

Ryedale District Council RYEDALE RETAIL CAPACITY STUDY UPDATE



Revised Draft Report
September 2008

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1 PURPOSE OF THE STUDY AND STRUCTURE OF THE REPORT

Purpose of the Study

- 1.1 Roger Tym & Partners (RTP) undertook the Ryedale Retail Capacity Study (RRCS) in 2005/06, and submitted its final report to Ryedale District Council in May 2006. The report included forecasts of floorspace requirements for both the comparison and convenience retail sectors in the period to 2015, and contained bespoke advice on opportunities for meeting the identified quantitative need.
- 1.2 Since we completed the RRCS, Experian and MapInfo have each released publications which advocate the use of different rates of expenditure growth and annual efficiency gains to those that we utilised in 2005/06. Intelligence on the use of other data inputs such as special forms of trading has also improved since the 2005/06 study. Furthermore, more up-to-date population and expenditure data, and revised population projections, are now available for the District.
- 1.3 Reflecting the changes and availability of new data, as referred to above, the District Council commissioned RTP to update the quantitative food and non-food retail capacity forecasts that we produced in 2006, using updated data inputs and rolling forward the capacity forecasts beyond 2015.
- 1.4 Our 2006 RRCS also provided an initial assessment of a range of potential opportunity sites for meeting the identified retail needs. As part of our Update, we revisit our initial advice and provide a broad review of opportunities for accommodating identified retail needs within the District. To set the context for our assessment, we also provide an update of the Malton town centre health check, which we undertook for the RRCS, and we thus consider how Malton has changed over the last two years, based on an analysis of core performance indicators.
- 1.5 The findings from this Update can be used to inform the Council's emerging Local Development Framework and can also be utilised by the Council when assessing planning applications for retail development within the District.

Structure of Our Report

- 1.6 The remainder of our report is structured as follows:
 - Section 2 provides a review of recent and emerging changes in national planning policy.
 - Section 3 sets out our updated quantitative comparison and convenience retail capacity forecasts.
 - Section 4 provides the findings from our updated assessment of the health of Malton town centre.
 - Section 5 outlines our assessment of potential opportunities for accommodating the identified need for retail development within Ryedale.

2 THE REQUIREMENTS OF NATIONAL POLICY

PPS12 - June 2008

- 2.1 This update will form part of the evidence base upon which the Council will draw in developing its Local Development Framework. Section 4 of the new PPS12 explains the intended nature of core strategies, gives advice on their preparation and introduces a new test of soundness. For the purposes of this report, we focus on the test of soundness, rather than on the nature of core strategies and the preparation process.

Test of Soundness

- 2.2 Paragraph 4.54 of PPS12 introduces a new test of 'soundness' for core strategies, as follows:

'To be "sound" a core strategy should be justified, effective and consistent with national policy.

"Justified" means that the document must be:

- *founded on a robust and credible evidence base*
- *the most appropriate strategy when considered against the reasonable alternatives.*

"Effective" means that the document must be:

- *deliverable*
- *flexible*
- *able to be monitored'*

- 2.3 Thus, PPS12 places more emphasis on the need for development plan documents to:
- i) *'...demonstrate that the plan is the most appropriate, when considered against reasonable alternatives'*. (Paragraph 4.38 of PPS12, our emphasis); and
 - ii) *'...show how the vision, objectives and strategy for the area will be delivered and by whom, and when.'* (Paragraph 4.45 of PPS12, our emphasis).

Potential Changes to National Policy

White Paper - Planning for a Sustainable Future

- 2.4 Paragraph 7.55 of the May 2007 White Paper, Planning for a Sustainable Future, announced the Government's intention to undertake a partial review of PPS6 so as to *'...replace the need and impact tests with a new test which will have a strong focus on our town centre first policy, and which promotes competition and improves consumer choice avoiding the unintended effects of the current need test'*. Similarly, paragraph 7.56 of the White Paper envisaged that any changes to PPS6 would also take account of the conclusions of the Competition Commission's investigation of the UK's grocery sector.
- 2.5 In the event, the recently published Proposed Changes to PPS6 represents a half-way house in that proposals are put forward in relation to a new 'impact test', but not in relation to the 'competition test' advocated by the Competition Commission (because of the ongoing legal challenge to the latter's recommendations). Thus, before we summarise the Proposed Changes to PPS6, we first outline the Competition Commission's key recommendations.

Competition Commission's Investigation of the UK Grocery Market

- 2.6 The Competition Commission published the findings of its investigation of the UK grocery market in April 2008. The Commission's key recommendations are that:
- i) The Department of Communities and Local Government (CLG) should take such steps as are necessary to make the Office of Fair Trading (OFT) a statutory consultee for all applications for grocery stores in excess of 1,000 sq.m sales area (including applications for extensions which would cause the post-implementation sales area to exceed 1,000 sq.m).
 - ii) The OFT should provide advice to the LPA on whether a particular retailer has passed or failed a 'competition test'. A grocery retailer would fail the test if:
 - a) it was not a new entrant to the local area (defined by a ten minute drive time); and
 - b) the total number of fascias in the local area were three or fewer; and
 - c) the retailer would have 60 per cent or more of the groceries sales area in the local area.
 - iii) CLG should take such steps as are necessary to ensure that LPAs take account of the OFT's advice on the result of the competition test and that LPAs may only determine planning applications in a manner inconsistent with that advice where they are satisfied that:
 - a) *'the particular development would produce identified benefits for the local area that would clearly outweigh the detriment to local people from the area becoming or remaining highly concentrated in terms of grocery retailing; and*
 - b) *the development, or any similar development, would not take place without the involvement of a large grocery retailer that had failed the competition test.'*
- 2.7 Nevertheless, the Competition Commission makes it clear that:
- i) it does not envisage the competition test being a replacement for the need test (paragraph 11.134 of the CC report);
 - ii) its remedies are additional to the reforms mooted in the Planning White Paper and *'...do not preclude any of the reforms proposed in the Planning White Paper in any way'* (paragraph 11.135 of the CC Report); but that
 - iii) LPAs should *'...take greater account of competition in their development plans'* (paragraph 11.135 of the CC report).

Proposed Changes to PPS6

- 2.8 The proposed changes to PPS6 were published for consultation on 10 July 2008. In the Ministerial Foreword, the Secretary of State makes it plain that the proposals are *'...not about revisiting the fundamentals of the policy. It is about improving the effectiveness of our policies, refining the framework so that it helps us achieve the aims of promoting vibrant, viable town centres more successfully.'*
- 2.9 Thus, Part 1 of the Proposed Changes document sets out the background to the proposed changes, through cross-reference to the Planning White Paper of May 2007. The latter had announced the Government's intention to *'...replace the need and impact tests with a new test which will have a strong focus on our town centre first policy, and which promotes competition and improves consumer choice avoiding the unintended effects of the current need test'*. As a consequence, the two objectives of the revisions, as foreshadowed in the White Paper, are to:
- i) *'...support current and prospective town centre investment, which contributes to economic prosperity and to our social and environmental goals'*. and

- ii) *'...to ensure that planning promotes competition and choice and does not unduly or disproportionately constrain the market'.*

2.10 The remainder of Part 1 sets out the form of the proposed changes and confirms that the Government's response to the Competition Commission's report will be published shortly. Part 2a sets out in detail the proposed changes to Chapters 1 and 2 of PPS6, Part 2b provides a proposed replacement Chapter 3 of PPS6, and Part 2c sets out consequential changes to the text of Chapter 4 of PPS6. We draw attention to the following matters.

Retention of All Five PPS6 Tests in the Development Plan Process

2.11 Part 1 confirms that there is no change to the requirement for local authorities to apply all five of the existing PPS6 tests in the development plan formulation process.

Removal of the Need Test in the Development Control Process

2.12 Part 1 also confirms the removal of the need test in the development control process, for which we provide further comment later in this section.

Retention of the Sequential Test

2.13 Paragraphs 3.13 to 3.19 of the Consultation document retain the sequential test in the development control process, with no material change to the wording of the considerations to be taken into account compared to those set out in the equivalent paragraphs of PPS6.

A New Three-part Impact Test

2.14 Paragraphs 3.19a to 3.19i of the Consultation document propose the introduction of the new impact test, the key feature of which is its broader focus on economic, social and environmental impacts, as well as strategic planning impacts, in all instances taking account of both positive and negative effects. In our assessment, the new impact test comprises three parts as now described.

First Part - Key Town Centre Impact Considerations

2.15 Paragraph 3.19e of the Proposed Changes sets out the **first part** of the new impact test by identifying five key town centre impact considerations that applicants must assess, as follows:

- i) how the proposal relates to the development plan;
- ii) impact on committed and planned in-centre investment;
- iii) whether the proposal is of an appropriate scale;
- iv) impacts on in-centre trade/turnover, taking account of current and future consumer expenditure capacity in the catchment area (our emphasis); and
- v) the extent to which the proposal will promote or undermine town centre vitality and viability, including local consumer choice and retail diversity in terms of the range, type and quality of goods.

2.16 Paragraph 3.19f proceeds to state that:

'Where there is clear evidence that the proposal is likely to have a significant adverse impact on the town centre, taking into account the considerations in paragraph 3.19e, this will normally justify the refusal of planning permission.'

2.17 However, the next sentence of paragraph 3.19f goes on to state that:

'Where there are considered to be some adverse impacts, but these are likely to be outweighed by significant wider economic, social and environmental benefits...taking account of the considerations in Paragraph 3.19g...local authorities should consider such proposals favourably' (our emphasis).

Second Part - Wider Impacts

- 2.18 Thus, the considerations set out in paragraph 3.19g, represent the **second part** of the impact test and require consideration of seven wider impacts, as follows:
- i) impact on allocated sites located outside town centres;
 - ii) the accessibility of the proposal by a choice of modes of transport, its impact on distance travelled by car and the scope for the proposal to promote linked trips with existing centres;
 - iii) the extent to which a proposal benefits deprived areas and promotes social inclusion;
 - iv) net employment impacts;
 - v) clawback of expenditure leakage;
 - vi) the extent to which a proposal will promote or undermine economic and physical regeneration; and
 - vii) the extent to which the proposal makes efficient and effective use of land, including the re-use of previously developed land.
- 2.19 We note, at this stage, that the considerations set out in paragraphs 3.19e and 3.19g of the consultation document are also to be taken into account in the preparation of development plans, as per the provisions of paragraph 3.19h of the consultation document.

Third Part - Design and Climate Change

- 2.20 There is, however, a **third part** to the proposed impact test, which is set out in the second part of paragraph 3.19f of the consultation document; this states that:
- 'Proposals which fail to secure a high quality and inclusive design which does not take the opportunities available for improving the character and quality of the area and the way it functions, or which fail to deliver wider sustainable development objectives, in particular those on tackling climate change, are unlikely to be acceptable in impact terms, irrespective of any wider benefits which may arise from a proposal or its location' (our emphasis).*
- 2.21 Thus, irrespective of the wider benefits of a proposal, it may fail at the third stage because of inadequate design or because of harm to wider sustainability objectives, such as tackling climate change. Indeed, it is arguable that this should be the first part of the test, because the current drafting of the Consultation document suggests that there is no prospect of success if the design is seriously inadequate, or the harm to the climate is too great, irrespective of other benefits (so why put the effort into assessing wider impacts, if there is a fundamental flaw in the proposal with respect to design or sustainability issues).

RTP Comment on the Need Test

- 2.22 In our assessment, we consider that there is confusion in relation to the widely reported proposed abandonment of the need test. We say this for three reasons:
- i) First, because Section 38(6) of the Planning and Compulsory Purchase Act 2004 provides that *'...if regard is to be had to the Development Plan for the purpose of any determination to be made under the planning acts, the determination must be made in accordance with the plan unless material considerations indicate otherwise.'* Thus, the Consultation document envisages that need will continue to have to be addressed as part of the development plan process; applications must be determined in accordance with the development plan (unless material considerations indicate otherwise); so how can applicants avoid consideration of need?

- ii) Secondly, because paragraph 3.19e (iv) requires applicants to take account of current and future consumer expenditure capacity in assessing impact on in-centre turnover, which again suggests that considerations of need and impact are inseparable.
- iii) Thirdly, because paragraph 3.19h requires that all of the considerations set out in paragraphs 3.19e and 3.19g should also be taken into account in the preparation of development plans and, in our assessment, such considerations do incorporate an assessment of economic, or expenditure capacity.

2.23 As a consequence, we consider that the draft PPS6 has only limited implications for the preparation of the Council's LDF. If the Government's proposals are approved, need would remain an important consideration for development plan preparation purposes and it is arguable that need must remain a development control issue, because of the provisions of Section 38(6) of the Act and the logic outlined in the paragraph above.

Competition and Consumer Choice

2.24 The final aspect of the Consultation document that we wish to draw attention to relates to the issues of competition and consumer choice. As stated earlier, the Government's formal response to the Competition Commission's recommendations has been delayed, as a result of a legal challenge to these recommendations. Nevertheless, the proposed changes to paragraph 1.4 of PPS6 give more emphasis, not only to enhancement of consumer choice and improved productivity, but also to the concept of promotion of competition between retailers. Furthermore, paragraphs 2.18a to 2.18c of the Consultation document, suggests that:

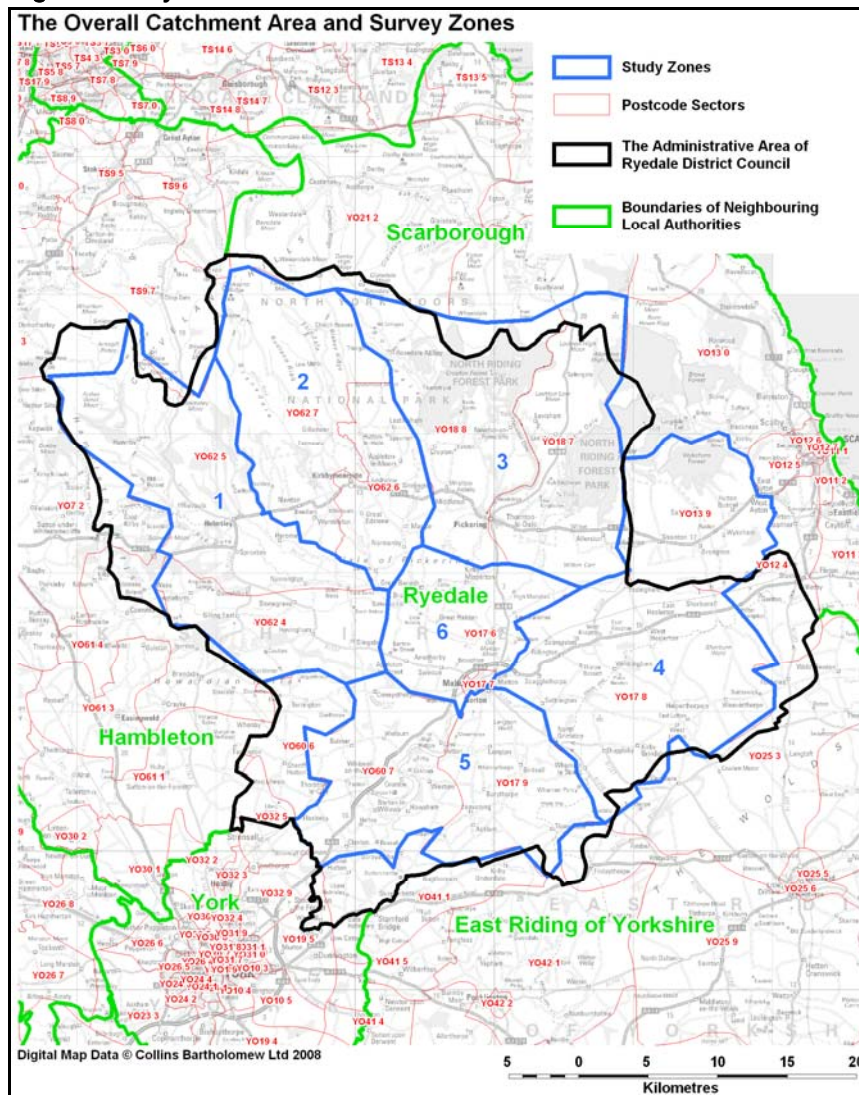
- i) successful town centres need a good mix of shops and broad range of retailer representation;
- ii) local authorities can help to support the diversification of uses in the town centre as a whole and to ensure that tourism, leisure and cultural activities are dispersed throughout the centre; and that
- iii) there is a need to promote competitive town centre environments.

3 UPDATED QUANTITATIVE RETAIL CAPACITY ANALYSIS

Introduction

- 3.1 The purpose of the 2006 RRCS was to assess the role and contribution that the District's four largest centres - Malton, Norton, Pickering and Kirkbymoorside - can make towards meeting future retail needs. Retail was the primary focus of the study, although we also considered broad qualitative gaps in commercial leisure provision. The study was informed by a telephone survey of 644 households resident in six survey zones, which covered a geographic area that is slightly wider than Ryedale's administrative boundary. For ease of reference, the catchment area plan is reproduced below as Figure 2.1; the overall catchment area ('OCA'), and six expenditure zones, are outlined in blue.
- 3.2 Our 2006 RRCS projected floorspace requirements for both the comparison (non-food) and convenience (food) retail sectors in the period to 2015. As part of our Update of the RRCS, we roll forward the capacity forecasts to 2026 (and analyse retail capacity at the forecast years of 2013, 2021 and 2026).

Figure 2.1 Ryedale's Overall Catchment Area



Key Findings from the Ryedale Retail Capacity Study (2006)

Comparison (Non-Food) Sector

- 3.3 The household survey showed that Malton town centre retains about 17 per cent of the overall comparison sector expenditure available to residents of the OCA. However, the aggregate comparison retention level for all centres and stores within the OCA was found to be low, at just under 25 per cent.
- 3.4 The main outflow (or leakage) of comparison expenditure is to York city centre, which accounts for 26 per cent of the available expenditure within the OCA (thus, York city centre has a higher comparison market share than the cumulative market share of all centres and stores in Ryedale), followed by Scarborough town centre (18 per cent), Monks Cross Shopping Park (8 per cent) and Clifton Moor Retail Park (also 8 per cent).
- 3.5 We considered the existing retention rate of the Ryedale OCA to be relatively low. As such, in the 2006 RRCS we provided two sets of forecasts for comparison expenditure capacity. Our first set of forecasts were based on maintaining the existing retention rate at the current base position of 24.6 per cent, and the second was based on an assumed increase of the overall study area retention rate to a new level of 35 per cent.
- 3.6 The findings from the quantitative retail capacity exercise are summarised in Table 3.1 below.

Table 3.1 Comparison Sector Floorspace Requirements (All Centres and Stores in the OCA)

Floorspace requirement (net sales area)	2005-10	2010-15	2005-15
Static Retention (25%)	893 sq.m (9,612 sq.ft)	1,067 sq.m (11,485 sq.ft)	1,960 sq.m (21,097 sq.ft)
Increased Retention (25% to 35%)	3,238 sq.m (34,853 sq.ft)	3,947 sq.m (42,485 sq.ft)	7,185 sq.m (77,339 sq.ft)

- 3.7 Our 2006 quantitative capacity work thus showed that there was capacity for additional comparison sector sales floorspace up to 2015 in the range 1,960 sq.m (21,100 sq.ft) under the 'static retention' scenario, to 7,200 sq.m (77,300 sq.ft) under the 'increased retention' scenario, which we recommended should be the policy aspiration target.

Convenience (Food) Sector

- 3.8 Our household survey found that the aggregate convenience sector retention rate for the OCA as a whole, of 63 per cent, is relatively low. We considered, therefore, that there may be some scope for the retention rate to rise, to 70 per cent by 2010 and to 80 per cent by 2015, giving a total increase of 17 percentage points over the whole study period.
- 3.9 We acknowledged that this will not be straightforward to achieve given that some parts of the OCA are located relatively close to substantial food superstores close to, but outside of, the OCA boundary. Nevertheless, given the localised nature of convenience shopping, we considered that a retention rate of 80 per cent could be achievable if development of the right type and in the right locations takes place within the District.
- 3.10 Table 2.2 summarises the convenience sector floorspace capacity under each of the expenditure retention scenarios. We forecast capacity for between 213 sq.m (2,292 sq.ft) and 390 sq.m (4,197 sq.ft) of additional convenience retail sales area by 2015 under the static retention scenario. The increased retention scenario would support an additional convenience goods sales area in the period up to 2015 of between 1,440 sq.m (15,500 sq.ft net) and 2,639 sq.m (28,406 sq.ft net). Under the increased retention scenario, much of the increase in floorspace capacity arises in the 2010-15 period.

Table 2.2 Convenience Sector Floorspace Requirements (All Centres and Stores in the OCA)

Floorspace requirement (net sales area)		2005-10	2010-15	2005-15
Static Retention (63%)	'High' Turnover per sq.m	113 sq.m (1,216 sq.ft)	100 sq.m (1,076 sq.ft)	213 sq.m (2,292 sq.ft)
	'Low' Turnover per sq.m	208 sq.m (2,238 sq.ft)	182 sq.m (1,959 sq.ft)	390 sq.m (4,197 sq.ft)
Increased Retention (63% - 80%)	'High' Turnover per sq.m	601 sq.m (6,469 sq.ft)	839 sq.m (9,030 sq.ft)	1,440 sq.m (15,500 sq.ft)
	'Low' Turnover per sq.m	1,101 sq.m (11,851 sq.ft)	1,538 sq.m (16,555 sq.ft)	2,639 sq.m (28,406 sq.ft)

Updated Quantitative Need Assessment - Summary of Methodology and Data Inputs

- 3.11 The main steps in our assessment to update the quantitative capacity for further comparison and convenience goods retail floorspace are essentially the same as those used in the 2006 RRCS. However, updated data inputs are now available (for example, relating to per capita expenditure, population and spend on special forms of trading, 'SFT'). All mentions of 'spreadsheets' below refer to the spreadsheets that are contained in Appendix 1.
- 3.12 The methodology is summarised below, together with information on the various data inputs that we have used for our update of quantitative retail capacity:
- i) establish the appropriate catchment area for the centres being considered;
 - ii) assess the existing level of population and existing volume of retail expenditure of those resident within the OCA;
 - iii) establish where the expenditure of the residents of the catchment area is spent, through use of an empirical survey of households resident in the OCA, and thereby establish the proportion of expenditure which is currently retained by town centres and freestanding stores located within the catchment - that is, the current retention rate;
 - iv) apply forecasts of population change and per capita expenditure growth, so as to establish the overall level of projected growth in expenditure for residents of the OCA and an assessment of growth in retained expenditure;
 - v) allow for 'claims' on the growth in retained expenditure as a result of:
 - floorspace efficiency change (that is, the growth in turnover of existing retailers within existing floorspace);
 - growth over time in SFT, mainly e-tail growth; and
 - planning commitments; and then
 - vi) calculate the initial residual expenditure pot which is potentially available for new retail floorspace, based on steps iv) and v) above.

Step 1 - Define the Overall Catchment Area (OCA)

- 3.13 We use the same Ryedale OCA that we defined for the 2006 RRCS (as shown in Figure 2.1 above), which will ensure that the results of the updated quantitative capacity exercise can be directly compared with the 2006 findings. Moreover, no major retail developments have taken place since we undertook the RRCS - either within or adjacent to the Ryedale OCA - which would affect the size or scope of Ryedale's OCA.

Step 2 - Establish the Existing Level of Population and Expenditure

- 3.14 We have sourced up-to-date population and per capita retail expenditure data from MapInfo (the data have a 2005 base date). When we undertook the 2006 RRCS, only 2001-based MapInfo data were available.

Step 3 - Establish Existing Retail Spending Patterns

- 3.15 The most detailed and up-to-date examination of shopping patterns across the entire Ryedale OCA remains our RRCS of 2006, which was informed by a household survey undertaken during May and June 2005. In the absence of any major developments in the past three years either within or outside of the Ryedale OCA with the potential to materially alter shopping patterns, we assume that the market shares of Ryedale's centres and stores are the same in 2008 as the market shares established by the 2005 survey.
- 3.16 We recognise that there have been some minor changes to the food retail occupier mix in some of the study centres. For example, the Kwik Save/Somerfield store in Malton has closed, and has been sub-divided with part of the building now occupied by a Netto supermarket. The Safeway store in Pickering has also been bought by the Co-Operative Group and now trades as a Co-Op supermarket. However, although these changes may have had some effect on convenience shopping patterns at the local level, the changes are not very significant (as the vacated units have been reoccupied by 'like for like' operators) and it is unlikely that the overall convenience sector retention rate has been affected materially.

Step 4 - Forecast Growth in Retained Expenditure

Forecast Growth in Population and Per Capita Expenditure

- 3.17 Initial 2005 mid-year population data, for each of the six zones, were provided by MapInfo and Oxford Economics. The population in each zone was then projected forward to the base year and forecast years using population multipliers derived from the most up-to-date ONS Sub-National Population Projections (which are 2006-based, and were published in June 2008)¹.
- 3.18 Using this method, the resident population across the entire study area is forecast to increase from 53,321 in the 2008 base year to 63,313 by 2026. This equates to a significant total population increase of 18.7 per cent over the entire 18-year period.
- 3.19 Zonal per capita expenditure data were also supplied by MapInfo and Oxford Economics for the year 2005 (as set out in the top rows of Spreadsheets 2 and 8, for comparison goods and convenience goods, respectively). The comparison and convenience goods expenditure data are then rolled forward to the 2008 base year and the forecast years using the latest MapInfo/OEF forecasts² of 4.9 per cent, per annum for comparison goods, and 1.2 per cent, per annum for convenience goods.
- 3.20 The total amount of expenditure available to the residents in each zone (and the OCA as a whole) is then set out in Spreadsheet 3 (comparison goods) and Spreadsheet 9 (convenience goods). The third row of each spreadsheet shows the total expenditure pot in 2008, after a deduction has been made for spending on SFT (we return to this

¹ We were initially provided with ONS Revised 2004-based Population Projections (published in August 2007) by the Council. However, during the course of our study, ONS released 2006-based Population Projections, and we have consequently used these more up-to-date figures to inform our retail capacity model. The ONS 2006-based figures project a higher rate of population growth for Ryedale District, than the Revised 2004-based projections. Indeed, over the course of our study period (2008-2026), the population of the Ryedale OCA is projected to rise by an additional 4,256 persons when the ONS 2006-based projections are used, vis-à-vis the Revised 2004-based figures.

² As set out in Table 2 of MapInfo/OEF Information Brief 07/2. No forecasts are provided for the period beyond 2017. In the absence of any other evidence we have applied the same growth rates over the entire period to 2026.

issue below). Spreadsheets 3 and 9 also project the overall level of growth in expenditure in the periods to 2013, 2021 and 2026, taking into account forecasts of population change and per capita expenditure growth, as discussed above.

Special Forms of Trading (SFT)

- 3.21 We have based our allowance for increases in expenditure claimed by SFT over the study period on the forecasts cited by Experian in Table 5.1 of Retail Planner Briefing Note 5.1³. In the comparison goods sector, Experian estimates that 'non-store retail sales' will account for 12.1 per cent of total expenditure at 2008, rising to 14.4 per cent by 2013. Experian only provides estimates until 2016, and so we assume that spending on SFT will level off, remaining at 14.4 per cent in 2021 and 2026.
- 3.22 The RRCS household survey found that in the Ryedale OCA in 2005, some 5.2 per cent of total expenditure on comparison goods was spent via SFT. We assume that spending on SFT will have risen in line with Experian's forecasts (set out above), and thus our deductions for SFT in Spreadsheet 3 reflect the incremental increase in spending on this type of retail since 2005.
- 3.23 In the convenience goods sector, Experian forecasts that SFT will account for 5.6 per cent of total expenditure at 2008, rising to 7.3 per cent by 2013. Again, forecasts are only provided until 2016, at which point it is estimated that non-store convenience sales will plateau at 7.3 per cent. However, in the convenience sector we have applied our professional judgement and have halved the proportions of expenditure accounted for by SFT (as estimated by Experian), to reflect the fact that a proportion of the convenience goods bought over the Internet are still supplied from shelves in supermarkets, rather than from distribution warehouses, as is more often the case in the comparison sector. Thus, we estimate that non-store convenience goods sales will account for 2.8 per cent of total expenditure at 2008, rising to 3.65 per cent in 2013, 2021 and 2026.
- 3.24 The RRCS household survey found that in the Ryedale OCA in 2005, 1.5 per cent of total expenditure on convenience goods is spent via SFT. Again, we assume that spending on SFT will have risen in line with the adjusted Experian forecasts (set out above), and thus our deductions for SFT in the convenience sector (in Spreadsheet 9) reflect the incremental increase in spending on this type of retail since 2005.

Forecast Growth in Retained Expenditure

- 3.25 Having calculated the growth in total expenditure (available for spending in stores) for all residents of the OCA, the next step is to assess the growth in retained expenditure, initially on the basis of a constant retention level. Thus, the growth in retained comparison goods expenditure from 2008 to 2026, under the constant market share assumption (25 per cent), is £62.4m (final column, Row C of Spreadsheet 6a). The growth in retained convenience goods expenditure from 2008 to 2026, under the constant market share assumption (63 per cent), is £21.4m (final column, Row C of Spreadsheet 12a).

Step 5 - Make Allowance for 'Claims' on Growth in Retained Expenditure

- 3.26 The next step is to make an allowance for 'claims' on the growth in retained expenditure. We have already allowed for the growth in SFT, as explained in paragraphs 3.21 to 3.24 above. The remaining 'claims' are:
- i) growth in floorspace efficiency, which is growth in the turnover of existing retailers within their existing floorspace; and
 - ii) an allowance for the turnover which will be absorbed by existing planning commitments.

³ Experian, *Retail Planner Briefing Note 5.1*, November 2007

- 3.27 In making an allowance for growth in floorspace efficiency (Row E of Spreadsheets 6a and 12a), we have utilised Experian's 'central case' recommendations⁴ of:
- i) 2.2 per cent, per annum in the comparison goods sector; and
 - iii) 0.6 per cent, per annum in the convenience goods sector.
- 3.28 The effect of the gain in floorspace efficiency of existing retailers amounts to a 'claim' of £17.2m in the comparison goods sector by 2026 (Row E of Spreadsheet 6a). The corresponding effect in the convenience goods sector amounts to £5.3m (Row E of Spreadsheet 12a).
- 3.29 The next step is to allow for the future turnover requirements of planning commitments, having assessed how much of the commitments' turnovers will be derived from residents of the OCA. However, although there are a couple of planning applications for major retail development in the pipeline, there are no existing significant commitments for comparison or convenience floorspace either inside, or close to but outside, the OCA, that are likely to have any significant bearing on future capacity within the OCA⁵. Accordingly, we make no specific allowance for the claim of commitments.

Step 6 - Calculate Residual Expenditure Potentially Available for New Floorspace

- 3.30 Spreadsheets 6a and 6b (comparison goods) and Spreadsheets 12a and 12b (convenience goods) set out the residual expenditure pot potentially available for new floorspace, having allowed for all of the claims on the growth in retained expenditure - that is, growth over time in SFT, growth in floorspace efficiency, and existing retail commitments.
- 3.31 The spreadsheets convert the residual expenditure pot to a floorspace requirement (expressed as a net sales area), by applying an average sales density for comparison goods of £3,500 per sq.m in 2008, and an average sales density for convenience goods of £10,000 per sq.m in 2008. Finally, we convert the sales area requirement to a gross floorspace requirement, as set out in Row I of Spreadsheets 6a, 6b, 12a and 12b, using a net to gross ratio of 70 per cent for comparison goods, and 65 per cent for convenience goods.

Quantitative Need in the Comparison Goods Sector

- 3.32 In Spreadsheet 6a, we set out a 'constant retention rate' scenario, in which we assume that the overall retention level (of comparison goods expenditure by centres and stores within the OCA) will remain constant at 24.6 per cent between 2008 and 2026.
- 3.33 In Spreadsheet 6b, we test a scenario whereby the overall retention level increases by about 10 percentage points, from 24.6 per cent in the year 2008, to 30.0 per cent by 2013, and to 35.0 per cent by 2021. We examined the same 'increased retention rate' scenario in our 2006 RRCS, because we consider Ryedale's existing retention rate of 24.6 per cent to be relatively low. In order to achieve the Scenario 6b uplift it will be necessary to secure new comparison retail development within the OCA of a quality which will boost the overall attractiveness of the District's retail offer vis-à-vis the competing retail locations elsewhere in the sub-region.
- 3.34 Spreadsheets 6a and 6b thus set out the quantitative comparison goods retail need for the static and increased retention scenarios, respectively. These quantitative needs,

⁴ *Ibid.*, page 28

⁵ There are two minor retail planning commitments within Ryedale, but both relate to the re-use or redevelopment of existing retail floorspace, and as such, they will not result in a significant net increase in retail floorspace in the OCA, and do not represent a significant 'claim' on the forecast retail capacity.

as set out in Rows H and I of the spreadsheets in terms of net and gross floorspace, respectively, are summarised in Table 3.3 below.

- 3.35 The capacity figures provided in Table 3.3 below are derived by applying an average sales density for comparison goods of £3,500 per sq.m (which is a 'hybrid' of the efficiency rates that are typical of 'high street' retail developments and the lower rates that are achieved by 'bulky goods' or retail-warehouse stores) to the surplus pot of retained expenditure. We consider how the surplus expenditure might be converted into a floorspace capacity for different categories of comparison goods in more detail at the end of this section.

Table 3.3 Quantitative Need in the Comparison Goods Sector (in sq.m)

	Static Retention	Increase in Retention
2008-13	1,858 (net)	4,772 (net)
	2,654 (gross)	6,817 (gross)
2008-21	6,886 (net)	15,171 (net)
	9,837 (gross)	21,672 (gross)
2008-26	10,988 (net)	21,504 (net)
	15,697 (gross)	30,720 (gross)

- 3.36 Thus, in both scenarios there is a positive residual for development of further comparison retail floorspace in Ryedale. As Table 3.3 shows, for the OCA as a whole, the quantitative need in the first five-year period (up to 2013) ranges from 1,858 sq.m net under the static retention rate scenario, to 4,772 sq.m net under the rising retention rate scenario. Table 2.3 also shows that over a longer period, between 2008 and 2026, there is capacity in Ryedale for between 10,988 sq.m net additional comparison retail floorspace (static retention rate) and 21,504 sq.m net (rising retention rate).
- 3.37 It is important to note that the scale of the requirement set out at the higher end of the forecast range arises as a result of a steady increase in the aggregate OCA retention rate over the study period. The best way to achieve an increase in market share is to secure high quality comparison goods development of sufficient scale and critical mass for it to generate its own need by increasing the attractiveness of Ryedale's centres, vis-à-vis the competing centres outside the catchment. There is certainly scope for additional non-food retail development within Ryedale's centres, particularly within Malton, which would help to 'claw-back' expenditure leakage and increase the 'base' retention rate above 25 per cent. We discuss specific opportunity sites that the Council may wish to consider for accommodating the identified retail needs in Section 5 of this report.
- 3.38 It is evident, therefore, that there is capacity for additional comparison retail development within the OCA during the period up to 2013, 2021 and 2026. The capacity is greatest under the policy aspiration scenario of seeking to increase the retention rate from its current level of 25 per cent, which we consider is capable of improvement, even given the close proximity of York city centre and other higher-order centres that are close to, but outside the OCA boundary. Additional comparison retail development presents the opportunity to address local deficiencies in specific categories of expenditure, and will also contribute to raising the overall retention rate for the OCA, thus enhancing overall retail provision within Ryedale and improving its ability to meet the shopping needs of residents of the area.

Quantitative Need in the Convenience Goods Sector

- 3.39 In Spreadsheet 12a, we set out a 'constant retention rate' scenario, in which we assume that the overall retention level (of convenience goods expenditure by centres and stores within the OCA) will remain constant at 62.7 per cent between 2008 and 2026.

- 3.40 In Spreadsheet 6b, we test a scenario whereby the overall retention level increases by 17 percentage points, from 62.7 per cent in the year 2008, to 70 per cent by 2013, and to 80.0 per cent by 2021. We examined the same 'increased retention rate' scenario in our 2006 RRCS, because we consider Ryedale's existing convenience retention rate of 62.7 per cent to be relatively low. We do not consider the aspiration of an 80 per cent retention rate to be unrealistic, as it is a level of retention that is typically achieved in similar locations elsewhere.
- 3.41 Spreadsheets 12a and 12b thus set out the quantitative convenience goods retail need for the static and increased retention scenarios, respectively. These quantitative needs, as set out in Rows H and I of the spreadsheets in terms of net and gross floorspace, respectively, are summarised in Table 3.4 below.

Table 3.4 Quantitative Need in the Convenience Goods Sector (in sq.m)

	Static Retention	Increase in Retention
2008-13	330 (net)	927 (net)
	507 (gross)	1,426 (gross)
2008-21	1,046 (net)	2,698 (net)
	1,610 (gross)	4,150 (gross)
2008-26	1,546 (net)	3,375 (net)
	2,379 (gross)	5,192 (gross)

- 3.42 Thus, in both scenarios there is a positive residual for development of further convenience retail floorspace in Ryedale. However, there is less capacity in the convenience goods sector than in the comparison goods sector, largely due to the lower rate of expenditure growth on convenience goods items. Table 3.4 shows that for the OCA as a whole, the quantitative need in the first five-year period (up to 2013) ranges from 330 sq.m net under the static retention rate scenario, to 927 sq.m net under the rising retention rate scenario (which would be sufficient to support only one small supermarket/basket grocery store).
- 3.43 Table 3.4 also shows that over a longer period, between 2008 and 2026, there is capacity in Ryedale for between 1,546 sq.m net (static retention rate) and 3,375 sq.m net (rising retention rate) additional convenience retail floorspace, which would be sufficient to support one large supermarket development, or a couple of medium-sized schemes. We are aware that proposals are being progressed for a new Lidl supermarket in Pickering, and an application has been submitted for redevelopment of the Cattlemarket site in Malton (which includes some provision of convenience floorspace). Although these schemes do not represent current retail commitments, these proposals would account for a significant proportion of the convenience expenditure capacity in the period up to 2026 if they were permitted, and they would also help to increase the aggregate convenience sector retention rate.

Quantitative Need in the Five Comparison Goods Sub-Sectors

- 3.44 Our analysis of quantitative need in the comparison goods sector above considers 'comparison goods' as one composite retail sector, and as such the floorspace capacity identified is based on application of an 'average' floorspace efficiency rate (based on a hybrid of the efficiency rates that are typical of 'high street' retail developments and the lower rates that are achieved by 'bulky goods' or retail-warehouse stores).
- 3.45 For illustrative purposes only, we show in Table 3.5 how the overall floorspace requirements arising under the rising retention rate scenario could be broken down by the five comparison sub-sectors. We have disaggregated the overall floorspace capacity for comparison goods into the five sub-sectors on the basis of current spend on each type of goods (for example, residents of the Ryedale OCA currently spend 24

per cent of their comparison goods expenditure on clothes and shoes, 14 per cent on furniture, 15 per cent on domestic appliances, 10 per cent on DIY and decorating goods, and 37 per cent on other, more specialist, items)⁶. We have applied these expenditure weightings to the overall comparison retail capacity figures identified in Table 3.3 above.

- 3.46 The figures set out in Table 3.5 are intended only to provide a guide as to how much capacity there might be for different categories of comparison goods, and caution should be exercised in using these figures to inform policy-making or development control decision-making. Indeed, it should firstly be borne in mind that the figures in Table 3.5 (as in Table 3.3) are based on the application of an 'average', or 'hybrid', floorspace efficiency rate. Thus the figures do not reflect the fact that, for example, there may be more capacity for floorspace in the 'bulky goods' sub-categories, as retail warehouse operators typically have lower floorspace efficiency rates than 'high street' operators.
- 3.47 Secondly, the figures in Table 3.5 are based on an assumption that the policy aspiration is to disaggregate comparison retail capacity in accordance with current spending patterns on different sub-sectors. However, as our updated healthcheck in Section 4 shows, there is a particular qualitative need in the District for more clothes and shoes shops. As such, the identified retail capacity might be more beneficially used to address particular qualitative deficiencies, rather than support additional floorspace in all comparison sub-sectors.
- 3.48 Finally, we note that any major retail scheme is likely to seek to accommodate operators from more than one comparison goods sub-sector (or, indeed, operators that sell a variety of goods and cannot easily be classified according to the five sub-categories in Table 3.5), and as such our overall comparison retail capacity figures as set out earlier in this section will provide a more clear and comprehensive indication of current quantitative need.

Table 3.5 Comparison Floorspace Capacity (Scenario 2, Rising Retention Rate), Broken Down by Sub-Sector

	2008 - 2013 (sq.m net)	2008 - 2021 (sq.m net)	2008 - 2026 (sq.m net)
Clothes and Shoes (24%)	1,145	3,641	5,161
Furniture, Carpets, etc (14%)	668	2,124	3,011
DIY & Decorating Goods (10%)	477	1,517	2,150
Domestic Appliances (15%)	716	2,276	3,226
Other Non-Food Items (37%)	1,766	5,613	7,956
Total	4,772	15,171	21,504

⁶ Based on 2005 population and per capita comparison expenditure data sourced from MapInfo/Oxford Economics.

4 UPDATED HEALTHCHECK OF MALTON TOWN CENTRE

Introduction

- 4.1 As part of the 2006 RRCS, we assessed the health of Malton, Norton, Pickering and Kirkbymoorside town centres based on:
- i) consultations with a range of stakeholders;
 - ii) on-foot surveys of each centre;
 - iii) photographic analysis;
 - iv) desk research in relation to the centres and a range of comparator centres⁷;
 - v) a review of various studies undertaken for the four town centres;
 - vi) an analysis of the retailer requirements held on the FOCUS database; and
 - vii) close liaison with officers at Ryedale District Council.
- 4.2 In this Section, we provide a broad update of the Malton town centre health check, and consider how Malton, as the highest-order centre in Ryedale, has changed over the last two years, based on a review of ten of the core performance indicators that formed the basis of the 2006 healthcheck. More specifically, we consider Malton's performance in relation to commercial yield on non-domestic property; shopping rents; retailer representation and change; diversity of uses; retail rankings; vacancy rates; environmental quality; and the retail property offer.
- 4.3 Our update of the Malton town centre healthcheck thus focuses on key performance indicators and primarily considers change in quantitative data sources. We have undertaken a new on-foot survey of the centre and updated our photographic analysis, but our healthcheck has not been informed by further consultations with stakeholders.
- 4.4 All healthcheck data (tables and figures) referred to below, are contained in Appendix 2.

Performance Analysis of Malton Town Centre

Indicator 1 - Movement in the Retail Rankings

- 4.5 We have charted the movement in the national retail rankings experienced by Malton town centre, the other town centres in Ryedale District, and the comparator centres, as shown in Table 1 of Appendix 2, using time-series data from Management Horizons Europe's (MHE) *UK Shopping Index* (available for the years 1995/06, 1998/99, 2000/01, 2003/04, and 2008). Due to the relatively large gap in the MHE data between 2003/04 and 2008, we also considered Javelin Group's *Venuescore 2006*.
- 4.6 MHE and Javelin utilise a near-identical methodology for ranking the UK's retail centres. For instance, the Javelin index is calculated using a weighted count of multiple retailers which mirrors that used by MHE, comprising fashion retailers, non-fashion multiples and anchor stores. The Javelin index also adopts the same eight grades of retail centre in the UK used by MHE, from 'Major City', through to 'Local Centre'. The only material difference between the Javelin and MHE indexes appears to be the fact that whereas MHE's 2003/04 Index (and previous indexes) ranked the UK's top 1,672 retail centres, Javelin's index ranks the top 2,226 centres, and MHE's

⁷ The centres for which we provided benchmark data were Northallerton, Thirsk, Whitby, Driffild and Selby, which are comparable in size and relatively close to Malton and Pickering; and other prominent centres in Yorkshire and Humberside, namely York, Scarborough, Harrogate and Beverley.

2008 Index now considers all 6,720 centres in the UK. Caution, therefore, needs to be exercised in considering slippage in the retail rankings of low-ranked centres (particularly local centres) between 2003/04, 2006 and 2008, which might in part be due to the greater number of centres included in the different Indexes, rather than due to a particular deterioration of the centres' retail offer.

- 4.7 It is also worth emphasising that both the MHE and the Javelin indexes are based on the presence of national multiple outlets, with no credit given for the presence of independent operators. Thus, if comparison multiple retailers have recently moved into centres which previously ranked slightly below Malton (for instance), then those centres will have improved their positions in the Index, at the expense of Malton where few comparison multiples have opened stores in the last couple of years. In short, analysis of a centre's movement in the national retail rankings can be a rather blunt tool, and so other indicators - which consider the presence and quality of independent operators - are also of utility in assessing the health of small and medium-sized centres.
- 4.8 The retail rankings indicate that Malton town centre's position has consistently slipped between 2000/01 and 2008. Indeed, whereas Malton ranked 880th nationally in 2000/01, the centre slipped to 912th position by 2003/04, 947th place in 2006, and has since fallen a further 148-places to 1,095th position in 2008. Whilst Malton's slippage in the rankings is not unique, with only two of the centres that feature in Table 1 of Appendix 2 (Beverley and Driffield⁸) actually improving their positions since 2004, Malton's slippage is quite severe (with only Thirsk experiencing greater slippage than Malton between 2003/04 and 2008).
- 4.9 Although the slippage of Malton in the national retail rankings can perhaps partly be explained by the considerable number of additional 'local' centres taken into account in the Venuescore 2006 and MHE 2008 Indexes vis-à-vis the 2003/04 MHE index, the slippage also reflects the continued low representation in Malton from national multiple operators.

Indicator 2 - Diversity of Uses

- 4.10 We assessed the diversity of uses of Malton town centre using data from Experian's latest GOAD survey of Malton town centre (undertaken in June 2006), which we subsequently updated to a July 2008 base date following our own on-foot survey of the centre (the GOAD boundary for Malton town centre is presented in Figure 1 of Appendix 1).
- 4.11 Malton town centre contained 21 convenience outlets in July 2008 (Table 2 of Appendix 1), equating to 9.7 per cent of the total units in the centre, which is slightly above the UK average of 9.1 per cent. However, the 21 convenience outlets together provide a total of 10,100 sq.m gross floorspace, which represents 26.7 per cent of all retail/service floorspace available in the town centre (and is well above the UK average of 16.7 per cent). We thus consider that Malton town centre has a reasonably sized convenience sector and provides a range of food and grocery outlets, including a 3,500 sq.m Morrisons supermarket, smaller Netto and Jacksons stores, as well as five bakeries, two butchers, four greengrocers/fishmongers, an off licence and two newsagents.
- 4.12 Table 2 of Appendix 1 shows that Malton contains 100 comparison goods outlets, equating to 46.1 per cent of total units, which is again broadly equivalent to the UK average of 45.3 per cent. Malton has a reasonable range of comparison goods stores, including 7 footwear shops, 13 furniture/carpets/textiles stores, 6 stationers, 8 gift

⁸ Driffield's improvement in the national retail rankings is particularly significant as the centre is of a similar size to Malton, and ranked only 112 places above Malton in the MHE 2003/04 Index. However, whilst Driffield has slightly improved its position in the retail rankings, Malton's position has slipped, and Driffield now ranks 298 places above Malton in 2008 (thus the gap between the two towns in the rankings has almost tripled over the course of four years).

shops, 2 variety stores, 8 shops selling hardware and household items, 5 jewellers, and 9 chemists/opticians. Malton's comparison retail offer is, therefore, varied and meets a number of local needs, particularly for more day-to-day comparison goods items (such as pharmaceutical goods and small household items).

- 4.13 However, the performance of the clothing sub-categories is especially important in determining a town centre's attractiveness to shoppers and we note this is a key deficiency in Malton's retail offer. Indeed, Malton has below-average representation (in terms of both the proportion of units and floorspace) in all three of the clothing sub-categories (*men's and boy's wear*, *women's, girls, children's clothing* and *mixed and general clothing*). This is a key deficiency, which decreases the attractiveness of Malton as a comparison shopping destination.
- 4.14 The proportion of service outlets in Malton is again roughly equivalent to the UK average, with such uses accounting for 34.1 per cent of town centre units, compared to the UK average of 33.2 per cent (and accounting for 24.8 per cent of town centre floorspace, compared to a UK average of 21.8 per cent). Malton benefits from good representation from banks and building societies (including Barclays, Natwest, HSBC, and Skipton Building Society), many hairdressers and beauty salons, as well as national travel and estate agents. However, Malton is under-represented in the *'restaurants, cafés, coffee bars, fast food and take-aways'* sub-category. Indeed, outlets in this sub-category equate to only 10.1 per cent of total town centre units, compared to a UK average of 14.3 per cent.
- 4.15 Malton town centre also benefits from some other non-retail/service uses, which are key attractions in their own right, such as the Palace Cinema and the Malton Museum and Art Gallery.

Indicator 3 - Presence of National Multiples and High Profile Retailers

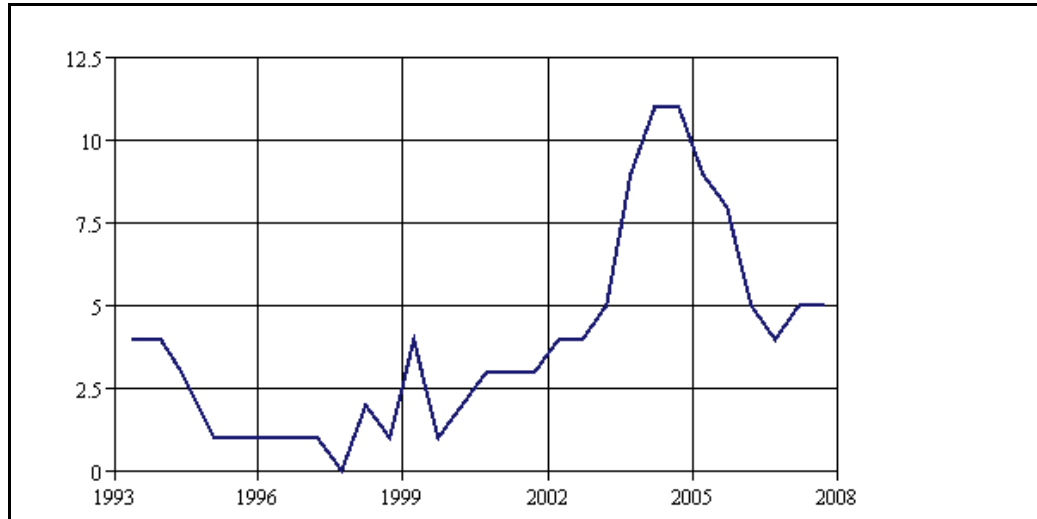
- 4.16 Malton's convenience goods offer includes four national multiple operators, namely Morrisons, Netto, Heron Frozen Foods and Thorntons. Whilst there is a slightly wider range of comparison retail multiples in the town centre, representation is still limited, with operators including Stead and Simpson, Ethel Austin, M & Co, Currys, Boots, Lloyds Pharmacy, Scrivens, Specsavers, Superdrug and Woolworths.
- 4.17 Furthermore, the majority of the comparison shops in Malton, including the fashion stores, are focused towards the lower end of the market. There is limited representation from higher or even middle-order fashion outlets. Indeed, the 'Fashion Count' in MHE's 2008 Shopping Index indicates that out of Malton's 'fashion' retailers, 83 per cent can be described as 'lower-middle' order, and 17 per cent represent 'value' fashion. Overall, Malton thus attains a 'lower' fashion market rating in the Shopping Index.
- 4.18 The town centre contains a better range of service multiples, with several banks occupying premises along Wheelgate and Yorkersgate, together with a national travel agency, estate agency, dry cleaners and a Post Office. However, there is no representation from national fast food, restaurant, café or pub/bar chains.

Indicator 4 - Operator Demand

- 4.19 The most recent FOCUS Town Report for Malton (October 2007) shows that the number of published retail requirements currently stands at five. The number of requirements has fluctuated between four and five for the last two years, but has declined since the historic high of 11 requirements identified in the April and October 2004 FOCUS reports (Figure 4.1 below).
- 4.20 Table 3 of Appendix 1 shows that Malton currently has a slightly lower number of published requirements than the comparator centre of Thirsk (which is ranked lower than Malton in the MHE 2008 Shopping Index). However, as would be expected, higher-order centres show a significantly greater number of published requirements, with York having 124 requirements in October 2007, Scarborough 44, and Beverley 52.

- 4.21 Detailed information is provided in the FOCUS database for the five operators with requirements for Malton. The requirements are for clothing chain Bon Marché, variety stores Argos and The Original Factory Shop, coffee shop chain Costa Coffee, and a charity shop. Published interest in Malton from national multiples is therefore relatively low at present, but the nature of the operators with requirements is encouraging.

Figure 4.1 Change in the Number of Retailer Requirements for Malton, 1993 - 2008



Source: FOCUS, October 2007

Indicator 5 - The Retail Property Offer

- 4.22 The majority of stores in Malton (with the exception of the town's supermarkets) are accommodated in converted residential/commercial buildings, rather than purpose-built retail units. Indeed, many retail units are located within historic buildings, situated within a conservation area, and thus offer limited scope for extension/refurbishment, and so on. The majority of the retail property, however, appears to be well-maintained and in generally good condition.
- 4.23 Nevertheless, Malton's retail property offer is generally characterised by relatively small, constrained retail units. Indeed, Experian's latest GOAD survey (June 2006) shows that the 100 comparison retail units in Malton have an average size of only 1,700 sq.ft (160 sq.m), which translates to an 'average' net sales area of approximately 1,200 sq.ft (110 sq.m). Units of this size are significantly below the floorspace requirements of most comparison goods multiple operators, although they may be attractive to independent traders. We consider, therefore, that there is a qualitative need for new, larger floorplate units in Malton, if key deficiencies in the town's retail sector (namely provision of clothing stores) are to be addressed.

Indicator 6 - Retail Yields

- 4.24 Figure 3 of Appendix 1 illustrates a seven-year trend for prime yield⁹ in Malton and in the comparator centres of York, Scarborough, Beverley, Northallerton, Selby, Ripon, Driffield and Thirsk. Figure 2 shows that published prime retail yields have steadily declined (improved) in Malton over the last five years, from 8.5 per cent in April 2003 to 6.25 per cent in January 2008.
- 4.25 Indeed, Malton has one of the lowest (best) current retail yields in our assessment, being on a par at 6.25 per cent with the comparator centres of Scarborough and Selby,

⁹ Yield is a measure of the confidence of investors in the long term profitability of the town centre for retail and other commercial developments; the lower the yield the greater the level of investment confidence.

and being lower (better) than Beverley and Driffield (all of which are centres of a higher-order than Malton in the national retail rankings).

- 4.26 However, it is important to note that a significant proportion of the retail property in Malton town centre is held in single, private ownership (by Fitzwilliam (Malton) Estates). As a result, the retail yield data for Malton, compiled by the Valuation Office, is based on only a limited number of property transactions. Caution must therefore be exercised when directly comparing the Malton data with yields achieved in the comparator centres, since Malton's relatively good performance against this indicator can be explained, at least in part, by the bespoke nature of the retail property market in the town.
- 4.27 Notwithstanding this, the movement in Malton's own retail yields over the last seven years can still be assessed, and it is notable that there have been steady improvements in this regard, with yields particularly improving between July 2007 and January 2008, falling from 7.0 per cent to 6.25 per cent. Malton's improving retail yields reflects rising investor confidence in the centre, which could potentially be a result of emerging local proposals for additional high quality retail development in Malton, for example on the Cattlemarket site.

Indicator 7: Changes in Prime Zone A Shopping Rents

- 4.28 No published time-series rental data are available for Malton town centre¹⁰.

Indicator 8: Proportion of Vacant Street Level Property

- 4.29 There were 20 vacant units in Malton at the time of our on-foot survey of the town centre (July 2008), which equates to a vacancy rate of 9.2 per cent (below the UK average vacancy rate of 11.1 per cent). Furthermore, only 4.8 per cent of town centre floorspace was vacant in July 2008 (which is significantly below the national average of 9.3 per cent). The vacancy rate (in terms of both number of units and floorspace) is, therefore, currently relatively low, and has certainly improved since 2006 (when our RRCS reported the presence of 26 vacant units in Malton town centre).
- 4.30 Figure 2 in Appendix 1 highlights the location of vacant units in Malton in July 2008. Figure 2 shows that the vacant units are generally dispersed throughout the town centre, with no major concentrations of vacancies. Although there are a few vacancies in The Lanes Shopping Mall; these units are very small, popular with 'boutique' operators, and thus not likely to be vacant for long. Furthermore, there are no large vacant units within the town centre¹¹, no vacant units in prominent, gateway locations, and limited long-term vacant property. We do not, therefore, consider vacant street-level property to be a major issue for the town centre.

Indicator 9 - Pedestrian Flows

- 4.31 We are not aware of any formal pedestrian flow counts that have been undertaken recently in Malton town centre as a whole. However, we found the centre to be generally busy on all occasions that we undertook on-foot surveys of Malton, particularly around the Morrisons store and along Wheelgate, although this finding cannot be corroborated by any quantitative survey evidence.

Indicator 10 - State of Town Centre Environmental Quality

- 4.32 As we reported in the 2006 RRCS, Malton town centre presents an attractive environment, which is clean and with no evidence of litter, graffiti or vandalism. With the exception of some poor-quality premises along Wheelgate, most shop frontages

¹⁰ It was not part of our brief to undertake consultations with local stakeholders and property market agents, who could perhaps provide some anecdotal evidence on local rental levels in the absence of published data.

¹¹ The largest vacant unit is only 270 sq.m gross in size, and the average vacant unit size in Malton town centre is 90 sq.m gross.

are well-maintained and the architectural quality is high, reflecting the large amount of listed buildings in the centre and the conservation area status.

- 4.33 However, some parts of the town centre undermine its overall attractiveness. For example, the potential of Market Place as an attractive heart to the town is undermined by the presence of somewhat chaotic car parking. The town centre would benefit from a greater level of shelter from the elements than exists at present (perhaps through provision of more shop canopies), more landscaping and a greater amount of street furniture, which is currently limited to just a few benches in Market Place.
- 4.34 Of more significance, however, are the accessibility and environmental problems created by the location of the A64, since adequate access from the dual carriageway to Norton and to Norton Grove Industrial Estate to the east of Malton, and York Road Industrial Estate to the west, is not provided. The result is that a substantial amount of through traffic, including heavy goods vehicles, must pass through Malton town centre to reach its destination, causing congestion and noise and reducing the appeal of the shopping environment.
- 4.35 The pedestrian/vehicular conflict could be alleviated in part through introduction of more pedestrian priority measures. We understand that the Council has proposed pedestrianisation of the road located to the north-west of the Market Place, and is considering this option in more detail through consultation on the Malton Town Centre Strategy. Implementation of such a measure would certainly enhance the environment around the Market Place and facilitate the creation of a high quality and more active public space, which could be used to host events, or provide outside seating/eating opportunities.

Summary of the Vitality and Viability of Malton Town Centre

- 4.36 Overall, we consider Malton to be a healthy town centre, with no acute indicators of decline. Notwithstanding the issue of traffic congestion described above, Malton is a generally attractive, busy market town, which benefits from a varied convenience and comparison sector, good representation from financial service providers, a cinema, regular markets, a falling vacancy rate, low (good) yields, and reasonable demand/interest from retail and service operators. Certainly, we do not consider that the vitality and viability of Malton has diminished since our previous healthcheck of the town centre, undertaken in 2006.
- 4.37 Although Malton has experienced recent slippage in the national retail rankings, we note that this is partly due to the changing methodology employed by MHE and Javelin in compiling the rankings, but also reflects the continued low representation in Malton from national multiple retailers. Whilst Malton's retail offer is complemented by representation from good quality independent retailers, particularly in The Lanes Shopping Mall, the shortfall in representation from national multiple retailers is still a deficiency in Malton's retail provision, and one which encourages comparison expenditure leakage to nearby competitor centres, such as York city centre and Scarborough town centre.
- 4.38 As such, we believe that Malton is not yet performing to its full potential. As in 2006, we note that a particular deficiency in the retail offer in Malton is the lack of breadth and depth in the clothing sub-sector, with only a small number of outlets and a limited range of middle-order operators. The deficiency may in part be due to the centre's shortfall in large, modern retail units to accommodate 'high street' multiples. We thus suggest that a number of new, larger units are required in Malton to accommodate such operators, which are necessary to enable Malton to better meet the needs of local residents and compete with neighbouring centres. We consider in greater detail in Section 5 potential locations for accommodating such development.

5 OPPORTUNITIES FOR MEETING IDENTIFIED QUANTITATIVE NEED

Introduction

- 5.1 The purpose of this Retail Capacity Study Update is to provide a robust evidence base on the capacity for additional retail development in forthcoming years. Ryedale District Council can then use the findings to inform the preparation of its Local Development Framework, and as evidence for determining planning applications. In order to assist the District Council with this, we pull together, below, the principal findings from the various lines of research and analysis that informed our Update, in order to identify key quantitative and qualitative needs. We also highlight potential locations/sites that the Council may wish to consider for accommodating the identified retail needs.
- 5.2 Firstly we consider how the floorspace requirements can be met in broad terms by assessing how the identified capacity should be 'distributed' across the District, and then we consider specific opportunity sites and analyse their suitability, availability and viability (as per PPS6) for retail development.

Accommodating Retail Needs

Comparison Sector

- 5.3 In Section 3, we presented two scenarios for establishing comparison retail need in the District up to 2026; one scenario is based on the maintenance of a static rate of retention (at 24.6 per cent), and the second scenario considers the effect of increasing the retention rate from 24.6 per cent to 35 per cent. In both scenarios there is a positive residual for development of further comparison retail floorspace in Ryedale in the period to 2026, ranging from 10,988 sq.m net additional comparison retail floorspace under the static retention rate scenario, to 21,504 sq.m net under the rising retention rate scenario (as summarised in Table 5.1 below).

Table 5.1 Quantitative Need in the Comparison Goods Sector (in sq.m)

	Static Retention	Increase in Retention
2008-13	1,858 (net)	4,772 (net)
	2,654 (gross)	6,817 (gross)
2008-21	6,886 (net)	15,171 (net)
	9,837 (gross)	21,672 (gross)
2008-26	10,988 (net)	21,504 (net)
	15,697 (gross)	30,720 (gross)

- 5.4 It is important to note that the scale of the requirement set out at the higher end of the forecast range arises as a result of a steady increase in the aggregate OCA retention rate over the study period. However, we consider that the current rate of retention is relatively low and is capable of improvement, even given the close proximity of York city centre and other higher-order centres that are close to, but outside the OCA boundary. We thus suggest that the Council adopts the floorspace requirements arising out of the rising retention rate scenario as its policy aspiration, and it is these higher capacity figures that we discuss in more detail below.
- 5.5 In terms of qualitative need, we explain in Section 4 that Malton town centre is currently not performing to its full potential. As in 2006, we found that a key deficiency in the comparison retail offer in Malton is the lack of breadth and depth in the clothing sub-sector, with only a small number of units and a limited range of middle-order operators. The deficiency is in large part due to the shortfall of large, modern retail

units to accommodate 'high street' multiples in Malton. As a consequence, Malton appeals predominantly to a localised shopper base, which explains its low comparison sector market share in the OCA of just 17 per cent, which is lower than the proportion of comparison expenditure available in the OCA that 'leaks' to York city centre (26 per cent) and Scarborough town centre (18 per cent).

- 5.6 As such, we conclude that Malton is failing to fulfil its maximum potential as the District's principal centre, and that there is a clear qualitative need for an enhancement of the town centre's comparison retail offer if Malton's position in the sub-regional retail hierarchy is to be maintained or improved. We thus suggest that in the first five year period, the additional comparison sector floorspace identified should be directed towards Malton town centre, as the main priority, in order to support provision of additional 'high street' stores. Accommodation of such operators is necessary to enable Malton to better meet the needs of local residents and compete with neighbouring centres.
- 5.7 There is also a deficiency, across the District as a whole, in DIY and 'bulky goods' retail provision. Indeed, Ryedale itself has no retail parks or retail warehouses, and as such a significant proportion of expenditure available for this type of retail currently leaks from the OCA to the B&Q Warehouse at Hull Road, York and to Scarborough town centre. A portion of the comparison retail capacity identified for the first five year period could be used to support provision of some retail warehouse units within the District. Such retail provision would enable Ryedale to better meet the needs of local residents, and would go some way towards clawing back expenditure on DIY goods that is presently lost to centres and stores located outside of the OCA.
- 5.8 Once the immediate qualitative deficiencies in the District have been addressed, there is a need to consider how the retail floorspace capacity identified should be distributed across the District over the longer-term. Indeed, in the comparison sector, the rising retention rate scenario forecast implies scope for up to around 15,171 sq.m net by 2021, rising to around 21,504 sq.m net in the longer term period to 2026. Our assessment of how these comparison retail floorspace requirements could be 'split up' across the District is summarised below. This is based on professional judgment, having taken account of the physical opportunities and constraints and the market's view of the study centres. The figures are intended to provide an indicative guide only.

Period 2008 to 2021:

- Malton: around 10,600 sq.m net
- Pickering: around 2,285 sq.m net
- Other locations in the study area: around 2,285 sq.m net
- Total (all locations within the study area): 15,170 sq.m net

Period 2008 to 2026:

- Malton: around 15,000 net
- Pickering: around 3,250 net
- Other locations in the study area: around 3,250 net
- Total (all locations within the study area): 21,500 net

Convenience Sector

- 5.9 As we have demonstrated in Section 3, the scale of convenience retail floorspace requirements is much more modest than in the comparison sector. As in the comparison sector, we provided two scenarios for establishing convenience retail need in the District up to 2026; one scenario is based on the maintenance of a static convenience rate of retention (at 62.7 per cent), and the second scenario considers the effect of increasing the retention rate from 62.7 per cent to 80 per cent. In both scenarios there is a positive residual for development of further convenience retail floorspace in Ryedale in the period to 2026, ranging from 1,546 sq.m net additional

convenience retail floorspace under the static retention rate scenario, to 3,375 sq.m net under the rising retention rate scenario (as summarised in Table 5.2 below).

Table 5.2 Quantitative Need in the Convenience Goods Sector (in sq.m)

	Static Retention	Increase in Retention
2008-13	330 (net)	927 (net)
	507 (gross)	1,426 (gross)
2008-21	1,046 (net)	2,698 (net)
	1,610 (gross)	4,150 (gross)
2008-26	1,546 (net)	3,375 (net)
	2,379 (gross)	5,192 (gross)

- 5.10 Table 5.2 shows that for the OCA as a whole, the quantitative need in the first five-year period (up to 2013) ranges from 330 sq.m net under the static retention rate scenario, to 927 sq.m net under the rising retention rate scenario (which would be sufficient to support only one small supermarket/basket grocery store). However, over a longer period, between 2008 and 2026, there is capacity in Ryedale for between 1,546 sq.m net (static retention rate) and 3,375 sq.m net (rising retention rate) additional convenience retail floorspace, which would be sufficient to support one large supermarket development, or a couple of medium-sized schemes.
- 5.11 In terms of qualitative deficiencies, the four main centres in Ryedale (Malton, Norton, Pickering and Kirkbymoorside) generally already have healthy convenience sectors. Malton, for example, has a good range of convenience outlets and benefits from the presence of three supermarkets (Morrisons, Netto and Jacksons). However, convenience provision across the District, and particularly in Malton, is currently focused more towards the low and discount-end of the market. Furthermore, town centres and individual grocery stores located within Ryedale's OCA retain, collectively, only 62.7 per cent of the convenience expenditure of residents of the OCA, which is a relatively low level of retention. We therefore consider that a valid policy aspiration would be to seek to increase the convenience retention level. Given the socio-economic profile of the catchment area, there is scope to diversify the convenience offer, through provision of a higher-order supermarket or foodstore.
- 5.12 Given the more localised nature of convenience retail provision, we do not consider it appropriate to assess how the identified retail floorspace requirements should be split up across the District. Nevertheless, it should be a policy aspiration of the District Council to increase the convenience sector retention rate from the current level of 62.7 per cent. Thus, any proposals for new convenience sector floorspace that would have the potential to improve local retention rates - which are low for all zones, with the exception of Zone 6 - should therefore be viewed favourably, subject to the application of the five PPS6 tests. Although the convenience retention rate achieved by Zone 6 (the Malton zone) is already relatively high (being over 80 per cent), Malton town centre also represents an appropriate location for further convenience retail provision, as it is an easily accessible, central location for many residents of the study area.

Summary

- 5.13 We consider that the indicative floorspace requirements that we have identified in this Update Study provide a very useful starting point for the assessment of individual planning applications. However, the floorspace requirements that we have identified should be treated as indicative guidelines only. It will be necessary to carefully consider the merits of individual proposals as and when they arise, taking account of factors including the specific operator, likely sales densities, local 'need' factors, the scale of the proposal (in accordance with the requirements of PPS6), and so on.

Consideration of Development Opportunities

- 5.14 As part of our 2006 RRCS, we provided the Council with advice on the potential offered by eight different sites for meeting the identified immediate retail needs within the District. The advice we provided was in accordance with the sequential approach to site selection as set out in PPS6. As such, in considering each site for retail development, we gave consideration to the suitability of the site, its viability for the proposed use and the likelihood of the site becoming available '*within a reasonable period of time*'.
- 5.15 Given the level of comparison sector floorspace capacity that we identified across the District and the relatively limited operator demand in most of the District's centres, we considered Malton to be the only market town in the District where there was a need to identify opportunities for further comparison retail development in the short to medium term. As such, in 2006 we confined our search for comparison development opportunities to Malton, and we still consider this to be the correct approach.
- 5.16 We now revisit our initial advice on the eight potential development sites to provide an updated review of opportunities for accommodating identified retail needs within the District. We visited each site again in July 2008, in order to identify any changes to the status, context, occupancy, and so on, of each site that may have taken place since our 2006 assessment. It is important to note that most of the sites have not materially altered since our 2006 assessment, and as such our advice remains similar in content to that reported in our 2006 RRCS. Nevertheless, we have reviewed and refined our advice, where appropriate, and we now consider each site in turn.

Cattlemarket Site (Horsemarket Road, Malton)

- 5.17 The Cattlemarket Site is situated immediately adjacent to the western extremity of Malton's 'Town Centre Commercial Limits' boundary, as defined on the adopted Local Plan Proposals Map, and is therefore edge-of-centre for the purposes of the PPS6 sequential test. The boundary of the 'site' is difficult to define precisely but in general terms the site is bounded to the west by Horsemarket Street, to the north by Spitalfield Court, and to the east by the rear of properties that front Market Place. The southern part of the site extends to the rear of the premises at 3 Cattlemarket.
- 5.18 The site as defined above covers an area of approximately 0.87 ha (2.2 ac) and includes cattle 'gates', a large shed - where livestock auctions are held twice-weekly - and a number of smaller adjacent buildings. As such the site is relatively free of built development and is generally flat.



- 5.19 The lease on the livestock market is due to expire in 2008, and we understand that there is a possibility that the market will relocate to an alternative location (in the Malton area). This would help to alleviate traffic congestion in Malton town centre, which can be considerable on market days.

- 5.20 If the market was to relocate, then the site would appear to offer excellent potential for retail uses because of its close adjacency to the town centre core. The site is already well-connected to the retail core (which can be accessed via The Shambles, or Spital Street/Newgate), and would form a natural extension to the town centre. In particular, we consider that the site would be an ideal location for a development providing a small number of unit shops to attract the type of comparison sector outlets that are presently missing from Malton's offer. Alternatively, the non-food units could form part of a mixed-use development, for instance including a foodstore, and/or residential uses.
- 5.21 In summary, we consider that the well-located Cattlemarket Site is a suitable, viable and imminently available site, of a sufficient size to accommodate a good-quality retail-led development. Indeed, a planning application seeking development of convenience and comparison retail floorspace on the site (through provision of eight new-build retail units) is currently under consideration by the Council.

Greengate Site, Malton

- 5.22 The Greengate site is located to the rear of the main shopping street in Malton (Wheelgate), immediately adjacent to the eastern extremity of the Town Centre Commercial Limits boundary, and as such the site is technically edge-of-centre. This backland site, whilst reasonably well-related to the town centre core, currently has no main road frontage and would benefit from more direct pedestrian access to Wheelgate and the retail core (which may require some demolition).



- 5.23 More significantly, however, the area is currently in active use, being occupied by several dwellings and a telephone exchange. The area thus comprises a number of different sites in multiple ownership, and extensive site assembly would be required. Furthermore, we suspect that the telephone exchange - which is located within the site - may be difficult/expensive to relocate.
- 5.24 As such, whilst the Greengate site is in a reasonably good location, site assembly and redevelopment would be required. Given these constraints and the site's current unavailability, the site does not represent a realistic or viable development opportunity in the short-term.

Car Park (Wentworth Street, Malton)

- 5.25 This Council-owned site is located approximately 160 metres to the north-east of the defined town centre, and is therefore edge-of-centre for the purposes of PPS6. The site comprises two distinct parts; the majority of the site accommodates a surface-level public car park, whilst an adjacent higher-level site is used on Tuesdays as an overspill facility for the car park (but stands vacant for the remainder of the week).
- 5.26 The site, although on two levels, is otherwise generally flat and of a sufficient size to accommodate retail development. However, unlike the Cattlemarket site which is also in an edge-of-centre location, the Wentworth Street car park site is more peripheral, being separated from the town centre by existing residential development (and with

more in the pipeline), and being located on a different, lower level to town centre shops (the site is accessed by steps or a steeply sloping footpath). Although pedestrian linkages between the site and the town centre exist, the degree of separation by other non-retail uses means that the site is unlikely to form an 'extension' to the existing town centre.

- 5.27 Although the site is potentially suitable and viable for some form of retail development, there are a number of constraints which may restrict the site's development in the short-term. In particular, there are currently access difficulties, with vehicular access from the town centre primarily provided by several narrow and already congested junctions off Wheelgate.



- 5.28 Overall, we consider that the site may offer some potential for retail uses, particularly for convenience retail rather than 'high street' comparison stores, which would be more beneficially located in closer proximity to the existing retail core. However, the site is currently unavailable, being in active use as a public car park. Although the Council is currently considering the potential of the car park for convenience retail development, through preparation and consultation on the Malton Town Centre Strategy, these proposals are still in their early stages. Furthermore, whilst the Wentworth Street car park is generally underused (often being used to only 25 per cent of its capacity), development of the car park would nevertheless reduce the number of spaces available in the wider town centre area. This potential implication would therefore have to be taken into account in considering the merits of any proposals for the site. Development of the site for retail uses should also be subject to implementation of a number of junction improvements in the town centre.
- 5.29 As such, although the site may be suitable for retail development in the longer-term, we do not consider that it represents a short-term development opportunity.

Pasture Lane Field (Pasture Lane, Malton)

- 5.30 Pasture Lane Field is located to the north of Malton town centre, immediately adjacent to the Showfield Lane Industrial Estate. The site is out-of-centre in terms of the PPS6 definition¹², and is also located beyond the 'Development Limit' of Malton, as defined by the adopted Local Plan (2002). Furthermore, the site is designated in the Local Plan as a 'Visually Important Undeveloped Area' and, as such, retail development of the site would appear to conflict with current planning policy.
- 5.31 The development 'opportunity' itself comprises a small section/corner of an undeveloped field, which is perhaps marginally less environmentally sensitive than the sloping land which forms the bulk of the land to the rear of the site. The site is flat and mainly comprises a field edged by trees and shrubbery.
- 5.32 The south-east corner of the field, which currently serves as pasture land, could form a potential development opportunity. However, the site is not without constraints. The

¹² The site is approximately 550 metres from the northern-most tip of the defined Town Centre Commercial Limits boundary (route by foot or by vehicle, rather than the actual linear measurement).

site is relatively difficult to access, particularly for heavy goods vehicles at the junction of Pasture Lane and Broughton Road. Furthermore, the site's location directly adjacent to a cemetery and residential properties, combined with the environmental sensitivity of the site, make it an inappropriate site for intensive retail development.

- 5.33 Pasture Lane Field may, however, be a possible site for the relocation of the livestock market, thereby allowing the market to remain relatively close to Malton town centre, and the Council is currently considering this option through the Malton Town Centre Strategy. The relocation of the livestock market from the town centre might result in a reduction in some spin-off trade for town centre businesses, although Pasture Lane Field is located only 550m from the town centre, and as such linked trips will still be possible for some visitors. Any loss of town centre trade that does occur is likely to be offset by the alleviation of town centre congestion on market days, which might actually make the town centre more attractive to shoppers and other visitors, particularly if the Cattlemarket site was redeveloped to provide 'high street' comparison retail uses.



- 5.34 Overall, we consider that the site is ostensibly available and could potentially be viable for retail development. However, given the landscape value of the site, its surrounding uses, and current access difficulties, we do not consider the site to be suitable for large-scale or intensive retail development. The site could, however, more appropriately accommodate a relocated livestock market.

Travis Perkins Site (Off Yorkersgate, Malton)

- 5.35 This site is located within the south-western part of the defined Malton town centre, and comprises a vacant warehouse with associated out-buildings. The site is owned by the Malton Fitzwilliam Estate, which we understand favours development of the site for non-retail uses. The site is thus not currently available for retail redevelopment.
- 5.36 The site is also constrained in a number of ways, which makes its suitability for retail development questionable. The warehouse is a listed building. The additional buildings on the site adjoin the listed building, with the result that all of the properties must abide by listed building regulations. A further key constraint affecting the site's development potential is the difficult access onto and from Yorkersgate, a road which is often congested.



- 5.37 The River Derwent flows to the immediate south of the site. The site could potentially provide a suitable location for bar/leisure type uses adjacent to the river, to maximise the potential of the River Derwent as an asset. Any development at the site could potentially incorporate a riverside walk.
- 5.38 A surface car park is located adjacent to the site, which if incorporated with the Travis Perkins site would form a larger area of opportunity, with a wider river frontage. The car park is on a different level to the Travis Perkins site (being 1-2 metres lower). To incorporate the car park into the site, the area would be likely to require redesigning and engineering works. Furthermore, development of the car park would have implications for car parking in the town centre, which already suffers from congestion.
- 5.39 Overall, whilst the site's riverside setting does provide good potential for development, and might be attractive to pub/bar and other commercial leisure operators, we do not consider that the site is likely to prove very attractive to retailers given its location some distance from the core of the town centre, and the constraints outlined above.

Bus/Rail Interchange (Norton Road, Malton)

- 5.40 The area around the existing bus and rail stations is located to the south of the defined Malton town centre, and is edge-of-centre for the purposes of PPS6. The land is currently in a mix of uses and ownerships, including some vacant yards and business units that are reportedly trading well, and which have long leases (with current occupiers including Chudley's Dog Food and Campbells of Malton). In this context, and given the site's location south of the River Derwent, we consider that, whilst the site is quite close to Malton town centre, it is unlikely to prove attractive to mainstream 'high street' retailers. The site may be more attractive to 'retail warehouse' operators, although the very narrow configuration of the site may be a constraint, and land ownership issues would still need to be overcome. The site does not represent a retail development opportunity in the short-term.



Woolgrowers Site (West of Welham Road, Malton)

- 5.41 The 12 ha Woolgrowers site stretches westwards from Welham Road, with the railway line forming its northern boundary and Park Road the southern boundary. It is currently out-of-centre in PPS6 terms¹³. Much of the site is currently occupied by two derelict factories, while the centre of the site is used as a bowling green and some small workshops. The eastern part of the site is an agricultural holding and there are some commercial premises along Welham Road. The site is jointly owned, amongst others, by the Fitzwilliam Estate, Harrison Developments and Bisca Developments Limited, and these interests have formed a consortium to promote the comprehensive development of the land.

¹³ The site is approximately 500 metres from the south-eastern-most tip of the defined Town Centre Commercial Limits boundary (route by foot or by vehicle, rather than the actual linear measurement).



- 5.42 The site is constrained by the railway line running along its northern boundary, and the series of Victorian Villas running along its southern boundary. Access to the site is currently only available from Park Road, which has vehicular capacity to support only limited additional development. The site is also constrained by its susceptibility to flooding and difficulties with surface water drainage; nature conservation issues; problems faced by the loss of agricultural land; contamination issues; the substantial infrastructure costs involved in creating new access/highways; and by the landscape and ecological impact of any new link road and river crossing.
- 5.43 Work undertaken by Nathaniel Lichfield & Partners (the Malton/Norton River-Rail Corridor Study, July 2004) suggested a mixed-use redevelopment of the site, including residential and public open space. Retail did not form part of the proposed mix of uses. However, given the site's size - and in the context of the difficulties associated with developing traffic-generating uses within/adjacent to the already congested Malton town centre - we consider that the Woolgrowers site offers potential for some retail uses as part of a comprehensive development.
- 5.44 However, development of the site (including for retail) appears to be dependent upon the provision of a new access road into the site from York Road. Access to the site is currently difficult (via the Malton/Norton level crossing), and any redevelopment of the site may need to incorporate a relief/link road. If a new bridge/footpath could be provided over the railway line, the site would then be a 5-10 minute walk from Malton town centre. The site also lies in close proximity to Malton/Norton train station, and thus is favourable on sustainability grounds.
- 5.45 Thus, although this large site offers potential for some retail development, it is dependent on the resolution of a number of constraints, particularly with regards to the site's access. The site does not, therefore, represent a short-term retail development opportunity.

Sheepfoot Hill (Sheepfoot Hill/Castlegate, Malton)

- 5.46 This site is situated to the east of the defined Malton town centre, in an edge-of-centre location. Whilst the site is close to the town centre, it is somewhat divorced from it, and is even further from Norton town centre. In this context we consider that it is unlikely to prove attractive to the retail market.
- 5.47 The site itself comprises two distinct elements; a small section of the site lies to the west of Castlegate (and is known as the Taylor & Brown site), while a larger section is located to the east of Castlegate. The Malton/Norton River-Rail Corridor Study of 2004 suggested that the occupiers of the industrial building on the Taylor & Brown site may be considering relocation. The larger part of the site to the east of Castlegate is in a variety of uses, with up to 13 tenancies. The former gas works lie unused although several businesses are operating from other parts of the site.
- 5.48 Given the multiplicity of ownerships and tenancies, site assembly and relocation of tenants would be required. The site is also constrained to an extent by its location within the Malton Conservation Area. Some additional constraints include

contamination issues, particularly in relation to the former gasholder site; the proximity of the site to the listed Castlegate Bridge; the presence of adjoining residential properties; the potential risk of flooding at the site; highways congestion and air quality problems; and the possible need for archaeological investigations in the area.



- 5.49 Given the scale of these development constraints, we do not consider that the site represents a suitable, available or viable retail development opportunity.

Summary of Development Opportunities

- 5.50 Table 5.3 provides a summary of our broad assessment of opportunities for retail development within/near to Malton town centre. Further inspection of the sites and more detailed consideration of their development potential would have to be undertaken in order to provide a definitive assessment of the most appropriate uses/mix of uses for the sites. We understand that such work is currently being undertaken by the WSP Group and Atisreal as part of the Malton Town Centre Renaissance and Enhancement Study/A Strategy for Malton Town Centre.
- 5.51 Applicants proposing retail development in edge-of-centre or out-of-centre locations will have to demonstrate that their proposed scheme will not result in an unacceptable impact on any defined centre, in accordance with the requirements set out in paragraph 2.56 of PPS6.

Table 5.3 Summary of Broad Assessment of Potential Development Opportunities

Site	Issues	Current Sequential Location	Potential Sequential Location	Assessment of Potential for Retail
Cattlemarket	<ul style="list-style-type: none"> • Good location • Flat site with few built structures • Lease due to expire in 2008 	Edge of centre	Town centre	Excellent opportunity for retail uses, including 'high street' type comparison sector development, and convenience retail
Greengate	<ul style="list-style-type: none"> • Multiple ownerships • Telephone exchange • Assembly and redevelopment implications 	Edge of centre	Town centre	Offers good potential for retail, in location terms. However, constraints are likely to restrict the site's availability and commercial attractiveness
Car park, Wentworth Street	<ul style="list-style-type: none"> • Flat, undeveloped • Significant access constraints; would also result in loss of parking • Located to rear of residential 	Edge of centre	Edge of centre	Suitable for retail development, subject to provision of improved access. Given separation from town centre, more suited to convenience rather than 'high street' retail
Pasture Field Lane	<ul style="list-style-type: none"> • Greenfield site • Environmentally sensitive • Flat (only in SE corner) • Access constraints • Located adjacent to existing residential uses and cemetery 	Out of centre	Out of centre	Due to the environmental sensitivity of the area and its surrounding uses, the site is not suitable for intensive retail development. However, the Pasture Lane site may be an appropriate location for a relocated livestock market, which would free up a sequentially preferable site adjacent to the town centre
Travis Perkins	<ul style="list-style-type: none"> • Owner known to favour alternative (non-retail) uses • Listed buildings • River frontage • Significant access constraints 	Town Centre	Town Centre	Unlikely to prove attractive to the retail market. Other uses may be more realistically achievable (potentially including riverside bars/restaurants)
Bus/Rail Interchange	<ul style="list-style-type: none"> • Mix of uses/ownerships • Long leases • South of River Derwent • Narrow configuration 	Edge of centre	Edge of centre	Narrow site, but may have some potential for retail warehouse uses. However, the site is unlikely to become available in the foreseeable future
Woolgrowers	<ul style="list-style-type: none"> • Extensive site • Privately owned • Significant access constraints • Relief/link road may be required (significant cost) • Nature conservation and agricultural land issues • Contamination and flood plain issues 	Out of centre	Edge of centre	May offer potential for some retail as part of a comprehensive mixed-use development. However, significant access constraints would have to be overcome first.
Sheepfoot Hill	<ul style="list-style-type: none"> • Multiple ownerships/tenancies • Contamination and conservation issues • Close to residential 	Edge of centre	Edge of centre	Unlikely to prove attractive to retailers. Not a suitable, available or viable retail development site.

