Putting the Community First

BARNET
LONDON BOROUGH

Town Centres
Floorspace Needs Assessment

Executive Summary

April 2009

Local Development Framework Evidence

Prepared by GVA Grimley

www.barnet.gov.uk

Preface

GVA Grimley Ltd was appointed in August 2008 to undertake the Barnet Town Centres Floorspace Needs Assessment. The majority of the research was carried out between September and October 2008. The household telephone interview survey was undertaken in September 2008 and the quantitative analysis prepared between October and November 2008. Although this work pre-dates revised economic forecasts including reduced expenditure growth rates forecast by Experian it provides a long term view. Therefore the longer term capacity forecasts will be more appropriate for local planning purposes.

Contact:

Planning Policy and Local Development Framework (LDF) Team
Planning, Housing & Regeneration
London Borough of Barnet
Building 2, North London Business Park
Oakleigh Road South
London N11 1NP

Tel: 020 8359 4990
Barnet Online: www.barnet.gov.uk

EXECUTIVE SUMMARY

1. GVA Grimley was instructed by the London Borough of Barnet in August 2008 to carry out a Town Centres Floorspace Needs Assessment to form the evidence base for emerging town centres planning policy and to enable the Council to make informed choices about the nature and extent of new floorspace growth to be accommodated within the Borough up to 2026.

2. The study, like the developing LDF, has been framed within the context of national, regional and local planning policy. The overarching aim of national retail policy is to sustain and enhance the vitality and viability of existing centres, wherever possible. Local Authorities are encouraged to focus development in town centres when selecting suitable locations for retail development, and to ensure that development sites are well connected to the public transport infrastructure and served by a choice of means of transport. The Barnet UDP policies seek to improve and enhance its existing network of centres, to ensure they meet the Borough's needs, and supports new retail development in accordance with the hierarchy. There are tailored policies to address significant planned growth at Cricklewood, Brent Cross and West Hendon.

3. Nationally incomes and expenditure have shown strong growth over the last 15-20 years. There has been a continued polarisation towards a smaller number of larger centres and the provision of bigger stores therein. Increased car ownership has resulted in greater household mobility and therefore the choices for shopping centres to visit and the distances that can be travelled are much greater. Internet shopping has grown significantly in the last few years, albeit from a low base, and looks set to continue in certain sectors. The London Borough of Barnet is likely to be affected by a number of these trends in particular the polarisation by retailers and shoppers towards larger centres reinforces the need for Barnet to continue to improve the retail offer at Brent Cross and in its larger centres and to protect all the existing centres by resisting out-of-centre development.

4. The recent credit crunch has had massive impacts on the retail sector. With rising living costs, disposable incomes are being squeezed, and as a result customers are shopping around more to find the best possible value, and also cutting back on 'big ticket' purchases. Increasingly retailers are finding it harder to please customers, and across all sectors, retailers are converting fewer customers into main users and shoppers are less loyal to their main stores.

5. The household survey has identified Central London (West End), Harrow, Watford, Enfield Wood Green and Borehamwood as the main competing centres with Brent Cross, Edgware and North Finchley. Central London and Watford are the most dominant centres. Borehamwood, Harrow, Enfield and Wood Green are less influential over the survey area and although we have identified some potential developments in the pipeline which would enhance the offer in these centres; we consider it unlikely that this would significantly impact on centres in Barnet. The Westfield Centre at White City/Shepherds Bush is an emerging competing centre which is likely to attract shoppers from the western parts of the Brent Cross catchment.

6. Barnet's two largest centres, Brent Cross and Edgware, are generally performing well and in line with their respective positions in the retail hierarchy. Brent Cross has a relatively limited convenience and service provision; however this is considered appropriate to its function as a regional shopping centre where the appeal rests largely in the comparison goods market and will be addressed with the re-development of the Brent Cross Cricklewood area and the provision of a new town centre. Edgware comprises the wider variety of retail provision, more in line with national averages, and adequately meets its role as a Major Centre.

7. There are distinct variations between the Borough's district centres in terms of their scale, retail offer and overall role in the Borough. Chipping Barnet and North Finchley benefit from a superior retail offer. Golders Green and Mill Hill also benefit from reasonable multiple retailer representation: largely service operators in Golders Green which reflect its primary role as a service destination; whereas there is higher quality comparison, including some designer boutiques in Mill Hill. Whetstone and Temple Fortune have a similar high quality offer to that in Mill Hill with a number of specialist and boutique shops. East Finchley is an attractive centre with a high quality environment but with a limited comparison offer, the centre primarily performs a service and convenience role. The remaining district centres in the Borough have a lower quality retail offer, with fewer multiple retailer representation and generally more limited comparison goods provision.

8. The five local centres in the Borough are more comparable in terms of their overall scale and offer which largely service-orientated. East Barnet, West Hendon and Friern Barnet each benefit from having a small anchor foodstore , although this is absent in Childs Hill and Market Place. The quality of the environment varies across the centres with West Hendon, Friern Barnet, and to a lesser extent Childs Hill, being identified as those in most need of further enhancement.

9. The ten neighbourhood centres are also broadly similar inline with their status at the base of the retail hierarchy. All centres are largely service-orientated, with high representation of cafes, fast-food takeaways and other food and drink operators and those providing health and beauty services.

10. The London Borough of Barnet also has various out-of-centre foodstores and comparison goods retailing which is restricted to retail parks and stand-alone stores. There are some outstanding commitments for new floorspace which amount to a relatively minimal creation of additional out-of-centre comparison goods floorspace.

11. Our assessment of the leisure sector in Barnet indicates a relatively good provision and choice of commercial leisure and tourist facilities. There is a level of leakage from the pub/club and restaurant sectors most notably to Central London as well as other competing centres outside of the Borough. Emerging policy should seek to maintain and enhance provision of pubs and restaurants and other leisure facilities in the Borough's centres to encourage a healthy evening economy and to meet the needs of their catchment populations.

12. Existing office provision largely consists of small units in lower grade stock located in the town centres and the two business parks and supply is adequate to meet current demand levels. In the future Barnet will become an increasingly significant office location within North London, supported by the growth agenda, promoted through the North London DIF, and demonstrated through the projection of the increasing presence of the Financial and Business Services sector. The projected increase in this sector's presence will in turn increase demand for office space within the Borough which is most likely to come forward in new build schemes, such as Brent Cross/Cricklewood or in new business parks across the Borough.

13. Our convenience goods assessment indicates a mixed performance by foodstores in Barnet. Some centres are performing really well (e.g. North Finchley, New Barnet and Golders Green). Others show a more average performance (e.g. Brent Cross, Edgware, Brent Street, Chipping Barnet, East Finchley, Colindale - The Hyde and Whetstone). Others are performing less well (e.g. Finchley Church End, Mill Hill, Temple Fortune, Burnt Oak, Cricklewood, and Hendon Central).

14. The forecasts show limited convenience goods capacity in the Borough in the short term. As highlighted in Table 1 below, by 2016 global capacity is forecast for 3,233 sqm net of convenience goods floorspace, increasing to 5,028 sqm net by 2021. Most of the convenience capacity arises in the East (North Finchley) and North (Chipping Barnet and New Barnet) sub areas of the Borough. Some capacity also arises in the West (Edgware) sub-area beyond 2016.

Table 1: Baseline Capacity Forecasts for Convenience Goods (sqm net)

	2011	2016	2021
Borough	103	3,233	5,028
North	1,653	1,884	2,071
West	-1,008	543	1,091
East	3,352	3,955	4,476
South East	-505	-351	-57
South West	-3,389	-2,798	-2,553

Source: GVA Convenience Capacity Modelling, Appendix 3.

15. Our comparison goods assessment highlights that Brent Cross, Mill Hill and North Finchley are trading very well, whereas others such as Brent Street, Burnt Oak, Finchley Church End and Cricklewood have a low level of trading. There are some anomalies such as Temple Fortune where the entire market share has not been identified and Hendon Central where the market share has been over stated. Retail warehouses in Barnet are performing at below average levels.

16. On the basis of current market shares, increases in population and disposable income will increase the available comparison spend, creating capacity for additional comparison retail floorspace. We forecast a comparison goods capacity of 11,356 sqm net by 2011, increasing to 47,917 sqm net by 2016 and 81,024 sqm net by 2021 as highlighted in Table 2 on the following page.

Table 2 Baseline Capacity Forecasts for Comparison Goods (sqm net)

	2011	2016	2021
Borough	11,356	47,917	81,024
North	273	1,015	1,753
West	1,947	6,538	10,116
East	913	5,058	9,607
South West	9,060	35,944	59,885
South East	-837	-637	-336

Source: GVA Comparison Capacity Modelling, Appendix 4

17. We have examined different scenarios for convenience goods provision in Barnet including a new foodstore in New Barnet, a replacement Tesco Extra and unit shops at Brent Cross Cricklewood, a new convenience store at Colindale Avenue and new unit shops at Mill Hill East. Provision of a single new superstore in New Barnet and a replacement Tesco Extra and unit shops at Brent Cross Cricklewood town centre would more than meet identified capacity for convenience floorspace based upon current market shares. We therefore consider that there is no quantitative need to plan further significant convenience goods provision in the London Borough of Barnet over and above this over the LDF period. We do not forecast capacity to support two new superstores at New Barnet and a new small format convenience store.

18. We forecast some capacity for additional comparison goods development in the Borough over the LDF period, following the development of the new Brent Cross Cricklewood town centre. The majority of this capacity arises in the West and East sub-regions and corresponds with the Major Centre of Edgware and the District Centre of North Finchley. We have not identified any schemes at the planning application stage for these areas/centres.

19. Through our review of each centre and subsequent discussion with the Council we have identified potential development sites and areas of opportunity for comparison retail in Edgware, North Finchley and Chipping Barnet and some convenience provision in East Barnet. Whetstone offers potential for mixed-use and residential development and there are vacant sites in Burnt Oak, Colindale - The Hyde and Cricklewood with opportunity to be brought back into use. New development should be of an appropriate size and scale to centre in which it is proposed.

20. We have drawn a series of conclusions on each of the main retail locations in the Borough as follows:

- **Brent Cross** has a retail offer that reflects its status as a regional shopping destination. Whilst it is considered to be performing its position in the retail hierarchy, the centre is relatively dated and does not meet modern standards by offering a total shopping and leisure experience. The majority of units are small, particularly for current retailer requirements and several of the larger stores have a compromised floorplate. The proposals to redevelop the Brent Cross Cricklewood area and create a modern town

centre with a residential community and additional business and community uses will address these issues and ensure the long-term vitality and viability of the centre.

- Our quantitative assessment indicates that Brent Cross is performing very well with a comparison goods turnover of c.£700m and a sales density of £11,172 per sqm net which is a very high level of trading. There is sufficient capacity to support the BXC comparison goods proposals on the basis of existing market shares and it is likely that the new town centre will enhance market share, clawing back trade currently lost to other destinations, including the newly opened Westfield London, at Shepherd's Bush. Although the convenience goods performance is not as strong, the market share will increase with all the new development such that this floorspace will be supported.
- **Edgware** offers a diverse range of shops and services with representation from high street multiple retailers in addition to a range of local independent operators and notable provision of specialist ethnic or kosher goods. The centre is performing well in its role as the Borough's major town centre, although in the short term it could benefit from some environmental improvements, particularly to the south of Station Road, which would benefit the centre's attractiveness and create a more consistent and pleasant shopping environment throughout. There is a key development opportunity next to the Broadwalk Centre at the Forumside which should be taken forward in the LDF.
- Edgware is performing adequately for convenience goods and we have not identified any capacity for additional convenience goods floorspace. Edgware is trading better for comparison goods and we have identified some capacity for additional comparison goods floorspace in this area of the Borough which could be addressed by opportunity for new development in Edgware. The strategy for Edgware must focus on maintaining and enhancing the vitality and viability of this major centre and securing the redevelopment and extension of the Broadwalk Centre.
- **North Finchley** benefits from good representation of multiple high street retailers and service providers, it generally displays a clean and high quality shopping environment and there are obvious signs of on-going investment. There are also development opportunities to further enhance the retail offer and expand the centre, particularly in the south. North Finchley has a strong convenience and comparison goods turnover and is located in the East sub area of the Borough where we have identified capacity for additional convenience and comparison goods floorspace. The town centre strategy should seek to elevate North Finchley to a Major Centre in the town centre hierarchy. This would be particularly appropriate if new development could be secured on the Grand Arcade site. It would provide a good opportunity to secure a mix of comparison goods floorspace with a range of town centre uses.
- **Chipping Barnet** offers a good range of shops and services, particularly cafes and coffee shops, which are focused in and around the Spires Shopping Centre. There is a development opportunity to expand and enhance the Spires Shopping Centre. The centre is located in the North sub area of the Borough where we have identified modest capacity for additional convenience and comparison goods floorspace however, this

would be absorbed by a new superstore in New Barnet. The town centre strategy should seek to maintain and enhance Chipping Barnet as a District Centre and opportunities for new development should be supported, particularly where this will enhance the vitality and viability of the centre.

- **East Finchley, Golders Green, Mill Hill, Temple Fortune** and **Whetstone** District Centres are vital and viable and performing their role in the town centre hierarchy well. Each centre has a main food store, and all offer a range of comparison goods shopping and service uses. There is a strong demand for comparison floorspace in Golders Green and a number of requirements from service operator in Mill Hill.
- We have identified limited need for further development in these District Centres. The strategy should be to maintain their vitality and viability, and enhance it where opportunities arise. An expansion of the Sainsbury's in Golders Green would benefit the centre. We anticipate little scope or need for further development in Mill Hill, Temple Fortune or East Finchley. There are several opportunities for further development in Whetstone and some comparison goods capacity in the East sub area, which if not utilised by North Finchley, there may be scope for Whetstone to meet this. There is some convenience goods capacity in the East sub area which could also be met in Whetstone.
- **Brent Street, Burnt Oak, Cricklewood, Colindale - The Hyde, Finchley Church End, New Barnet** and **Hendon Central** District Centres are not as healthy as other centres in the hierarchy, they have a lower quality retail offer, with fewer multiple retailers represented and generally more limited comparison goods provision.
- Finchley Church End caters well for both convenience and service needs although environmental improvements would benefit overall vitality. Burnt Oak and Cricklewood have the greatest number of convenience units of the district centres, particularly shops selling kosher/ethnic convenience goods and this appears to be their core function. In contrast, Brent Street, Hendon Central and Colindale - The Hyde perform a greater service role. These centres are all heavily traffic-dominated and would benefit from additional soft landscaping measures to alleviate the impacts of the road network.
- New Barnet is anchored by a large Sainsbury's which currently represents the main retail offer for the centre. The centre has a number of vacant units and an above average vacancy rate. There is a level of retailer interest in New Barnet and planning applications have been submitted by both Asda and Tesco for new foodstores in the centre. In addition to their recent application, Tesco have also secured planning permission for a Tesco Express which was upheld by appeal in April 2009. In the event that neither of the larger store proposals comes forward, the centre will continue to fulfil its current role as a district centre.
- There is limited capacity for additional convenience or comparison development in these centres. A new convenience store is planned on Colindale Avenue as part of the redevelopment package for the area, although we have not identified quantitative capacity to support this store, it will benefit the new local residential population. Similarly Cricklewood may attract new development in the future as part of the Brent Cross

Cricklewood redevelopment. An increase in market share attracted to the centre would support new development and there are a number of potential opportunity sites.

- In Burnt Oak there is a UDP allocated site for the development of a new foodstore although as we understand it this is unlikely to come forward for a number of reasons. We therefore consider the focus should be on improving and enhancing the existing provision in Burnt Oak as far as possible over the LDF period.
- New Barnet is located in the North Sub area where we have identified some capacity for additional convenience and comparison goods floorspace. Two new convenience superstores are in the pipeline for New Barnet and we anticipate that if one came forward it would more than utilise capacity and result in an oversupply of both convenience and comparison goods floorspace. We also anticipate a negative impact on surrounding centres including Chipping Barnet and Whetstone. A more appropriate strategy would be the addition of only one new convenience store in New Barnet and as far as possible the size of this should be constrained to allow scope for new development elsewhere in this part of the Borough, including at Chipping Barnet and Whetstone.
- Finchley Church End is located in the East sub area, we have identified some capacity for additional convenience and comparison goods floorspace. The convenience goods capacity could however be utilised by a new convenience store in Whetstone and the comparison goods capacity by new development in North Finchley. Given the poor performance of existing space in Finchley Church End the strategy should seek to improve and enhance the existing provision as far as possible over the LDF period.
- **Local centres** provide an important role in the town centre hierarchy in Barnet. They are comparable in terms of their overall scale and offer which is largely service-orientated. East Barnet, West Hendon and Friern Barnet each benefit from having a small anchor foodstore, although this is absent in Childs Hill and Market Place. West Hendon is identified as the most deprived and in need of enhancement, however the planned future regeneration of the area will resolve this. Friern Barnet, and to a lesser extent Childs Hill, would also benefit from some investment in the public realm to improve integration and raise the quality of each centre's environment.
- The **neighbourhood centres** are also broadly similar inline with their status at the base of the retail hierarchy. All are largely service-orientated with adequate convenience provision, usually consisting of small newsagents/convenience stores (aside from Hampden Square). The overall quality of the environment in each centre varies, with Grahame Park, New Southgate, Deansbrook Road, Apex Corner identified as those that would most benefit from further improvements.
- The local and neighbourhood centres in the Borough should be maintained and enhanced. Most of the centres are in need of some level of environmental improvement including improvements to the appearance of shop fronts and pavements and in those centres that are traffic-dominated some additional soft landscaping to mitigate the impact of heavy traffic.