated Study Area Population by Survey Zone

Zone	2023	2026	2028	2031	2036	2041
1	29,111	29,442	29,667	30,012	30,393	30,822
2	25,893	26,317	26,566	26,878	27,158	27,479
3	23,822	24,240	24,505	24,876	25,395	25,943
4	18,270	18,795	19,084	19,500	20,161	20,799
5	23,805	24,703	25,209	25,982	27,120	28,207
6	71,231	72,203	72,961	74,050	75,542	76,693
Total	192,132	195,700	197,992	201,298	205,769	209,942

Source: Table 1 of Appendix 4

5.8 Based on Experian’s population projections, we estimate that the Study Area population will increase from 192,132 persons at 2023 to 209,942 persons at 2041. This equates to an increase of 17,810 persons (or 9.3%) over the 18-year period.

Retail Expenditure

5.9 In order to calculate per capita convenience and comparison goods expenditure, we have utilised Experian Micromarketer G3 data, which provides detailed information on local consumer expenditure that takes into consideration the socio-economic characteristics of the local population. The base year for the Experian expenditure data is 2021. Our methodology takes account of the fact that some special forms of trading expenditure²² is not available to support retail floorspace, and then allows for increases in per capita expenditure growth on an annual basis.

5.10 Figure 5 of Appendix 3 of ERPBN20 provides estimates in respect of the proportion of convenience and comparison goods expenditure that will be committed through special forms of trading both now and in the future. We have ‘stripped out’ any survey responses which relate to expenditure committed via special forms of trading and have instead made an allowance derived from Experian’s recommendations (which we consider to be the most appropriate means by which to account for such expenditure).

5.11 We set out Experian’s expenditure growth estimates within the below Table 5.3. It should be noted that Experian only provides growth forecasts to 2040, and, in practice, we extrapolate the forecast annual growth rates at 2040 to provide an estimate for the subsequent year of 2041.

²¹ The reporting years relate to five year intervals across the forthcoming plan period (working back from 2041), with an additional reporting year of 2028 which relates to five years from the base date of 2023 (this is considered to be a relevant timeframe for the purpose of determining any forthcoming planning applications for retail development).

²² Identified as comprising sales via the internet, mail order, stalls and markets, door-to-door and telephone sales (i.e. all non-store sales).

5.12 In considering special forms of trading, many products which are ordered online are actually sourced from a store’s shelves or stockroom in practice (this is particularly the case with convenience goods). As such, expenditure committed in this manner acts to sustain shops and can be considered ‘available’ to support floorspace within the Study Area. Accordingly, in order not to overstate the influence of special forms of trading on retailers, our methodology utilises Experian’s ‘adjusted’ allowance for special forms of trading (which is provided at Figure 5 of ERPBN20). This allowance indicates that 5.8% of convenience goods expenditure and 28.7% of comparison goods expenditure is ‘lost’ to shops at base year 2021 through special forms of trading purchases.

5.13 Having made an allowance for special forms of trading, we then take account of projected changes in expenditure in accordance with the recommendations provided by Figure 6 of Appendix 3 of ERPBN20. Experian provides overall growth rates and ‘adjusted’ rates, which account for any additional increases in expenditure lost to special forms of trading. The latest growth rates suggest that growth in comparison goods expenditure should pick up in the next few years as confidence in the economy returns, with this following a number of turbulent years following the start of the Covid-19 pandemic in 2020. The applicable annual per capita growth rates are set out below at Table 5.3.

Table 5.3: Experian Retail Planner Briefing Note 20 Convenience and Comparison Goods Annual Per Capita Growth Rates

Year	Convenience Goods	Convenience Goods ‘Adjusted SFT’	Comparison Goods	Comparison Goods ‘Adjusted SFT’
2022	-6.9	-6.8	3.3	2.0
2023	-1.5	-2.2	-0.6	-1.0
2024	-1.7	-0.7	-1.3	-0.8
2025	-1.1	-0.3	-0.2	0.3
2026	-0.9	-0.2	1.1	1.6
2027	-0.7	-0.1	1.8	2.2
2028	-0.6	-0.1	2.0	2.4
2029	-0.5	0.0	2.2	2.5
2030	-0.4	0.0	2.3	2.6
2031	-0.3	0.0	2.3	2.6
2032	-0.3	0.0	2.4	2.7
2033	-0.2	0.1	2.4	2.7
2034	-0.2	0.1	2.5	2.7
2035	-0.2	0.1	2.6	2.8
2036	-0.1	0.1	2.6	2.8
2037	-0.1	0.1	2.7	2.8
2038	-0.1	0.1	2.7	2.8
2039	-0.1	0.1	2.7	2.8
2040	-0.1	0.1	2.7	2.8

Source: Figure 7 of Appendix 3, Experian Retail Planner Briefing Note 20 (February 2023)

5.14 For convenience goods, Experian forecasts very limited per capita expenditure growth across the entire period to 2036. The position is even more pessimistic when account is taken of future growth in special forms of trading, with Experian’s forecasts suggesting that the growth in convenience goods expenditure available to actual stores will not exceed 0.1% per annum across the entire period 2022 to 2041. Overall, it is evident that forecast per capita convenience goods expenditure does not increase in the period to 2041. The position in respect of comparison

goods expenditure is more positive. Experian forecasts that per capita comparison goods expenditure growth will take place over the period to 2041, but (with the exception of forecast per capita growth of 5.6% in 2021) will not exceed 2.7% per annum in the period from 2022 to 2041. Experian’s forecasts suggest that there will be relatively healthy growth in comparison goods even after accounting for expenditure lost to special forms of trading.

- 5.15 This Study utilises the most up to date Experian expenditure data and growth forecasts. However, longer term growth forecasts (beyond the next ten years) should be treated with caution given the inherent uncertainties associated with predicting the performance of the economy over time (particularly in the current economic, health and political climates). As such, assessments of this nature should be reviewed on a regular basis to ensure that forecasts over the medium and longer term reflect changing circumstances.
- 5.16 In this regard, we note that paragraph 86 of the NPPF requires local planning authorities to allocate sites to meet likely town centre needs ‘...looking at least ten years ahead’, which differs from the previous requirement to meet needs across the entire plan period. This change is reflective of turbulent economic conditions and the pace of change within the retail sector in recent years.
- 5.17 By applying Experian’s recommendations in respect of special forms of trading and expenditure growth, we can produce expenditure estimates for each survey zone and the overall Study Area at 2023, 2026, 2028, 2031, 2036, and 2041.

Convenience Goods Expenditure

- 5.18 Taking into account the Study Area resident population and the available per capita convenience goods expenditure, we estimate that £420.6m²³ of convenience goods expenditure originates within the Study Area at 2023. The below Table 5.4 indicates that available Study Area convenience goods expenditure is forecast to increase to £458.0m at 2041.

Table 5.4: Total Available Study Area Convenience Goods Expenditure

2023 (£m)	2026 (£m)	2028 (£m)	2031 (£m)	2036 (£m)	2041 (£m)
420.6	423.5	427.6	434.9	446.4	458.0

Note: In 2021 prices

- 5.19 Table 5.5 indicates that this represents an increase of £37.4m (or 8.9%) across the Study Area between 2023 and 2041. Given the static growth in per capita expenditure, this increase can be attributed to growth in the Study Area’s population.

Table 5.5: Growth in Available Study Area Convenience Goods Expenditure

Growth 2023-26 (£m)	Growth 2023-28 (£m)	Growth 2023-31 (£m)	Growth 2023-36 (£m)	Growth 2023-41 (£m)
2.9	7.0	14.3	25.9	37.4

Note: In 2021 prices

- 5.20 We have assumed that 75% of available convenience goods expenditure would take the form of main food shopping and that 25% would take the form of top-up shopping (which relates to smaller purchases often made using a basket rather than a shopping trolley).²⁴
- 5.21 By applying this ratio, we estimate that main food shopping trips account for £315.4m of Study Area convenience

²³ In 2021 prices, as is every subsequent monetary reference.

²⁴ This is a standard split applied in undertaking this exercise.

goods expenditure at 2023, and top-up shopping trips account for £105.1m.

Comparison Goods Expenditure

5.22 For comparison goods, Table 5.6 sets out our estimate that the resident population of the Study Area will generate £497.1m of comparison goods expenditure at 2023. Available comparison goods expenditure is then forecast to increase to £817.4m at 2041.

Table 5.6: Total Available Study Area Comparison Goods Expenditure

2023 (£m)	2026 (£m)	2028 (£m)	2031 (£m)	2036 (£m)	2041 (£m)
497.1	512.3	542.6	595.4	697.2	817.4

Note: In 2021 prices

5.23 The identified increase in comparison goods expenditure growth is substantial, but it represents a level of annual growth that is more circumspect than that which has been achieved in the past. This is due to both a reduction in the overall level of growth when compared to that achieved in the early part of this millennium, and as a result of further forecast increases in expenditure committed via special forms of trading (most obviously, internet shopping).

5.24 As the below Table 5.7 identifies, our assessment estimates that there will be an increase of £320.2m (equating to 64.4%) in respect of Study Area comparison goods expenditure between 2023 and 2041.

Table 5.7: Growth in Available Study Area Comparison Goods Expenditure

Growth 2023-26 (£m)	Growth 2023-28 (£m)	Growth 2023-31 (£m)	Growth 2023-36 (£m)	Growth 2023-41 (£m)
15.2	45.4	98.3	200.1	320.2

Note: In 2021 prices

5.25 We sub-divide comparison goods expenditure into eight categories, these being: 'DIY', 'Electrical' and 'Furniture' (collectively referred to as bulky goods); and 'Clothing and Footwear', 'Books, CDs and DVDs', 'Health, Beauty and Chemist Goods', 'Small Household Goods', and 'Toys, Games, Bicycles and Recreational Goods' (collectively referred to as non-bulky goods). The proportion of expenditure directed to each sub-category is estimated by Experian on a zonal basis. Experian's estimates are reflected in the detailed expenditure tables set out at Table 7b of Appendix 4 of this report.

5.26 In considering expenditure growth, it should be noted that not all growth arising within the Study Area is available to support additional floorspace in the Oadby & Wigston area. Instead, account needs to be taken of:

- the market share of expenditure secured by retailers within the Oadby & Wigston area (and the fact that many needs are successfully met outside the Borough);
- the claim made by existing retailers on expenditure growth (the future efficiency of retail floorspace); and
- the expenditure that will be claimed by committed retail developments.

5.27 These issues are addressed in the assessment of retail capacity provided in Section 7 of this report.

6. Market Research – Household Surveys

Market Share Analysis: Household Survey Results

- 6.1 The NEMS household survey identifies where residents travel to undertake a range of shopping and leisure activities. The summary of results provided in this section focuses on the market share of shopping trips secured by retail venues for various types of shopping. In May 2023, a survey of 706 households was undertaken by NEMS within the defined Study Area to ascertain where residents go to undertake a range of shopping and leisure activities.
- 6.2 In reviewing the Study Area, it is important to recognise that the vast majority of convenience goods expenditure generated within a given area is generally claimed by local foodstores. This is because shoppers look to source convenience goods close to home. Comparison goods shopping is more likely to result in longer trips to source goods at higher order destinations. As such, it is to be expected that a substantial proportion of comparison goods shopping trips 'leak' outside of the Study Area to shopping venues offering greater choice. This is particularly the case in Oadby & Wigston given the proximity of Leicester city centre and Fosse Shopping Park.
- 6.3 The household survey is reproduced as part of Appendix 2 of this Study. In retail terms, the principal purpose of the survey is to establish:
- patterns of convenience goods spending, based on the location of:
 - the shops or shops respondents last visited and visited 'the time before last' to undertake their main food shop; and
 - the shop or shops respondents last visited and visited 'the time before last' to undertake their main top-up food shop.
 - patterns of comparison goods spending, based on the local of the respondent's last shopping trip to purchase the following types of comparison goods:
 - clothing and footwear;
 - books, CDs, DVDs and stationery;
 - small household goods, such as home furnishings, clocks, jewellery, glass and china;
 - toys, games, bicycles and recreational goods;
 - chemist goods, including health and beauty items;
 - electrical goods, such as televisions, washing machines and computers;
 - DIY and gardening goods; and
 - furniture, carpets and floor coverings.
- 6.4 The analysis which follows considers market share for the above sub-sectors. Our assessment is based on the market share of expenditure to particular 'bricks and mortar' retail destinations. For comparison goods, the zonal market share secured by each retail destination for each of the above eight sub-sectors is taken directly from the corresponding household survey question responses.
- 6.5 For convenience goods, the methodology differs. We have found that retail assessments of this nature can often overstate the turnover of discount foodstores and understate the turnover of larger format stores operated by the 'big four'. This is because apportioning 'main food' convenience goods expenditure in accordance with a household survey fails to account for the fact that goods are generally cheaper at discount foodstores. Such foodstores are also typically of a lesser scale and may not sell all products (for example, they may have a lesser range in respect of ingredients and in respect of ready meals). The consequence of this is that trips to a discount foodstore may often result in a lesser level of expenditure than trips to a large food superstore.

- 6.6 We have refined the Study methodology to respond to this issue.
- 6.7 For convenience goods, our household survey asks respondents the shop they last visited and visited ‘the time before last’ to undertake their main food shop. For each of these trips, the respondent is also asked how much they spend on main food shopping in visiting the respective foodstore.
- 6.8 We use this information to ‘weight’ the survey responses such that the results for main food shopping relate to the outlay of expenditure at the till and not just the trip itself. This process is undertaken at Tables 3a, 3b and 3c of Appendix 4.

Retail Goods Market Share Analysis

Convenience Goods Market Share

- 6.9 Our analysis begins by reviewing the retention of convenience goods expenditure within each of the six Study Area zones (i.e. the proportion of expenditure originating within a given zone which is claimed by retailers located within that same zone). This enables an understanding of whether residents are having to travel to meet their convenience goods shopping requirements, or if they are typically able to meet their needs in proximity to where they live. It is accepted that some respondents will live towards the boundary of their respective zones and some trips will therefore be able to be undertaken to nearby zones in a sustainable manner.
- 6.10 Table 6.1 indicates that, in terms of convenience goods shopping, the highest overall convenience goods retention rates are within Zones 1 (where retailers claim 90.3% of all convenience goods expenditure which originates within the zone), 2 (56.9%), and 3 (49.3%). Zone 1 is unique in the Study Area in that it accommodates two food superstores²⁵ – Asda at Leicester Road in Oadby and Sainsbury’s at Glen Road in Oadby – together with a number of other grocery operators. Zones 2 and 3 each accommodate a single food superstore (these being Sainsbury’s at Bell Street in Wigston in Zone 2 and Tesco at Blaby Road in South Wigston in Zone 3).
- 6.11 Zone 4 does not support any significant main food shopping destinations. The principal main food shopping offer in Zones 5 and 6 comprises a discount foodstore in each zone (Aldi at Brackley Court in Blaby in Zone 5 and Aldi at Aylestone Road in Leicester in Zone 6).

Table 6.1: Zonal Convenience Goods Retention Rates Across the Study Area at 2023

Zone	Main Food Shopping Zonal Retention Rate 2023 (%)	Top-Up Food Shopping Zonal Retention Rate 2023 (%)	Combined Convenience Goods Shopping Zonal Retention Rate (%)
1	90.6%	89.4%	90.3%
2	53.1%	68.2%	56.9%
3	44.3%	64.2%	49.3%
4	1.8%	70.4%	18.9%
5	28.6%	70.6%	39.1%
6	12.3%	41.9%	19.7%

Source: Table 4 of Appendix 4 of this Study

- 6.12 In this context, the lower retention rates in Zones 4, 5 and 6 are understandable. Zones 4 and 6 generally provide good access to foodstores in the adjacent Zone 1; we note that Sainsbury’s at Glen Road in Oadby is the most

²⁵ Defined as having a net sales area of more than 2,500 sq.m.

popular foodstore for residents of Zone 4 and that Asda at Leicester Road in Oadby is the most popular foodstore for residents of Zone 6.

- 6.13 Accordingly, we find that the broad zonal retention rates identified appear to appropriately reflect the geography of current provision. There may well be scope to improve local retention rates subject to provision coming forward in appropriate locations in the future.
- 6.14 The below Table 6.2 provides a different assessment of shopping patterns, this time setting out the proportion of zonal convenience goods expenditure which is claimed by operators located within the Oadby & Wigston authority area. Zones 1 and 2 are almost entirely located within Oadby & Wigston and we would therefore expect residents of these zones to undertake more food shopping within the authority area.
- 6.15 Table 6.2 confirms that this occurs in practice. The table identifies that 95.0% of convenience goods expenditure which originates in Zone 1 and 93.1% of convenience goods expenditure which originates in Zone 2 is claimed by retailers located within Oadby & Wigston. Interestingly, these figures are slightly higher than the market shares recorded in the previous 2016 Retail Capacity Study, which identified that Oadby & Wigston’s retailers claimed 93.9% of Zone 1 and 91.7% of Zone 2 convenience goods expenditure. Increased Oadby & Wigston authority area market shares are also recorded in Zones 3, 4 and 5 at 2023 (Zone 6 did not form part of the 2016 Retail Capacity Study).
- 6.16 The very strong market share within the central Zones 1 and 2 indicates that Oadby & Wigston’s foodstores are able to meet most main food shopping needs and that there is little reason to travel outside the area to undertake grocery shopping. The improved market shares are likely reflective of increased provision in the Oadby & Wigston area since the undertaking of the previous survey. In this regard, we note that Lidl at Blaby Road in South Wigston opened in September 2018 and the Lidl at Harborough Road in Oadby opened in October 2020 (albeit the Oadby Lidl store previously traded as a Waitrose).
- 6.17 In total, Oadby & Wigston’s retailers claim more than six out of every ten pounds (62.8%) of all convenience goods expenditure which originates within the Study Area. Whilst this is less than the figure recorded at 2016, it is important to reiterate that the scope of the Study Area has changed (it now incorporates the additional Zone 6) and that any comparison between the two figures must be qualified on this basis.

Table 6.2: Oadby & Wigston Convenience Goods Market Share by Zone at 2023

Zone	Main Food Shopping O&W Market Share 2023 (%)	Top-Up Food Shopping Trips O&W Market Share 2023 (%)	Combined Convenience Goods O&W Market Share 2023 (%)	Combined Convenience Goods O&W Market Share 2016 (%)
1	96.7%	90.0%	95.0%	93.9%
2	93.1%	86.6%	91.5%	91.7%
3	65.4%	64.9%	65.3%	58.9%
4	67.1%	19.8%	55.3%	52.0%
5	34.2%	19.6%	30.6%	24.1%
6	58.3%	23.1%	49.5%	-
Total Study Area	68.0%	47.1%	62.8%	67.0%

Source: Table 4 of Appendix 4 of this Study for 2023 market shares; Table 4 of Appendix 4 of Oadby & Wigston Retail Capacity Study 2016 for 2016 market shares

Note: Total Study Area market share column relates to a different Study Area for 2016 household survey (there was no Zone 6 included in this Study and therefore a direct ‘like-for-like’ comparison between the two figures should not be made)

- 6.18 The Oadby & Wigston zonal market shares in respect of top-up food shopping are generally lower than those recorded in respect of main food shopping. This is because parts of Zones 1, 2 and 3 are located outside of Oadby & Wigston and residents around these areas are able to access local convenience stores to meet some of their needs. However, the larger supermarkets and superstores within the Study Area are generally located within Oadby & Wigston which means that residents in outlying parts of the Study Area often travel into the Borough in order to undertake main food shopping.
- 6.19 Our final table of relevance to convenience goods shopping patterns focuses on the performance of individual foodstores. Table 7.3 identifies the market share claimed by principal main food destinations on a zonal basis and across the Study Area as a whole. All destinations located within Oadby & Wigston Borough which claim more than 1.0% of total Study Area convenience goods expenditure are included in the table.
- 6.20 Notwithstanding the improved discount foodstore provision in Oadby & Wigston, it is evident that the two most popular foodstores (Asda at Leicester Road in Oadby and Tesco at Blaby Road in South Wigston) have improved their market shares across almost all zones between 2016 and 2023.²⁶ Part of the reason for this may be the closure of the Waitrose at Harborough Road in Oadby which now trades as Lidl. There may also be a benefit in respect of local market shares based on the greater propensity for residents to work from home (relative to the likelihood of that occurring in 2016) and thereby undertake food shopping close to home.
- 6.21 Table 7.3 identifies that the Asda at Leicester Road in Oadby is by some distance the most popular store in the Study Area with an overall market share of 16.1%. This is then followed by the Tesco at Blaby Road in South Wigston (which has an overall Study Area market share of 12.1%), and then by Sainsbury's at Glen Road in Oadby (11.0%) and by Aldi at Bull Head Street in Wigston (9.3%).
- 6.22 The Wigston Aldi store is notably more attractive than the two Lidl stores at Oadby and South Wigston, both of which secure convenience goods market shares which are less than half than that of the Aldi.

Table 6.3: Performance of Convenience Goods Floorspace at Principal Oadby & Wigston Foodstores at 2023

Zone	Store	Zone 1 2023 (%)	Zone 1 2016 (%)	Zone 2 2023 (%)	Zone 2 2016 (%)	Zone 3 2023 (%)	Zone 3 2016 (%)	Zone 4 2023 (%)	Zone 4 2016 (%)	Zone 5 2023 (%)	Zone 5 2016 (%)	Zone 6 2023 (%)	Total 2023 (%)	Total 2016 (%)
1	Asda, Leicester Road, Oadby	39.1%	30.6%	8.2%	14.2%	3.8%	3.6%	13.6%	7.6%	0.2%	0.2%	20.0%	16.1%	11.6%
3	Tesco, Blaby Road, South Wigston	1.7%	0.3%	14.2%	13.2%	36.5%	32.5%	7.1%	2.0%	22.4%	18.3%	5.0%	12.1%	11.3%
1	Sainsbury's, Glen Road, Oadby	29.6%	27.6%	5.6%	5.2%	2.4%	0.2%	15.3%	22.7%	0.0%	0.6%	10.1%	11.0%	9.6%
2	Aldi, Bull Head Street, Wigston	3.2%	4.2%	28.9%	16.2%	9.6%	4.2%	11.9%	5.7%	1.8%	0.4%	6.1%	9.3%	5.5%
1	Lidl, Harborough Road, Oadby	9.1%	-	0.7%	-	1.4%	-	2.1%	-	0.0%	-	2.8%	2.9%	-
2	Sainsbury's, Bell Street, Wigston	0.2%	0.0%	16.4%	18.9%	0.9%	3.7%	1.2%	0.4%	0.4%	2.0%	0.8%	2.9%	4.9%
3	Lidl, Blaby Road, South Wigston	0.1%	-	5.0%	-	4.0%	-	1.8%	-	4.5%	-	1.7%	2.5%	-
1	Marks & Spencer Foodhall, The Parade, Oadby	6.8%	6.8%	0.2%	0.5%	0.0%	0.3%	2.2%	0.7%	0.0%	0.2%	1.4%	1.9%	2.1%

Source: Table 4 of Appendix 4 of this Study for 2023 market shares; Table 4 of Appendix 4 of Oadby & Wigston Retail Capacity Study 2016 for 2016 market shares

Note: The above summary table provides details of the trading performance of Oadby & Wigston foodstores with a total Study Area market share of more than 1% of convenience goods expenditure; Lidl in South Wigston opened in September 2018; Lidl in Oadby opened in October 2020; Total Study Area market share column relates to a different Study Area for 2016 household survey (there was no Zone 6 included in the previous Study and therefore a direct 'like-for-like' comparison between the two figures should not be made)

²⁶ The only exception to this is the market share of Zone 2 expenditure claimed by the Asda at Leicester Road in Oadby which has decreased from 14.2% at 2016 to 8.2% at 2023.

Comparison Goods Market Share

- 6.23 The below Table 7.4 identifies comparison goods shopping patterns, relating to the proportion of zonal comparison goods expenditure which is claimed by operators located within Oadby & Wigston. Once more, it is relevant to note that Zones 1 and 2 are almost entirely located within the Oadby & Wigston authority area and we would therefore expect the identified comparison goods market share to be highest in these zones.
- 6.24 In practice, Oadby & Wigston’s operators claim more than four out of every ten pounds originating within Zones 1 and 2. In Zone 3, Oadby & Wigston’s market share equates to just over three out of every ten pounds spent by residents. Significantly lower Oadby & Wigston market shares are recorded in Zones 4, 5 and 6. These zones are more distant from Oadby & Wigston’s facilities but still benefit from good access to Fosse Shopping Park and Leicester city centre.
- 6.25 It is interesting to note from the below Table 6.4 that Oadby & Wigston’s retailers have secured improved market shares across Zones 1 to 5, relative to those recorded in the 2016 Retail Capacity Study. Particularly significant improvements have occurred in Zone 1 (Oadby & Wigston’s market share improving by 10.5 percentage points to 42.5%) and Zone 2 (an improvement of 8.5 percentage points to 43.8%). Once again, these improved market shares may be attributable (in part) to a greater propensity for those in employment to work from home and to purchase more goods locally as a result.
- 6.26 The identified improved market shares are encouraging and are reflective of the fact that a good number of day-to-day comparison goods can be sourced close to home. The comparison goods market share secured by facilities in Oadby & Wigston also needs to be viewed in the context of the authority’s proximity to Fosse Shopping Park and Leicester city centre and the strength of these destinations in respect of clothing and footwear and in respect of electrical goods.

Table 6.4: Oadby & Wigston Comparison Goods Market Share by Zone at 2023

Zone	Comparison Goods O&W Market Share 2023 (%)	Comparison Goods O&W Market Share 2016 (%)
1	42.5%	32.0%
2	43.8%	35.3%
3	30.9%	24.9%
4	15.4%	13.8%
5	17.0%	10.7%
6	21.8%	-
Total Study Area	28.1%	24.2%

Source: Table 4 of Appendix 4 of this Study for 2023 market shares; Table 13 of Appendix 4 of Oadby & Wigston Retail Capacity Study 2016 for 2016 market shares; Total Study Area market share column relates to a different Study Area for 2016 household survey (there was no Zone 6 included in the 2016 Study and therefore a direct ‘like-for-like’ comparison between the two figures should not be made)

- 6.27 Table 6.5 identifies the market share of expenditure attracted to the five principal comparison goods destinations for Study Area residents. The table indicates that Fosse Shopping Park is the dominant comparison goods shopping destination for Study Area residents. Across the Study Area, Fosse Shopping Park attracts 30.9% of Study Area comparison goods expenditure, and a market share of more than 40.0% of comparison goods expenditure which originates within each of Zones 2, 3 and 5.

- 6.28 The second most popular destination is Leicester city centre, which secures 19.4% of all comparison goods expenditure which originates within the Study Area. Accordingly, the most popular two destinations account for more than half of all comparison goods expenditure. Zone 6 is in closest proximity to Leicester city centre and the city centre secures 31.6% of comparison goods expenditure which originates within this zone.
- 6.29 Wigston town centre is the third most popular comparison goods destination (with a market share of 12.1% of all such expenditure which originates within the Study Area). Wigston town centre secures a particularly strong proportion of comparison goods expenditure which originates within Zone 2 (34.7%) and Zone 3 (16.2%).
- 6.30 As Table 7.5 demonstrates, the Study Area market shares secured by Oadby district centre and South Wigston district centre are relatively low at 3.8% and 1.6% respectively. This reflects the fact that the principal purpose of these centres is to meet day-to-day grocery and service needs.
- 6.31 The identified market shares are generally encouraging and are reflective of the fact that a good number of day-to-day comparison goods can be sourced close to home. The comparison goods market share secured by facilities in Oadby & Wigston also needs to be viewed in the context of the authority's proximity to Fosse Shopping Park and Leicester city centre and the strength of these destinations in respect of clothing and footwear and in respect of electrical goods. Indeed, we note that the market share of South Wigston district centre is less than that secured by four superstores that are located outside of the boundary of a defined centre, namely: Asda at Leicester Road in Oadby (which secures Study Area comparison goods market share of 3.7%); B&Q at Bull Head Street in Wigston (2.3%); Sainsbury's at Glen Road in Oadby (2.2%); and, Tesco at Blaby Road in South Wigston (1.8%).

Table 6.5: Performance of Comparison Goods Floorspace at Key Destinations at 2023

Zone	Destination	Zone 1 2023 (%)	Zone 2 2023 (%)	Zone 3 2023 (%)	Zone 4 2023 (%)	Zone 5 2023 (%)	Zone 6 2023 (%)	Total 2023 (%)
Outside SA	Fosse Shopping Park	22.1%	40.2%	41.3%	29.9%	40.9%	23.1%	30.9%
Outside SA	Leicester city centre	19.7%	10.6%	9.1%	16.8%	12.5%	31.6%	19.4%
2	Wigston town centre	4.1%	34.7%	16.2%	3.1%	6.1%	10.9%	12.1%
1	Oadby district centre	14.6%	1.3%	0.0%	2.7%	0.0%	2.5%	3.8%
1	Asda, Leicester Road, Oadby	11.8%	1.3%	0.5%	1.4%	0.3%	3.8%	3.7%
2	B&Q, Bull Head Street, Wigston	2.9%	2.7%	1.8%	3.0%	2.4%	1.6%	2.3%
1	Sainsbury's, Glen Road, Oadby	7.4%	0.6%	0.0%	3.4%	0.0%	1.3%	2.2%
3	Tesco, Blaby Road, South Wigston	0.0%	0.8%	6.2%	0.7%	5.1%	0.4%	1.8%
3	South Wigston district centre	1.0%	1.5%	5.1%	0.9%	1.8%	1.0%	1.6%

Source: Table 5 of Appendix 4

Notes: The above summary table provides details of the trading performance of Oadby & Wigston comparison goods destinations with a total Study Area market share of more than 1% of comparison goods expenditure together with Fosse Shopping Park and Leicester city centre; 2021 prices Lidl in South Wigston opened in September 2018, Lidl in Oadby opened in October 2020

Market Share Summary and Identification of Expenditure Claimed by Oadby & Wigston Retailers

- 6.32 We identify the convenience goods, comparison goods, and overall market share of Study Area expenditure claimed by retailers located in Oadby & Wigston in the below Table 6.6. As would be expected, Oadby & Wigston's convenience goods market share of 62.8% is substantially greater than its comparison goods market share of 28.1%. This reflects the fact that groceries are generally purchased close to home and that (as the name suggests) shoppers are prepared to travel to browse and secure greater choice when purchasing comparison goods. Once again, it is important to qualify that the Study Area boundary for the current Study is larger than that utilised in the

previous 2016 Retail Capacity Study. As such, a direct ‘like-for-like’ comparison between the respective Study Area market shares is not possible.

6.33 Table 6.6 also identifies the monetary convenience and comparison goods turnover of convenience and comparison goods retailers which originates from the respective defined Study Areas. To allow comparison, the turnover figures identified in the 2016 Retail Capacity Study have been converted from a 2014 price base to a 2021 price base (in order that they are expressed in a manner consistent with this Study). On this basis, we identify that the Study Area convenience goods turnover of Oadby & Wigston’s retailers has increased from £160.7m at 2016 to £264.1m at 2023. The comparison goods turnover of Oadby & Wigston’s comparison goods retailers has increased from £250.3m at 2016 to £403.7m at 2023.

Table 6.6: Comparison Goods Expenditure Retention and Leakage

Type of Expenditure	2023 Residents' Expenditure (£m)	2023 Market Share (%)	2016 Residents' Expenditure (£m)	2016 Market Share (%)
Study Area Convenience Goods Expenditure	264.1	62.8%	160.7	67.0%
Study Area Comparison Goods Expenditure	139.6	28.1%	89.6	24.2%
Total Study Area Expenditure	403.7	44.0%	250.3	41.0%

Source: Table 25 of Appendix 4

Note: Both presented in a consistent 2021 prices

6.34 The increases in convenience and comparison goods turnover are substantial and are attributable to three principal factors:

- population and per capita expenditure increases, meaning that the overall convenience and comparison goods expenditure ‘pots’ have increased;
- general improvements in the market share of expenditure claimed by retailers located in Oadby & Wigston; and
- the addition of Zone 6 to the Study Area, within which many residents look to facilities in Oadby & Wigston to meet at least some of their retail needs.

6.35 In conclusion, the household survey demonstrates that Oadby & Wigston’s convenience goods retailers are able to appropriately serve residents of the authority area and those who live in a wider catchment area. Oadby & Wigston’s convenience goods market share within Zones 1 and 2 is very high, which confirms that there is no general requirement to travel outside of the area when undertaking grocery shopping.

6.36 In respect of comparison goods, Oadby & Wigston’s centres and retailers generally have a secondary role which is focused on day-to-day shopping needs (such purchases include health and beauty goods, and some household goods). Fosse Shopping Park and Leicester city centre have a greater offer (particularly in respect of clothing and footwear and electrical goods), and in this context the improved Oadby & Wigston comparison goods market share across many Study Area zones is encouraging.

6.37 In our view, the identified survey results reflect the geography of the Study Area and the relative attraction of other nearby retail venues. Accordingly, where expenditure ‘leaks’ to destinations outside of Oadby & Wigston this is still generally reflective of logical and sustainable travel patterns.

7. Assessment of Retail Capacity

- 7.1 Our retail capacity tables set out our step-by-step approach to estimating the expenditure surplus which is available to support additional retail floorspace and are provided at Appendix 4. A summary of our methodology, together with our findings, is provided below.

General Approach to Estimating Quantitative Capacity

- 7.2 Retail capacity modelling follows the basic principle that:

Available Expenditure minus Expected Turnover of Existing and Committed Floorspace equals Expenditure Surplus or Deficit.

- 7.3 An identified quantitative expenditure surplus indicates that there is capacity to support additional retail floorspace. We summarise the key considerations relating to each component of the equation below.

Available Expenditure

- 7.4 As we set out in Section 5 of this report, expenditure generated within each Study Area zone is calculated by multiplying the population at a given reporting year by the estimated per capita expenditure. The available expenditure takes into consideration:

- estimated population growth;
- forecast increases in per capita expenditure; and
- forecast increases in special forms of trading.

- 7.5 The expenditure available to retailers within the Oadby & Wigston area is calculated with reference to the market share of convenience and comparison goods expenditure secured by retailers located within the authority area. This is explained in greater detail in the preceding Section 6.

Expected Turnover of the Authority Area's Retail Floorspace

- 7.6 The expected turnover relates to the level of expenditure claimed by existing retailers (and by retail commitments benefitting from an extant planning permission) in order to trade viably. For convenience goods retailers, the expected 'benchmark' turnover of existing convenience goods facilities is calculated with reference to company average sales densities and the net convenience goods sales areas of stores.
- 7.7 However, for this Study, Council Officers have indicated that the expected turnover of convenience goods floorspace should not be identified with reference to company average benchmark turnovers. The use of this type of benchmarking would provide for 'overtrading' identified at base year 2023 (i.e. turnover which is above and beyond expected benchmark level) to be made immediately available to support new entrants into the grocery market.
- 7.8 In the Oadby and Wigston area it is evident that foodstores are generally located centrally and that they often have an important role in underpinning the vitality and viability of centres. As we go on to identify later in this section, many of these in and well connected edge-of-centre foodstores trade strongly and Council Officers believe that it is advantageous for this to remain the case to underpin the health of defined centres (in accordance with planning policy objectives).

- 7.9 Officers consider that the advantages associated with this approach (in terms of attracting activity, supporting linked trips, and underpinning the viability of in-centre grocery retailers) are substantial.
- 7.10 Given the above, we adopt the approach that both convenience and comparison goods floorspace is trading 'in equilibrium' at base year 2023 (i.e. our survey-derived turnover estimate effectively acts as benchmark). The expected turnover of existing floorspace then increases for future reporting years in accordance with the changes in floorspace sales efficiency set out in ERPBN20.
- 7.11 The previous section of this report identified that Study Area residents are generally shopping in a sustainable manner and that Oadby & Wigston's retailers had generally benefitted from improvements in market share in recent years. On this basis, we do not believe that further material improvements in Study Area market share are likely and estimate capacity on the basis that existing convenience and comparison goods market shares will be maintained going forward.

Surplus/Deficit

- 7.12 The expenditure surplus (or deficit) is calculated by subtracting the turnover of existing and committed floorspace from the available expenditure directed to retailers within the Oadby & Wigston authority area. A surplus figure effectively represents an under-provision of retail facilities within the Borough (and may indicate that additional floorspace could be supported), whereas a deficit would suggest a quantitative over-provision of retail floorspace.
- 7.13 Although a surplus is presented as a monetary figure, it can be converted to a floorspace requirement through the application of an appropriate sales density. In this regard, the floorspace requirement will vary according to operator and the likely sales density they could achieve. For example, in the case of comparison goods, non-bulky goods retailers tend to achieve higher sales densities than bulky goods retailers. However, within the bulky goods sector itself there is significant variation, with electrical retailers typically having higher sales densities than DIY or furniture retailers.
- 7.14 The turnover of destinations is generally considered with reference to retailers' net sales areas and all of the following floorspace figures are presented on this basis. Our assessment considers convenience and comparison goods needs for the authority area.

Consideration of Inflow

- 7.15 We have also given consideration as to whether there would be any convenience and comparison goods turnover derived as 'inflow' from outside the Study Area.
- 7.16 The defined Study Area covers a relatively extensive area and we therefore believe that only limited trade will be drawn from outside the Study Area to retailers located within Oadby & Wigston.
- 7.17 Indeed, Wigston and South Wigston are deeply embedded within the Study Area and, as such, are not likely to secure a material level of trade from areas further afield. As such, we do not allow for any convenience or comparison goods inflow to be claimed by operators in these locations.
- 7.18 Retailers in Oadby are likely to benefit from a limited level of inflow for two reasons. Firstly, they are located closer to the Study Area boundary and therefore may be the destination for the occasional shopping trip from residents who reside just outside. Secondly, Oadby's retail provision is generally located on or adjacent to the A6, which is a principal arterial route into Leicester city centre. This means that some shoppers will use the facilities whilst

passing along the A6 on their way home. On this basis, we assume that both convenience and comparison goods retailers in Oadby will generally be able to secure 5.0% of their turnover from outside of the Study Area.

- 7.19 Confirmation in respect of allowances made to account for convenience and comparison goods expenditure inflow is respectively provided by Table 5 and Table 25 of Appendix 4. These tables identify our estimate that the Oadby & Wigston area may benefit from around £7.1m of convenience goods inflow and around £2.5m of comparison goods inflow at 2023. We account for inflow at future reporting years on the basis that it will account for the same proportion of overall convenience and comparison goods expenditure going forward.

Future Quantitative Convenience Goods Capacity

- 7.20 In identifying the requirement for additional convenience goods floorspace, the estimated turnover of the existing collective provision (with reference to the shopping patterns established by the household survey) is compared to its benchmark turnover (calculated with reference to company average sales densities and the net convenience goods sales areas of individual stores). The identified benchmark turnover changes across future reporting years to account for Experian’s forecasts in respect of the future sales efficiency of convenience goods floorspace).
- 7.21 As Table 7.1 demonstrates, convenience goods floorspace across the authority area has a survey-derived turnover of £264.1m, which increases to £271.2m when inflow is taken in to account. Due to expected short term increases in the productivity of existing floorspace, we estimate that the benchmark turnover of Oadby and Wigston convenience goods floorspace will be greater than its survey-derived turnover at reporting 2026 and 2028. By 2031, this position is reversed and a limited expenditure surplus of £0.2m is evident, which increases to £15.1m at 2041.

Table 7.1: Quantitative Capacity for Additional Convenience Goods Floorspace in Oadby & Wigston Authority Area

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Inflow (£m)	Surplus Expenditure (£m)
2023	271.2	264.1	7.1	0.0
2026	279.4	265.9	7.2	-6.3
2028	279.9	268.5	7.3	-4.2
2031	280.2	273.1	7.4	0.2
2036	280.2	280.3	7.6	7.7
2041	280.2	287.6	7.8	15.1

Notes: Assumes constant market share (62.8%) of Study Area expenditure claimed by facilities within Oadby & Wigston authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 4b of Experian Retail Planner Briefing Note 20; in 2021 prices

- 7.22 We have consulted with the Council and are informed that there are no extant retail commitments which provide any material level of additional convenience goods floorspace.²⁷
- 7.23 Accordingly, the identified monetary surplus is available in its entirety to support new entrants into the market. We convert the surplus figure to a floorspace requirement at Table 7.2 below.
- 7.24 At 2036, we estimate that there is immediate capacity which could support between 600 sq.m and 800 sq.m of additional convenience goods floorspace. This increases to a requirement for between 1,100 sq.m and 1,500 sq.m of convenience goods floorspace at 2041.

²⁷ This may, in part, be due to the provisions of Use Class E which means that change of use between many different commercial uses does not require planning permission (unless the authorised use is controlled by way of restrictive condition).

Table 7.2: Quantitative Capacity for Convenience Goods Floorspace in the Authority Area after Commitments

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement	
				Minimum (sq.m)	Maximum (sq.m)
2023	0.0	0.0	0.0	0	0
2026	-6.3	0.0	-6.3	-500	-600
2028	-4.2	0.0	-4.2	-300	-400
2031	0.2	0.0	0.2	0	0
2036	7.7	0.0	7.7	600	800
2041	15.1	0.0	15.1	1,100	1,500

Source: Table 6c of Appendix 4

Notes: Assumes constant market share (62.8%) of Study Area expenditure claimed by facilities within Oadby & Wigston authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 4a of Experian Retail Planner Briefing Note 20; minimum floorspace requirement based on an assumed sales density of £13,441 per sq.m at 2023 (which equates to the average sales density of the 'big four' foodstore operators); maximum floorspace requirement based on an assumed sales density of £9,818 per sq.m at 2023 (which equates to average sales density of Aldi and Lidl); in 2021 prices

Future Quantitative Comparison Goods Capacity

7.25 For comparison goods, we assume that floorspace is 'in equilibrium' at the start of an assessment (i.e. its turnover is in line with expectations, and that the sector has evolved to meet local/regional needs).

7.26 As identified by the below Table 7.3, our assessment estimates that the comparison goods turnover of the Oadby & Wigston authority area is £139.6m, or £142.1m after account is taken of inflow. Experian anticipates that improvements in the sales efficiency of existing comparison goods floorspace will outstrip per capita comparison goods expenditure growth in the very short term. As such, there is a negative capacity figure of -£0.8m at 2026. Due to subsequent expenditure and population increases, a modest surplus of £1.9m is identified at 2028, increasing to £16.0m at 2041.

Table 7.3: Quantitative Capacity for Comparison Goods Floorspace in the Oadby & Wigston Authority Area

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Inflow (£m)	Surplus Expenditure (£m)
2023	142.1	139.6	2.5	0.0
2026	147.3	143.9	2.6	-0.8
2028	153.2	152.4	2.8	1.9
2031	165.2	167.2	3.0	5.1
2036	189.6	195.8	3.5	9.7
2041	217.7	229.5	4.2	16.0

Source: Table 26a of Appendix 4

Notes: Assumes constant market share (28.1%) of Study Area expenditure claimed by facilities in the Oadby & Wigston authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 4b of Experian Retail Planner Briefing Note 20; in 2021 prices

7.27 Once more, we have consulted with the Council and are informed that there are no comparison goods retail commitments which provide a material level of additional floorspace. The identified expenditure surplus is therefore again available to support new entrants into the market. We convert the surplus figure to a floorspace requirement at Table 7.4 below.

7.28 Due to forecast short-term increases in the sales efficiency of floorspace, no positive floorspace requirement is identified until 2028. At this date, there is an identified requirement for between 300 sq.m and 500 sq.m of additional comparison goods floorspace. This is forecast to increase to between 1,900 sq.m and 3,000 sq.m by 2041. This is a modest requirement relative to the existing provision in Oadby & Wigston (and across the wider

Leicester area) and is principally attributable to anticipated increases in the Study Area population over the plan period.

Table 7.4: Quantitative Capacity for Comparison Goods Floorspace in the Oadby & Wigston Area

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement	
				Minimum (sq.m)	Maximum (sq.m)
2023	0.0	0.0	0.0	0	0
2026	-0.8	0.0	-0.8	-100	-200
2028	1.9	0.0	1.9	300	500
2031	5.1	0.0	5.1	800	1,200
2036	9.7	0.0	9.7	1,300	2,100
2041	16.0	0.0	16.0	1,900	3,000

Source: Table 26c of Appendix 4

Notes: Assumes constant market share (28.1%) of Study Area expenditure claimed by facilities in the Oadby & Wigston authority area; allows for changes in benchmark turnover sales efficiency in accordance with Table 4a of Experian Retail Planner Briefing Note 20; minimum floorspace requirement based on an assumed sales density of £5,500 per sq.m at 2023; maximum floorspace requirement based on an assumed sales density of £3,500 per sq.m at 2023; in 2021 prices

Convenience and Comparison Qualitative Requirements

7.29 In order to consider particular types of convenience goods needs, it is useful to compare the estimated turnover of individual foodstores at 2023 with their expected benchmark trading performance. The benchmark turnover of foodstores is calculated with reference to GlobalData Convenience and Comparison Goods Sales Densities of Major Grocers and Mintel Retail Rankings data.²⁸ Full details of our methodology in this regard and the associated inputs are set out at Table 5 of Appendix 4.

7.30 The trading performance of principal foodstores is identified below in Table 7.5.

7.31 In examining the performance of specific stores, it is evident that both food superstores²⁹ and discount supermarkets are performing well.³⁰

7.32 There are a total of three food superstores across the authority area, which collectively have an estimated convenience goods turnover of £170.8m at 2023, which is very significantly higher than their anticipated benchmark turnover of £103.7m. Our assessment identifies that all three of the large food superstores ‘overtrade’, with the highest level of overtrading evident at the Asda at Leicester Road in Oadby, followed then by the Sainsbury’s at Glen Road in Oadby, and then by the Tesco at Blaby Road in South Wigston. The Asda store has an estimated convenience goods turnover of £71.4m at 2023, which is £33.5m higher than its expected benchmark turnover of £37.9m.

7.33 The collective level of overtrading at these large superstores is notably high (particularly given current economic conditions which mean that shoppers have increasingly switched to shop at discount foodstores).

²⁸ These datasets provide independent analysis of key grocery retailers’ declared turnover and the overall floorspace in their portfolio in order to calculate national average sales densities.

²⁹ Defined as having a net sales area of more than 2,500 sq.m.

³⁰ In this regard it should be noted that, whilst household survey respondents have in the past perhaps been slightly reluctant to acknowledge that they undertake their main food shop at a discounter, this no longer appears to be the case. In addition, our methodology apportions convenience goods expenditure to foodstore destinations according to their identified market share. The methodology does not take into consideration that similar items are generally cheaper in Aldi and Lidl than in one of the ‘big four’ operators’ stores. As such, the performance of discount operators is probably overstated and the performance of the ‘big four’ operators is probably understated.

Table 7.5 Performance of Convenience Goods Floorspace at Principal Foodstores at 2023

Zone	Store	Benchmark Turnover (£m)	Survey Derived Turnover (£m)	Performance Relative to Benchmark (£m)	Performance Relative to Benchmark (%)
2	Aldi, Bull Head Street, Wigston	10.0	39.1	+29.1	+290.4%
1	Asda, Leicester Road, Oadby	37.9	71.4	+33.5	+88.2%
1	Sainsbury's, Glen Road, Oadby	30.3	48.5	+18.2	+60.0%
1	Marks & Spencer Foodhall, The Parade, Oadby	5.5	8.2	+2.7	+48.8%
3	Tesco, Blaby Road, South Wigston	35.4	50.9	+15.5	+43.8%
1	Lidl, Harborough Road, Oadby	9.1	12.9	+3.7	+40.6%
3	Lidl, Blaby Road, South Wigston	9.1	10.7	+1.5	+16.4%
2	Sainsbury's, Bell Street, Wigston	17.4	12.1	-5.3	-30.6%
2	Iceland, Bell Street, Wigston	3.6	2.3	-1.3	-36.0%
3	Co-op Food, Blaby Road, Wigston	4.1	2.6	-1.6	-37.8%
2	Farmfoods, Bell Street, Wigston	2.3	0.4	-1.9	-82.9%

Source: Table 5 of Appendix 4

Notes: The above summary table provides details of the trading performance of foodstores with gross floorspace of 500 sq.m or greater; in 2021 prices

- 7.34** The Borough's three discount foodstores also trade above benchmark level. Our assessment suggests that the Aldi store at Wigston has a turnover of around £39.1m, which is around £29.1m greater than its anticipated benchmark turnover. This is clearly a very strong performance indeed. We also identify more limited levels of overtrading at the Lidl stores at Harborough Road in Oadby and at Blaby Road in South Wigston.
- 7.35** The identified position in respect of overtrading indicates that from both a qualitative perspective, there could be benefit in increasing the provision of grocery facilities within Oadby & Wigston to meet residents' existing and future needs.
- 7.36** We note that most foodstore formats are provided across the authority area with Asda, Sainsbury's and Tesco all occupying large format stores, and the likes of Co-op, Londis, Sainsbury's and Tesco trading from smaller local convenience store formats. Whilst there may be opportunity for some such retailers to bring forward additional stores in areas likely to be the subject of significant residential growth, it is in the discount foodstore sector where there is likely to be greatest operator interest.
- 7.37** In this regard, we again note that Aldi has a current requirement for a new store in Oadby. This interest is longstanding and, in October 2018, Aldi announced its intention³¹ to pursue a new store at Palmerston Way close to Leicester Racecourse. We understand that the proposal attracted significant local interest and that it did not reach planning application stage.
- 7.38** Providing for a new foodstore in a sustainable location could assist in 'levelling out' some of the identified overtrading and provide for additional consumer choice within the authority area.
- 7.39** We have discussed the potential to deliver larger format convenience floorspace on the opportunity sites within Oadby (West Car Park and East Street Car Park) and Wigston (Junction Road Car Park, Chapel Mill and Long Lanes) with property development stakeholders, who understand the market and the requirements of operators.

³¹ Article headlined 'Aldi announces plans to open new store in Oadby creating 40 jobs', Leicestershire Live, 17 October 2018.

- 7.40 It is understood that due to site assembly matters, business model requirements, existing active uses and wider viability matters, it is unlikely that the potential opportunity sites within the defined centres will come forward for any larger format convenience development across the plan period.
- 7.41 The advice has been given having regard to existing known site search requirements, particularly from discount operators who are currently active in the market. In this regard, discounters will typically seek approximately 20,000 sq.ft of floorspace within a minimum car park of 100 spaces, usually on a site of at least 1.5 acres. Sharing car parks for example (except for on a larger retail park style layout) is not typically considered.
- 7.42 Furthermore, the appetite for more ‘metropolitan’ format stores (which would include residential above or undercroft parking) has dwindled and operators are reverting back to the more standard formats. As such, there are limited opportunities for additional foodstores within or immediately adjacent to existing centre boundaries.
- 7.43 Given the above, should further convenience goods retail proposals come forward on edge or out of centre sites, then these will need to be considered carefully with reference to the key retail sequential and impact tests, and the wider benefits they may bring in increasing consumer choice and improving access to foodstores for some residents.
- 7.44 Any proposals for additional convenience goods floorspace should be considered on their own merits in accordance with the relevant planning policy tests. Most particularly, planning applications which seek to provide additional food retail provision should be considered having regard to potential sequential alternative sites, and with reference to the magnitude of impacts arising at any defined centre. The potential qualitative benefits associated with any improvement in customer choice can also be afforded weight in the decision-making process.
- 7.45 Turning to comparison goods, each of Oadby & Wigston’s principal centres meets needs arising within a localised catchment. The role and function of the centres is clearly impacted by the proximity of the Borough to Leicester city centre and Fosse Shopping Park. This means that the comparison goods function of Wigston, Oadby, and South Wigston is primarily focused around day-to-day needs (including chemist and beauty goods and household goods), supplemented with some specialist independent traders. The comparison goods turnover of Oadby and South Wigston is limited, but that is unsurprising given their role and noting the scale and location of competing facilities.
- 7.46 The consequence of this is that, whilst the Study Area market share of comparison goods expenditure which is claimed by retailers in Oadby and Wigston has improved, a large proportion of comparison goods expenditure ‘leaks’ to destinations elsewhere. However, given the proximity of Leicester city centre and Fosse Park (and the fact that trips to these destinations are generally representative of sustainable shopping patterns), we do not believe that there will likely be significant scope to materially improve the market share going forward.
- 7.47 In terms of residents’ access to goods and services, it is important that Oadby & Wigston’s principal centres complement the role and function of nearby higher order destinations. The market share of Study Area clothing and footwear expenditure and electrical expenditure secured by retailers in Oadby & Wigston Borough is notably low (it is 12.6% in respect of the former comparison goods sub-sector and 22.1% in respect of the latter³²). We do not anticipate that these sub-sectors will be a significant component of Oadby & Wigston’s offer going forward and it will instead be important to maintain the core day-to-day comparison good offer. We therefore do not envisage that a significant ‘step change’ will occur in respect of the retention of comparison goods expenditure within the defined Study Area (this is consistent with our approach in respect of quantitative capacity modelling which is undertaken on the basis of the existing market share being maintained going forward).

³² As identified by Tables 10 and 20 of Appendix 4 of this report.

8. Assessment of Leisure Capacity

- 8.1 Our approach in considering leisure capacity is in two parts.
- 8.2 For food and beverage floorspace, we adopt a similar approach as to that set out in respect of retail floorspace in the preceding Section 7 of this report. For large format commercial uses, we adopt a ‘benchmarking’ approach where we consider the typical population required to support different types of facilities. The benchmarking exercise reflects the fact that large format commercial uses are relatively limited in number and residents may be prepared to travel to watch a film or to go ten pin bowling. The current Study Area market share may not be instructive in respect of identifying future large format leisure requirements and therefore our preference is to undertake a benchmarking exercise.

Food and Beverage Requirements

Leisure Expenditure Growth

- 8.3 To calculate per capita food and beverage expenditure, we have again utilised Experian Micromarketer G3 data. The base year for this expenditure data is also 2021. Experian provides separate per capita expenditure estimates on a zonal basis for ‘restaurant and café meals per person’ and ‘alcoholic drinks (away from home) per person’.
- 8.4 There is no need to make allowance for special forms of trading expenditure (given that all food and beverage expenditure identified by Experian relates to eating and drinking in bars, pubs, cafes, and restaurants).
- 8.5 ERPBN20 provides annual leisure expenditure growth forecasts which we set out at the below Table 8.1. These growth rates are used to estimate increases in per capita food and beverage expenditure across the plan period to 2041.³³ The leisure sector growth rate for the year 2022 is extremely high, but this is an exceptional occurrence representing the ‘bounce back’ experienced by the sector following the imposition of Covid-related trading restrictions in 2020 and 2021.

Table 8.1: Experian Retail Planner Briefing Note 20 Leisure Expenditure Annual Per Capita Growth Rates

Year	Leisure Per Capita Annual Growth
2022	27.7
2023	-5.0
2024	-0.2
2025- 29	-1.0
2030-40	-0.9

Source: Figure 1a of Appendix 3 of Experian Retail Planner Briefing Note 20 (February 2023)

- 8.6 We again recognise that growth in expenditure forecasts in the longer-term should be treated with caution given the difficulties in predicting economic performance over such an extensive timeframe.
- 8.7 Accepting this caveat, we are able to use Experian’s recommendations in respect of annual expenditure growth to calculate expenditure across the food and beverage sectors at 2023, 2026, 2028, 2031, 2036, and 2041.

³³ Once again, Experian provides growth forecast to 2040 only and we therefore extrapolate the 2040 growth forecast to estimate to 2041.

Restaurant and Café Floorspace Requirements

8.8 Based on the assumed Study Area resident population and the available per capita restaurant and café expenditure, we estimate that £146.9m of such expenditure originates within the Study Area at 2023. The below Table 8.2 indicates that available Study Area restaurant and café expenditure is forecast to increase to £187.8m at 2041.

Table 8.2: Total Available Study Area Restaurant and Café Expenditure

2023 (£m)	2026 (£m)	2028 (£m)	2031 (£m)	2036 (£m)	2041 (£m)
146.9	152.4	157.3	164.5	175.9	187.8

Source: Table 2 of Appendix 5

Note: In 2021 prices

8.9 Table 8.3 indicates that this represents an increase of £40.9m (or 27.8%) across the Study Area between 2023 and 2041.

Table 8.3: Growth in Available Study Area Restaurant and Café Expenditure

Growth 2023-41 (£m)
40.9

Source: Table 2 of Appendix 5

Note: In 2021 prices

8.10 Our complete restaurant and café quantitative assessment model is provided at Appendix 5 of this Study. Table 4 of Appendix 5 identifies that £31.3m (21.3%) of Study Area eating out expenditure is directed to cafes and restaurants in Oadby & Wigston at 2023. Given the propensity for people to travel to dine with friends and family, we account for a further 5.0% of expenditure which we anticipate will be attracted to Oadby and Wigston’s operators as inflow from outside of the Study Area.

8.11 As set out below at Table 8.4, this provides a total estimated café and restaurant turnover for Oadby & Wigston of £32.9m at 2023.

8.12 Our methodology accounts for the fact that existing operators will look to increase their turnover going forward to remain viable. On this basis, we identify an expenditure surplus of £3.0m at 2023. Due to subsequent expenditure and population increases, this surplus increases to £3.8m at 2028, to £5.2m at 2031, to £7.4m at 2036, and to £9.8m at 2041.

8.13 As with retail capacity, this monetary surplus can be converted into a floorspace requirement. The average sales density of UK floorspace was around £8,584 per sq.m at 2023.³⁴

8.14 Based on this sales density (and allowing for future increases in the sales efficiency of leisure floorspace going forward), we estimate that 300 sq.m of additional café and restaurant floorspace could be supported at 2026, increasing to 1,200 sq.m at 2041.

³⁴ As identified by Figure 2 of Experian Retail Planner Briefing Note 20 – Leisure.

Table 8.4: Quantitative Capacity for Restaurant and Café Floorspace in the Oadby & Wigton Authority Area

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Inflow (£m)	Surplus Expenditure (£m)	Floorspace Requirement (sq.m)
2023	32.9	31.3	1.6	0.0	0
2026	31.2	32.5	1.7	3.0	300
2028	31.4	33.5	1.8	3.8	400
2031	31.7	35.0	1.8	5.2	600
2036	32.0	37.5	2.0	7.4	600
2041	32.3	40.0	2.1	9.8	1,200

Source: Table 5a and Table 5b of Appendix 5

Notes: Assumes constant market share (21.3%) of Study Area expenditure claimed by facilities in the Oadby & Wigton authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 20 - Leisure; in 2021 prices

Licensed Premises Floorspace Requirements

8.15 Based on the assumed Study Area resident population and the available per capita alcoholic drinks expenditure, we estimate that £60.5m of alcoholic beverage expenditure originates within the Study Area at 2023. The below Table 8.5 indicates that available Study Area restaurant and café expenditure is forecast to increase to £77.3m at 2041.

Table 8.5: Total Available Study Area Licensed Premises Expenditure

2023 (£m)	2026 (£m)	2028 (£m)	2031 (£m)	2036 (£m)	2041 (£m)
60.5	62.8	64.8	67.8	72.4	77.3

Source: Table 7 of Appendix 5

Note: In 2021 prices

8.16 Table 8.6 indicates that this represents an increase of £16.8m (or 27.8%) across the Study Area between 2023 and 2041.

Table 8.6: Growth in Available Study Area Licensed Premises Expenditure

Growth 2023-41 (£m)
16.8

Source: Table 7 of Appendix 5

Note: In 2021 prices

8.17 Our complete licensed premises quantitative assessment model is provided at Appendix 5 of this Study. Table 9 of Appendix 5 identifies that £15.9m (equating to 10.8%) of Study Area alcoholic drink expenditure is directed to licensed premises in Oadby & Wigston at 2023. Given the propensity for people to travel to socialise with friends and family, we again estimate that a further 5.0% of alcoholic drink expenditure could be attracted to Oadby and Wigston as inflow. This provides a total estimated licensed premises turnover for Oadby & Wigston of £16.7m at 2023.

8.18 Our methodology accounts for the fact that existing operators will look to increase their turnover going forward to remain viable. On this basis, we identify an expenditure surplus of £1.5m at 2023. Due to subsequent expenditure and population increases, the identified surplus increases to £1.9m at 2028, to £2.6m at 2031, to £3.8m at 2036, and to £5.0m at 2041.

8.19 Once again, this monetary surplus can be converted into a floorspace requirement. Based on the average UK leisure sales density of £8,584 sq.m at 2023 (and allowing for future increases in the sales efficiency of leisure floorspace going forward), we estimate that 200 sq.m of additional licensed premises floorspace could be supported at 2026, increasing to 600 sq.m at 2041.

Table 8.7: Quantitative Capacity for Licensed Premises in the Oadby & Wigton Authority Area

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Inflow (£m)	Surplus Expenditure (£m)	Floorspace Requirement (sq.m)
2023	16.7	15.9	0.8	0.0	0
2026	15.9	16.5	0.9	1.5	200
2028	16.0	17.0	0.9	1.9	200
2031	16.1	17.8	0.9	2.6	300
2036	16.3	19.0	1.0	3.8	500
2041	16.4	20.3	1.1	5.0	600

Source: Table 5a and Table 5b of Appendix 5

Notes: Assumes constant market share (10.8%) of Study Area expenditure claimed by facilities in the Oadby & Wigston authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 20 - Leisure; in 2021 prices

Commercial Leisure: Bingo, Cinemas, Ten Pin Bowling and Casinos

8.20 Our approach in identifying the potential for large format to the assessment of commercial leisure needs necessarily departs from the above monetary capacity assessment. This is because the commercial leisure sector is different to the retail and food and beverage sectors; large-scale leisure uses are relatively limited in number and customers often expect to travel at least some distance in order to access them. As such, we believe it is sensible to consider the general appropriateness of provision on a Study Area basis, with reference to the typical number of persons required to support particular uses.

8.21 Our assessment considers the typical population required to support bingo halls, casinos, cinema screens and ten pin bowling alleys, and is based around three key stages.

8.22 We firstly calculate the expected Study Area and local authority populations for the relevant reporting years (2023, 2026, 2028, 2031, 2036 and 2041).

8.23 We then calculate the number of persons required to support a bingo hall, casino, cinema screen and bowling alley nationally, across the UK. We have identified the current level of provision across the UK with reference to the following sources:

- Mintel’s Casinos and Bingo UK report (March 2019), which identifies that there are 350 bingo halls and 145 casinos across the UK;
- the UK Cinema Association website³⁵ which identifies that there are 4,637 cinema screens across the UK; and estimated population growth; and
- Mintel’s Ten Pin Bowling UK report (May 2017), which identifies that there are 5,242 bowling lanes across the UK.

8.24 We then apply the respective ratio to the Study Area population and to the population of the Oadby & Wigston authority area to gauge the benchmark level of provision, based on the position evident across the UK.

³⁵ www.cinemauk.org.uk, consulted on 15 September 2023.

- 8.25 We supplement our assessment with an overview of current patterns of commercial leisure trips throughout the Study Area (as identified by the NEMS household survey of May 2023) to help identify any qualitative deficiencies in provision.
- 8.26 We recognise that some of these facilities are not as important as they perhaps once were in underpinning the local leisure economy. However, all four uses generally occupy large format premises and, as such, if a requirement were to be identified then there are potential land use implications.

Bingo

- 8.27 Mintel’s March 2019 Casinos and Bingo UK report identifies that there are 350 bingo halls across the UK, which equates to a bingo hall for every 193, persons or thereabouts.³⁶ Accordingly, we estimate that the Study Area could theoretically support around 1.0 bingo hall at 2023, increasing very slightly to 1.1 bingo halls at 2041.
- 8.28 We estimate that the population of Oadby & Wigston is around 30.5% of the population of the Study Area at 2023. Therefore, on a pro rata basis, we calculate a quantitative requirement for around 0.3 bingo halls in Oadby & Wigston at 2023 which remains unchanged through to 2041.
- 8.29 The below Table 8.8 confirms bingo hall capacity across the Study Area and within Oadby & Wigston over the period to 2041.

Table 8.8: Bingo Hall Capacity in Study Area and Oadby & Wigston Authority Area

Year	Study Area Population	Typical Population Required to Support Hall	Potential Number of Halls Supported in the Study Area	Proportion of Study Area Population in the O&W Authority Area (%)	Potential Number of Halls Supported in the O&W Authority Area	Outstanding Potential Capacity in the O&W Authority Area
2023	192,132	193,840	1.0	30.5	0.3	0.3
2026	195,700	193,840	1.0	30.4	0.3	0.3
2028	197,992	193,840	1.0	30.4	0.3	0.3
2031	201,298	193,840	1.0	30.2	0.3	0.3
2036	205,769	193,840	1.1	30.0	0.3	0.3
2041	209,942	193,840	1.1	29.8	0.3	0.3

Note: Typical population to support bingo hall calculated with reference to the Mintel Casinos and Bingo UK 2019 report and to the ONS 2023 population forecasts for the UK

- 8.30 At present, there are two bingo halls in the wider Leicester area, these being the Mecca Bingo Club at Freeman’s Park (which is located immediately to the north of Study Area Zone 6) and the Buzz Bingo at Beaumont Way (which is located to the north of Leicester city centre and is therefore less conveniently located for Study Area residents).
- 8.31 Unsurprisingly, the household survey results find that the Mecca Bingo Club is the primary destination for bingo trips which originate within the Study Area, securing 79.2% of last visits to such a facility. Buzz Bingo secures just 1.4% of trips with residents also using occasional facilities within Wigston, Oadby, and South Wigston centres should they want to play bingo.
- 8.32 The bingo sector has been significantly affected by the ban on smoking in enclosed workplaces which came into force in 2007 following the enactment of the Health Act 2006. Subsequent to the Act being enforced, new bingo

³⁶ Based on 2020-Based Population Projections by the Office for National Statistics which identify a UK population of 67,844,000 persons at 2023.

hall openings have been rare, and we consider it highly unlikely that there will be any proposals to provide additional facilities in the Study Area in the foreseeable future. The provision available at the Mecca Bingo Club at Freeman’s Park is conveniently located for many Study Area residents and is therefore able to meet many local needs.

Cinemas

- 8.33 The UK Cinema Association website estimates that there are 4,637 cinema screens in the UK³⁷, which equates to one screen for every 14,631 persons or thereabouts. On this basis, we estimate that the Study Area population could support around 13.1 cinema screens at 2023, increasing to around 14.3 screens at 2041.
- 8.34 Once more, we estimate that the population of Oadby & Wigston is around 30.5% of that of the Study Area at 2023. On a pro rata basis, this equates to a quantitative need for around 4.0 cinema screens to support Oadby & Wigston’s population at 2023, increasing to a need for around 4.3 screens at 2041.
- 8.35 There are not currently any permanent cinema screens within the Study Area.
- 8.36 The nearest facilities are: the Odeon at Freeman’s Park (12 screens); Showcase at Highcross in Leicester city centre (12 screens); Vue at Meridian Leisure Park in Braunstone (eight screens); and Phoenix at Phoenix Square in Leicester city centre (four screens).
- 8.37 Accordingly, whilst there is no dedicated cinema provision within Oadby & Wigston, residents are able to access a good range of facilities in an accessible manner. We do not believe that there is a pressing need for facilities within the Borough on this basis. The greatest potential for a cinema screen within Oadby & Wigston would likely be as part of a flexible arts venue or as a single screen independent to secure the re-use of an existing building.

Table 8.9: Cinema Screen Requirement in Oadby & Wigston

Year	Study Area Population	Typical Population Required to Support Cinema Screen	Potential Number of Cinema Screens Supported by Study Area	Proportion of Study Area Population in the O&W Authority Area (%)	Potential Number of Cinema Screens Supported in the O&W Authority Area	Outstanding Potential Capacity in the O&W Authority Area
2023	192,132	14,631	13.1	30.5	4.0	4.0
2026	195,700	14,631	13.4	30.4	4.1	4.1
2028	197,992	14,631	13.5	30.4	4.1	4.1
2031	201,298	14,631	13.8	30.2	4.2	4.2
2036	205,769	14,631	14.1	30.0	4.2	4.2
2041	209,942	14,631	14.3	29.8	4.3	4.3

Note: Typical population to support a cinema screen calculated with reference to data provided by the UK Cinema Association website and to the ONS 2023 population forecasts for the UK

- 8.38 Looking at the results of the household survey, the most visited cinema destinations within the Study Area are Vue at Meridian Park (the destination for 35.3% of respondents’ last visit), Odeon at Freeman’s Park (30.3%), Showcase at Highcross (19.4%), and Phoenix at Phoenix Square (12.2%). These four destinations account for the large majority of cinema visits originating from within the Study Area.
- 8.39 Trips to such cinemas are therefore considered to be generally reflective of sustainable travel patterns and many

³⁷ At 2022.

Study Area residents' relative proximity to existing cinemas.

Ten Pin Bowling

8.40 Mintel's Ten Pin Bowling UK 2017 report identifies that there are 5,242 ten pin bowling lanes across the UK, which equates to a bowling lane for every 12,942 persons or thereabouts.

8.41 Accordingly, we estimate that the Study Area could support around 14.8 bowling lanes at 2023, increasing to around 16.2 lanes at 2041. Given that the estimated population of Oadby & Wigston is around 30.5% of that of the Study Area at 2023, we estimate that there is capacity to support around 4.5 bowling lanes in the Borough at 2023, increasing to 4.8 lanes at 2041. This is below the level of provision generally associated by a single ten pin bowling alley.

8.42 In this context, we again note that there is no existing ten pin bowling operation within Oadby & Wigston, albeit once again provision is located a relatively short distance away. Hollywood Bowl at Meridian Leisure Park is located around 2.5 kilometres away from the Study Area boundary via the A563, and Lane 7 in Leicester city centre is located a similar distance away from the Study Area via the A594 ring road.

8.43 The household survey identifies that Hollywood Bowl is by far the most popular facility (securing 93.6% of all such trips which originate within the Study Area) followed then by Lane 7 (5.4%).

8.44 Whilst very few new ten-pin bowling alleys were built in the early part of this century, the market has picked up in recent years. However, the upturn in the sector has been driven by smaller facilities which are generally supplemented by a strong food and beverage offer and are located within larger urban centres. On this basis, it is highly likely that any further activity in the ten pin bowling sector would be directed towards Leicester city centre and we do not believe that there is any realistic likelihood of securing dedicated facilities within Oadby & Wigston. In practice, the Lane 7 facility provides this modern type of ten pin offer.

Table 8.10: Ten Pin Bowling Lane Requirement in Oadby & Wigston

Year	Study Area Population	Typical Population Required to Support Bowling Lane	Potential Number of Bowling Lanes Supported by Study Area	Proportion of Study Area Population in the O&W Authority Area (%)	Potential Number of Bowling Lanes Supported in the O&W Authority Area	Outstanding Potential Capacity in the O&W Authority Area
2023	192,132	12,942	14.8	30.5	4.5	4.5
2026	195,700	12,942	15.1	30.4	4.6	4.6
2028	197,992	12,942	15.3	30.4	4.6	4.6
2031	201,298	12,942	15.6	30.2	4.7	4.7
2036	205,769	12,942	15.9	30.0	4.8	4.8
2041	209,942	12,942	16.2	29.8	4.8	4.8

Note: Typical population to support ten pin bowling alley calculated with reference to the Mintel Ten Pin Bowling UK 2017 report and to the ONS 2023 population forecasts for the UK

Casinos

8.45 Mintel's Casinos and Bingo UK 2018 report identifies that there are 145 casinos across the UK, which equates to a casino for every 467,890 persons or thereabouts. Accordingly, we estimate that the Study Area could support around 0.4 casinos at 2023, a figure which would barely change throughout the Study period. Given that the estimated population of Oadby & Wigston is around 30.5% of that of the Study Area at 2023, we identify a quantitative requirement for 0.1 casinos at 2023 through to 2041. In practice, this is effectively a nil requirement.

8.46 In this context, we note that there is currently a single casino within the Leicester area, this being the Grosvenor Casino at Highcross Street in Leicester city centre. The household survey results identified that this is the single casino being visited by Study Area residents on a regular basis.

Table 8.11: Casino Requirement in Oadby & Wigston

Year	Study Area Population	Typical Population Required to Support a Casino	Potential Number of Casinos Supported by Study Area	Proportion of Study Area Population in the O&W Authority Area (%)	Potential Number of Casinos Supported in the O&W Authority Area	Outstanding Potential Capacity in the O&W Authority Area
2023	192,132	467,586	0.4	30.5	0.1	0.1
2026	195,700	467,586	0.4	30.4	0.1	0.1
2028	197,992	467,586	0.4	30.4	0.1	0.1
2031	201,298	467,586	0.4	30.2	0.1	0.1
2036	205,769	467,586	0.4	30.0	0.1	0.1
2041	209,942	467,586	0.4	29.8	0.1	0.1

Note: Typical population to support casino calculated with reference to the Mintel Casinos and Bingo UK 2018 report and to the ONS 2023 population forecasts for the UK, England and Wales, Scotland and Northern Ireland

9. Summary, Conclusions and Policy Recommendations

Context

- 9.1 The principal purpose of the Study is to understand future retail and leisure needs, and to provide policy recommendations to assist the Council in its preparation of the forthcoming Local Plan.
- 9.2 The Local Plan will set out the Council’s strategy in respect of delivering new future growth in respect of a range of new developments, including housing, jobs, and main town centre uses. To ensure that commercial uses are delivered in sustainable locations, the Local Plan will provide up to date policies in respect of town centre boundaries, the hierarchy of defined centres, and local impact thresholds of relevance to retail and leisure developments.
- 9.3 This concluding section of our report summarises the key findings of the Study and addresses planning policy requirements of relevance to retail, leisure, and town centres.

Key Findings: Retail

Quantitative and Qualitative Capacity

- 9.4 As identified at Section 7, there is an identified surplus capacity which could support additional convenience and comparison goods floorspace within the longer-term. We summarise below at Table 9.1 the convenience and comparison goods capacity evident across the Study Area. At the end of the plan period at 2041, we estimate there is capacity to support between 1,100 sq.m and 1,500 sq.m of convenience goods floorspace and between 1,900 sq.m to 3,000 sq.m of comparison goods floorspace.

Table 9.1: Quantitative Capacity for Convenience Goods and Comparison Goods Floorspace in the Oadby & Wigston Area

Year	Convenience Goods Floorspace Requirement		Comparison Goods Floorspace Requirement	
	Minimum (sq.m)	Maximum (sq.m)	Minimum (sq.m)	Maximum (sq.m)
2023	0	0	0	0
2026	-500	-600	-100	-200
2028	-300	-400	300	500
2031	0	0	800	1,200
2036	600	800	1,300	2,100
2041	1,100	1,500	1,900	3,000

Source: Table 6d and 26d of Appendix 4

Note: In 2021 prices

- 9.5 It is highly likely that Oadby & Wigston will be the subject of planning applications for additional convenience goods floorspace in the coming months and years. However, there may be a difficulty in identifying sites which are centrally located such that additional provision can be accommodated within or directly adjacent to existing defined centres. Existing vacant units are generally of a small scale and the identified quantum of convenience goods expenditure is indicative of a need for a further food superstore or multiple supermarkets.³⁸

³⁸ In practice, it is recognised that the development of a food superstore in Oadby & Wigston currently appears unlikely due to both the caution exercised by the ‘big four’ grocers in bringing forward additional large scale facilities and in respect of the lack of suitable sites to accommodate such a provision.

- 9.6 In this regard, we note the existing Local Plan Policies Map identifies town centre allocation sites in both Wigston town centre and Oadby district centre. In practice, the largest of these sites – namely Junction Road Car Park in Wigston and West Car Park in Oadby – both provide a developable area which is less than 0.5 hectares. Furthermore, the West Car Park site is not particularly visible from the surrounding area. As such, we believe that the constraints associated with these sites may impact on their suitability as potential locations for foodstore development of any scale. Should further foodstore development come forward, it is important that proposals are considered in the context of ‘town centre first’ policy objectives but also with reference to the benefit associated with serving identified retail needs.
- 9.7 In order to support our conclusions reached above, discussions have been held with commercial property developers to understand the potential to deliver additional convenience floorspace on the longstanding town centre allocations.
- 9.8 The recommendations provided by the development industry are that due to site assembly matters, business model requirements, existing active uses and wider viability matters, it is unlikely that the potential opportunity sites within the defined centres will come forward for any larger format convenience development across the plan period. The advice has been given having regard to existing known site search requirements, particularly from discount operators who are currently active in the market. In this regard, discounters will typically seek approximately 20,000 sq.ft of floorspace within a minimum car park of 100 spaces, usually on a site of at least 1.5 acres. Sharing car parks for example (except for on a larger retail park style layout) is not typically considered.
- 9.9 Furthermore, the appetite for more ‘metropolitan’ format stores (which would include residential above or undercroft parking) has dwindled and operators are reverting back to the more standard formats. As such, there are limited opportunities for additional foodstores within or immediately adjacent to existing centre boundaries.
- 9.10 Given the above, should further convenience goods retail proposals come forward on edge or out of centre sites, then these will need to be considered carefully with reference to the key retail sequential and impact tests, and the wider benefits they may bring in increasing consumer choice and improving access to foodstores for some residents.
- 9.11 In practice, the estimated comparison goods requirement up to 2041 in Oadby & Wigston is relatively modest. In this regard, our survey of the centre identified 3,840 sq.m of vacant retail floorspace across the three principal centres within the authority area.³⁹ Accordingly, we recommend that any future floorspace requirements should generally be directed towards vacant floorspace within defined centres. Clearly, the first priority will be to encourage the reuse, refurbishment or redevelopment of vacant floorspace within defined centres. Given the limited scale of the identified comparison goods requirement, we do not believe there to be any need to allocate additional sites for comparison goods retail development over the plan period.
- 9.12 Furthermore, in light of the need to reoccupy vacant units, careful consideration should be given to proposals for any further comparison goods floorspace which could impact on the vitality and viability of Oadby & Wigston’s defined centres.

Key Findings: Commercial Leisure

- 9.13 Our assessment of future leisure needs is in two parts.

³⁹ Comprised of 950 sq.m of vacant floorspace in Oadby, 1,310 sq.m in South Wigston, and 1,580 sq.m in Wigston.

9.14 In terms of food and beverage floorspace, we have undertaken a quantitative assessment which identifies available expenditure and takes account of the need for existing businesses to increase their turnover to remain viable. Our assessment has identified that at 2041 there is a requirement for 1,200 sq.m of restaurant and café floorspace and for 600 sq.m of licensed premises floorspace (this equating to a total of 1,800 sq.m of food and beverage floorspace). We anticipate that this floorspace will comprise of relatively small-scale cafés, restaurants and bars which would generally be accommodated within the three principal centres. Once again, the quantum of floorspace identified is less than the total quantum of vacant floorspace identified across Oadby & Wigston’s three principal centres (even when the food and beverage floorspace requirement is considered alongside the comparison goods floorspace requirement identified at Section 7). Accordingly, we recommend that this floorspace requirement is directed towards Oadby & Wigston’s defined centres in order to secure the re-use and repurposing of vacant floorspace.

Table 9.2: Quantitative Capacity for Restaurant and Café Floorspace and Licensed Premises Floorspace in the Oadby & Wigton Authority Area

Year	Restaurant and Café Floorspace Requirement (sq.m)	Licensed Premises Floorspace Requirement (sq.m)	Total Food and Beverage Floorspace Requirement (sq.m)
2023	0	0	0
2026	300	200	500
2028	400	200	600
2031	600	300	900
2036	600	500	1,100
2041	1,200	600	1,800

Source: Tables 5a, 5b, 10a and 10b of Appendix 5

Note: Assumes constant market share (21.3%) of Study Area expenditure claimed by facilities in the Oadby & Wigston authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 20 - Leisure; in 2021 prices

9.15 We have undertaken a quantitative benchmarking exercise to identify general requirements in respect of large format leisure uses.

9.16 This has identified quantitative capacity which equates to a requirement across the Oadby & Wigston authority area at 2041 for:

- 0.3 bingo halls;
- 4.3 cinema screens;
- 4.8 ten pin bowling lanes; and
- 0.1 casinos.

9.17 The requirement in respect of bingo halls and casinos does not equate to a single facility and, in any event, it is highly unlikely that such an operator would prioritise securing a new facility in Oadby & Wigston.

9.18 The cinema screen and ten pin bowling lane requirements are also of a modest scale. In practice, the wider Leicester urban area acts as a focus for larger format leisure uses and the city centre is generally accessible to many Oadby & Wigston residents. The cinema and ten pin bowling provision available in Leicester city centre and Meridian Leisure Park is appropriately located in respect of meeting Oadby & Wigston residents’ needs.

9.19 We do not anticipate there to be operator demand to bring forward larger format leisure uses in Oadby & Wigston over the plan period to 2041. The exception to this could be if there were potential for a cinema screen with the authority area as part of a flexible arts venue or as a single screen independent to secure the re-use of an existing

building. We believe that any such opportunity would be operator or venue-led and we do not believe that it is necessary for the Council to proactively plan to accommodate any such use in practice.

Key Findings: Principal Centres

- 9.20 The Study has reviewed the vitality and viability of defined town and district service centres across the Borough. Our assessments have been undertaken with reference to the town centre healthcheck indicators set out at paragraph 006 of the Town Centres PPG.
- 9.21 We set out the overarching conclusions in respect of Oadby & Wigston’s three principal centres below.
- 9.22 **Wigston town centre** is a moderately-sized and well-connected town centre which contains a good mix of comparison, convenience, leisure, and retail service uses. Wigston is the largest centre in the Borough and is at the top of the centres’ hierarchy.
- 9.23 The town centre accommodates a total of 143 units, which collectively provide 29,840 sq.m of gross floorspace. It benefits from relatively high levels of pedestrian activity and the centre provides a generally pleasant and well maintained environment. The centre supports a strong day-to-day grocery offer and has a good balance of uses, with a number of food and drink operators present.
- 9.24 The comparison goods offer in the centre is relatively narrow and there are few clothing and footwear operators present. However, Wigston is generally performing well in meeting the day-to-day needs of local residents and contains a good variety of commercial uses, operating within both the daytime and evening economies. The streetscape is generally pleasant and well maintained, particularly along Bell Street. The vacancy rate in Wigston town centre is low and it is considered to be a generally vital and viable centre.
- 9.25 **Oadby district centre** is a well-connected and relatively vibrant centre which benefits from a solid range of comparison, convenience, leisure, and retail uses. The centre supports both independent and national multiple operators.
- 9.26 The district centre is primarily focused along The Parade, with an Asda superstore located off Leicester Road to the north of the defined centre boundary. It accommodates a total of 114 commercial units which collectively provide 23,400 sq.m of floorspace. Whilst of a relatively small scale, the centre generally accommodates a good mix of uses. National multiple anchor tenants include M&S Foodhall, Boots, Card Factory and Poundstretcher. It is considered that the leisure service sector may have scope for further expansion as (other than large Lord Keeper of the Great Seal public house, operated by JD Wetherspoon) there are few licensed premises or restaurants to support activity into the evening.
- 9.27 Notwithstanding the limited evening economy, the vacancy rate in Oadby is low and there is a good feeling of activity within the centre during the day. The streetscape is generally pleasant and well maintained, and the centre performs an important function in meeting the day to day needs of local communities. Oadby is found to be a generally vital and viable centre.
- 9.28 **South Wigston district centre** is focused around Blaby Road, which runs east to west. It largely contains small scale and independent comparison, leisure, and retail services, with dominant uses including takeaways together with health and beauty services. There are a total of 76 commercial units within South Wigston, which collectively comprise 8,840 sq.m of floorspace. South Wigston is the smallest of the Borough’s principal centres and it has a notably more limited offer than Oadby.

- 9.29 Notwithstanding its moderate scale, South Wigston also provides a generally balanced offer with a number of key retailers supported by leisure and retail service providers. In terms of retail, key operators include Co-operative Food (which has a small supermarket on Blaby Road) and a range of comparison goods operators including pharmacies, toy shops, tech shops, and carpet shops. The leisure provision includes 13 takeaways, five cafes, two social clubs, a restaurant, and a betting shop. The number of takeaways is very high for a centre of South Wigston's size and there are concentrations of such uses in the central and western part of the centre. Other negative factors include the condition of some shopfronts and the amount of vehicular traffic along Blaby Road.
- 9.30 Aside from this, South Wigston has a generally pleasant urban environment. Attractive buildings and large mature trees contribute to its setting. The centre would benefit from greater variety in respect of its leisure service sector/evening economy and from a reduction in the quantum of vacant floorspace. Notwithstanding this, it is considered to be a moderately vital and viable centre.

Future Retail and Centres Strategy

Mix of Uses

- 9.31 We provide an overview of the mix of uses evident within centres below at Table 9.2. The authority's centres are generally multi-functional, focused on day-to-day retail and service needs. Both Wigston and Oadby provide a reasonably good range of comparison goods retailers, comprising both national multiples and local independents and although South Wigston is smaller in scale, it still provides for a good range of facilities and amenities to meet the needs of its catchment.

Table 9.2: Mix of Uses Across Authority's Centres

Land Use	Units (%)			Floorspace (%)		
	Wigston	Oadby	South Wigston	Wigston	Oadby	South Wigston
Comparison	26.6%	26.3%	25.0%	35.8%	22.2%	26.5%
Convenience	10.5%	10.5%	9.2%	24.3%	41.5%	11.2%
Financial and Business	8.4%	10.5%	5.3%	2.6%	5.1%	5.0%
Leisure Service	23.1%	18.4%	28.9%	18.9%	15.1%	27.7%
Retail Service	22.3%	23.7%	25.0%	13.1%	12.0%	14.8%
Vacant	9.1%	10.5%	6.6%	5.3%	4.1%	14.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Composition of centres derived from Nexus Planning survey of 2023

- 9.32 It will be important to ensure that any further development is appropriately located in respect of the needs that it would serve and in respect of ensuring that no defined centre is the subject of a 'significant adverse' impact as a result of new entrants into the grocery market in particular.
- 9.33 The provision of main food shopping destinations within and around defined centres is a key strength of centres across the authority area and the benefit of retaining this should be given substantial weight when considering future convenience goods retail proposals.
- 9.34 In terms of service sectors, financial and business transactions have increasingly moved online and 'bricks and mortar' financial service provision has significantly reduced as a consequence. This trend will not be reversed. It will be important to ensure that premises previously put to such use are repurposed and brought back into active use. By way of example, former bank and building society premises can often be made into attractive bars and restaurants which are able to enhance a centre's wider offer (including the evening economy).

- 9.35 Whilst the economic picture is currently challenging for hospitality operators, we consider that further potential exists to expand the leisure sector offer within the two authorities' centres across the medium to longer term.
- 9.36 It is highly unlikely that there will be substantial comparison goods retail development coming forward within the local authority areas across the plan period. In practice, some such in-centre retailers may close. This could open up town centre space for convenience retailers, and for the growth of the leisure and retail service sectors.
- 9.37 In particular, food and drink operators are a critical component of a modern town centre, and the future success of these operators is inextricably linked to centres' overall vitality. Improved local leisure provision will mean a reduced need to travel further afield to eat, drink and socialise. This reduces carbon emissions and accords with sustainable development principles (particularly as a rounded retail and service offer should encourage linked trips and reduce travel).

Meeting Retail Needs

- 9.38 Convenience goods retailing in the authority area is generally located close to defined centres and typically has an important role in underpinning the vitality of centres. This Study does not identify any capacity which would support additional convenience goods floorspace in the authority area in the short term, but does identify some capacity in the longer term. By 2041, the Study identifies between 1,100 and 1,500 sq.m of convenience goods floorspace and between 1,900 and 3,000 sq.m of comparison goods floorspace.
- 9.39 The findings from this Study and wider stakeholder discussions has concluded that in respect of opportunity sites within Oadby (West Car Park and East Street Car Park) and Wigston (Junction Road Car Park, Chapel Mill and Long Lanes), due to site assembly matters, business model requirements, existing active uses and wider viability matters, it is unlikely that the potential opportunity sites within the defined centres will come forward for any larger format convenience development across the plan period.
- 9.40 The advice has been given having regard to existing known site search requirements, particularly from discount operators who are currently active in the market. In this regard, discounters will typically seek approximately 20,000 sq.ft of floorspace within a minimum car park of 100 spaces, usually on a site of at least 1.5 acres. Sharing car parks for example (except for on a larger retail park style layout) is not typically considered.
- 9.41 Furthermore, the appetite for more 'metropolitan' format stores (which would include residential above or undercroft parking) has dwindled and operators are reverting back to the more standard formats. As such, there are limited opportunities for additional foodstores within or immediately adjacent to existing centre boundaries.
- 9.42 Given the above, should further convenience goods retail proposals come forward on edge or out of centre sites, then these will need to be considered carefully with reference to the key retail sequential and impact tests, and the wider benefits they may bring in increasing consumer choice and improving access to foodstores for some residents.
- 9.43 Notwithstanding the overall position in respect of capacity, the delivery of local convenience goods provision serving the day-to-day needs of new residents will generally be appropriate to provide for sustainable shopping patterns.
- 9.44 We do not anticipate a need to build out any further comparison goods floorspace over the plan period and recommend that any planning applications which support such a use are carefully considered in respect of their compliance with the sequential and impact town centre policy tests.

Meeting Commercial Leisure Needs

- 9.45 As Section 8 demonstrates, we do not identify any capacity for large format leisure floorspace within the authority area. We do however, identify a floorspace capacity for restaurants, cafes and other licenced premises but this is not at a level which we consider should be reflected in policy.
- 9.46 In this regard, the quantum of floorspace identified is less than the total quantum of vacant floorspace identified across Oadby & Wigston's three principal centres (even when the food and beverage floorspace requirement is considered alongside the comparison goods floorspace requirement identified at Section 7). Accordingly, we recommend that this floorspace requirement is directed towards Oadby & Wigston's defined centres in order to secure the re-use and repurposing of vacant floorspace.
- 9.47 Commercial leisure continues to be an important element of the overarching offer of centres and is one of the key attractors which draws in footfall both during the daytime and evening.
- 9.48 Therefore, a recognition that such uses play an important role in helping to support the future vitality and viability of centres should be included in planning policy.

Planning Policy Recommendations

General Policy Approach

- 9.49 The adopted Oadby & Wigston Local Plan 2011-2031 promotes a 'town centre first' policy approach which is broadly consistent with the general requirements of paragraphs 86 to 91 of the NPPF.
- 9.50 This Study identifies that the proportion of vacant floorspace in South Wigston district centre is above national average level, equating to 13.9% of commercial units. The prevailing vacancy rates (in respect of vacant units) in Wigston town centre and Oadby district centre (which respectively equate to 9.1% and 10.5%) are also at a level which is beyond the general 'churn' in representation which can help reinvigorate and refresh a centre.
- 9.51 As such, there will be a benefit in reducing the level of vacancies to improve centres' offer and visual attractiveness, and to support additional activity. Accordingly, it will be important to try to direct additional development within centres (or, failing that, in sustainable locations which are able to support linked trips to defined town centres).
- 9.52 In this regard, we note that paragraph 018 of the Town Centres PPG indicates that proposals for edge and out of centre retail and leisure developments should be considered with reference to the health of centres that would be impacted by development. Paragraph 018 states that:
- 'A judgement as to whether the likely adverse impacts are significant can only be reached in light of local circumstances. For example, in areas where there are high levels of vacancy and limited retailer demand, even very modest trade diversion from a new development may lead to a significant adverse impact.'**
- 9.53 In this context, it will be important for the emerging plan to clearly set out the importance of the sequential and impact tests and explain the local circumstances which frame how they will be applied in practice. The sequential and impact tests will need to be applied in a robust manner in order to provide for the re-use of vacant units and to support centres which retain a strong retail function as well as a diverse range of other uses. Whilst non-retail uses will be an important component of the mix of land uses in principal centres moving forward, there is still a requirement to accommodate new retailers and secure additional retail floorspace within defined centres wherever possible in accordance with the requirements of the NPPF.

9.54 It will be important for the forthcoming plan to clearly identify that all three centres should remain a focus for both convenience and comparison goods retail and that such uses remain important in driving footfall. Whilst the role of all three centres is impacted by the character of large scale retail provision at Leicester city centre and Fosse Shopping Park, each has been able to continue to support a significant quantum of comparison goods retailers (generally focused around day-to-day household comparison goods shopping and independent retailers). It is important that this offer is maintained.

9.55 Notwithstanding this, it is evident that fundamental changes in the retail sector – largely resulting from the shift to online retail, which has been accelerated by the Covid-19 pandemic – have had a permanent impact on land use on the high street. As such it is critical that defined centres continue to diversify in order to provide access to jobs, leisure, culture, services, and social connection.

9.56 In the context of the current vacancy rate and national planning policy requirements, we recommend that emerging plan policies are sufficiently flexible so as to allow for an appropriate range of town centre uses beyond retail, and reflect the need to repurpose historic, sometimes outdated retail stock in order to accommodate new residential, leisure and community uses. To this end, we note that paragraph 86 of the NPPF states that planning policies should:

‘...recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.’

9.57 The emerging plan should also consider the effects of the expanded Use Class E and the consequences of the additional flexibility which Class E provides for outside of town centres. The authorities may wish to consider applying restrictive conditions to planning permission for Class E development which is delivered outside of town centres to restrict the authorised use to that which has been justified in the application submission. This will help ensure that unacceptable impacts do not arise within town centre as a consequence of future Class E development.

Boundaries

9.58 Paragraph 86 of the NPPF requires local plans to **‘define the extent of town centres and primary shopping areas’**.

9.59 National planning policy no longer explicitly prescribes the designation of primary and secondary frontages. The Government has confirmed that the removal of this requirement reflects the general need to be flexible in planning for the future of town centres due to the rapid changes taking place in the retail and leisure industries. Whilst the removal of the requirement does not preclude local planning authorities from identifying primary and secondary shopping frontages where supported by local circumstances, we do not believe that this is merited in this instance. There is a clear need to repurpose and reoccupy centres across both authority areas in the manner that Use Class E generally provides for. In this context, the separate designation of both primary and secondary frontages would serve no useful purpose. Instead, where appropriate, we recommend a single defined ‘primary shopping area’.

9.60 Annex 2 of the NPPF indicates that a primary shopping area is the **‘Defined area where retail development is concentrated’**.

9.61 Annex 2 also identifies that a town centre is the:

‘Area defined on the local authority’s policies map, including the primary shopping area and areas predominantly occupied by main town centre uses within or adjacent to the primary shopping area. References to town centres or centres apply to

city centres, town centres, district centres and local centres but exclude small parades of shops of purely neighbourhood significance. Unless they are identified as centres in the development plan, existing out-of-centre developments, comprising or including main town centre uses, do not constitute town centres.'

9.62 Annex 2 further defines main town centres uses as:

'Retail development (including warehouse clubs and factory outlet centres); leisure, entertainment and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).'

9.63 In this context, it is important to note that, although there is the opportunity to define separate primary shopping area and town centre boundaries, there is no general requirement to do so unless the specific characteristics of the subject centre support such an approach. Government policy specifically encourages the diversification of centres. Whilst retail will (in most cases) be a key element of a town centre, the majority of lower-order centres are diverse and uses are typically distributed throughout the centre. Such centres may not have a particular concentration of retail uses at their core.

9.64 Furthermore, it is also important to recognise the purpose of defining both a primary shopping area and town centre boundary. In planning policy terms, distinguishing between the primary shopping area and town centre boundary is of principal merit in terms of identifying the area of relevance in applying the sequential and impact tests to retail development. The particular relevance of the primary shopping area to retail planning proposals is confirmed by Annex 2 of the NPPF.

9.65 We have reviewed the current boundaries of the three principal centres and provide our commentary on a centre-by-centre basis at Table 9.3 below. As identified above, we believe that any existing primary and secondary frontages should not be maintained going forward given the provisions of Class E of the Use Classes Order and the Government's general objective that there should be greater flexibility on the high street.

Table 9.3: Summary of Boundary Recommendations for Defined Centres

Centre	Recommendations	Summary
Wigston TC	<p>The current Wigston town centre boundary is neatly defined by public highway to the north (Wakes Road), east (Junction Road), and south (Paddock Street). In this regard, we note that there are a handful of additional commercial uses located to the north of the current town centre boundary off Wakes Road. The most visually dominant of these is the car sales operation at 89 Leicester Road, which has a forecourt fronting Wakes Road. Other uses include a MOT garage, bathroom showroom, and McDonald's restaurant. Some of these operations do not comprise 'main town centre' uses and others are not directly adjacent to the existing town centre boundary. As such, we do not believe that there is a requirement to extend the town centre boundary to incorporate additional land to the north. The existing town centre boundary to the west and east accurately reflects the extent of existing commercial uses and associated (e.g. car parking) provision. To the south (across Paddock Street) lie an Aldi foodstore and B&Q DIY store. The Aldi store is the nearest of the two to the town centre boundary. However, the foodstore 'turns its back' on the centre and the entrance is somewhat distant from the nearest town centre operators. We find that the Aldi occupies an edge of centre location and that there is no requirement to extend the boundary to the south.</p> <p>In terms of the primary shopping area boundary, the northern part of Leicester Road supports a range of main town centre uses, with leisure service uses being more</p>	<p>Existing town centre boundary to be maintained. Primary shopping area to be reduced to the north to boundary to exclude properties which are in a variety of commercial uses.</p>

Centre	Recommendations	Summary
	<p>commonplace than retail uses. As such, we recommend that the northern extent of the primary shopping area boundary is formed by The Arcade. We therefore recommend that numbers 41-73 and 76-102 Leicester Road are excluded from the primary shopping area.</p>	
Oadby DC	<p>The existing defined district centre boundary is considered to generally reflect the core commercial land uses within the centre. Whilst terraced commercial properties to the north of Harborough Road and physically separated from The Parade by the A6, there is a good line of sight to these commercial properties. Furthermore, a pelican crossing provides a straightforward and direct route to these units. We recommend the addition of further commercial units in this location (namely 2 Spencer Street, 23 Stoughton Road, and the petrol filling station kiosk at Harborough Road) to extend the district centre boundary to the north. The Asda superstore is too distant from The Parade to form part of the centre in practice. There is little visual connection and the entrance of the Asda store is not particularly conveniently located for those arriving from the centre on foot. We believe that the Asda remains an edge of centre store in practice.</p> <p>The area around The Parade supports the greatest concentration of retail uses in the centre, and we believe that the maintenance of a primary shopping area designation can be supported on this basis. However, we note that the southernmost part of the existing primary shopping area boundary now supports a limited number of shops. There are a total of 14 commercial premises between 12-16 The Parade to 11 Leicester Road (running west to east and incorporating five commercial units on Chapel Street). Just three of these are currently in retail use. As such, we recommend that the primary shopping area boundary is revised such that it extends to the south to numbers 42-58 Chestnut Avenue and to numbers 1-4 Brooksby Drive.</p>	<p>District centre boundary to be extended slightly to the north to incorporate three additional commercial properties. Primary shopping area to be reduced to the south to exclude properties which are in a variety of commercial uses.</p>
South Wigston DC	<p>We believe that the existing South Wigston district centre boundary accurately reflects the extent of 'main town centre' uses in the area. We note that South Leicestershire College opened on Canal Street in September 2010. Whilst the College brings a significant amount of activity into the area, it is not a 'main town centre' use with reference to the NPPF Annex 2 Glossary. The existing eastern boundary of the centre (formed by Station Street and Canal Street) is considered to appropriately encompass the principal concentration of commercial uses. Whilst Tesco and Aldi are situated further to the east, they are somewhat distant and do not function as part of the centre in practice. Given the mix of uses in South Wigston, we do not propose that any primary shopping area designation is required (this is consistent with the current position as identified by the adopted Local Plan Policies Map).</p>	<p>No changes proposed.</p>

Hierarchy

9.66 Paragraph 86 of the NPPF identifies that local planning authorities should define a network and hierarchy of town centres. However, very little detail is provided in this regard and, notably, neither the NPPF nor the Town Centres PPG differentiates between different types of town centre and the role each serves. The most recent definitions provided by the Government were provided by Planning Policy Statement 4: Planning for Sustainable Economic Growth ('PPS4'), which was published in December 2009 (and was superseded by publication of the original iteration of the NPPF in March 2012). Whilst PPS4 should be considered on this basis (i.e. it is not up to date practice guidance), in the absence of any other definitions it is of some relevance to the consideration of a retail centres hierarchy.

9.67 Annex B of PPS4 identified that:

‘City centres are the highest level of centre identified in development plans. In terms of hierarchies, they will often be a regional centre and will serve a wide catchment. The centre may be very large, embracing a wide range of activities and may be distinguished by areas which may perform different main functions. Planning for the future of such areas can be achieved successfully through the use of area action plans, with masterplans or development briefs for particular sites. In London the ‘international’ and ‘metropolitan’ centres identified in the Mayor’s Spatial Development Strategy typically perform the role of city centres.

Town centres will usually be the second level of centres after city centres and, in many cases, they will be the principal centre or centres in a local authority’s area. In rural areas they are likely to be market towns and other centres of similar size and role which function as important service centres, providing a range of facilities and services for extensive rural catchment areas. In planning the future of town centres, local planning authorities should consider the function of different parts of the centre and how these contribute to its overall vitality and viability. In London the ‘major’ and many of the ‘district’ centres identified in the Mayor’s Spatial Development Strategy typically perform the role of town centres.

District centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library.

Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, large villages may perform the role of a local centre.

Small parades of shops of purely neighbourhood significance are not regarded as centres for the purposes of this policy statement.’

- 9.68 Adopted Local Plan Policy 23 sets out a three-tier centres hierarchy with Wigston at the top as the main town centre, followed by the district centres of Oadby and South Wigston, and then by 10 local centres.
- 9.69 As Section 4 of this report demonstrates, Wigston is by some distance the largest centre in the Borough with its 143 commercial units supporting a total of 29,480 sq.m of commercial floorspace. The centre has a rounded offer that incorporates significant grocery provision (including Sainsbury’s and Iceland within the defined centre, and Aldi just to the south of the boundary), significant retail and leisure service provision, and community facilities (including Wigston library). In particular, the leisure service offer provided in Wigston is appreciably greater than that supported in the two district centres. Wigston is clearly the principal centre within the authority area.
- 9.70 Oadby accommodates 114 commercial units and South Wigston accommodates 76 commercial units. Both centres are appreciably smaller than Wigston and both have a lesser offer in respect of leisure service provision. However, Oadby can be considered a larger district centre which has all of the attractors identified in the definition set out at paragraph 9.69 above. Whilst South Wigston is appreciably smaller, it too has a provides both shopping and service provision across a good number of units. We believe it to be clear that both perform the function of a district centre.
- 9.71 We are aware that Oadby & Wigston’s ten local centres are materially smaller in scale. We have reviewed the extent of each and note that they generally provide a single figure number of commercial units which serve a localised catchment. Many customers will travel on foot to these centres, which are focused around top up food shopping and localised services. On this basis, we believe that the current hierarchy should be maintained and confirm this structure below at Table 9.4.

Table 9.4: Confirmation of Three Tier Hierarchy for Oadby & Wigston

Tier	Centre(s)
Main Town Centre	Wigston
District Centre	Oadby; South Wigston
Local Centres	Brabazon Road, Oadby; Glen Road/Highcroft Avenue, Oadby; Gloucester Crescent, South Wigston; Old Oadby, London Road, Oadby; Kelmars Avenue, Wigston; Leicester Road, Wigston; Little Hill, Wigston; Rosemead Drive, Oadby; Queens Drive, Wigston; and, Severn Road, Oadby

Thresholds

9.72 Paragraph 90 of the NPPF indicates that it is appropriate to identify thresholds for the scale of edge of centre and out of centre retail and leisure developments which should be the subject of impact assessment. Any such threshold policy applies to the impact test only (all planning applications for main town centre uses which are not in an existing centre and not in accordance with an up-to-date development plan should be the subject of the sequential test⁴⁰).

9.73 The purpose of applying an impact threshold within the development plan which deviates from the national threshold of 2,500 sq.m is to allow the Council to retain appropriate control in respect of the potential for development to impact on the future health of defined centres within the authority area. In applying a lower threshold, applications for developments which could potentially have a harmful effect on the overall vitality and viability of a defined centre, will need to be supported by a proportionate impact assessment which sets out the potential trade diversion impact assumptions.

9.74 Paragraph 015 of the Town Centres PPG provides specific guidance in relation to floorspace thresholds and states:

‘The impact test only applies to proposals exceeding 2,500 square metres gross of floorspace unless a different locally appropriate threshold is set by the local planning authority. In setting a locally appropriate threshold it will be important to consider the:

- **scale of proposals relative to town centres**
- **cumulative effects of recent developments**
- **whether local town centres are vulnerable**
- **likely effects of development on any town centre strategy**
- **impact on any other planned investment.’**

9.75 Using the above guidance, we set out below the justification to support our view that a lower threshold should be applied across the hierarchy of centres within the authority areas.

9.76 In considering the setting of a local impact threshold, it is relevant to give consideration to the type of development (relating to convenience and comparison goods retail uses, and leisure uses) which would, in practice, provide space for key operators who could help act to ‘anchor’ a centre. Should one of these anchor units or operators leave a centre, it is more likely that there will be the potential for a significant adverse impact to arise.

⁴⁰ With the exception (in accordance with paragraph 89 of the NPPF) of small scale rural office proposals and other small scale rural development.

- 9.77 Where there is genuine potential for an application proposal to divert a material level of expenditure away from a defined centre, or potentially remove a key tenant from that centre, there will likely be a requirement to consider the impacts arising from the proposal in detail.
- 9.78 In respect of lower order centres, the introduction of even a small convenience store nearby (of the type operated by Sainsbury's Local or Tesco Express) may have the potential to impact on the ongoing viability of key operators. Small convenience stores operated by national multiple grocers can generate a relatively substantial turnover. If this is diverted from existing retailers in defined centres, the impact on the overall vitality and viability through the loss of spend and footfall, could be of a significant adverse magnitude.
- 9.79 Therefore, in implementing a local threshold policy, it is considered more appropriate to apply a range of thresholds in accordance with the type of centre the proposed development is proximate to. The thresholds should not only apply to new floorspace, but also to changes of use and variations of condition to remove or amend restrictions on how units operate or trade in practice.
- 9.80 In Wigston town centre, 7.0% of all units have a gross floorspace which is greater than 500 sq.m. The vacancy rate equates to 5.3% of total commercial floorspace and 9.1% of all units. In total, convenience and comparison goods uses account for 17,940 sq.m of floorspace.
- 9.81 In Oadby district centre, around 4.4% of units have a gross floorspace which is greater than 500 sq.m and 7.9% have a gross floorspace which is greater than 300 sq.m. The vacancy rate equates to 4.1% of total commercial floorspace and 12.6% of all units. In total, convenience and comparison goods uses account for 14,910 sq.m of floorspace.
- 9.82 In South Wigston district centre, around 3.9% of units have a gross floorspace which is greater than 500 sq.m and 6.6% have a gross floorspace which is greater than 300 sq.m. The vacancy rate equates to 14.8% of total commercial floorspace and 6.6% of all units. In total, convenience and comparison goods uses account for 3,330 sq.m of floorspace.
- 9.83 We recommend that a 500 sq.m impact threshold should effectively act as default to be applied authority-wide, should a proposal not be subject to a lesser threshold of relevance to smaller centres.
- 9.84 The district centres support a relatively small number of anchor tenants and have a limited convenience goods turnover. This is particularly true of South Wigston district centre, which has a convenience goods turnover of £2.5m at 2023.⁴¹ Notwithstanding this, grocery retail is an integral part of the overall offer of South Wigston.
- 9.85 We believe that a convenience store in proximity to South Wigston could have the potential to materially impact on convenience goods operators within the centre. As such, we recommend a reduced impact threshold of 300 sq.m in respect of district centres.
- 9.86 Local centres are often underpinned by small format grocery stores (effectively little more than a 'corner shop' in terms of their format). In most cases, these operators underpin the function of local centres, drawing in custom and encouraging linked trips to the other parts of the centre. Should the viability of such stores be impacted, there is a real risk of the role of the wider centre being undermined. The loss of an occupier of such importance could have a significant adverse impact on the centre as a whole.

⁴¹ As identified by Table 4 of Appendix 4.

- 9.87 Given the character of such operations and their importance to local centres, we recommend that an impact threshold of 200 sq.m is applicable to retail and leisure proposals in proximity to local centres.
- 9.88 We believe that the proposed lower thresholds for local service centres and lower-order centres in the hierarchy is appropriate as a consequence of their localised role and function, and the fact that the opening of a small format convenience store outside of these smaller centres is likely to directly compete with type of local needs provision typically found within such centres. We therefore believe it is reasonable for applicants proposing developments of 200 sq.m gross floorspace for local service centres and below, to demonstrate that their proposal will not have a significant adverse impact on smaller centres sharing part of the same catchment.
- 9.89 Where an application proposal is above the respective stated impact threshold, we would recommend that the applicant discusses and agrees the scope of the retail impact assessment with the Council prior to submission. The lower threshold of 200 sq.m for the smallest defined centres is considered appropriate due to potential for convenience stores of even a relatively small nature to substantially impact upon the performance of existing operators, due to the potential higher sales densities of such proposals. This would ensure that particular protection of these smaller centres is considered appropriately.
- 9.90 For the purpose of drafting future planning policy, it is important to qualify the area to which each local impact threshold will apply. We recommend that the lower impact thresholds of 200 sq.m and 300 sq.m would be applicable within 800 metres of the boundary of the relevant centre. The distance of 800 metres is broadly commensurate with the potential walk-in catchments of smaller centres and is identified by Guidelines for Providing for Journeys on Foot (The Institution of Highways & Transportation, 2000) as being the 'preferred maximum' acceptable walking distance to a centre. We consider it to be appropriate for the higher threshold of 500 sq.m to apply authority-wide (i.e. beyond 800 metres of these centres), due to the lesser likelihood of significant adverse impacts being concentrated on one centre when the development is more distant.
- 9.91 It is important to emphasise that, whilst the locally set threshold would require the submission of an impact assessment for all edge-of-centre and out-of-centre developments exceeding the thresholds, national guidance states that the impact test should be undertaken in a proportionate and locally appropriate way, commensurate to the scale of development proposed. The level of detail would typically be agreed with Officers during the pre-application process in order to avoid overly onerous requirements that may otherwise restrict and delay development opportunities from coming forward.
- 9.92 Based on the above, we are of the view that an impact assessment will be necessary to accompany proposals for retail and leisure uses (including those relating to mezzanine floorspace and the variation of restrictive conditions) which are not located within a defined centre where:
- the proposal provides a gross floorspace in excess of 500 sq.m gross; or
 - the proposal is located within 800 metres of a town or district centre and is in excess of 300 sq.m gross; or
 - the proposal is located within 800 metres of a local centre and is in excess of 200 sq.m gross.
- 9.93 In our experience, it will only generally be development of a scale greater than these thresholds which could lead to a 'significant adverse' impact, which could merit the refusal of an application for town centre uses in accordance with the provisions of paragraph 91 of the NPPF. The setting of a 'tiered' threshold is consistently accepted by Inspector's at Local Plan Examination and, in our view, acts to appropriately ensure that only those proposals which could genuinely result in an unacceptable impact are the subject of an impact assessment.

9.94 In terms of the practical application of the impact policy threshold, the primary shopping area (where defined) comprises the relevant boundary in respect of retail proposals and the wider centre boundary is the relevant boundary in respect of leisure applications.

Takeaway Uses

9.95 National planning policy recognises the role of planning in promoting healthy communities, including how the environment can impact on health and influence healthy lifestyle choices. Rising obesity rates are a nationally recognised problem. Obesity reduces life expectancy, and increases the risk of serious diseases like cancer, heart disease and diabetes. While the causes of obesity are complex, diet and environment are proven to be huge factors.

9.96 Public Health England (PHE) and the Local Government Association have provided a briefing on regulating the growth of hot food takeaway outlets. It acknowledges the complexity of the ways in which the environment promotes obesity and explains that actions can be taken by local authorities to reduce the extent of obesity promotion locally. It identifies that controlling the proliferation of hot food takeaway outlets has a role to play. It is acknowledged that a causal link between hot food takeaway outlets and obesity cannot be established but identifies that there is evidence of associations between obesity and the availability of fast food.

9.97 As well as health impacts, the new guidance recognises that hot food takeaways play a big role in town centres and other key areas across the authority area.

9.98 We understand that the proliferation of hot food takeaways is a concern across Oadby and Wigston and although it is noted that such uses have their benefit in providing activity into the evening, there are potential wider negative impacts through closed shutters during the day, anti-social behaviour and other health matters. An important element of any future planning policy is the differentiation between hot food takeaways and other food and beverage uses which function differently, provide alternative offers and often have different opening hours.

9.99 The Oadby and Wigston Local Plan (April 2019) acknowledges that hot food takeaways can contribute to both daytime and evening economies of defined centres but also notes the potential detrimental impacts such uses can have, particularly around anti-social behaviour and impacts on wider environmental factors. Policy 36 provides three key criteria which proposals for hot food takeaways are required to be assessed against. These relate to:

- The potential impact of a change of use from the former Class A1 to a hot food takeaway and its impact on the vitality and viability of the frontage or block of units which it forms part of;
- The cumulative effect of a proposal where hot food takeaways are already present; and
- The effect of the proposal on the amenity of the area.

9.100 Achieving an appropriate balance of uses within a centre should continue to be a priority for the local authority, and ensuring that centres provide a good mix of both daytime and evening economies and create safe and attractive environments for residents and visitors alike. Should the proportion of takeaways significantly increase within centres, then this balance of mix of uses and provision of amenities to meet the catchments' needs could decrease considerably, and residents could look elsewhere to meet their day-to-day retail, service and leisure needs. This is particularly the case for South Wigston which comprises a number of takeaway uses, the proportion of which is far greater than within Oadby and Wigston. As such, future proposals to increase this provision should be monitored carefully.

9.101 Given the above, we are of the view that the general wording of the current adopted policy, and the specific criteria provided ensures that the Council retains control over any potential future planning applications for hot food takeaways within defined centres.

9.102 We do not recommend that the policy is altered to specify the acceptable number or proliferation of takeaway uses in a centre, and that the criteria ensures that the Council can assess each application on its own merits, taking account of the current offer and health of the relevant centre and the impacts of allowing an additional takeaway use.

Policy Recommendations Summary

9.103 In order to assist the Council in finalising the draft policy position, we have set out below a summary of our policy recommendations against the relevant adopted local planning policy. In doing so, we provide commentary where we consider amendments should be made to policy to reflect the findings of this Study.

Table 9.4: Policy Recommendations Summary Table

Policy No.	Current Policy Wording	Nexus Recommendations	Relevant Paragraph References
Policy 22 – Delivering Retail	<p>Retail development will be encouraged and permitted in the defined policy areas of the town centre and district centres, as well as the Borough’s local centres. The town and district centres of the Borough will be the focus for new additional retail floorspace, maintaining the Borough’s current hierarchy and market share between centres.</p> <p>The following identified additional overall retail capacities in net floorspace up to 2031 will be sought within each of the centres.</p> <ul style="list-style-type: none"> - Wigston – 1,169 square metres - Oadby – 1,351 square metres - South Wigston – 373 square metres - Local Centres – 81 square metres <p>Retail development must be of a scale appropriate to the needs of the local area served by these centres. Development will be subject to local planning, traffic and environmental considerations and proposals seeking higher retail provision than those set out above would need to demonstrate that there would not be a significant adverse impact on the centre in which the proposal is situated.</p> <p>In determining proposals for new retail development, the Borough Council will apply the sequential and impact test as specified in the National Planning Policy Framework and National Planning Practice Guidance. It will be essential that any new development does not have an adverse effect on existing centres within the Borough. New development must be integrated within existing infrastructure.</p> <p>Where a proposal fails to satisfy the ‘town and district centre first’ approach and / or</p>	<p>We agree with the overarching aim of Policy 22 to direct retail uses to defined centres in the first instance. However, we consider the policy should be expanded to also include reference to wider main town centre uses, looking beyond just retail development for the defined centres.</p> <p>We do not recommend that the Council includes specific retail capacity figures within the Policy, particularly as these will need to be updated regularly to be kept up to date with changing commercial markets.</p> <p>Given the above, we also recommend removing the reference to development requiring to be of an appropriate scale.</p> <p>We do agree that both the sequential and impact policy tests should be reflected in local planning policy and that the general wording of such should follow the guidance provided within the National Planning Policy Framework. This would therefore also negate the need for the following text in Policy 22: ‘Development will be subject to local planning, traffic and environmental considerations and proposals seeking higher retail provision than those set out above would need to demonstrate that there would not be a significant adverse impact on the centre in which the proposal is situated.’</p> <p>The impact policy test threshold is dealt with separately under Policy 24 below, and reference to this should be made when discussing the impact test in Policy 22 for clarity.</p>	9.49-9.57

Policy No.	Current Policy Wording	Nexus Recommendations	Relevant Paragraph References
	<p>the sequential test or is likely to have significant adverse impact on the centre, it will not be permitted.</p> <p>Proposals for retail development within the town and district centres would need to follow the principles as set out within the Town and District Centre Guidance document.</p>		
Policy 23 – Retail hierarchy	The role of Wigston as the Borough’s main town centre and Oadby and South Wigston as district centres as well as specified local centres (identified below) will be preserved and enhanced. In order to enhance the existing blend of facilities and promote competitive town and district centres, proposals for appropriate town centre uses, including, retail, employment, residential, community, leisure, culture and tourism uses will be supported	We agree with the previously adopted retail hierarchy and do not recommend any changes.	9.66-9.71
Policy 24 – Local Impact Threshold	<p>Applications for retail, leisure and office development outside of a defined centre, which is not in accordance with this Plan, will require an impact assessment if the development is over the following floorspace thresholds:</p> <ul style="list-style-type: none"> - Wigston Town Centre – 1,500 square metre gross floorspace - Oadby District Centre – 1,500 square metre gross floorspace - South Wigston District Centre – 500 square metre gross floorspace <p>Should the Council be satisfied that the submitted impact assessment accords with the nationally prescribed criteria set out in the National Planning Policy Framework; provided the application conforms to all other relevant policy, planning permission will be granted.</p>	<p>In terms of the impact policy test, we recommend that the policy is amended to reference that an impact assessment will be necessary to accompany proposals for retail and leisure uses (including those relating to mezzanine floorspace and the variation of restrictive conditions) which are not located within a defined centre where:</p> <ul style="list-style-type: none"> • the proposal provides a gross floorspace in excess of 500 sq.m gross; or • the proposal is located within 800 metres of a town or district centre and is in excess of 300 sq.m gross; or • the proposal is located within 800 metres of a local centre and is in excess of 200 sq.m gross. 	9.72-9.94
Policy 27 – Primary Shopping Frontages	At ground floor level the primary shopping frontages in the Borough’s town and district centres are identified on the Council’s Adopted Policies Map. To ensure that retail (A1) remains the primary use within the primary shopping frontages, development will only be permitted for non-A1 uses in the following circumstances...	We recommend that primary shopping frontages and the associated policy is removed from the Local Plan and Proposals Map.	9.58-9.65
Policy 28 – Secondary Shopping Frontages	At the ground floor level of secondary frontages, as identified on the Council’s Adopted Policies Map, planning permission will be granted for class A1, A2, B1, D1 and D2 uses. Use classes A3, A4 and A5 will also be permitted provided that they do not adversely impact upon the vitality and viability of the town as a whole. Where proposals would result in an over-concentration of similar uses that would harm vitality, viability, local amenity,	We recommend that secondary shopping frontages and the associated policy is removed from the Local Plan and Proposals Map.	9.58-9.65

Policy No.	Current Policy Wording	Nexus Recommendations	Relevant Paragraph References
	including residential amenity, or safety, planning permission will not be granted.		
Policy 29 – Town Centre Boundaries	<p>This Plan sets tight boundaries for the centres of Wigston, Oadby and South Wigston to ensure that ‘town centre uses’ are focussed and are within close proximity to one another. Retail, leisure, commercial and other town centre use proposals will be directed as appropriate towards primary and secondary frontages and allocated sites for development.</p> <p>The town and district centre boundaries are illustrated on the Council’s Adopted Policies Map.</p>	Our recommended town centre boundaries and primary shopping areas are provided at Appendix 6. We recommend that primary and secondary shopping frontages and the associated policy wording are removed from the Local Plan.	Table 9.3
Policy 30 – Other Areas in the Town Centre Boundary	<p>Within the town and district centre boundaries but beyond the primary and secondary frontages, proposals for change of use to residential will in principle be supported. Proposals for other appropriate town centre uses such as offices or community facilities will in principle be supported.</p> <p>Proposals for change of use of buildings to uses that would be better located within the core of the town centre (particularly A1 retail uses) must demonstrate why they cannot be located within a primary or secondary frontage, and will only be granted planning permission if it can be demonstrated to a standard which is acceptable to the Council that they will not result in any harm to the vitality and viability of the town, as well as local amenity considerations.</p> <p>Significant development proposals within these areas that could contribute to the delivery of the masterplans and Local Development Orders that are not situated on allocated land will have to justify to a standard which is acceptable to the Council why they are not located in allocated areas. Any development proposals that compromise the fulfilment of the masterplans and / or Local Development Orders will not be permitted.</p>	<p>We agree with the premise of Policy 30 and the intention of the policy overall. In particular, we agree with the first part which acknowledges that the wider town centre (beyond the primary shopping area) can include a wider range of main town centre uses and that residential uses may be appropriate.</p> <p>However, the policy will need to be updated to reflect the removal of the primary and secondary frontage designations and the primary shopping area being the area within which retail uses are concentrated (as defined by Annex 2 of the NPPF).</p> <p>Referring specifically to the part of the policy relating to the change of use of buildings outside of the frontages, the imposition of such a policy will be difficult following the introduction of Class E and the associated flexibility of uses allowed within the Use Class. Whilst the sequential and impact policy will provide some control over the introduction of retail uses outside of the primary shopping area (where relevant) where it relates to new floorspace, controlling the change of use of buildings in other circumstances will be very difficult. We therefore recommend the removal of this part of the policy.</p>	9.49-9.57
Policy 31 – Use of Upper Floors	Proposals for the change of use of floorspace above ground floor level to residential, office and other appropriate services or community uses, which contribute to the centre’s vitality and viability, will be considered favourably.	We recommend the retention of Policy 31 in light of the positive benefits associated with the reuse of upper floors and the associated increase in footfall and available expenditure to support businesses.	n/a
Policy 36 – Hot Food Takeaways	<p>To avoid the potential significant adverse impact of hot food takeaways, all such proposals will be assessed against the following criteria:</p> <ul style="list-style-type: none"> - Any proposal for a hot food takeaway, particularly a change of use from an existing A1 use, will be assessed for its impact on the vitality 	<p>We are of the view that the general wording of the current adopted policy, and the specific criteria provided ensures that the Council retains control over any potential future planning applications for hot food takeaways within defined centres.</p> <p>We do not recommend that the policy is altered to specify the acceptable number or proliferation of takeaway uses in a centre, and that the criteria ensures that the Council can</p>	9.95-9.102

Policy No.	Current Policy Wording	Nexus Recommendations	Relevant Paragraph References
	<p>and viability of the frontage or block of units of which it forms part of. Any proposal which is likely to damage the primary retail function of a block or frontage will not be permitted.</p> <ul style="list-style-type: none"> - Where hot food takeaways are already present within the vicinity, the cumulative effect / impact of any proposal will be taken into account. Where a number of takeaways occur that are already causing problems in terms of unacceptable traffic generation and deterioration in the amenity of the area, planning permission will not be permitted if the proposal will increase the nuisance. - In all cases, account will be taken of the effects of the proposal on the amenity of the area, with particular regard to the proposed opening hours, the impact of noise, public health, disturbance, design (including ventilation), smell and litter, traffic generation, parking problems and highway safety. <p>Where significant adverse effects are likely to occur, the proposal will not be permitted.</p> <p>In some cases there may be circumstances where any adverse impacts or effects of a proposal could be reduced by the introduction of conditions personal to that permission. Where this is not possible, permission will not be permitted.</p> <p>Any proposal for a hot food takeaway will be subject to other local planning policies within this Plan.</p>	<p>assess each application on its own merits, taking account of the current offer and health of the relevant centre and the impacts of allowing an additional takeaway use.</p> <p>With regard to the specific policy wording, the reference to the former Use Class A1 should be updated to reflect the new Class E(a). We would also recommend that the following words be amended to reflect the new Class E and the associated flexibility of uses allowed within the Use Class: 'Any proposal which is likely to damage the primary retail function of a block or frontage will not be permitted.'</p> <p>Rather than referring solely to the retail function of a block or frontage, we recommend that this part of the policy refer to retail, leisure and other commercial service businesses within Use Class E.</p>	

Appendix 1: Study Area

Appendix 2: Household Survey Results

Appendix 3: Detailed Healthcheck Assessments

Appendix 4: Quantitative Retail Capacity Assessment

Appendix 5: Quantitative Leisure Capacity Assessment

Appendix 6: Boundary Recommendations

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