

Croydon Metropolitan Centre

Retail Strategy

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Retail Strategy

1.	Introduction	1
	Background	1
	The Brief	1
	Scope of Report	2
	Acknowledgements	2
2.	Croydon Catchment	3
	Demographic Structure	3
	Croydon and Competing Shopping Centres	4
	<i>Shopping Centre Rankings</i>	5
	<i>Kingston</i>	6
	<i>Bromley</i>	6
	<i>Wimbledon</i>	6
	<i>Sutton</i>	6
3.	Planning Policy Context	7
	London Plan Feb 2008	7
	Draft Replacement London Plan Oct 2009	7
	Croydon UDP 2006	7
	LDF Core Strategy	8
	The former emerging Croydon Metropolitan Centre AAP	8
	CMC Masterplan Areas	9
	<i>Mid Croydon</i>	10
	<i>East Croydon</i>	10
	<i>Wellesley Road</i>	11
	<i>West Croydon Station</i>	11
	<i>College Green</i>	11
4.	Retail Need Forecasts	12
	Approach	12
	<i>Estimates of supportable floorspace</i>	14
5.	Central Area Qualitative Appraisal	16
	Centre Definition	16
	Form and Structure	16
	Floorspace	18
	Centre Rankings	18
	Existing Retail Offer	19
	Retailer Demand	20
	Rents and Yields	21
	Accessibility	22

	Environmental Quality	23
6.	Current Retail Trends and Market	24
	Changes in the 'High Street'	24
	Retailer Floorspace Requirements	24
	Department Store Trading	24
	Mixed Use	25
	Competition between Centres	25
	Growth of Out-of-centre Retail and Leisure Facilities	26
	Mail Order and Internet Sales	26
7.	Key Issues	28
8.	Key Needs and Opportunities	30
	New Floorspace Potential	30
	A Strategy for the Mid Croydon Masterplan Area	34
9.	Other Needs and Opportunities	37
	Secondary Retail and other Masterplan Areas	37
	<i>Church Street / Surrey Street / Middle Street</i>	37
	<i>George Street East West/ East Croydon Masterplan Area</i>	37
	<i>Wellesley Road Masterplan Area</i>	37
	<i>West Croydon Masterplan Area</i>	38
	<i>College Green Masterplan Area</i>	38
	Main and Secondary Shopping Frontages	38
	<i>Main Shopping Frontage</i>	38
	<i>Secondary Shopping Frontage</i>	39
	<i>Primary Shopping Area</i>	39
10.	Conclusions	40

1. Introduction

Background

- 1.1 The Council wishes to reconsider its retail and planning strategy for Croydon Metropolitan Centre (CMC).
- 1.2 As part of the Local Development Framework (LDF) for the Borough, the Council has been preparing a Core Strategy and an Issues and Options Paper was published in July 2009 with further consultation to take place in February 2010. A Metropolitan Centre AAP had reached the issues and options stage, but has now been put on hold in order to prioritise the production of the Core Strategy.
- 1.3 A principal component of a retail strategy for the Metropolitan Centre has been the Park Place scheme. However with the 'collapse' of the retail-led Park Place scheme and the current economic recession the Council felt the need to reappraise its retail strategy for the CMC. The Park Place scheme had entailed the provision of some 110 new retail units and would have been anchored by a new department store at its southern end. The scheme was being promoted by Minerva alongside the Council, with planning permission having been granted and compulsory purchase powers obtained. The planning permission expired in May 2009: the CPO will expire in March 2010. The Council has terminated its agreement with Minerva.
- 1.4 The Council wishes to act speedily to bring forward new proposals for the area south of George Street within the old Park Place area. However, it is conscious that the economic downturn and changes in the property and retail markets, as well as the time that has elapsed since the Park Place shopping mall proposals were formulated, require fresh consideration to be given to the appropriate scale and form of retail redevelopment within the scheme.
- 1.5 In addition to Park Place, major redevelopment proposals have been under consideration for some time at other locations within the Metropolitan Centre, in particular at Croydon Gateway, the site west of East Croydon station.

The Brief

- 1.6 Drivers Jonas LLP (DJ) with Kitchen La Frenais Morgan (KLM) has been instructed to assist the Council in reconsidering the retail strategy for CMC, with particular reference to the need and opportunity to provide new retail floorspace.
- 1.7 The firm provided advice to the Council in 2007 as part of the evidence base for the CMCAAP. The advice included three Papers dated July 2007 covering:
 - (i) An Economic Retail Assessment;
 - (ii) A Health Check, and;
 - (iii) Retail Issues

This report draws on material from these three Papers.

Scope of Report

- 1.8 The advice in this report includes the following:
- (i) An update of retail need forecasts for the Croydon centre;
 - (ii) A review of the performance of the Croydon centre in qualitative / market terms;
 - (iii) Advice on the future provision of new retail development and associated uses within the Croydon centre, with particular reference to the Council's defined Masterplan Areas.
- 1.9 As requested by letter from the Council dated 23 July 2009, we also address the following specific matters:
- A consolidation of the former Park Place development with retail only in the area north of George Street including a suggested quantum of retail floorspace within the scheme and optimum location;
 - An extension of the Whitgift Centre towards Wellesley Road;
 - Extending the Primary Shopping Area to include the area around West Croydon station;
 - Extending the Primary Shopping Area along George Street in the direction of East Croydon Station;
 - Comparison and convenience retail along a route between the Whitgift Centre and East Croydon Station north of George Street through the 'New Town' area of Croydon town centre;
 - The extent to which the presence of a John Lewis or equivalent in the town centre would influence demand from other retailers to locate within Croydon; and
 - The current and potential market levels for 'value', 'mass' and 'premium' retailing in the Metropolitan Centre.

Acknowledgements

- 1.10 We have received helpful assistance from Council officers in supplying information and providing background briefings for this Study. Because of their particular involvement and activity, or known interest in CMC, we have also held discussions with representatives of the Whitgift Foundation and Whitgift Centre, Stanhope plc, and John Lewis.

2. Croydon Catchment

- 2.1 The scale and content of a shopping centre is strongly influenced by the catchment it serves, in terms of population numbers, their spending power, and shopping preferences. CMC serves a catchment including the whole of the Borough, plus some areas beyond the Borough boundary, for example Warlingham and Caterham in the south and Streatham in the north. However, the Borough Council administrative area constitutes the majority of the catchment area.
- 2.2 As part of our assessment of the Borough's shopping centres (other than CMC) in 2008, we examined the population structure of the Borough. We reiterate our findings here. The purpose of this is to aid consideration of the extent to which the socio-economic characteristics of its catchment could be a determinant of the future potential of CMC as a shopping centre in qualitative terms.

Demographic Structure

- 2.3 Using data from MapInfo Local Area Reports (2005), we described the key demographic characteristics of six Zones within the Borough identifying in particular – age, social economic grade, tenure, economic activity and car ownership. The Zones were:

- Zone 1 - North
- Zone 2 - Central
- Zone 3 - Coulsdon
- Zone 4 - Purley
- Zone 5 - Selsdon
- Zone 6 - New Addington

- 2.4 For the purposes of forecasting retail need (Section 4 and Appendix 2), we have broken down Zones 1 and 2 into four and two subzones respectively based on post-code sectors. The Zone 1 sub zones represent the principal catchments of Norbury, Upper Norwood, Thornton Heath and South Norwood. Zone 2 has been split into a western and eastern sector, again to provide more meaningful areas for which to identify local shopping patterns.

The demographic characteristics of the six Zones are summarised below.

Population structure

- 2.5 The MapInfo data demonstrated that most Zones have a young population, with a lower than average percentage of persons of retirement age. This difference is most marked in Zones 1 (North) and 6 (New Addington). In most of these Zones, the group of working age predominates. However, in New Addington, whilst the working population is still the largest population group, the percentage of the population aged 0-15 significantly exceeds both Borough and national averages.

Economic activity

- 2.6 The results indicate that the population of Croydon Borough is very economically active. In all zones but Zone 6 (New Addington), the percentage of economically active individuals exceeded the national benchmark of 76%. Unemployment levels in most zones were equal to or below the national average. Unemployment levels in Selsdon and Coulsdon were particularly low. The unemployment rate in New Addington

was exceptionally high compared to other zones within the Borough and the national average.

Occupation

- 2.7 In line with national statistics, the most dominant 'approximate social grade by occupation' is Grade C1 in all Zones. However, this does not reflect variation in other Grades across the Zones. Most notably, the statistics show that residents of New Addington are engaged in low social grade occupations, with just 12.41% of the resident population holding Grade AB positions. In Purley, Coulsdon and Selsdon, the percentage of the population in Grade AB occupations is roughly equal to those in C1 occupations.

Household and family cars

- 2.8 Zones in the north of the Borough exhibit much lower vehicle ownership than in the south, where public transport connections are less good. Zone 3 (Coulsdon) displays the highest levels of car ownership, with ownership levels significantly exceeding the national average.

Housing tenure

- 2.9 It is noticeable that in the north and central parts of the Borough (Zones 1 and 2), the percentage of households in owner occupation falls below the national average, with a high percentage of privately rented accommodation. However, in Coulsdon, Purley and Selsdon (Zones 3-5), the percentage of owner-occupied accommodation vastly exceeds the national average.

Croydon and Competing Shopping Centres

- 2.10 CMC is the dominant shopping centre within a substantial area of South London. It contains a total of 195,000 sq m town centre retail floorspace (Promis) and its catchment area extends beyond the administrative boundary into neighbouring Boroughs and Districts.
- 2.11 The primary shopping area of CMC is focussed on the Whitgift Centre developed in the 1970s, North End, and Centrale which opened in 2004. The centre contains a large number of national multiple retailers, although its comparison retail offer is mostly mainstream. It generally lacks the quality retailers within the upper end of the fashion spectrum that can typically be found in regional centres. At present, the upmarket fashion provision is largely confined to department store concessions. Convenience shops include Sainsbury's, Waitrose and Iceland supermarkets, as well as Marks & Spencer and House of Fraser food halls.
- 2.12 Bromley to the east and Sutton to the west are the nearest 'metropolitan' town centres, which compete with Croydon. Kingston, which lies to the west is less accessible, but also attracts shoppers from the Croydon area.
- 2.13 London's West End attracts shopping trips from all parts of London, including Croydon. The West End can be reached in just over half an hour by public transport from East Croydon Station. The West End is clearly attractive for some occasional high spending shopping trips as well as more regular weekday shopping undertaken by those employed in Central London.
- 2.14 The Bluewater shopping centre, off the M25 in Kent, opened in Spring 1999 also attracts some comparison shopping expenditure trips by Croydon residents, particularly from the southern part of the Borough. It contains some 157,000 sq m gross retail floorspace, with John Lewis, House of

Fraser and Marks & Spencer as anchor traders, as well as a large number of quality comparison shops.

- 2.15 The other major competing comparison goods shopping facilities are the nearby Purley Way Retail Parks comprising some 135,000 sq m, of which approximately 2/3rd is comparison traders.

Shopping Centre Rankings

- 2.16 Croydon ranks 20 in the Management Horizons Retail Index. The MHE Retail Shopping Index is a database of over 6,000 retail locations that enables users to rank the UK's shopping venues against a range of different criteria, such as market size (which indicates the overall index score - see table below), location type, market position and sector.
- 2.17 The Index shows the percentage of retailers present at the venue classed as upmarket (luxury, upper, or upper-middle) and downmarket (lower-middle or value). The Index also provides information on the fashion rank fashion market position of venues.
- 2.18 The table below is taken from the MHE Retail Shopping Index and provides a comparison between London's West End, Kingston upon Thames, Croydon, Bluewater, Bromley, Wimbledon and Sutton.

2008 Rank	Centre	Market Position	Upm'kt %	Downm'kt %	2008 Fashion Mkt	
					Rank	Position
1	Lond'n WE	Upper	41.8	6.1	1	Upper
15	Kingston	Middle	37.3	15.3	13	Upp-Mid
20	Croydon	Middle	14.6	23.2	17	Middle
25	Bluewater	Upp-Mid	46.4	8.7	11	Upp-Mid
32	Bromley	Middle	21.7	13.3	38	Middle
70	Wimbledon	Middle	11.3	9.2	160	Middle
78	Sutton	Middle	5.3	32	74	Middle

- 2.19 The table clearly demonstrates that, of centres considered in this report, Croydon is ranked at number 20 which is below Kingston, but ahead of Bromley, Wimbledon and Sutton. Bluewater's ranking behind Croydon is surprising and may be caused in part by its smaller floorspace or lack of provision of complementary 'town centre' uses.
- 2.20 Other than Sutton and Wimbledon, Croydon has the lowest percentage of upmarket retailers (14.6%), and the highest number of downmarket retailers (23.2%). Bluewater has the largest percentage of upmarket retailers (46.4%), and London's West End the lowest percentage of downmarket retailers (6.1%).
- 2.21 In terms of its fashion market position, Croydon is behind London's West End (Upper), and Bluewater and Kingston, both of which are 'Upper-middle'.

Kingston

- 2.22 Kingston is the largest and strongest of Croydon's competing centres, having a total of some 130,000 sq m town centre retail floorspace (Promis). It dominates retailing across a wide area of South West London, and although there are several other smaller centres such as Richmond, Wimbledon, Sutton and Staines within a short drive, none have a comparable offer.
- 2.23 Kingston contains Bentalls shopping centre and a John Lewis store in close proximity, as well as the 'Eden Walk' shopping centre anchored by several large stores, including Marks & Spencer, Habitat, Heals and Boots.
- 2.24 As noted above Kingston ranks 15th in the MHE Shopping Index, 37.3% of retailers are upmarket and its fashion market position is Upper-middle.

Bromley

- 2.25 Bromley is much closer to Croydon being some 10.5 kms distant. The town centre has a total retail floorspace of 115,000 sq m (Promis). It contains a large successful covered shopping centre (The Glades) and contains a number of independent retailers.
- 2.26 Bromley ranks below Croydon (32) in the MHE Shopping Index, 21.7% of retailers are upmarket and its fashion market position is Middle.

Wimbledon

- 2.27 Wimbledon is located approximately 11.4 kms from Croydon. The town centre has a total retail floorspace of 66,000 sq m (Promis). It contains the 'Centre Court' shopping centre, and includes large stores such as Debenhams and Marks and Spencer.
- 2.28 Wimbledon ranks 70th in the MHE Shopping Index. Only 11.3% of retailers are upmarket and its fashion market position is Middle.

Sutton

- 2.29 Sutton is also close to Croydon some 8 kms distant. It has a total town centre retail floorspace of 115,000 sq m (Promis) and includes large stores such as Marks & Spencer, Debenhams and Primark. It has two managed shopping centres, the St Nicholas Centre opened in 1992, and Times Square opened in 1981.
- 2.30 Sutton ranks 78th in the MHE Shopping Index. Only 5.3% of retailers are upmarket and its fashion market position is Middle.

3. Planning Policy Context

London Plan Feb 2008

- 3.1 The London Plan first approved in 2004 was consolidated with alterations in February 2008.
- 3.2 Section 2 of the Plan introduces 'Opportunity Areas', with Map 2A.1 identifying one such area within Croydon (the CMC area). Opportunity Areas are identified on the basis that they are capable of accommodating both new jobs and homes, as well as other services such as local shops, leisure facilities and schools, health and social care facilities and services (2.13).
- 3.3 The requirements of the Croydon Opportunity Area are described in Section 5. Integrated action is required due to the scale of opportunities it offers, and the strategic challenges it faces (5.143). It is also described as London's largest 'Metropolitan' centre, and states that an *'integrated approach to a number of sites which individually are of strategic importance'* is required. The sites referred to are – East Croydon Station, Fairfield Halls, Croydon College, Park Place and the Whitgift extension.

Draft Replacement London Plan Oct 2009

- 3.4 Croydon (the CMC) area is still identified as an Opportunity Area and also as a potential Strategic Outer London Development Centre. It is also mentioned as having potential higher education and strategic office economic development functions. The CMC is seen as having an indicative employment capacity of 7,500 new jobs and a minimum of 10,000 new homes."

Croydon UDP 2006

- 3.5 The Council's current development plan is the London Borough of Croydon's Replacement Unitary Development Plan (UDP), also known as .The Croydon Plan., which was adopted in July 2006.
- 3.6 Chapter 16 sets out the strategy for CMC. Policy SP28 states that:

"The Council will encourage the regeneration of Croydon Town Centre as a Metropolitan Town Centre, one of London's two strategic office centres outside Central London and as South London's main Opportunity Area capable of accommodating a substantial number of new jobs, homes and new facilities. It will build upon the Council's strategy to re-brand the offer of Croydon to meet modern commercial needs and to improve market and public perceptions of the town centre.

Croydon Metropolitan Centre is the preferred location in the Borough for the development of major town centre uses which are intended to serve or have as its catchment area all or most of the Borough and part or all of the surrounding sub-region.

Croydon Town Centre will be promoted and enhanced as a:

- *Metropolitan Shopping Centre and the preferred location for major and new retail development;*
- *Strategic Office Location and the preferred location for major and new office based employment development;*

- *Major Centre for leisure, entertainment, cultural and tourist facilities and the preferred location for major and new developments of these types;*
- *Centre of high sub-regional accessibility and the preferred location and destination for improvements to public transport capacity;*
- *Place to live in and location for new housing.”*

3.7 The reasoning underlying the policy is that CMC is one of the biggest shopping, leisure and entertainment centres outside Central London and is easily accessed from most of the sub-region and beyond. It is also South London’s only Opportunity Area with an estimated capacity for 5,500 new jobs and 2,000 new homes by 2016, as well as some of the best opportunities for accommodating major new developments.

3.8 Key regeneration targets in the Croydon Sustainable Community Strategy include increasing visitor numbers, attracting inward investment for office, retail and leisure developments, and moving Croydon into the top 15 retail centres in the country.

3.9 The regeneration of CMC is a priority of the Council. Policies CMC1 - 8 identify specific regeneration sites within the Centre, including – the Gateway site; the Fairfield site; the Park Place site; and the West Croydon site.

LDF Core Strategy

3.10 Initial consultation with the public and stakeholders in respect of Issues and Options for the LDF Core Strategy took place in the period July / August 2009. We understand that a Core Strategy Issues and Options Paper is to be published in February 2010.

The former emerging Croydon Metropolitan Centre AAP

Issues and Options Report 2008

3.11 An Issues and Options Report was published in 2008. Further work has been put on hold pending completion of the Core Strategy which will require a fresh consideration of retail potential within the Centre and appropriate forms of development within the Park Place area. There are, however, some components of the initial issues and options document that are relevant to this report.

3.12 The proposed Overall Vision and Objectives for CMC are set out in Section 2 of the document. In large part the vision is from other policy documents, particularly the London Plan and Croydon UDP.

3.13 The initial study area covered by the AAP was extensive, particularly to the north, including large areas beyond the commercial core area of the Centre (Map 1.1 page 1 of document).

3.14 The review of Retail and Services within the Centre draws heavily on the analysis and findings of the Drivers Jonas studies of CMC in 2007. In particular the AAP refers to the five CMC Study Areas identified by DJ - Central, North, East, South, and West. It refers to some of the DJ ‘health check’ findings as well as the DJ forecasts of retail floorspace capacity.

- 3.15 The report identifies issues affecting CMC, including:
- Ø Without planned investment, a danger of the CMC not achieving its strategic aim to be among the top 15 town centres;
 - Ø The need to bring forward investment in Park Place in the short / medium term;
 - Ø The need to manage major investment in order to reduce the number of vacant units at any one time;
 - Ø The need to foster the north-western part of the shopping area, and to encourage the Centrale Mall to achieve its full potential;
 - Ø Consideration of opportunities to amend defined 'Main' and 'Secondary' Retail Frontages;
 - Ø A lack of quality retailers at the upper end of the market – within CMC they are currently present mostly as department store concessions;
 - Ø Areas of poor quality environment, particularly to the north of West Croydon station, at St George's Walk, and in parts of High Street.
- 3.16 The report goes on to identify possible options / actions, which include:
- Ø An extension of the Primary Shopping Area boundary, particularly between the Whitgift Centre and Wellesley Road;
 - Ø The potential for new convenience floorspace within the Centre;
 - Ø Reconsideration of protected retail frontage designations;
 - Ø The built form of new shopping development – is the shopping mall still appropriate?;
 - Ø What is needed to improve the range and quality of shops within the Centre?;
 - Ø What non retail facilities might increase the attractiveness of the Centre?;
 - Ø More widespread provision of commercial uses on pedestrian routes to create active frontages.

Alsop Third City Concepts

- 3.17 The Council commissioned Will Alsop to identify concepts for the future of CMC. They considered the form and future components of the Centre, physical linkages within and around the Centre, and the branding of the Centre.
- 3.18 We understand that some of the Alsop ideas may be included within the plans for the CMC in due course.

CMC Masterplan Areas

- 3.19 We understand that the Council is commissioning 'masterplans' for specific regeneration areas within the CMC. We summarise below relevant matters in relation to these regeneration areas.

Mid Croydon

- 3.20 The Mid Croydon area lies between Wellesley Road in the east and High Street in the west; and extends from the south side of George Street in the north to Fell Road in the south. The area north of Katharine Street (the Park Place area) is of most relevance to the town centre / retail issues addressed in this report.
- 3.21 The obsolete Park Place scheme covered an area lying broadly bounded by George Street, Wellesley Road, Katharine Street, and High Street. Planning permission was granted by the Council for a major retail-led mixed-use scheme at Park Place on 7 May 2004. Compulsory purchase powers for acquisition of the necessary land were granted by the Secretary of State on 6 March 2007. The Council as landowner had entered into arrangements with Minerva as the developer for the scheme.
- 3.22 The planning permission for the scheme lapsed in May 2009, and for that and other reasons the Council terminated its development agreement with Minerva. The CPO will lapse in March 2010.
- 3.23 The Park Place scheme had comprised:
- Ø a full line department store fronting Katharine Street and High Street;
 - Ø a three level shopping mall with internal mezzanine levels comprising approximately 110 retail units to include 13 medium sized flagship stores for leading retail brands (between the proposed department store and the Whitgift shopping centre) and a quality retail environment for smaller units, together with food and drink outlets and ancillary offices. This part of the Scheme also included the part closure of Park Street and St George's Walk;
 - Ø construction of a glazed pedestrian bridge across George Street;
 - Ø pedestrianisation of High Street between George Street and Katharine Street together with closure to vehicular traffic and pedestrianisation of part of Katharine Street.
 - Ø provision of a new bus interchange and construction of a ten level car park.
- 3.24 Mid-Croydon is a key regeneration site within CMC, and it remains a priority of the Council to achieve its redevelopment.

East Croydon

- 3.25 East Croydon is another key regeneration site within CMC, the redevelopment proposals for the Gateway site within this masterplan area have a long history arising from competing proposals brought forward by the landowners, developers and the Council.
- 3.26 The Gateway site could have been developed in accordance with proposals, for which planning permission was granted but has since expired, by Stanhope and their partner Schroders. The scheme comprised:
- Ø over 100,000 sq ft of quality office space;
 - Ø 821 new homes, comprising social housing for rent and shared ownership and private housing for sale;
 - Ø a health and fitness club and a community health centre;

- Ø a new landscaped park and parking provision;
- Ø cafes and restaurants, and:
- Ø a replacement Warehouse Theatre.

3.27 The Council has appointed consultants, Studio Egret West, who are preparing a master plan for the Station area (including the Menta site to the east of the station and the Stanhope owned Gateway site to the west), with a view to ensuring early delivery of the scheme.

Wellesley Road

3.28 Wellesley Road is an urban motorway splitting the town centre. The Council has appointed OKRA to prepare proposals for recreating this corridor to incorporate a quality open space rather than a barrier to movement within the Centre.

3.29 The future scale and form of Wellesley Road will have an important bearing on the functioning of the east part of the shopping centre.

West Croydon Station

3.30 West Croydon station lies to the north of the Core Retail Area and acts as a second transport hub, the importance of which will be increased when it becomes a terminus of some East London line services in 2010.

3.31 The Council has appointed East to prepare a masterplan for the station and surrounding area.

3.32 The West Croydon Station area will play an important role as a second transport hub within Croydon centre. However, the northern end of the main shopping area is already well defined by Marks & Spencer at the northern end of the Whitgift Centre, and this is unlikely to change in the future.

College Green

3.33 The College Green area lies to the east of Wellesley Road and south of George Street. It includes Fairfield Hall and Croydon College. Although this is not a retail area, there would be benefits from improved linkages with the retail areas to the west.

4. Retail Need Forecasts

- 4.1 Paper 1 of the DJ Papers produced for the Council in July 2007 provided assessments of future comparison and convenience goods floorspace capacity within the CMC.
- 4.2 Since the forecasts were made, there has been a major change in the national economy, which has had a profound effect on retail spending in particular. We have therefore reconsidered the economic forecasts for CMC having regard to the economic downturn.

Approach

- 4.3 The 'need' forecast updates are based on those in our 2007 studies and, unless otherwise stated below, the methodology and inputs to the assessment are the same.
- 4.4 The methodology adopted for the retail model is set out in detail at Appendix 1. The quantitative retail model and tables are set out at Appendix 2.

Comparison Goods

- 4.5 We have restricted the need forecast updates to comparison goods (non-food) for the following reasons. First, unlike spending on food, comparison goods expenditure is more discretionary, and therefore subject of much greater variations in times of economic buoyancy and downturns. Second, Croydon Centre currently attracts a modest share only of available food expenditure from its catchment area. The determining factor affecting food spending within the centre is therefore not any changes in residents' food expenditure, but what is on offer in the Centre to attract that expenditure from large foodstores elsewhere. Third, the future role and performance of Croydon Centre as a shopping destination will be determined by its comparison shopping facilities, not food shopping facilities.

Expenditure per head forecasts

- 4.6 Expenditure per head forecasts in the 2007 report were based on the most up-to-date Experian estimates at that time (Experian Retail Planner Briefing Note 4 October 2006).
- 4.7 Since 2006 Experian comparison goods expenditure per head growth rates have been reduced significantly, particularly over the next few years. The latest Experian Brief (Retail Planner Briefing Note 7.1, August 2009) contains year on year forecasts up to 2016, as well as much lower than previous growth forecasts for the post 2016-2021 period, +2.8% per annum. A growth rate of 2.8% only would be lower than the long term rates achieved over a considerable period of time since the 1960s. We have therefore considered it prudent to allow for a slightly higher growth rate of 3.8%, which is still modest compared with the rates over the last 15 years.

Commitments / Park Place

- 4.8 Our 2007 forecasts had regard to commitments at the time of the Study, which were the Park Place scheme (62,411 sq m sales area) and Whitgift eastern extension (5,873 sq m sales area), giving a total of 68,284 sq m new sales floorspace. Both these commitments were assumed to be trading by 2013. However, a substantial part of the Park Place scheme involved replacement of existing floorspace, a major component of which was redevelopment of the existing Alders store. The total floorspace loss arising from the Park Place scheme was estimated as 36,716 sq m sales area. Therefore the additional new sales floorspace would be 31,568 sq m.

- 4.9 The current forecast updates have regard to two scenarios. Both remove the Whitgift eastern extension. The planning consent does not actually expire until December of this year. However, it now appears most unlikely that this extension will be implemented on the basis of this consent, and it is therefore appropriately removed as a commitment.
- 4.10 Scenario A, in addition, removes the Park Place scheme as a commitment and treats the existing floorspace within the Park Place scheme area as remaining. This includes the whole of the Allders department store plus shops in St George's Walk, George Street, Park Street, High Street and Katharine Street.
- 4.11 Scenario B likewise removes the Park Place scheme (and Whitgift eastern extension), but in addition removes the existing retail floorspace within the area of the Park Place scheme (36,716 sq m sales area).
- 4.12 The logic underlying Scenario B is as follows. We understand that the Allders store is being operated on an interim basis. It currently has some six trading levels, and any reuse of the premises will inevitably lead to a significant loss of retail floorspace. Because of current retailer trading formats, the upper three trading levels are unlikely to be put back to retail use. In addition many of the other existing retail units, particularly in St George's Walk, are already vacant (as a result of the former Park Place scheme). It may therefore be found that in examining potential for new floorspace in the Centre, it is helpful to consider the position with both Allders and existing floorspace already removed.
- 4.13 The complexities of the position are illustrated by the proposals put forward by Whitgift (dismissed on appeal in October 2005) for a retail development including department store and other retail floorspace all of which was to the north of George Street. Although the scheme proposed a significant amount of new and better quality floorspace, it actually gave rise to a net loss of floorspace. We refer to the findings of this appeal decision in Section 8 of the report.

Market shares of expenditure attracted to Croydon Central Area

- 4.14 The market shares of different categories of comparison goods expenditure attracted to Croydon are derived from the Croydon 2006 Household Interview Surveys. These surveys were undertaken by NEMS and provide the basis for the forecasts in the 2007 reports.
- 4.15 As in the 2007 reports, the market shares have been held constant over time. We believe this is an appropriate approach at this stage. In the event of a John Lewis department store being attracted to the centre, it is reasonable to assume that this would increase the draw (market share) of the centre as a whole. Conversely in the absence of new development, the Croydon's market share may well fall over time.

Centre definitions

- 4.16 For the purpose of statistical consistency (particularly in relation to floorspace) the quantitative forecasts relate to Initial Indicative CMC boundary as used in the 2007 Study.
- 4.17 Centre definitions are explained at the beginning of the following section. The quantitative floorspace forecasts are based upon the 2006 Household Interview Survey answers of residents who said they shopped in 'Croydon town centre'. Plainly their answers relate to the centre as commonly perceived and any definitional variations are immaterial.

- 4.18 In any event, it is a matter of planning policy judgement where within the centre any new comparison goods floorspace is provided.

Estimates of supportable floorspace

- 4.19 Having regard to our findings in the following Sections that the Centre is underperforming in parts and in need of investment, the quantitative assumption that the Centre is currently 'in balance' must be treated with caution – see below.

Scenario A

- 4.20 Both scenarios have common forecasts up to 2011. Scenario A treats the floorspace of the former Park Place scheme (including Allders) as being in existence throughout the forecast period, i.e. the floorspace forecasts are in addition to this floorspace. The model indicates that the following floorspace projections are theoretically supportable:

n 2009	13,750 sq m gross
n 2012	22,250 sq m gross
n 2016	37,750 sq m gross
n 2021	69,500 sq m gross

Scenario B

- 4.21 As of 2012, Scenario B treats the floorspace of the former Park Place scheme (including Allders) as being demolished, i.e. at 2012 the retail floorspace of the town centre decreases by 36,716 sq m net from 137,435 sq m net to 100,719 sq m net. The model indicates that the following floorspace projections are theoretically supportable:

n 2009	13,750 sq m gross
n 2012	78,000 sq m gross
n 2016	91,250 sq m gross
n 2021	122,750 sq m gross

- 4.22 Retail expenditure models of this type are 'coarse' by nature, and their findings need to be treated with caution. In the case of Croydon, there are particular reasons why care is needed in interpreting the findings.

- (i) The position in the centre is particularly complex because of the large amount of existing floorspace which will be lost as a result of redevelopment. The consequences of this are not easily addressed by the model.
- (ii) Shopping patterns are complex in the Croydon area, with shoppers visiting a number of town centres for their comparison shopping needs, rather than a single centre. This was not fully recognised in the 2006 Household Interview Survey questions and is not therefore easily addressed in the model. We believe that the survey results, based on shopper recorded use of Croydon centre overestimated the actual amount of money that was spent in the centre (because residents shopped at other centres as well).
- (iii) Arising from (ii) above, there is a discrepancy between the model findings at the base date that the centre is performing well; and evidence on the ground that parts of the centre are underperforming – see following sections. This discrepancy is in part due to the base year of the 2007 Study (and 2006 Household

Interview Survey) relating to the pre-recession period; whilst the qualitative appraisal indicates the position now in the depths of recession. However, even allowing for this factor, the quantitative assumption contained within the model that the centre is 'in balance' now, should not be treated as a Study finding and input to policy / strategy.

- 4.23 Having regard to the above, we believe that the economic forecasts are a useful source of potential expenditure growth within Croydon's catchment area, but that the estimates of floorspace needs are more difficult to interpret. They need to be considered in association with a qualitative appraisal of Croydon's retail offer, gaps in provision, and the potential for attracting new retail investment to Croydon in commercial / market terms. We address this in subsequent sections of the report.

5. Central Area Qualitative Appraisal

Centre Definition

- 5.1 In consultation with the Council, the DJ 2007 Papers adopted an 'Initial Indicative' CMC boundary based upon the current UDP-defined Primary Shopping Area (PSA), and the designated Main and Secondary Shopping Frontages outside of but adjacent to the PSA. It also included lengths of commercial properties eastwards along George Street towards East Croydon Station, northwards along London Road up to the Lidl foodstore, westwards along Church Street and southwards along South End/Brighton Road.
- 5.2 The 'Initial Indicative' Centre was divided into five Study Areas - Central, North, East, South, and West, which reflected the diverse structure and function of different parts of the Centre.
- 5.3 This report addresses opportunities for the provision of major new shopping and commercial facilities within the CMC, and is therefore concerned only with those parts of the Centre that have the potential to accommodate this. With this in mind, we have identified a 'Central Area', which is the DJ 2007 Central Study Area (the UDP defined PSA and Shopping Frontages), and East Study Area (the remainder of George Street and East Croydon Station area).
- 5.4 The Central Area has been identified so as to be consistent with the 2007 Study Area boundaries. The precise boundaries are of no other significance. They do not, for example, include some frontages to the east of East Croydon Station: nor do they include the actual station area of West Croydon Station.

Form and Structure

- 5.5 This Central Area is shown in Appendix 4. It is arranged principally around a crossroads with the majority of retail units along the northern section – North End and the Whitgift Centre.
- 5.6 The pedestrianised North End has the appearance of a traditional High Street. Many of the major stores in the Centre have outlets stores on or close to North End, including Alders, Debenhams, House of Fraser, TKMaxx, Marks & Spencer, Next, and Primark.
- 5.7 Shopper footfall is strongest in the southern part of North End, but falls away somewhat in the north where lower profile retailers as well as services become more prevalent.
- 5.8 In the 1970s, development of the centrally located Whitgift Centre transformed the offer and structure of shopping in Croydon. A large proportion of central Croydon's shopping was created in the form of a large number of units contained within a managed shopping mall centre with direct links to the Alders department store and shopping frontages in North End. This strengthened the shopping offer to the north and east of the historic shopping core.
- 5.9 Croydon's historic shopping centre is at the junction of George Street/Church Street and North End/High Street. Whilst this area forms part of the defined Central Study Area, the historic centre has its own character and lies within a designated Conservation Area.

- 5.10 Church Street to the west continues to have extensive shopping frontages, but these contain many secondary comparison traders selling household goods, clothing, shoes, antiques, etc, as well as a number of restaurants/takeaways. Surrey Street, leading south from Church Street is dominated by the historic market and also contains a number of food outlets, particularly butchers and those serving the Borough's Chinese community.
- 5.11 High Street to the south (despite the name indicating its historic importance) now contains a large number of secondary comparison shops and services. It formerly contained the town's other long established department store - Grants. This was a full specification quality department store, which had acted as an important draw for shoppers into the southern part of the town centre. Grants closed in the 1980s, which was a loss to the shopping status of High Street and weakened the area to the south of the George Street/Church Street axis as a shopping destination. One of the major recent initiatives actively pursued by the Council has been the refurbishment and the re-use of the Grants listed building. It was reopened in 2002 as a multi-screen cinema and leisure centre.
- 5.12 Centrale is central Croydon's most recent shopping development, located in its north western sector with a frontage onto North End. It was granted planning permission in April 1999 and the first units opened during 2004. The scheme is in the form of a spacious shopping mall anchored by a medium-sized House of Fraser department store, and containing various quality comparison goods traders. The House of Fraser department store has a gross floorspace of some 16,700 sq m and trades on three levels.
- 5.13 Centrale has assisted in strengthening the northern part of North End. However, it is not performing as well as would normally be expected with a new purpose designed shopping centre. We comment on this further in the following sections of the report.
- 5.14 The West Croydon Station area development will provide another opportunity to upgrade this part of the Centre.
- 5.15 George Street west of Wellesley Road is an important thoroughfare including the westbound arm of tramlink through the Centre. However, other than the Allders frontage, retail provision within the street is limited and includes a significant number of service uses. The southern side of the street contains some vacancies resulting from the Park Place proposals.
- 5.16 St George's Walk to the south of George Street formerly contained the only significant shopping frontages to the south of George Street. Because of the Park Place proposals, this area has seen little recent investment, has a large number of vacant units and has become unkempt. Hence, there is a need to bring forward new proposals for the area.
- 5.17 George Street east of Wellesley Road provides an important link between the Centre and East Croydon station, but is interrupted by the Wellesley Road major traffic junction. It has an active ground level frontage on its north side. There are a number of services along the route, with the principal retailer being a Waitrose supermarket. The East Croydon Gateway proposals will have a major impact on this area, through regenerating a site that has been underutilised and unsightly for a considerable number of years and generating further footfall.
- 5.18 Wellesley Road is a heavily trafficked arterial road running through Central Croydon. Currently its function for shoppers is limited, other than service uses on its eastern side to the north of George Street, and an entrance to the Whitgift Centre opposite Lansdowne Road. It is also relevant to note

that there are strong pedestrian flows along George Street across Wellesley Road to and from East Croydon station.

Floorspace

5.19 Floorspace figures are taken from the DJ 2007 studies, which in turn were derived from the 2006 LB Croydon Land Use Survey. The units have been classified into five key use categories as defined by Experian Goad: comparison, convenience, service, vacant and miscellaneous. These Experian definitions do not include units in use for various non-retail functions such as offices, public houses, leisure, cultural and entertainment activities and hotels.

5.20 Table 1 sets out the distribution of floorspace and units by category for the Central Area.

Table 1: Central Area Floorspace and Units

	2007			
	Floorspace (gross sq m)	% of total	Unit Number	% of total
Comparison	183,988	76.4	328	51.7
Convenience	10,436	4.3	30	4.7
Service	30,099	12.5	184	29
Vacant	13,154	5.5	91	14.3
Misc.	3,041	1.3	2	0.3
Total	240,718	100	635	100

Source: London Borough of Croydon Land Use Survey 2006

5.21 The Central Area contains most of CMC's retail facilities. The vast majority over 75% of existing floorspace is occupied by comparison goods retailers. Convenience floorspace provision within the Central Study Area is low at under 5%.

5.22 The retail uses are supplemented by some service facilities (12.5% of floorspace), which predominantly comprise cafes, travel agents and banks.

5.23 The vacancy rate is low at 5.5% of the area's total floorspace. However, we anticipate that the number and floorspace of vacant units will have risen since the time of the survey, partly because of the effects of the economic downturn.

5.24 The Central Area is supported by a wide range of unclassified units such as public houses, municipal and cultural use buildings and private businesses.

Centre Rankings

5.25 As noted in Section 2 the MHE Shopping Index places Croydon 20th in its 2007-2008 rankings, an uplift from its 30th position in 2003-2004. This is likely to have been caused by the opening of the Centrale Centre in 2004.

5.26 Table 2 below compares the MHE rankings over time for Croydon and the other nearby competing centres. It is noticeable that since 2003-2004 Bromley has slipped in the rankings, as compared with Croydon's gain.

Table 2: Management Horizons UK Shopping Indices

Shopping Centre	2007 -2008	2003-2004	2000-2001	1998-1999	1995-1996
Croydon	20	30	26	26	27
Bromley	32	27	24	22	18
Sutton	78	70	58	62	73
Kingston	15	16	17	18	14
Wimbledon	70	115	176	145	148

Source: The Management Horizons UK Shopping Index Fifth Edition (2008)

- 5.27 The MH Index notes that Croydon has a middle market position, and that 14.6% of retailers are classified as upmarket. The upmarket category is sub-divided into three sub categories – luxury, upper and upper-middle. Croydon contains 0.6% of units in the luxury category and a further 0.6% in the upper category. This is one of the lowest scores of the top 20 2008 ranked venues. Only Plymouth, Hull, Leicester and Norwich have lower scores than Croydon in one or more of these categories.

Existing Retail Offer

- 5.28 Central Croydon is the largest shopping centre in the southern half of Outer London.
- 5.29 If it is to fulfil its role as a Metropolitan Centre in the London Plan, Croydon needs to enhance its retail offer. It is potentially vulnerable to centres with a qualitatively superior offer such as Bluewater and the West End, the latter being particularly accessible to Croydon residents.
- 5.30 The Central Area's retail offer is mainly mainstream. Although it does contain a large number of multiple national retailers, the Central Area generally lacks the quality retailers within the upper end of the fashion spectrum that can typically be found in regional centres. At present, the upmarket fashion provision is largely confined to department store concessions.
- 5.31 The Central Area contains a large number of retail units including three department stores (Alders, Debenhams and House of Fraser), and a good range of variety stores and comparison goods multiple retailers. The Whitgift and Centrale centres together with North End comprise the retail core of the Central Area where the department stores and majority of variety stores are located.
- 5.32 The Central Area also contains a range of convenience shops, including a Marks & Spencer food hall, House of Fraser food hall, and Sainsbury's, Waitrose and Iceland supermarkets.
- 5.33 In our assessment of the Central Area we have focussed on a qualitative appraisal of the retail offer of the Central Area and, for the purposes of benchmarking, have made comparisons with other relevant centres. We have also sought to identify a range of retailers that are not currently present in the Centre, but whose presence would be of particular value in enhancing the attractiveness of the centre.
- 5.34 We have classified comparison goods retailers in Croydon (GOAD defined area) into a total of three main categories – upmarket/aspirational, middle market/mainstream, and lower market/value retailers. There are a number of comparison goods retailers that do not fall into any of these categories,

- for example pharmacies, hardware, and electrical stores, as well as a independent specialist traders. These are a fourth 'Other' category.
- 5.35 The classification is based on the consultants' (DJ and KFM) view of the categories into which retailers are appropriately placed. Such an exercise relies on informed judgement, but in our view is of no less value because of this. The MHE classifications of retailers, referred to above, are also based upon their selected qualitative criteria.
- 5.36 Our findings for Croydon are shown in Appendix 3 Table 1. The results confirm the MHE findings demonstrating that Croydon is not performing well in the up-market / aspirational retailer category with just 8 stores represented, as compared with 46 stores in the middle market/mainstream category, and 19 stores in the lower market/value category.
- 5.37 We have made similar assessments, based on their GOAD defined areas, for the competing South London centres of Bromley (Table 2) and Kingston (Table 3). Compared with Croydon's 8 upmarket / aspirational retailers, Bromley has 22, and Kingston 33 indicating in both cases the higher quality retail offer.
- 5.38 The results do, however, indicate that Croydon is performing well in terms of the middle market/mainstream retail offer. This area contains 46 stores in this category which is larger than Kingston (44), and Bromley's mainstream offer which is 39. It is also worth noting that Croydon exceeds Bromley, and Kingston in terms of their Lower Market retail comparison store offer – with 19 stores in this category.
- 5.39 Having regard to Croydon's deficiency of upmarket / aspirational retailers, we have sought to identify the range of such retailers that exist on the high street today. We have identified a total of 77, which are listed in Table 4. Clearly not all of these retailers would be attracted to Croydon, but in our view there is no reason why a number of them should not be interested in representation. We also believe that the presence of a John Lewis store would act as a major incentive for upmarket / aspirational retailers who otherwise might not be interested in the centre.
- 5.40 We have undertaken a similar exercise for middle market / mainstream retailers, the findings of which are also set out in Table 4, We have identified 21 middle market / mainstream retailers that are currently not represented in the Central Area of Croydon in Table 4. There appears to be no reason why these retailers should not be represented in the Central Area, although in some cases their representation in the Purley Way Retail Parks may cause them to have less interest in Central Area representation.

Retailer Demand

- 5.41 FOCUS is the UK's most comprehensive database of verified commercial property information. The Focus database has been used to assess demand for representation in central Croydon. We have treated the Focus' interpretation of 'central Croydon' as being broadly synonymous with our defined Central Area.
- 5.42 The Database provides information on retailer demand but must be treated with considerable caution. Some retailers may register demand over a wide area, encompassing central Croydon, but not necessarily indicating an interest in that specific centre. Conversely some retailers may only register interest in a centre when there is a specific scheme for them to consider.

- 5.43 A search conducted in May 2007 revealed 70 requirements from retailers and service providers for representation and floorspace of varying ranges in central Croydon.
- 5.44 Collectively, requirements for retail floorspace totalled approximately 28,360 sq m gross. Requirements for service floorspace total approximately 3,800 sq m gross. Where ranges of floorspace requirements were registered, the upper ranges were included to allow an understanding of the maximum extent of registered floorspace demand at the time of the search.
- 5.45 The effects of the economic recession are revealed by later figures based on a search of the Database in September 2009. This revealed only 17 requirements from retailers and service providers for representation.
- 5.46 Collectively, requirements for retail floorspace now total approximately 7,472 sq m gross only, a reduction of over 70% from the 2007 figure. Requirements for service floorspace are broadly similar at approximately 3,298 sq m gross.

Rents and Yields

- 5.47 In our 2007 Study we compared prime rents and yields in Croydon with those of other competing South London centres - Bromley, Sutton, Kingston and Wimbledon.

Rents

- 5.48 Since 2007 the comprehensive information source for rents (Colliers CRE 2006) has not been updated. Clearly the subsequent economic downturn will have had an impact on both rents (and yields). However, because the 2007 report provided an interesting insight into the relative performance of the centres, we reproduce here the tabular information from our 2007 report.
- 5.49 The figures showed that Croydon had the second highest average Zone A rent levels of the five centres, which were significantly higher than those of Bromley, Sutton and Wimbledon.

Table 3: Zone A Retail Rents (£/annum)

Shopping Centre	'96	'97	'98	'99	'00	'01	'02	'03	'04	'05	'06	Change (96-06)
Croydon	165	200	250	300	300	275	270	270	270	270	270	+64%
Bromley	125	130	135	160	200	175	210	210	220	220	225	+80%
Sutton	85	85	90	95	95	95	100	100	100	100	100	+18%
Kingston	165	200	255	260	260	250	260	275	275	295	305	+85%
Wimbledon	75	75	80	90	100	100	120	125	125	130	130	+73%

Source: Colliers CRE (June 2006) 2006 in-town retail rents

Notes: Rent levels estimates of Zone A rents and are expressed as £ per square foot per annum.

Yields

- 5.50 The latest comprehensive information on yields for the centres is the Valuation Office report 2008.
- 5.51 Yields are calculated on transactions where individual properties are bought and sold. Because the volume of such transactions are relatively low, yield information must be treated with caution. It should also be noted that low yields are indicative of an attractive centre where rents are

expected to rise. Investors are more inclined to invest in a centre with a low yield forecast.

- 5.52 Yields in Croydon have remained largely static at around 6% and have been the same at nearby Bromley. Kingston has the lowest yield recorded as 4.5% at 2008, indicating its strong attraction to investors.

Table 4: Shopping Centre yields (%)

Shopping Centre	Apr-03	Jan-04	Jul-04	Jan-05	Jul-05	Jan-06	Jul-06	Jan-07	Jul-07	Jan-08	Jul-08	Change (03-08)
Croydon	6	6	6	6	6	6	6	6	5.75	5.75	6	0
Bromley	6	6	6	6	6	6	6	6	5.75	5.75	6	0
Sutton	8	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.25	7.25	7.5	-0.5
Kingston	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4	4.5	+0.25
Wimbledon	7	7	7	6.5	6.5	6.5	6.5	6.5	6.25	6	5	-2

Source: Statistics for Outer London – Property Market Report (July 2008), Valuation Office Agency

Accessibility

Public Car Parking

- 5.53 The principal off-street parking serving the Central Area is the 1,100 and 500 space multi-storey car parks behind the Whitgift Centre; the 620 space multi-storey car park off Dingwall Avenue; the 950 space Centrale multi-storey car park; and the 700 space multi-storey car park behind Surrey Street.
- 5.54 The Central Area has a good range of public car parks operating on a pay and display basis. Pricing varies dependant on whether it is privately run or Council owned with Council pricing averaging around £2 per hour. Generally the quality of the main car parks is good, is perceived to be well served in this respect in comparison with competing centres.

Bus

- 5.55 There is a comprehensive public bus network serving the Central Area.
- 5.56 The bus station lies on the north edge of the centre to the east of West Croydon station. In the southern part of the Centre bus stops are located at Katharine Street and Park Street. These were to be replaced by a new covered bus interchange as part of the former Park Place development.
- 5.57 As part of the planning of the Central Area, consideration needs to be given to provision of new bus facilities to supplement the existing bus station in the north of the centre, which we presume will remain.

Tram

- 5.58 Tramlink opened in mid-2000. The system is well used and provides new high quality links between the Central Area and Beckenham, Elmers End, and New Addington to the east; and Purley Way Retail Park, Mitcham and Wimbledon to the west.
- 5.59 One of the provisions of the former Park Place scheme was improvements to the George Street tramstop located at the Alders entrance, which suffers from overcrowding. The most recent addition to the network is a new tramstop behind House of Fraser serving Centrale.

Rail

- 5.60 East Croydon Station, on the eastern edge of the shopping centre, is a major transport node for rail services in South London. It is also directly served by bus services and Tramlink. The station generates a substantial

pedestrian flow along George Street to the main shopping area. As noted above major improvements are proposed at the station as part of wider redevelopment proposals.

- 5.61 West Croydon Station, on the northern edge of the Central Area, is a second important rail based transport node, also served by bus and tramlink. As noted in Section 3 the extension of the East London line service will bring improvements to West Croydon Station which will function as one of the services southern termini. As noted above redevelopment proposals are being brought forward for station and its surroundings.

Pedestrians

- 5.62 The Central Area is relatively compact and movement for pedestrians within the Area is generally convenient. The major exception to this is Wellesley Road which hinders pedestrian links from the Whitgift Centre and George Street to the east. From the Whitgift Centre the route is via an underpass. From George Street pedestrians have to negotiate a series of surface level crossings.

Environmental Quality

- 5.63 The quality of the shopping environment is key to a centre's attractiveness as a retail destination. This point has also been emphasised to us by those whom we have consulted. They have referred to the need to improve the centre environment as a whole, not just the shopping environment.
- 5.64 Of the two principal north/south routes, the Whitgift Centre provides an attractive covered shopping environment, but it is not open at night. North End is a wide open thoroughfare, the environmental quality of which has improved since its pedestrianisation in the early 1990s.
- 5.65 There have also been some street environmental improvements within the centre associated with the opening of East London line, particularly in George Street. Despite these improvements George Street does not offer a particularly attractive shopping environment, nor does it have strong shopping frontages. We consider the area would benefit from improvements to the public realm.
- 5.66 Parts of the southern end of the Central Area are unattractive. This is the case in particular within the Park Street/St George's Walk area, which is dominated by 1960s monolithic buildings and currently provides a characterless and somewhat hostile environment for shoppers, workers and visitors within the Central Area. The 'down at heel' feel of this area has been exacerbated by preparation for, and the need to rethink the redevelopment proposals for the old Park Place area.
- 5.67 Church Street and Surrey Street are small scale historic streets that are busy and vibrant, but suffer from litter, poor quality paving and limited circulation space.

6. Current Retail Trends and Market

- 6.1 Retailing is a dynamic industry. A considerable amount of research has been published on changing trends as they affect different sectors of the retail market. We summarise here those trends that we believe are likely to be of most significance in planning for new retail development in Croydon over the next 10–15 years.

Changes in the 'High Street'

- 6.2 Despite increasing competition from the growth of out-of-centre retailing, and periodic downturns in retail spending as part of the economic cycle (currently being experienced), the 'High Street' has benefited from a long term growth of comparison goods expenditure, particularly for higher value goods. As disposable incomes rise, an increasing proportion is spent on quality and luxury items as opposed to essentials. These are often the types of goods which shoppers wish to compare prior to purchase e.g. fashion clothing and footwear, jewellery, etc. Hence the 'High Street' has been well placed to take advantage of this trend.
- 6.3 Comparison goods traders have responded to the changing market trends in a variety of ways. We note below that a number of retailers now have 'in-centre' and 'out-of-centre' trading formats, which in itself is indicative of the increasing competition that town centres face from out-of-centre facilities.

Retailer Floorspace Requirements

- 6.4 One noticeable trend has been the increasing space requirements of 'High Street' multiple traders as they seek larger areas to display a wider range of products. By way of example the floorspace requirements of Monsoon, New Look, Top Shop, Primark, and TK Maxx have grown significantly over the last five years. Floorspace in town centres has been boosted by such developments, despite a fall in store numbers. Many retailers have tried to increase sales by expanding ranges, which requires larger stores.
- 6.5 Next is a good example of these changes. Five years ago they typically sought units of 930 sq m (10,000 sq ft), they now seek units of up to 5,575 sq m (60,000 sq ft). Their store in North End developed as part of the Centrale scheme has three levels and a floorspace of 4,820 sq m (51,882 sq ft) Furthermore if they cannot secure appropriate accommodation in town centres, Next is content in principle to trade from district centre or out-of-centre locations. It is noticeable that in Croydon Next has a store of 1,180 sq m (12,700 sq ft) on two levels, located at Purley Way as well as the North End store.

Department Store Trading

- 6.6 Department stores have also been affected by changing trends. Over a lengthy period of time (similar to supermarket trading) the department store sector has consolidated and is now controlled by a very limited number of operators. The sector also experienced major competition from the increasing attraction of the brand multiple comparison stores, each with their own niche trading area. One of the reactions of the department store sector has been to include these brand names within their own stores on a franchise basis.
- 6.7 In 2007 sales from department stores located in town centres (excluding M&S) reached £9.7bn, an increase of 13.1% on 2002. While performance

among the main department stores has been mixed, the luxury and premium end of the market has done extremely well.

- 6.8 Driven by market saturation for full line department stores in many areas, major department store operators are now willing to take on smaller format stores. House of Fraser is currently planning to open smaller stores of between 50,000 sq ft and 60,000 sq ft, enabling it to open outlets in town centres unable to support a full scale department store. However, department store operators with stores below 45,000 sq ft find it challenging to operate profitably. Debenhams, however, is opting for a more radical strategy, opening smaller, fashion-focused outlets of around 15,000 sq ft which will enable it to consider a much broader array of sites in town centres, though it will operate these stores as more of a clothing specialist than a department store.
- 6.9 The Verdict UK Town Centre Retailing 2008 Report (page 44) states:

“Though its space growth plans for 2008 are small in relation to House of Fraser, M&S and Debenhams, the most aggressive expansion plans are those of John Lewis. The department store intends to increase its retail space by more than half over the next decade and its rivals, particularly those with a mid to upmarket positioning, will need to up their game. It is true that other players such as Debenhams and House of Fraser also plan to expand their physical presence, but they do not command the exceptional loyalty and geographical pull of John Lewis.”

Mixed Use

- 6.10 As with out-of-centre developments, town centre shopping schemes are now much more diverse and mixed-use in nature. Increasingly leisure, cultural, residential and other uses are integrated with retail developments. A good example is the Oracle Centre in Reading which includes cinema, nightclubs, restaurants, and public space

Competition between Centres

- 6.11 At the same time as becoming more affluent, shoppers have become more mobile. Increasingly they choose where they wish to shop according to what the centre has to offer. This has led to more competition between shopping centres, with the larger centres with their wider range of retail facilities and attractions, increasing their size and retail offer disproportionately compared with the smaller centres.
- 6.12 We have noted in Section 5, Table 2 the changing position of Croydon as a retail centre over time within Management Horizon’s UK Shopping Index. Its decline in the rankings from 2000/1 to 2003/4 from 26 to 30 was probably caused at least in part by opening of the Bluewater Centre in March 1999. Its recovery since 2003/4 to position 20 will have been caused largely by opening of the Centrale scheme.
- 6.13 A key part of the Council’s strategy for Croydon is to enhance the Metropolitan Centre as a shopping destination. The attraction of more quality comparison goods retailers, in particular more middle/upper market level fashion retailers, would enable the centre to compete more effectively with alternative shopping destinations, such as the West End, Bluewater and Bromley that are preferred by some shoppers. We have commented on this in Section 7 and 8, particularly in relation to the positive impact that the attraction of a new quality Department Store to the CMC.

Growth of Out-of-centre Retail and Leisure Facilities

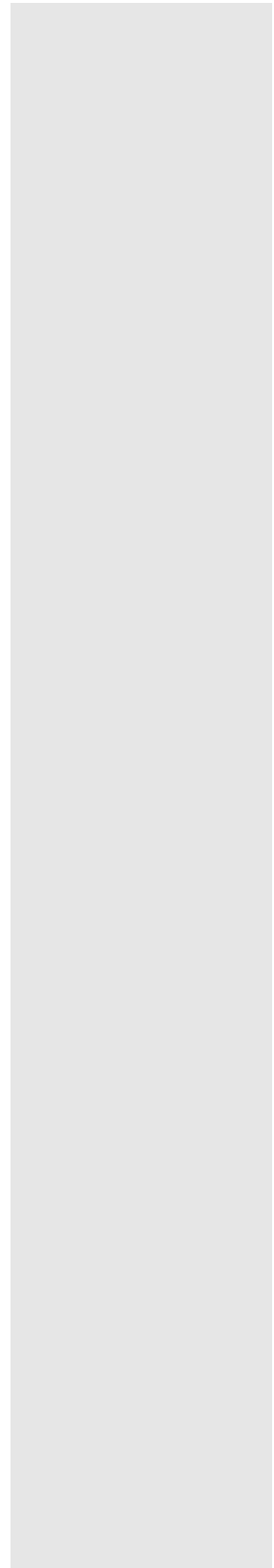
- 6.14 Out-of-centre retailing really came to the fore in the UK in the 1970's. The focus was on superstores retailing grocery products, and non-food retail warehouses selling bulky goods. The commercial rationale for out-centre foodstores was larger floorspace areas to accommodate a wider range of goods purchased less frequently, and the need for ample adjacent car parking. The rationale for non-food retail warehouses selling bulky goods was also the large floorspace areas required to display such goods (DIY, carpets, furniture, etc) and that it was neither possible nor viable to provide such space in town centres.
- 6.15 Out-of-centre retail formats have evolved significantly since then. Superstores have grown enormously in size. The Tesco Extra at Purley (although located adjacent to the town centre) is an example of the latest trends in superstore development. It has a gross floorspace area of over 9,500 sq m and the range of goods sold from the store includes a full range of food goods including delicatessen and hot food counters, as well as a very wide range of comparison goods.
- 6.16 Similarly out-of-centre non-food provision has changed radically. The range of goods sold from out-of-centre retail warehouses has widened significantly extending far beyond the original concept of bulky goods. Many 'High Street' retailers, Boots, Next, Gap, JJB Sports, Borders etc, now have out-of-centre formats. In part this has been enabled because, in accordance with government guidance and planning practice up to the 1990s, no restrictions were placed on the range of goods that may be sold from out-of-centre locations.
- 6.17 The Purley Way Retail Parks constitute one of the largest concentrations of retail warehousing in the country with an overall gross floorspace of some 135,000 sq m. Approximately 2/3 of the floorspace is occupied by comparison traders. They also illustrate trends with this type of retail and related development.
- 6.18 We understand that much of the Purley Way consented space has the benefit of planning permissions that do not restrict the range of goods that may be sold from the units. Retailers present include Sainsbury's and Boots. In addition recognised 'High Street' retailers selling shoes, sports wear and fashion clothing are present, including TK Maxx, Topshop, Monsoon and Next.
- 6.19 The growth of out-of-centre shopping was followed by out-of-centre leisure facilities, integrated into retail parks so providing a more diverse range of attractions for visitors. In addition to the retail facilities referred to above, the Purley Way Retail Parks include a multi-screen cinema, as well as fast food and at-seat restaurants.

Mail Order and Internet Sales

- 6.20 The latest Experian forecasts indicate that 'e-tailing' currently takes 3.3% of the retail market and that non-store retail sales will rise to 7.7% by 2014. The share of non-store retailing (including supermarkets that source internet goods sales from store space) currently stands at 5.6%. The market share of the convenience goods market is 3.5% whereas that for some categories of comparison goods amount to 6.9%.
- 6.21 There are definitional problems in examining this sector. Experian information indicates that internet sales have not grown as fast as was expected. However, this may be because the definition of 'Special Forms

of Trading' includes sales only from companies whose sole business is internet trading, and excludes internet sales of companies that have retail outlets as well. In addition the Special Forms of Trading category includes mail order, which is declining thereby offsetting some internet sales growth within this overall sector.

- 6.22 There is little doubt that use of the internet will remain strongest for standardised products for which the shopper has no need to make shop window comparisons, e.g. books.



7. Key Issues

- 7.1 Croydon's emerging Vision says that by 2040 Croydon town centre will be regarded as an iconic, safe and modern mixed-use European city. It will enjoy a reputation comparable with other major commercial centres thanks to a raft of new, modern office developments. It will provide the principal retail and leisure offer in outer South London and its tree-lined street environment will also compete well against more sterile retail and leisure malls in other parts of London and the immediate South East. It is an existing strategy within the UDP to rebrand the offer of Croydon (SP31), and to move Croydon into the top 15 shopping centres in the country.
- 7.2 We have identified the following issues that are relevant to achievement of the above UDP strategic objective.
- (i) The 'mass market' and somewhat jaded image of Croydon centre is hindering achievement of its full potential;
 - (ii) The retail offer of the Central Area is relatively good in quantitative terms. However, the centre performs less well in qualitative terms, and representation by quality and aspirational retailers could be improved.
 - (iii) There is theoretical capacity for more retail floorspace in the centre, arising from the substantial population and expenditure growth within its south London catchment. However, in the current market, capturing this expenditure will depend upon making the centre more attractive for new retail investment.
 - (iv) The attraction of new investment will also depend in part on being able to increase centre's market share of expenditure attracted from the edges of the catchment area.
 - (v) Central Croydon is a major employment centre; local employment provides strong support for the centre's shopping function.
 - (vi) Structurally the Centre has different component parts; some of the links between these separate parts need to be improved.
 - (vii) Wellesley Road is a barrier to east-west pedestrian movement within the centre; this needs to be resolved.
 - (viii) The Surrey Street / Middle Street area has a distinctive character. This area could be better linked with, and make a stronger contribution to, the Central Area as a whole.
 - (ix) The Core Retail Area is focused on the Whitgift Centre, North End / Allders, and the Centrale Centre. There is capacity and a need for improvement in parts of this Core Retail Area; this includes parts of the Whitgift Centre, the northern part of North End, the Allders department store, and the Centrale Centre.
 - (x) The Whitgift Centre contains a large number of small units, some of which are ill-suited to retailers requirements for larger floorplates. The upper level of the centre is underperforming, and there are other dead areas such as Trinity Mall leading to the Wellesley Road entrance. It appears that there could be potential for reconfiguration of parts of the Centre on its eastern side and the opportunity to provide more floorspace.

- (xi) The Allders store contains a substantial amount of retail floorspace. However, the configuration of the floorspace and its many levels make it obsolete. The store is clearly in need of redevelopment and offers the opportunity to provide a large amount of new (replacement) floorspace.
- (xii) The Centrale development contains vacancies, particularly at upper levels and is underperforming. The Centre would benefit from improved links to North End and the Whitgift Centre.
- (xiii) Within the Core Retail Area there are three north/south routes which shoppers can use. Despite the presence of the House of Fraser department store, the Centrale route is the least popular and, as noted above, the centre is underperforming.
- (xiv) Prior to the economic downturn, we identified potential market demand for representation in Croydon centre by a large number of retailers. Understandably this has reduced significantly with the onset of recession. However the past level of demand indicates longer term potential when the economy improves.
- (xv) We understand that John Lewis are interested in principle in having representation in Central Croydon. The presence of a John Lewis store would have a major positive impact on the attractiveness of the Centre, and the prospects of attracting other quality comparison goods traders to the Centre.
- (xvi) Central Croydon contains a number of Masterplan Areas that are in need of regeneration and the Council are taking positive steps to achieve this. We comment below on each of these in relation to their recommended retail function.
- (xvii) The Mid Croydon Masterplan Area (excluding Allders but including the area of the former Park Place scheme) is of the greatest relevance to the retail issues addressed in this report. The quality of environment south of George Street is poor and the area is in urgent need of redevelopment. Failure of the former Park Place scheme has provided the Council with the opportunity to reconsider the appropriate types, scale, and form of development that are appropriate in this area.
- (xviii) George Street currently acts as the southern boundary of 'mainstream' retailing in the Central Area. The former Park Place scheme would have extended the Core Retail Area to the south of George Street. A key issue relating to the Mid Croydon Masterplan Area is where future 'mainstream' retailing is best located, in particular a new department store (John Lewis or similar). Directly associated with this is the appropriate mix of uses (in particular retail) south of George Street.
- (xix) The current economic downturn is stalling development activity throughout the country. In so far as this could delay developments that are potential competitors with Croydon, this could provide a window of opportunity for Croydon to move forward.

7.3 We go on to describe the key needs and opportunities arising from these issues.

8. Key Needs and Opportunities

New Floorspace Potential

- 8.1 Our comparison goods forecasts indicate a significant need for new floorspace over the period to 2021. These forecasts take into account the current economic downturn and slowing up of consumer expenditure growth.
- 8.2 The position is complex in Croydon because of the circumstances whereby a large amount of existing retail floorspace (the Alders store) is likely to be redeveloped and partly not replaced for retail use in the near future. In Section 4 we have indicated additional reasons why the theoretical quantitative floorspace forecasts should be treated with caution, and particular regard should be had to the retail market and commercial demand.
- 8.3 Scenario B indicates that having lost the existing Alders floorspace and other floorspace in the Park Place area, there is theoretical capacity to support some 91,500 sq m gross floorspace. Even allowing for the introduction of a new department store (say 22,000 sq m gross), plus other comparison floorspace this indicates substantial theoretical surplus expenditure potential.
- 8.4 Currently there is an apparent mismatch between theoretical expenditure potential within Croydon's catchment area and the quantum of floorspace that the market is likely to be able/willing to provide. We therefore recommend that the new retailing and floorspace to be planned for in Croydon centre in the short/medium term should be based largely on commercial/market considerations.
- 8.5 Retailer floorspace requirements are difficult to quantify, because of a dearth of reliable quantifiable information. In particular we have noted in Section 5 how retailer requirements have apparently dropped dramatically since the economic downturn. The market has to take a short term view and is strongly influenced by economic cycles.
- 8.6 Based on our quantitative assessment of expenditure potential, our consideration of the current retail offer in Croydon centre, and analysis of comparison retailers not present in the centre, we believe that it would be appropriate to plan for some 50,000 sq m gross retail floorspace in the Central Area, of which 22,000 sq m gross would be a large department store, and the remainder would be comparison goods floorspace with a particular emphasis on the provision of larger floorplate units and a higher end retail offer.
- 8.7 We have stressed that the broad-brush capacity forecasts of new floorspace potential (Section 4) are an indicator of theoretical quantitative potential only, because of the particular circumstances in Croydon.
- 8.8 Our research has confirmed that Croydon is under-represented by upmarket / aspirational retailers, for whom floorspace provision therefore should be made. The ability to attract such retailers and (as well as middle market / mainstream retailers) will be influenced by the attraction of a new department store and the associated opportunities that are created for new retailers to come into the town.
- 8.9 Our floorspace potential recommendations are also influenced by development / implementation considerations, including the need to have a

mix of floorspace types and unit sizes to create the critical mass for a viable development scheme.

- 8.10 The second related issue is how much of the surplus expenditure / floorspace requirement, can be absorbed within the existing Core Retail Area. We have indicated in Section 4 the need and physical capacity for additional investment and floorspace in the Core Retail Area. This is a complex issue for two principal reasons. First, under-performance within some parts of the Core Retail Area suggests that there is scope to absorb some surplus expenditure on existing floorspace where it can be reconfigured / refurbished. Second, it is only at the stage of consideration of specific development schemes that it will be possible to identify the quantum of new floorspace that can be provided within the Core Retail Area. We refer to potential within the Whitgift Centre (see below), but this cannot be quantified at this stage.

Core Retail Area

- 8.11 The planning strategy should be to make provision for the quantitative and qualitative shopping needs that we have identified within the Core Retail Area where this is feasible.
- 8.12 Core Retail Area of Croydon is focused on the Whitgift Centre, North End / Allders, and Centrale. This contains all of the department and variety stores, the majority of the centre's multiple comparison goods retailers, and has the highest shopper footfall.
- 8.13 Parts of the Core Retail Area are performing well, such as those units fronting North End and the lower levels of the Whitgift Centre. Marks and Spencer acts as a strong anchor to the north and performs well. Other parts of the Core Retail Area are performing less strongly, these areas include the eastern fringes and upper levels of the Whitgift Centre, parts of North End and notably the Centrale Centre, which appears quiet with limited footfall, although including House of Fraser.
- 8.14 There is a need for improvements within some of the retail frontages within the Core Retail Area. It is also evident that there is scope for the provision of new retail floorspace, some in the short-term and some longer term.

Whitgift Centre

- 8.15 In Section 4 we referred to an extant planning permission for a major extension of the Whitgift Centre creating an additional 5,873 sq m sales area. We understand this proposal is no longer being pursued, but that incremental improvements and additions to the retail offer are under active examination.
- 8.16 Short term improvements in the Centre are likely to involve reconfiguration / amalgamation of existing units as the opportunity arises, plus the introduction of new retail floorspace at upper levels in particular.
- 8.17 It appears to us that in the long term, there could be the opportunity to consolidate the retail area of the Whitgift Centre to the east in the area currently occupied by office blocks and multi-level car parking. Redevelopment of this area would have the added advantage of enabling consideration to be given to the creation of a more active frontage onto Wellesley Road and improved linkages across the road to the east. In the following section we refer to the scope for related initiatives involving a redesign of Wellesley Road to provide a more pedestrian-friendly 'boulevard' thoroughfare.

North End

- 8.18 North End was the traditional focus for larger store in the centre, including the Alders main frontage. It has also benefitted from pedestrianisation. North of the entrance to Centrale and Chapel Walk, the frontages are noticeably less strong, including a number of secondary retailers and services.
- 8.19 The presence of Marks and Spencer clearly plays an important role in anchoring both the north end of the Whitgift Centre and North End.
- 8.20 One of the largest units in North End was the Woolworth unit, which has now been let to H&M (who are also present in the Centrale Centre – see below).

Alders

- 8.21 Prior to the company's demise, Alders was the flagship store of Croydon. The current store is being operated on an interim basis. We have noted earlier that the Alders store occupies a considerable amount of floorspace at six levels.
- 8.22 Although the Alders property contains a large amount of retail floorspace it is of poor quality in terms of layout and form and will need to be redeveloped in order to provide the quality of retail environment that is required by retailers.
- 8.23 Redevelopment of the store would release a considerable amount of existing retail floorspace for reuse. Even though much of the upper floor floorspace is unlikely to re-occupied for retail use, there will remain a substantial amount of retail floorspace at the lower levels that will become available for reoccupation by new retail uses.
- 8.24 The Alders property lies within a strategic location within the centre. It provides direct access into the Whitgift Centre to the north, North End to the west, and George Street to the south. There is also access into Dingwall Avenue to the east where the store is bounded by poor quality secondary office blocks.
- 8.25 Redevelopment of the Alders store is needed. The form of redevelopment of the store is a key issue for the Central Area. It is a candidate location for a new department store (John Lewis, or similar). Linkages with the remainder of the Central Area, particularly to the south, must be addressed as part of any redevelopment proposals.
- 8.26 We referred in Section 4 to an appeal decision in October 2005 for a new department store and additional retail floorspace put forward by Whitgift. The principal reason for the Secretary of State's decision to dismiss the appeal was

“the achievement of a full line department store as part of a comprehensive retail development consistent with the objectives of the London Plan is highly desirable in Croydon and he does accept that any prejudice to this prospect is an important objection.”

The Secretary of State went to conclude that the appeal proposal:

“would prejudice this prospect and he considers this to be a factor which weighs significantly against the proposal.”

- 8.27 This appeal decision confirms the importance placed by the Secretary of State on the attraction of a full line department store to Croydon. However, in the absence of the Park Place scheme that was being promoted at that

time, it leaves open the question whether a department store of the necessary associated space can be accommodated in a satisfactory manner and as part of a quality scheme to the north of George street.

Centrale

- 8.28 Although the Centrale Centre contains the Central Area's two existing multiple department store's (Debenhams and House of Fraser) it is not performing well. Shopper footfall in the northern mall is low and there are major vacancies at the upper levels. We have noted that H&M has a long blank frontage onto the north/south upper mall and that, partly as a result of this, the food gallery is remote from the main areas of shopper interest and activity.
- 8.29 There are three north/south routes through the Core Retail Area – Whitgift Centre, North End, and Centrale. From our own observations it is noticeable that despite the presence of the new House of Fraser store within the Centrale Centre, which is not visible from North End, the Centrale route is the least used. There are a variety of reasons for this, including the layout of the Centre, the poor access at its northern end into North End and the Whitgift Centre, and the presence of magnet traders at the mall entrances / North End (Debenhams, Next, and Zara) so that shoppers do not have to go into Centrale to visit these stores.
- 8.30 It is also relevant to note that one of the large space-users in the centre has taken occupation of the former Woolworths unit (H&M) in North End, presumably to benefit from the greater visibility in North End.

Findings

- 8.31 Based on our consideration of the component areas of the Core Retail Area, we identify the following key needs within this area.
- Ø Redevelopment of the Allders store, providing the opportunity for a large amount of replacement retail floorspace;
 - Ø Encouragement of new investment in the retail offer of the Whitgift Centre, particularly larger unit stores and an improved qualitative offer;
 - Ø Encouragement of investment in the Centrale Centre, which is currently underperforming;
 - Ø Improvement of linkages within the Core Retail Area – the poor northern links from the Whitgift Centre to North End and the Centrale Centre inhibits effective east-west movement of shoppers around the Core Retail Area as a whole; and
 - Ø Continuing improvements to the public realm enhancing the overall shopping environment.
- 8.32 The underperformance of parts of the Core Retail Area that we have noted indicates that there is a need to steer investment to these areas, where feasible.
- 8.33 In addition, the opportunity to make provision for new retail floorspace will arise with the redevelopment of the Allders store. Our own observations also indicate that there should be opportunities to improve the retail offer in the Whitgift Centre (in the short and long term). One of the difficulties with both the Whitgift Centre and Allders store is the multiple property ownerships and interests. Because of this it may be that there is a wider

role for the Borough Council to play in facilitating redevelopment in these areas.

- 8.34 In summary the planning strategy should be to maximize the use, and enhance the attractiveness, of the Core Retail Area. There is evidence that the Core Retail Area is under-performing in parts, that it would benefit from new retail investment; and that there is potential to achieve this. We have no evidence to suggest that the Core Retail Area would be unable to accommodate the quantitative and qualitative shopping needs that we have identified in the short / medium term. Its ability to accommodate longer term needs will depend upon the nature of proposals brought forward for the Alders store and Whitgift Centre.

A Strategy for the Mid Croydon Masterplan Area

- 8.35 We have indicated above that the presumption should be that major new retail investment is steered to the currently defined Core Retail Area. Major retail development south of George Street would constitute an expansion of the Core Retail Area. Based on the policy approach that we are recommending, expansion of the Core Retail Area south of George Street would require special justification.

Criteria for the Assessment of Major Retail Development

- 8.36 We have indicated above that we have no reason to believe that the short / medium term CMC's shopping floorspace needs could not be met in the Core Retail Area to the north of George Street. The test of this can only be confirmed, or otherwise, from detailed schemes of development that may be brought forward in the Core Retail Area. In the meantime, or in the absence of such schemes being brought forward in the Core Retail Area, proposals for major development south of George Street should be based on the following considerations.

- Ø A sound case is made that such facilities cannot reasonably be accommodated within the Core Retail Area.
- Ø The proposal would not undermine the role and function of the Core Retail Area.

A New Department Store

- 8.37 The key issue is the appropriate location for a new department store, which will depend upon the requirements of the prospective operator (possibly John Lewis), and related planning / implementation issues. The only location within the existing Core Retail Area we have identified that could accommodate a new department store within the short / medium term is the redeveloped Alders premises. There may be large scale redevelopment opportunities on the eastern edge of the Whitgift Centre in the long term, but having regard to existing occupations and interests this area is unlikely to be able to deliver the necessary space within the time period under consideration.
- 8.38 We have no evidence to suggest that a new department store of say 22,000 sq m gross could not be provided as part of an Alders store redevelopment. The issues to which this would give rise are matters of retail planning policy. They are – would a department store located as part of the redevelopment of the Alders store create a barrier to any material shopping offer south of George Street and, if so, is this a critical consideration?

8.39 In our view the location of a new department store within the Allders property to the north of George Street would be likely to become the southern extremity of the main shopper footfall within the Central Area. In order to mitigate this, it would be essential to ensure that any redevelopment scheme not only had good links into George Street, but also across George Street into the Mid Croydon area. It would then be necessary for any scheme of development south of George Street to contain attractions capable of drawing visitors / shoppers into the scheme - see below.

Additional Shopping Floorspace

8.40 Other than a new department store, the other shopping need that we have identified is the need to plan some additional 28,000 sq m of comparison goods floorspace with an emphasis on improvement of the quality of the retail offer. We believe that the appropriate location in which to seek to provide this in the short-medium term is the Core Retail Area. The principal candidate areas are as part of the Allders store redevelopment; in other parts of the Whitgift Centre where we understand refurbishment is under consideration, and at the Centrale Centre. The latter may be a more difficult area to attract investment, but the Centre is in need of it.

8.41 Improvement of the quality of the retail offer will be strongly influenced by introduction of a new John Lewis store into the town. Furthermore we are aware of a number of issues which would be of importance to John Lewis relating to the quality of retailing within the centre and the image/ quality of the centre as a whole.

8.42 Undoubtedly John Lewis would seek to be located in the centre where it can be part of a high quality environment and associated with quality retailing. In particular a new department store within the Allders property would require good quality links into the Whitgift Centre, and associated upgrading of the southern parts of the mall to provide a stronger link. This must be demonstrated as part of the details of any development scheme.

8.43 It also important to consider issues that would arise if a new department store were to be located to the south of George Street. Because there is no ready-made existing shopping environment in this location, this could only come about as part of a comprehensive upgrading of the area and creation of a new quality environment.

8.44 The inclusion of new comparison goods retailing to the south of George Street, in addition to a new department store raises questions of impact on investment potential within the Core Retail Area. We have referred above to the investment needs of the Core Retail Area. There could be pressures to include additional retailing within the area to the south of George Street, in order to provide a viable development scheme and to provide a satisfactory commercial environment for the department store.

South of George Street – Development Area Requirements

8.45 The area south of George Street is suitable for a mixed use development. We have indicated above that it should only be considered for major retail development, if specified criteria (listed above) have been satisfied. We have indicated above the need to attract new retail investment to the Core Retail Area north of George Street and the reasons for this.

8.46 In the absence of major retail development, we identify below the uses would appear to us to be the most appropriate in this area. Some of these would also be appropriate in association with major retail development.

- Ø Small scale retail linked in particular into George Street and High Street;
 - Ø Restaurants / cafes linked into George Street, High Street, College Green and the office area to the south;
 - Ø Community / leisure linked in particular into College Green and High Street;
 - Ø Offices; and
 - Ø Residential.
- 8.47 Mid Croydon is surrounded by other parts of the Central Area that have a strong identity and function. We have therefore stressed the importance of having strong links to these surrounding areas.
- 8.48 In this regard it will be important to have active ground floor uses, so as to encourage footfall through the area. Similarly the development should be permeable, and it may be considered that an 'open street' form of development would best achieve this.
- 8.49 The existing bus stops within Mid Croydon provide an important function in drawing people through the area. Consideration should therefore be given to alternative bus service provision, that can assist in maintaining footfall within, and the viability of, this part of the Central Area.
- 8.50 The form of development will also determine the level of car parking that should be provided.
- 8.51 Given the large scale comprehensive redevelopment that is required, bringing forward a development scheme that is commercially viable will be an important consideration. Because of this it will be important that any 'Brief' for the area brought forward by the Council clarifies the Council's requirements for the area, but at the same time provides sufficient flexibility for developers to work up proposals that are viable and capable of being delivered.

9. Other Needs and Opportunities

- 9.1 In this Section we outline our views on the suggested role and function of other parts of Croydon Centre. We also address some of the specific issues on which the Council seeks our advice set out in Section 1 of the report.

Secondary Retail and other Masterplan Areas

- 9.2 Our commentary in Section 8 covered the Core Retail Area and the Mid Croydon Masterplan Area. Our advice below covers the other retail areas of the Central Area and the other defined Masterplan Areas.

Church Street / Surrey Street / Middle Street

- 9.3 This area is linked to the Core Retail Area via Corn Hill, which contains a return frontage of Primark. Bon Marche and Argos are located further along Church Street. The area contains many lower end value retailers and services.
- 9.4 Bell Hill/Middle Street are small cobbled streets with character, the attractions of which should be recognized and exploited.
- 9.5 Surrey Street is lined with attractive buildings and contains the main market in Croydon, which is an asset for the centre.
- 9.6 Overall this is a secondary retail area, but with a good convenience goods offer. It performs an important role for the centre as a whole and its links with the remainder of the centre should be strengthened as far as possible.

George Street East West/ East Croydon Masterplan Area

- 9.7 East Croydon Station serves an important function as the major transport hub for Croydon with an opportunity to provide an attractive entry point to the town centre. Any retailing should be of a form or scale that would not compete with the Core Retail Area.
- 9.8 George Street acts as a main pedestrian thoroughfare to the Core Retail Area, and it is important that it continues to fulfil this role.
- 9.9 West of Wellesley Road, George Street is mostly secondary in nature. The current offer of cafe, restaurant and service uses should be encouraged, alongside retail uses. However, the retail function of the western (Allders) end of the street is of importance in providing a strong link into the area to the south of George Street,

Wellesley Road Masterplan Area

- 9.10 Wellesley Road in its current form is a significant barrier to east west pedestrian movement. It is important that designs incorporate traffic management measures that create a more pedestrian friendly boulevard. The area would benefit from the introduction of pedestrian friendly crossing points and increased bus stop/pick up points.
- 9.11 If a more pedestrian friendly environment can be achieved, there would be benefits from encouraging more active ground level frontages along Wellesley Road similar to those found on its eastern side close to the George Street junction. This could be a part of any longer term redevelopment proposals on the eastern side of the Whitgift Centre. It could also be associated with upgrading of the Wellesley Road entrance to the Whitgift Centre and assist in drawing shoppers from the east into the Core Retail Area.

- 9.12 We can see no justification for introducing retail and retail/service uses to the east of Wellesley Road. The retail frontage linking to East Croydon Station should continue to be via George Street.

West Croydon Masterplan Area

- 9.13 Although the West Croydon Station area will undoubtedly play an important role as a transport hub within Croydon centre, we do not consider that it should be a major destination for comparison shopping in its own right.
- 9.14 As previously stated, the northern end of the Core Retail Area is already well defined by the Marks & Spencer store and there is no sound planning justification to include the West Croydon Station area within the Core Retail Area. This area is best suited to station retailing, and local shops.

College Green Masterplan Area

- 9.15 The College Green Masterplan Area lies to the east of Wellesley Road and south of George Street. The area itself is of limited relevance to the retail function of the Croydon centre, except that it would benefit from better links with the Mid Croydon Masterplan Area. Similarly new development within Mid Croydon Masterplan Area would benefit from stronger links with the College Green Area.

Main and Secondary Shopping Frontages

- 9.16 Planning Policy Statement 6: Planning for Town Centres (March 2005) sets out a series of retail based definitions. Annex A defines a primary shopping area as a:

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

- 9.17 Further, it defines primary frontages as areas ‘likely to include a high proportion of retail uses’ and secondary frontages as areas which ‘provide greater opportunities for a diversity of uses and provide a much greater opportunity for flexibility’ (paragraph 2.17).
- 9.18 In addition to defining the extent of the primary shopping area for a centre, the LPA may distinguish between primary (main) and secondary frontages, and that these should be realistically defined, having regard to the need to encourage diversification of retail uses in town centres as a whole. Where frontages are defined, development documents should include policies that make clear which uses will be permitted in such locations.

Main Shopping Frontage

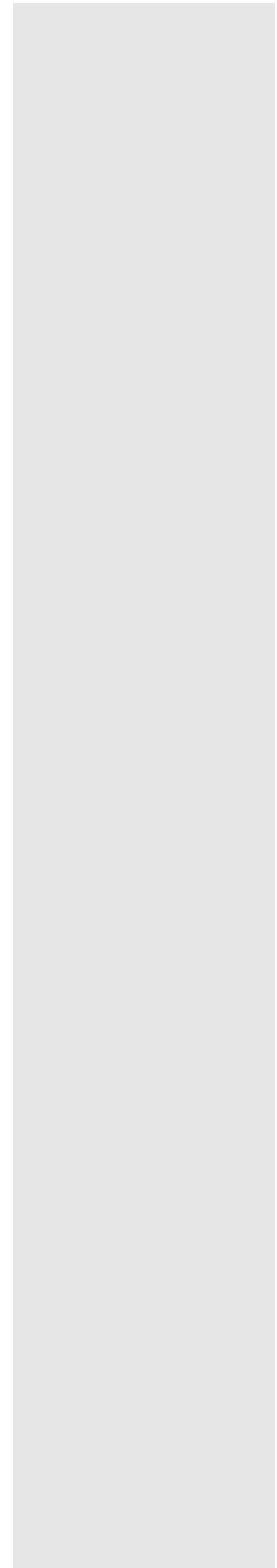
- 9.19 In our opinion the main shopping frontage should be focused essentially on the Core Retail Area which we have defined in Section 6 of this report. The extent to which the primary shopping frontage should extend south of George Street will depend on the case that is made for any ‘main stream’ retailing to the south of George Street.
- 9.20 We see no justification for a main shopping frontage in Church Street, nor north of Poplar Walk in North End.
- 9.21 There may be justification for main shopping frontage to the western end of George Street linked with any major redevelopment that may occur in this location.

Secondary Shopping Frontage

- 9.22 The major shopping frontages beyond the Core Retail Area should remain largely as existing in the Church Street, Surrey Street and Middle Street area, High Street and in George Street.
- 9.23 Any new retail development in the West Croydon Station Area is likely to be of a scale and type that would warrant secondary shopping frontage status only. We see no justification therefore for seeking to extend the primary shopping frontages north of Poplar Walk.

Primary Shopping Area

- 9.24 The defined primary shopping area should encompass the primary and secondary shopping frontages identified above, with the exception of the area south of Mint Walk. Although these frontages perform an important function, they are remote from the Core Retail Area.



10. Conclusions

- 10.1 We have identified what we believe are the key issues relating to the Central Area and its future retail potential.
- 10.2 There are problems and issues within the existing Core Retail Area that require addressing if the Centre is to meet the strategic objectives set out in the adopted UDP, and if it is to achieve its full potential.
- 10.3 One of the principal issues is that Croydon has somewhat of a negative image, which affects its standing and perception as a shopping centre. Our studies have demonstrated that this perception is founded in reality as far as a representation by quality aspirational retailers is concerned compared with nearby competing centres. Another issue is that although Croydon Centre has a large amount of retail floorspace, parts of the centre are underperforming and in need of investment.
- 10.4 There are clear opportunities for the future. Croydon is the largest shopping centre within South London, where there is a very large catchment population and where there will be a continued growth of retail expenditure following the economic downturn. Prior to the economic downturn there was clear evidence of retailers seeking representation in Central Croydon and John Lewis are known to be interested in the town in principle.
- 10.5 We have indicated where we believe new investment should be focussed and a role for the area south of George Street. However, the issues that will determine how new retail development is best provided for in or adjacent to the existing Core Retail Area are issues of detail. The detail of any schemes will need to be justified by developers and we have indicated criteria that they will need to address.
- 10.6 There are also problems within the Core Retail Area arising from the complex property ownerships and title. There may be a wider role for the Council in facilitating the bringing forward of appropriate development schemes.
- 10.7 Paradoxically the economic downturn may also provide a window of opportunity for the Council to move forward, when investment and schemes in other centres are being held back.

Appendix 1 – Quantitative Analysis Methodology

1. Quantitative Analysis Methodology

1.1 This section sets out the methodology used for the retail model, and should be read in conjunction with Section 4 of the main report.

1.2 The methodology used in the forecasts is described in detail in the 2007 Study 'DJ Background Paper 1: Economic Retail Assessment'. Most of this description applies to these forecast updates. It is therefore summarised only here, but with any changes noted.

Survey area

1.3 This is the area covered in the 2006 Croydon Household Shopping Survey, which includes the whole of Croydon Borough, part of LB Lambeth to the north, Tandridge and Reigate and Banstead to the south, and LB Sutton to the west. The Survey Area and Sub-Zones are shown in Appendix 4.

Population estimates and forecasts

1.4 These are set out in Appendix 2 Table 1. Base year 2005 population estimates and forecasts to 2015 are from Experian local area reports for the defined 2006 Survey Area. Forecasts for 2015 – 2021 are DJ estimates, see footnotes to Table 1.

Expenditure per head estimates and forecasts

1.5 These are set out in Table 2. Base year 2005 comparison goods expenditure per head estimates for the Survey Area are from Experian Local Area reports.

1.6 Special Forms of Trading (SFT) has been deducted by goods category according to Experian estimates.

1.7 For the period to 2008 actual expenditure per head growth rates have been used. For the period 2008-2016 growth estimates from Experian Retail Planner Briefing Note 7.1, August 2009 have been used. For the period 2017-2021 a growth rate of +3.8% per annum has been used (DJ estimate).

Available Survey Area expenditure estimates and forecasts

1.8 Total available comparison goods expenditure estimates for the Survey Area and Sub-Zones are set out in Table 3. The forecasts have a base year of 2006 with forecasts to 2009, 2012 and 2016, with a final forecast year of 2021.

Potential available Survey Area expenditure attracted to Croydon Centre

1.9 Potential available expenditure attracted to Croydon Centre from the Study Area and sub-Zones is shown in Tables 4 and 5.

1.10 The Table 4 market share figures are derived from the 2006 Croydon Household Shopping Survey with some adjustments downwards to make allowance for some respondents saying they shop in Croydon Centre, but who also use other centres. As noted above, the market share figures are held constant over the forecast period and therefore make no allowance for the increased draw that would be brought about by, for example, a John Lewis department store.

1.11 Based on these survey results, Table 5 shows the total amount of comparison goods expenditure attracted to Croydon Centre, including an

allowance for inflow from beyond the defined survey Area (3% of the total expenditure attracted). The turnover figure grows over time because of the growth of available expenditure.

Turnover of existing comparison floorspace

- 1.12 Estimates of the turnover requirements of existing comparison retail floorspace for both Scenario A and Scenario B are shown in tables 6a and 6b respectively.
- 1.13 Comparison floorspace in the Central Area over the period 2006 to 2011 is estimated to be 183,246 sq m gross. This figure is based on LB Croydon's 2006 Land Use Survey. It has been assumed that 75% of this relates to retail sales area, giving a net retail floorspace figure for this period of 137,435 sq m.
- 1.14 Scenario A holds this figure constant throughout the assessment. Scenario B reduces the comparison floorspace in the Central Area at 2012 to 100,719 sq m net. This deduction has been made to allow for removal of the total amount of existing retail floorspace within the former Park Place scheme (36,716 sq m net).
- 1.15 The turnover per sq m figure for 2006 has been calculated by dividing the total available comparison expenditure to the Central Study Area (2006 Croydon Household Shopping Survey area residents' expenditure plus inflow expenditure allowance) by the estimated 2006 comparison net retail floorspace figure.
- 1.16 Turnover per sq m estimates for the period 2007 to 2021 have been generated by growing the 2006 estimate by a rate equal to half the expenditure per head growth rate for each of the test years.
- 1.17 The turnover of existing Central Area comparison floorspace has been estimated by applying the estimated turnover per sq m figures to the relevant net retail floorspace figure for each of the test years.

Estimates of supportable new comparison goods floorspace in Croydon Centre

- 1.18 In Tables 7a and 7b we compare the available comparison goods expenditure attracted to Croydon centre at the test years (based on the Household Survey results) with the benchmark comparison goods turnover which is required to support the existing comparison goods floorspace in the centre. (Tables 6a and 6b). An allowance has also been made for internet comparison goods sales over the period 2007 to 2021.
- 1.19 The methodology assumes that at the base year the shopping centre is 'in-balance', and that expenditure surpluses and new floorspace are a product only of expenditure growth over the forecast period.

Appendix 2 – Quantitative Retail Need Assessment

Table 1: Population estimates and forecasts

	2006	2009	2012	2016	2021
Zone 1	42,714	44,322	45,598	46,959	48,367
Zone 2	139,539	142,070	144,161	146,897	151,304
Zone 3	159,744	162,578	165,540	169,071	174,143
Zone 4	211,711	216,793	222,274	228,673	236,533
Zone 5	173,645	176,164	182,202	187,160	192,775
Zone 6	52,483	53,056	53,453	54,039	55,660
Zone 7	58,025	58,443	58,831	59,378	61,160
Zone 8	37,061	37,909	38,816	39,647	40,837
Zone 9	56,649	57,852	59,455	60,956	62,785
Zone 10	20,185	20,477	20,824	21,102	21,735
Total	951,756	971,664	991,152	1,013,882	1,044,299
Total Population Growth		2006-2009	2006-2012	2006-2016	2006-2021
Total Population Growth (%)		19,908 2.09%	39,396 4.14%	62,126 6.53%	92,543 9.72%

Source / Notes:
 1. Population figures extrapolated from Experian Population Report, generated in June 2007.
 2. 2016 figures have been estimated by Drivers Jonas by growing Experian 2015 figures by 0.5%.
 3. 2021 figures have been estimated by Drivers Jonas by growing the 2016 figures by 3%.
 4. Zones 1-10 relate to survey areas used in the 2006 Croydon Household Shopping Survey.

Table 2: Comparison goods expenditure per head estimates and forecasts

	2006	2009	2012	2016	2021
	£	£	£	£	£
Clothing and footwear	732	806	832	918	1106
Furniture / floorcoverings etc.	351	387	399	441	531
Household Textiles	71	78	81	89	107
Household Appliances	65	72	74	82	99
Audio-visual equipment	249	274	283	312	376
Hardware, DIY and garden products	218	240	248	273	329
Chemists, medical and beauty goods	534	588	607	670	807
All other comparison goods	846	931	960	1060	1278
Total	3,066	3,375	3,483	3,845	4,633

Source / Notes:

- 2005 local expenditure estimates for the total 2006 Croydon Household Shopping Survey area have been sourced from Experian and converted to 2006 prices using a factor of +1,018 (Experian Retail Planner Briefing Note 4.0, Annex 1).
- The 2005 total expenditure per head estimate for all comparison goods, including Special Forms of Trading, is £3,053.
- Expenditure by Special Forms of Trading has been deducted by goods category according to Experian estimates.
- 2006 estimates have been derived by growing the 2005 figures by the actual annual growth rate of 6.4% (Mash/Info).
- 2007 estimates have been derived by growing the 2006 figures by the actual annual growth rate of 6.0% (Mash/Info).
- Estimates for 2008 to 2016 have been derived by growing the 2007 estimates by +2.7% (2008); +1.1% (2009); -0.4% (2010); +1.1% (2011); +2.5% (2012-2016). Experian Retail Planner Briefing Note 7.1 (August 2009).
- Estimates for 2017-2021 have been grown by +3.8% - DJ Estimate.

Table 3: Available Comparison Goods Expenditure estimates and forecasts

Comparison goods expenditure 2006

	Zone 1 £m	Zone 2 £m	Zone 3 £m	Zone 4 £m	Zone 5 £m	Zone 6 £m	Zone 7 £m	Zone 8 £m	Zone 9 £m	Zone 10 £m	Total £m
Clothing and footwear	31,27	102,14	116,93	154,97	127,11	38,42	42,47	27,13	41,47	14,78	697
Furniture / floorcoverings etc.	15,01	49,03	56,13	74,40	61,02	18,44	20,39	13,02	19,91	7,09	334
Household Textiles	3,04	9,91	11,35	15,04	12,34	3,73	4,12	2,63	4,03	1,43	68
Household Appliances	2,80	9,13	10,46	13,86	11,37	3,44	3,80	2,43	3,71	1,32	62
Audio-visual equipment	10,64	34,77	39,80	52,75	43,26	13,08	14,46	9,23	14,11	5,03	237
Hardware, DIY and garden products	9,31	30,40	34,81	46,13	37,84	11,44	12,64	8,08	12,34	4,40	207
Chemists, medical and beauty goods	22,81	74,52	85,31	113,06	92,73	28,03	30,89	19,79	30,25	10,78	508
All other comparison goods	36,12	117,98	135,07	179,01	146,82	44,38	49,06	31,34	47,90	17,07	805
Total	130,98	427,90	489,85	649,21	532,48	160,94	177,93	113,65	173,71	61,90	2,919

Comparison goods expenditure 2009

	Zone 1 £m	Zone 2 £m	Zone 3 £m	Zone 4 £m	Zone 5 £m	Zone 6 £m	Zone 7 £m	Zone 8 £m	Zone 9 £m	Zone 10 £m	Total £m
Clothing and footwear	35,71	114,46	130,98	174,66	143,54	42,74	47,08	30,54	46,61	16,50	783
Furniture / floorcoverings etc.	17,14	54,85	62,88	83,84	68,90	20,52	22,60	14,66	22,37	7,92	376
Household Textiles	3,47	11,11	12,71	16,95	13,93	4,15	4,57	2,96	4,52	1,60	76
Household Appliances	3,19	10,24	11,71	15,62	12,84	3,82	4,21	2,73	4,17	1,48	70
Audio-visual equipment	12,15	38,96	44,58	59,45	48,85	14,55	16,03	10,40	15,86	5,62	266
Hardware, DIY and garden products	10,63	34,07	38,99	51,99	42,72	12,72	14,01	9,09	13,87	4,91	233
Chemists, medical and beauty goods	26,05	83,50	95,55	127,42	104,71	31,18	34,35	22,28	34,00	12,04	571
All other comparison goods	41,25	132,21	151,29	201,74	165,80	49,37	54,39	35,28	53,84	19,06	904
Total	149,59	479,48	546,70	731,67	601,30	179,06	197,24	127,94	195,25	68,11	3,279

Comparison goods expenditure 2012

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Clothing and footwear	37.92	119.87	137.65	184.83	151.51	44.45	48.92	32.28	49.44	17.32	824
Furniture / floorcoverings etc.	18.20	57.55	66.08	88.73	72.73	21.34	23.48	15.49	23.73	8.31	396
Household Textiles	3.68	11.84	13.36	17.94	14.71	4.31	4.75	3.13	4.80	1.68	80
Household Appliances	3.39	10.72	12.31	16.53	13.55	3.97	4.37	2.89	4.42	1.55	74
Audio-visual equipment	12.91	40.80	46.85	62.91	51.57	15.13	16.65	10.99	16.83	5.89	281
Hardware, DIY and garden products	11.29	35.68	40.97	55.02	45.10	13.23	14.56	9.61	14.72	5.15	245
Chemists, medical and beauty goods	27.66	87.45	100.42	134.84	110.53	32.43	35.69	23.55	36.07	12.63	601
All other comparison goods	43.80	138.47	159.00	213.49	175.00	51.34	56.51	37.28	57.11	20.00	952
Total	158.84	502.18	576.65	774.28	634.69	186.20	204.94	135.22	207.11	72.54	3,453

Comparison goods expenditure 2016

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Clothing and footwear	43.10	134.83	155.18	208.89	171.79	49.60	54.50	36.39	55.95	18.37	931
Furniture / floorcoverings etc.	20.69	64.73	74.50	100.76	82.47	23.81	26.16	17.47	26.86	9.30	447
Household Textiles	4.18	13.09	15.06	20.37	16.88	4.81	5.29	3.53	5.43	1.88	90
Household Appliances	3.85	12.06	13.88	18.77	15.36	4.44	4.87	3.25	5.00	1.73	83
Audio-visual equipment	14.67	45.89	52.82	71.44	58.47	16.88	18.55	12.39	19.04	6.59	317
Hardware, DIY and garden products	12.83	40.13	46.19	62.48	51.13	14.76	16.22	10.83	16.65	5.77	277
Chemists, medical and beauty goods	31.44	88.36	113.21	153.12	125.32	36.18	39.76	26.55	40.82	14.13	679
All other comparison goods	48.79	155.74	179.25	242.44	198.43	57.29	62.95	42.03	64.63	22.37	1075
Total	180.56	564.83	650.09	879.27	719.65	207.78	228.32	152.45	234.38	81.14	3,898

Comparison goods expenditure 2021

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Clothing and footwear	53.50	167.34	192.61	260.50	213.21	61.56	67.84	45.17	69.44	24.04	1155
Furniture / floorcoverings etc.	25.68	80.33	92.46	125.06	102.35	29.55	32.47	21.68	33.34	11.54	554
Household Textiles	5.19	16.24	18.70	25.29	20.70	5.98	6.57	4.38	6.74	2.33	112
Household Appliances	4.78	14.96	17.22	23.30	19.07	5.51	6.05	4.04	6.21	2.15	103
Audio-visual equipment	18.21	56.96	65.56	88.67	72.57	20.95	23.02	15.37	23.64	8.18	393
Hardware, DIY and garden products	15.92	49.81	57.33	77.54	63.46	18.32	20.13	13.44	20.67	7.16	344
Chemists, medical and beauty goods	39.03	122.08	140.51	190.05	155.55	44.91	49.35	32.95	50.66	17.54	843
All other comparison goods	61.79	183.30	222.48	300.91	246.28	71.11	78.13	52.17	80.21	27.77	1334
Total	224.10	701.04	806.86	1091.30	893.19	257.89	283.37	189.21	290.90	100.71	4,839

Sources/notes:
Tables 1 and 2

Table 4: Total Comparison Goods Market Shares by Zone

	2006	2009	2012	2016	2021
	%	%	%	%	%
Zone 1	57%	57%	57%	57%	57%
Zone 2	30%	30%	30%	30%	30%
Zone 3	30%	30%	30%	30%	30%
Zone 4	24%	24%	24%	24%	24%
Zone 5	15%	15%	15%	15%	15%
Zone 6	49%	49%	49%	49%	49%
Zone 7	34%	34%	34%	34%	34%
Zone 8	30%	30%	30%	30%	30%
Zone 9	10%	10%	10%	10%	10%
Zone 10	14%	14%	14%	14%	14%

Sources / Notes:
 1. Market share estimates are taken from the Drivers Jonas Economic Retail Assessment, July 2007.
 2. Market shares have been held constant.
 3. Zones 1-10 relate to survey areas used in the 2006 Croydon Household Shopping Survey.

Table 5 - Total Expenditure to the Central Study Area - All comparison goods

	2006	2009	2012	2016	2021
	£m	£m	£m	£m	£m
Zone 1	74,66	85,26	90,54	102,92	127,74
Zone 2	126,37	143,84	150,65	169,45	210,31
Zone 3	146,96	164,61	173,00	195,03	242,06
Zone 4	155,81	175,60	185,83	211,02	261,91
Zone 5	79,87	90,19	95,20	107,95	133,98
Zone 6	78,86	87,74	91,24	101,81	126,37
Zone 7	60,50	67,06	69,68	77,63	96,35
Zone 8	34,09	38,38	40,56	45,73	56,76
Zone 9	17,37	19,52	20,71	23,44	29,09
Zone 10	8,67	9,68	10,16	11,36	14,10
Total from SA	765,16	881,90	927,57	1,046,34	1,298,67
Inflow	3%	3%	3%	3%	3%
Total including Inflow	808,71	908,36	955,39	1,077,73	1,337,63

SCENARIO A - Inclusion of Park Place Floorspace

Table 6a: Central Area Base Year Actual Turnover Estimates and Benchmark Estimates for Forecast Years.

Floorspace (sqm)		Turnover Efficiency Growth estimate		
		Turnover/sqm (£/sqm)	Turnover (£m)	
Gross	183,246	2006	5,884.3	808.71
Net	137,435	2009	6,225.6	855.62
		2012	6,281.7	863.33
		2016	6,601.8	907.31
		2021	7,217.7	991.96

Source / Notes:

1. Gross floorspace figure is based on the 2006 LB Croydon Land Use Survey
2. Net floorspace figure is taken to be 75% of the gross floorspace figure.
3. 2006 turnover/sqm figures have been derived by dividing Total Comparison Expenditure to the Central Study Area (Table 5) by the estimated floorspace figure.
4. 2007-2021 turnover/sqm figures have been estimated by growing 2006 turnover/sqm figures by half the Expenditure per Head growth rates (Table 2).
5. Turnover figures have been derived by applying the estimated turnover/sqm figures to net floorspace figures for each of the test years.

Table 7: Estimates of supportable comparison floorspace

	2006	2009	2012	2016	2021
Available comparison goods expenditure - SA residents (£m)	785,16	881,90	927,57	1046,34	1298,67
Available comparison goods expenditure - inflow (£m)	23,55	26,46	27,83	31,39	38,96
Total available comparison goods expenditure (£m)	808,71	908,36	955,39	1077,73	1337,63
Benchmark Central Study Area existing comparison turnover (£m)	808,71	855,62	863,33	907,31	961,96
Surplus available comparison goods expenditure (£m)	0	52,74	92,07	170,42	345,67
Central Study Area comparison commitments turnover (£m)	0	0	0	0	0
Surplus expenditure (£m)	0	52,74	92,07	170,42	345,67
Internet sales allowance (%)	6,8	7,4	8,8	9,6	9,4
Surplus expenditure minus internet sales (£m)	0,00	48,84	83,96	154,06	313,17
Turnover requirement/average comparison floorspace (£/sqm)	6000	6367	6757	7314	8075
Estimated supportable comparison floorspace (sales eqm)	-	10,227	16,569	28,086	51,710
Estimated supportable comparison floorspace (gross eqm)	-	13,636	22,091	37,448	68,946

Source/Notes:

1. Available comparison goods expenditure figures have been taken from Table 5.
2. Central Study Area existing comparison turnover figures have been taken from Table 6a.
3. An allowance for internet sales of estimated surplus expenditure has been made subject to the guidance contained in Experian Retail Planner Briefing Note 7.1.
4. Average turnover requirement for new comparison floorspace has been estimated for 2006 and grown at +2.0% pa.
5. A net gross ratio of 75:25 has been assumed for estimated supportable new comparison floorspace.

SCENARIO B - Removal of 'Park Place' Floorspace

Table 6b: Central Area Base Year Actual Turnover Estimates and Benchmark Estimates for Forecast Years.

Turnover Efficiency Growth estimate		
Floorspace (sqm)	Turnover/sqm (£/sqm)	Turnover (£m)
Gross	2006	808.71
Net	5,884.3	
	2009	855.62
	2012	632.69
2012-21 floorspace (sqm)		
Net	6,281.7	664.92
	2016	
	2021	726.96
	7,217.7	

Source / Notes:

1. 2006-2011 gross floorspace figure is based on the 2006 LB Croydon Land Use Survey.
2. 2006-2011 net floorspace figure is taken to be 75% of the gross floorspace figure.
3. 2016-2021 net floorspace figure has been derived by subtracting the agreed loss in existing net retail floorspace arising from the implementation of the Park Place scheme from the 2006-2011 net floorspace figure (36,716 sqm net).
4. 2006 turnover/sqm figures have been derived by dividing Total Comparison Expenditure to the Central Study Area (Table 5) by the estimated 2006-2011 floorspace figure.
5. 2007-2021 turnover/sqm figures have been estimated by growing 2006 turnover/sqm figures by half the Expenditure per Head growth rates (Table 2).
6. Turnover figures have been derived by applying the estimated turnover/sqm figures to net floorspace figures for each of the test years.

Table 7: Estimates of supportable comparison floorspace

	2006	2009	2012	2016	2021
Available comparison goods expenditure - SA residents (£m)	785.16	881.90	927.57	1046.34	1298.67
Available comparison goods expenditure - inflow (£m)	23.55	26.46	27.83	31.39	38.96
Total available comparison goods expenditure (£m)	808.71	908.36	955.39	1077.73	1337.63
Benchmark Central Study Area existing comparison turnover (£m)	808.71	855.62	632.69	664.92	726.96
Surplus available comparison goods expenditure (£m)	0	52.74	322.70	412.81	610.67
Central Study Area comparison commitments turnover (£m)	0	0	0	0	0
Surplus expenditure (£m)	0	52.74	322.70	412.81	610.67
Internet sales allowance (%)	6.8	7.4	8.8	9.6	9.4
Surplus expenditure minus internet sales (£m)	0.00	48.84	294.31	373.18	553.27
Turnover requirement/average comparison floorspace (£/sqm)	6000	6367	6757	7314	8075
Estimated supportable comparison floorspace (sales eqm)	-	10,227	58,074	68,031	91,352
Estimated supportable comparison floorspace (gross eqm)	-	13,636	77,433	90,708	121,803

Source/Notes:

1. Available comparison goods expenditure figures have been taken from Table 5.
2. Central Study Area existing comparison turnover figures have been taken from Table 6b.
3. An allowance for internet sales of estimated surplus expenditure has been made subject to the guidance contained in Experian Retail Planner Briefing Note 7.1.
4. Average turnover requirement for new comparison floorspace has been estimated for 2006 and grown at +2.0% pa.
5. A net gross ratio of 75:25 has been assumed for estimated supportable new comparison floorspace.

Appendix 3 – Retailer Representation

CROYDON METROPOLITAN CENTRE

REGENERATION STRATEGY – APPENDIX 3

Comparison goods retailers are classified into three main categories – up market/aspirational, middle market/mainstream, and lower market/value retailers. There are a number of comparison goods retailers that do not fall into any of these categories, for example pharmacies, hardware, and electrical stores, as well as a independent specialist traders. These are a fourth 'Other' category.

The classification is based on the consultants' (DJ and KFM) view of the categories into which retailers are appropriately placed.

For each centre, the area covered is that shown by the GOAD plan, based on their surveys dates at the time:

Croydon – 03/08/2009

Bromley – 14/01/2009

Kingston – 31/07/2009

TABLE 1 – Comparison Retailers in Croydon

	Up Market/Aspirational	Middle Market/Mainstream	Lower Market/Value	Other
1	House of Fraser	Aldo Shoes	T K Maxx Clothing	170 *
2	Sofa Workshop	Pumpkin Patch Childrenswear	Mothercare	
3	LK Bennett	Office Shoes	Warren James Jewellers	
4	French Connection	Burton Menswear & Dorothy Perkins Ladieswear	Primark	
5	Goldsmiths Jewellers	Lush Health & Beauty	Barratts Shoes	
6	Beaverbrooks Jewellers	Monsoon	Sports Direct	
7	T M Iewin	Clarks Shoes	Poundstretcher Household Goods	
8	Swarovski Jewellers	Republic Ladies & Menswear	Berkertex Bridal Wear	
9		USC Ladies & Menswear	Base Menswear & Childrenswear	
10		Topshop Ladieswear & Topman Menswear	H&M Clothing – North End	
11		Wallis Ladieswear	H&M Clothing – Centrale Shopping Centre	
12		J J B Sports Gs	Rosebys Household Textiles	
13		H Samuel Jeweller	New Look Ladieswear	
14		Faith Shoes	Baron Jon Menswear	
15		Next Ladieswear & Menswear	4 Feet Shoes	
16		La Senza Lingerie	Claire's Accessories	
17		Blue Inc Ladies & Menswear	Footlocker Shoes	
18		Oasis Ladieswear	Bon Marche Ladieswear	
19		Ernest Jones Jewellers	House of Reeves Furniture	
20		J D Sports Goods		
21		Marks & Spencer		
22		River Island Ladies & Menswear		
23		Ann Harvey Ladieswear		

CROYDON METROPOLITAN CENTRE

REGENERATION STRATEGY – APPENDIX 3

24		Zara Ladies & Menswear	
25		Ann Summers Lingerie	
26		Dreams Bed Superstore	
27		Moss Menswear & MossBros Clothing Hire	
28		Alders	
29		Debenhams	
30		Blacks Outdoorwear	
31		Evans Ladieswear	
32		Millets Camping	
33		Base Menswear	
34		Joy Ladies & Menswear	
35		Miss Selfridge	
36		Jane Norman	
37		Uniqlo	
38		Multiyork Furniture	
39		Accessorize	
40		Tie Rack	
41		Thorntons	
42		Swag Jeweller	
43		Sole Trader Shoes	
44		Mango	
45		Sunglasses Hut	
46		Punky Fish Ladieswear	

* The relatively high number of retailers falling in to the 'other' category in Croydon is due to the extensive peripheral shopping areas, particularly to the south, included within the Croydon Goad plan area.

TABLE 2 – Comparison Retailers in Bromley

	Up Market/Aspirational	Middle Market/Mainstream	Lower Market/Value	Other
1	Neals Yard Remedies	Wallis	Bon Marche Ladieswear	88
2	Crabtree and Evelyn Health and Beauty	Office Shoes	Argos	
3	Fat Face	Lush Health & Beauty	Primark	
4	Levi Strauss & Co Clothing	Marks and Spencer	New Look Ladieswear	
5	French Connection	Moss Bros	Mothercare	
6	Jones Bootmaker	Monsoon	BHS	
7	Laura Ashley Interior Decor	Lillywhites Sports goods	Barratts Shoes	
8	Russell and Bromley	Ann Summers	H&M	
9	Sworovski Jeweller	Next	Footlocker	
10	Lakeland	Dreams Furniture	Barratts Shoes	
11	Massimo Dutti Ladies & Menswear	Topshop Ladieswear & Topman Menswear	Claire's Accessories	
12	Karen Millen Ladieswear	Burton Menswear & Dorothy Perkins Ladieswear	TK Maxx	
13	Viyella Ladieswear	Miss Selfridge		
14	Paperchase	Ernest Jones Jewellers		
15	Coast Ladieswear	Nike Sports		
16	Dune Shoes	Ann Harvey Ladieswear		
17	Vendetta Lingerie	Uniqlo		
18	T M Lewin Ladies & Menswear	Thorntons		
19	Jacques Vert Ladieswear	Clarks Shoes		
20	Hobbs Ladieswear	GAP		

CROYDON METROPOLITAN CENTRE

REGENERATION STRATEGY – APPENDIX 3

21	Shoon Shoes				
22	Beaverbrooks Jewellers				
23				Faith Shoes	
24				Aldo Shoes	
25				La Senza	
26				Base Menswear	
27				Debenhams	
28				River Island Ladies & Menswear	
29				Zizzi Ladies Wear	
30				Warehouse Ladieswear	
31				Oasis Ladieswear	
32				JD Sports	
33				Evans Ladieswear	
34				Mango Ladieswear	
35				Zara Ladies & Menswear	
36				USC Ladieswear & Menswear	
37				Jane Norman Ladieswear	
38				Swag Jeweller	
39				C C Ladieswear	
				Pumpkin Patch Childrenswear	
				United Colours of Benetton	

TABLE 3 – Comparison Retailers in Kingston-upon-Thames

	Up Market/Aspirational	Middle Market/Mainstream	Lower Market/Value	Other
1	Hugo Boss	Marks and Spencer	Primark	84
2	Octopus Gifts	Wallis	Bentalls	
3	John Lewis	Next	Mothercare	
4	Dune Shoes	Borders	Sports World	
5	Fat Face	Lush	TK Maxx	
6	Karen Millen	Moss Bros.	BHS	
7	French Connection	Sunglasses Hut	H&M	
8	Russell and Bromley	Office Shoes	Timpson	
9	Neals Yard Remedies	Monsoon	New Look Ladieswear	
10	Laura Ashley	Republic Ladies & Menswear	Claire's Accessories	
11	Cath Kidston	La Senza Lingerie	MK One Ladieswear	
12	Sweaty Betty	Aldo Shoes		
13	Fired Earth	River Island		
14	Kew Ladieswear	Tie Rack		
15	Whistles	Fraser Hart Jewellery		
16	Ghost	Dreams Bedstore		
17	Jones Bootmakers	Thorntons		
18	Reiss	Pumpkin Patch Childrenswear		
19	Coast	Evans Womenswear		
20	Hobbs	Clarks Shoes		
21	L'Occitane Health and Beauty	JD Sports		

CROYDON METROPOLITAN CENTRE

REGENERATION STRATEGY – APPENDIX 3

24	Shoon Shoes		Warehouse Ladieswear	
25	East Ladieswear		Topshop Ladieswear & Topman Menswear	
26	Jacques Vert		Uniqlo	
27	Kaleido Jewellers		Freespirit	
28	Links Jewellers		GAP Kids Childrenswear	
29	T M Lewin Ladies & Menswear		H.Samuel Jewellers	
30	Levi Strauss & Co Clothing		Oasis Ladieswear	
31	Paperchase		Ann Summers	
32	Leslie Davies Jeweller		Accessorize	
33	Muji Variety Store		Edinburgh Woollen Mill	
34			Essential Jeweller	
35			Ernest Jones Jewellers	
36			Millets Camping	
37			Burton Menswear & Dorothy Perkins Ladieswear	
38			Sole Trader Shoes	
39			Zara Ladieswear & Menswear	
40			Zara Home	
41			Espirit Ladieswear	
42			GAP Kids Childrenswear	
43			Baby GAP Childrenswear	
44			United Colours of Benetton	

TABLE 4 – Comparison Retailers not represented in Croydon

	Up Market/Aspirational Retailers	Middle Market/Mainstream Retailers
1	John Lewis	Musto
2	Neals Yard Remedies	Lillywhites Sports Goods
3	Crabtree & Evelyn Health & Beauty	United Colours of Benetton
4	Fat Face	Urban Outfitters
5	Levi Strauss Clothing Co.	Nike Sports
6	Hugo Boss	Zizzi Clothing
7	Jones Bootmaker	Deichmann Shoes
8	Laura Ashley inc. Interior Décor	Warehouse
9	Russell & Bromley	GAP
10	Reiss	GAP Kids
11	Kathmandu	Baby GAP
12	Massimo Dutti	Lipsy
13	Karen Millen	Borders
14	Viyella Ladieswear	Fraser Hart Jewellery
15	United Colours of Benetton	Freespirit
16	Coast	C C Ladieswear
17	Dune	Edinburgh Woollen Mill
18	Vendetta Lingerie	Essential Jeweller
19	Cath Kidston	Zara Home
20	Jacques Vert	Esprit
21	Hobbs	Jack & Jones Vero Moda
22	Lacoste	
23	Octopus	
24	Deichmann Shoes	

CROYDON METROPOLITAN CENTRE

REGENERATION STRATEGY – APPENDIX 3

25	Geox	
26	Pravins	
27	Jigsaw	
28	Kookai	
29	Intissimini Lingerie	
30	Comptoir Des Cotonniers	
31	Ted Baker	
32	Aubin & Wills Clothing	
33	Habitat Furniture	
34	Space NK Beauty	
35	Calvin Klein Lingerie	
36	MAC Beauty	
37	French Sole Shoes	
38	L'Occitaine	
39	Links of London	
40	East	
41	Whistles	
42	Kaleido Jewellers	
43	Jack & Jones Vero Moda	
44	All Saints	
45	Ollie & Nic	
46	Gerry Webber	
47	Radley	
48	Henleys	
49	Lambretta	
50	Kurt Geiger	
51	Crew Clothing	
52	Jamie's Italian	
53	Paperchase	
54	Shoon Shoes	
55	Lakeland	
56	Sweaty Betty	
57	Fired Earth	
58	Kew	

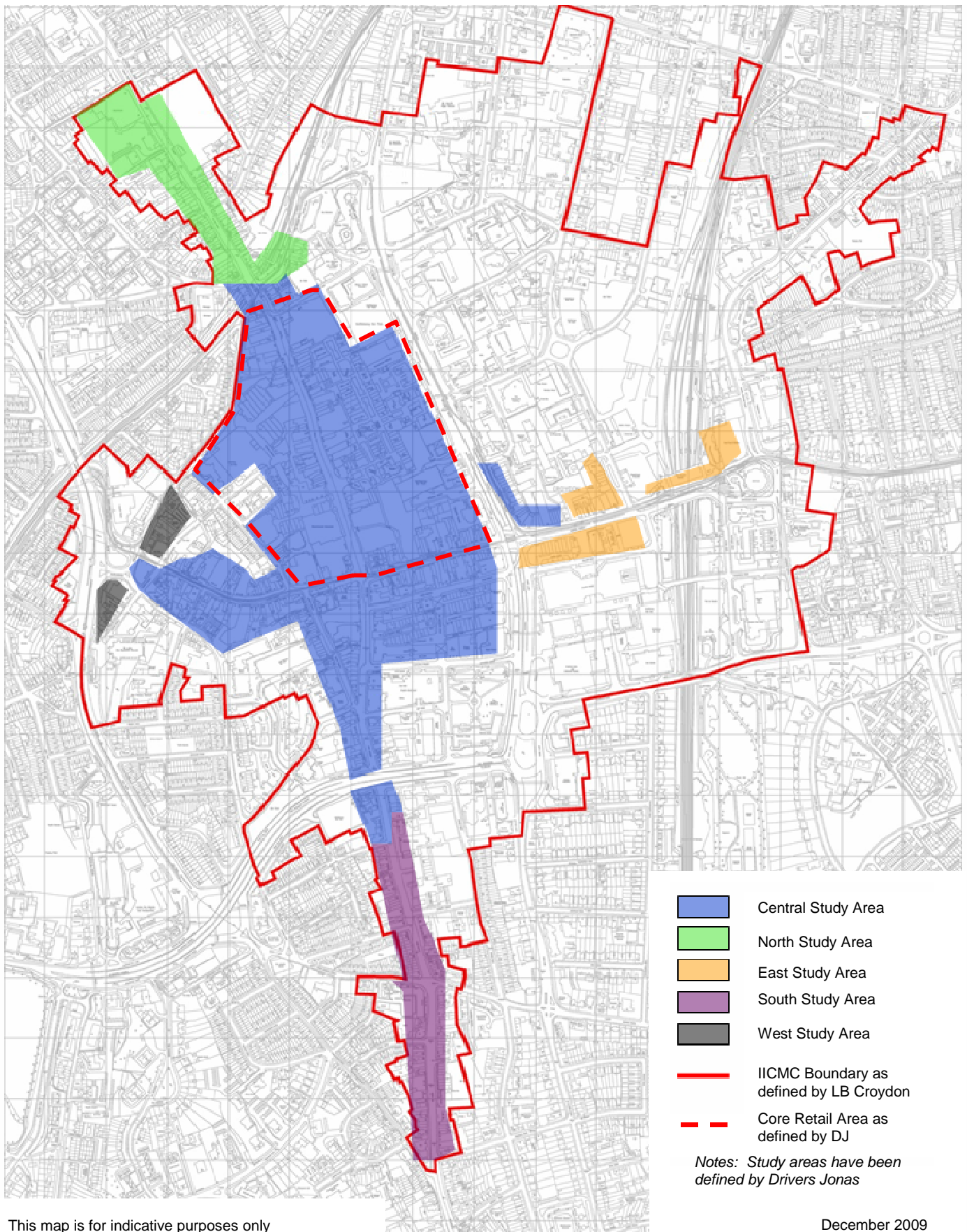
CROYDON METROPOLITAN CENTRE

REGENERATION STRATEGY – APPENDIX 3

60	Ghost	
61	Gieves & Hawkes Menswear	
62	Ben Sherman	
63	Jaeger	
64	Hotel Chocolat	
65	Ecco	
66	The White Company	
67	Gas Clothing	
68	Jack Wills Clothing	
69	Heals Furniture	
70	The General Trading Company	
71	Diesel	
72	Timberland	
73	Kiehls Beauty	
74	Selfridges	
75	Leslie Davies Jeweller	
76	Muji	
77	Cult	

Appendix 4 - Initial indicative Croydon Metropolitan Centre Boundary and DJ-defined Study Areas

Appendix 4: Initial Indicative Croydon Metropolitan Centre Boundary, DJ-defined Study Areas and Core Retail Area



This map is for indicative purposes only

December 2009