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DARTFORD & EBBSFLEET: RETAIL AND LEISURE STUDY

PART 2: KEY FINDINGS & RECOMMENDATIONS

for:

DARTFORD BOROUGH COUNCIL
&
EBBSFLEET DEVELOPMENT CORPORATION

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Signed:

For and on behalf of Lambert Smith Hampton

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12. KEY FINDINGS & POLICY RECOMMENDATIONS

INTRODUCTION & CONTEXT

12.1 This Part 2 study provides a summary of the key findings of the evidence-based Part 1 study and sets out our overall policy recommendations. Together these studies and the supporting appendices provide advice on how to effectively plan for, manage and promote the vitality and viability of the Borough's main centres.

12.2 The robust and up-to-date evidence underpinning this study is based on a mix of primary and secondary research methods, including:

- audits and health checks of Dartford Town Centre, the Borough's six defined District Centres (namely Longfield, Dartford West, Dartford East, Temple Hill, Hawley Road and Swanscombe) and Bluewater Shopping Centre;
- a review of the planned centres for Ebbsfleet Central and Eastern Quarry, including high level advice on the most appropriate scale and mix of commercial and town centre uses;
- face-to-face street interview surveys of over 500 visitors to Dartford town centre conducted in January/February 2020;
- pedestrian footfall surveys across the town centre conducted at the same time as the street interview surveys;
- a telephone interview survey of over 1,000 households in October/November 2019 across a defined catchment area that extends beyond the Borough area; and
- engagement with neighbouring authorities as part of the Duty to Cooperate.

12.3 The study has been prepared in the context of current national and development plan policy guidance, as well as other key material considerations. This includes the *National Planning Policy Framework* (NPPF) and the *Planning Practice Guidance* (PPG). National policy places significant weight on sustainable development, the preparation of positive plan-led visions and robust strategies for town centres, and the delivery of new investment in town centres first ahead of edge and out of centre locations.

12.4 It should be noted that the Government issued a series of reforms to the planning system in July 2020 related to Permitted Development Rights (PDR)[1] and the Use Classes Order (UCO)[2], followed by the consultation White Paper '*Planning for the Future'* published in August 2020. The reforms to the UCO, which came into effect from 1st September 2020 (although subject to challenge at the end of August 2020), revoked a number of use classes under the previous UCO and replaced them with much broader use classes. For example, Class E subsumes use classes that were specified in the previous UCO as Class A1(Shops), Class A2 (Financial and professional services), Class A3 (Restaurants and cafes) and Class B1(Business). Class F.1 and F.2 subsume a number of the previous use classes which were specified in the Schedule to the Use Classes Order as Class D1 (Non-residential institutions) and Class D2 (Assembly and leisure). The result of these changes is that what would previously be a change of use under the subsumed use classes is no longer considered development under the Planning Acts, and accordingly is no longer subject to planning control. In launching the reforms the Government announced that the regulations will give "*greater*

[1] The Town and Country Planning (General Permitted Development) (England) (Amendment) (No. 2) Order 2020/755; & The Town and Country Planning (General Permitted Development) (England) (Amendment) (No. 3) Order 2020/756

[2] The Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020/757 was laid before Parliament on 21st July 2020 and amended the Town and Country Planning (Use Classes) Order 1987.

freedom for buildings and land in our town centres to change use without planning permission and create new homes from the regeneration of vacant and redundant buildings"[3]. The changes are relevant to this study and to the Council's planning for and management of retail and commercial leisure uses, specifically those that fall within the new Use Class E.

12.5 The study has a number of key inter-related aims and objectives, including to:

- assess the quantitative and qualitative need (or 'capacity') for new retail (convenience and comparison goods) floorspace and other main leisure uses over the plan period;
- assess the viability and vitality, market share and effectiveness of planning policy and strategy, for Dartford town centre, Bluewater, and the six District Centres, to inform future strategy;
- evaluate the capability of the Borough's evolving hierarchy and network of centres to function effectively and to meet future local needs, including the future roles of Bluewater and the new centres planned for Ebbsfleet; and
- advise on the most appropriate future Borough-wide local impact assessment threshold for assessing applications for new retail floorspace in edge and out of centre locations;

12.6 This assessment has been informed by a comprehensive review and understanding of the dynamic economic and market trends that are impacting on the retail and leisure sectors. This includes the impact of the COVID-19 ('CV19') pandemic, which has accelerated many of the long-term trends and structural changes in retail and commercial leisure.

12.7 It is against this background that we set out below a summary of the main findings and our key recommendations.

RETAIL CAPACITY: SUMMARY

12.8 Section 10 of the Part 1 study assessed the overall economic need ('capacity') for new retail (convenience and comparison goods) floorspace in Dartford Borough area over the short (to 2025), medium (to 2026-2030) and long term (to 2031-2036) (also see Appendices A1-A12)

Approach

12.9 Retail capacity has been assessed using LSH's **CREAT^{e}** Model. This Excel-based model has been designed and developed over a number of years to inform retail assessments. It adopts a transparent *'step-by-step'* approach in which all the key inputs to the model can be easily tested, in accordance with good practice.

12.10 In this case we have tested the sensitivity of the capacity forecasts to changes in some of the key assumptions and forecasts, including making an allowance for:

- **Special Forms of Trading** (SFT)[4]: to reflect the predicted accelerated take-up and growth of online retail sales at the national and local level due to the impact of CV19 (see Appendix A2); and
- **Planned and committed retail floorspace:** known in the Borough at the time of preparing this study[5]; including the retail floorspace allocated and planned for Ebbsfleet Central and Eastern

[3] https://www.gov.uk/government/news/pm-build-build-build

[4] **Special Forms of Trading (SFT):** defined as all non-store retail sales (including sales via the internet, mail order, stalls and markets, door-to-door and telephone sales). On-line sales by supermarkets, department stores and catalogue companies are also included in the data collected by the Office for National Statistics (ONS)

[5] Refer to Appendix A10 for detailed estimates of total retail commitments (floorspace and potential turnover) in the Borough.

Quarry, along with the outline permission for new comparison goods retail floorspace at Bluewater granted in June 2017[6] (see Appendix A10)

12.11 However, it should be noted that the committed/planned floorspace could be subject to change over time and some retail commitments (such as, for example, the Bluewater permission) may not now be delivered, due to changes in market trends, market demand and investor confidence over the short, medium and long term.

Borough-wide Capacity: 'Baseline and 'Higher Population' Growth

12.12 The sensitivity of the capacity forecasts have been further tested based on two different population growth scenarios:

- '***Baseline***' **Scenario**: uses Dartford Borough's preferred population projections, which are based on predicted Local Housing Need and are in line with Government policy (see Appendix A2).
- **'*Higher Growth'* Scenario:** tests the impact of the Council's potentially higher population growth projections on the capacity forecasts, These higher projections broadly assume that more residential development can be accommodated in Zone 1 (focussed on Dartford Town Centre) and specifically in Zone 7 (Ebbsfleet) (see Appendix A12).

12.13 The resultant theoretical economic capacity forecasts for both scenarios are summarised in the table below.

Table 12.1: Retail Capacity Forecasts (sqm net): 'Baseline' and 'Higher Growth' Scenarios

	2025	2030	2035	2036
CONVENIENCE GOODS CAPACITY:				
Baseline:	**-1,272**	**-1,992**	**-1,310**	**-1,366**
Higher Population Growth (Zones 1 & 7 only):	**-1,272**	**-1,235**	**115**	**193**
COMPARISON GOODS CAPACITY:				
Baseline:	**-11,148**	**-3,879**	**3,623**	**5,483**
Higher Population Growth (Zones 1 & 7 only):	**-12,857**	**-4,037**	**5,993**	**8,416**

12.14 The forecasts show <u>no</u> capacity for new retail (convenience and comparison) floorspace over the next 10 years, after allowing for all known commitments. Beyond 2030:

- **For convenience goods:** there is limited capacity for 193 sqm net of new floorspace by 2036 under the higher population growth forecast. This scale of net floorspace would support a small convenience store.
- **For comparison goods:** capacity builds to 5,483 sqm net by 2036 under the *'Baseline'* scenario and 8,416 sqm net under the *'Higher Growth'* scenario.

Zonal Capacity: Dartford Town Centre & Ebbsfleet

12.15 In order to provide another layer of analysis and sensitivity testing with regard to the likely scale, distribution and location of new retail floorspace in the Borough, we have also assessed the potential new retail (comparison and convenience) floorspace that could be supported by residential development planned for Zone 1 (Dartford Town Centre) and Zone 7 (Ebbsfleet) only.

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[6] Refer to planning application references: 16/01207/OUT and 17/01202/REM. The Bluewater permission allows for a maximum of 28,500 sqm of (Class A1) comparison goods retail (condition 32), of which some 4,267 sqm gross has been delivered to date.

12.16 The Council's two different population scenarios show:

- **'Baseline' Scenario**: the population in Zone 1 is forecast to increase by 4,620 people between 2020-2036 and by 21,349 people in Zone 7 over the same period (see Appendix A2). The projected growth in these two zones of +25,968 people represents approximately 80% of the Borough's total forecast population growth between 2020 and 2036 of 32,366 people.
- **'*Higher Growth*' Scenario:** the population in Zone 1 is forecast to increase by 9,408 people between 2020-2036 and by 25,968 people in Zone 7 (see Appendix A12). The population growth in these two zones under this scenario of +25,968 people represents approximately 84% of the Borough's total projected population growth between 2020 and 2036 of 39,547 people.

12.17 Under both scenarios the forecast population growth, particularly for Ebbsfleet, would need to be supported by improved and/or new essential services and facilities, including retail, in the most convenient and sustainable locations.

12.18 It should be noted at the outset that the high-level theoretical capacity forecasts take no account of existing commitments in these zones and/or the fact that a proportion of the expenditure generated will flow to existing shops and stores in Dartford town centre and other shopping locations, rather than necessarily being available to support new retail floorspace in these zones. We have also assumed that the "inflow" and "outflow" of expenditure is in equilibrium in Zones 1 and 7.

12.19 On this basis the forecasts show for:

- **Dartford Town Centre:** a total forecast capacity of 1,769 sqm net of new convenience floorspace by 2036 under the '*Baseline'* population growth scenario, increasing to 2,860 sqm net for the *'Higher Growth'* scenario. For comparison goods the capacity ranges from 3,330 sqm net to 5,280 sqm net (also refer to Part 1 Study; Section 10).
- **Ebbsfleet:** a total forecast capacity for 5,823 sqm net of new convenience floorspace by 2036 under the '*Baseline'* scenario, increasing to 6,397 sqm net for the '*Higher Growth'* scenario. For comparison goods the capacity ranges from 13,923 sqm net to 15,002 sqm net (see Part 1 Study).

12.20 In very simple terms, both the 'Baseline' and 'Higher Growth' scenarios for Ebbsfleet show that the retail expenditure generated by the new resident population in Zone 7 will be able, by itself, to broadly sustain the scale of floorspace currently allocated and planned for Ebbsfleet Central and Eastern Quarry[7] in the most sustainable and convenient locations, and in line with policy (and masterplan) objectives.

12.21 It should also be emphasised that this forecast capacity is generated by, and specific to the local population growth forecast for Zone 7 (Ebbsfleet) only, and will help to support and meet their essential shopping needs. This capacity should not therefore be used to justify new retail floorspace outside of these local catchment zones, as this could have a significant adverse impact on investment in, and delivery of the planned centres for Ebbsfleet.

12.22 For Dartford Town Centre (Zone 1) the retail expenditure generated by the forecast baseline (and higher growth) population growth could theoretically support new convenience and comparison goods floorspace by 2036. Based on current and predicted market trends, the most likely scenario is that the forecast expenditure growth will principally support and underpin the viability of the town's

[7] At the time of finalising this study the total net floorspace estimated for the planned centres in Ebbsfleet Central and Eastern Quarry was up to 6,129 sqm net for convenience goods retail and 9,744 sqm net for comparison goods.

existing and new shops and businesses over time, without any need for a significant increase in the quantum of retail floorspace.

12.23 Notwithstanding this, the Part 1 study has identified a qualitative "gap" in the town centre's convenience offer and the potential to strengthen the food and/or convenience store offer to help meet the essential day-to-day needs of the town's growing population and catchment (see below).

Summary

12.24 In summary, although robust and rigorously tested, the economic capacity forecasts will be subject to impacts from wider economic and market trends over the short, medium and long term; including any potential future and as yet unknown impacts of the COVID-19 pandemic.

12.25 Furthermore the take-up of any forecast capacity will be dependent on the market demand from retailers and operators for new space in Dartford Borough and its existing/new centres and shopping locations.

12.26 As described in Section 2 of the Part 1 study, the PPG accepts that the uncertainty in forecasting long-term retail trends, including the dynamic changes in market demand and consumer behaviour, means that forecasts "*may need to focus on a limited period (such as the next five years)",* although they do also need to take the lifetime of the plan into account and be regularly reviewed[8].

12.27 It is in this context that these capacity forecasts should be considered and applied, with caution, by the local planning authority, and monitored and updated at regular periods.

LEISURE NEEDS: SUMMARY

12.28 The commercial leisure industry is a dynamic and evolving sector and, like the retail sector, it has faced (and is facing) significant challenges and pressures from changes in the economy, policy and consumer trends. The COVID-19 pandemic, the series of lockdowns since March 2020 and the need for "*social distancing*" measures are further accelerating many of the underlying trends and structural changes that were already impacting on the commercial leisure sector.

12.29 It is clear, for example, that households are becoming increasingly selective in terms of where and how they spend their disposable income on leisure activities. The growth in "*at-home*" entertainment and activities, particularly screen-based entertainment, and the growing share of home deliveries represents a challenge for town centres and leisure operators to attract customers and particularly younger generations away from their homes and screens. It follows that reduced trips and spend in *"traditional"* restaurants, cafés and bars will inevitably result in further failures and closures nationally and at the local level.

12.30 Notwithstanding these background trends, our review of the Borough's commercial leisure sector and offer - informed by the results of the centre healthchecks and in-centre/household surveys - has highlighted that there is scope to review, refresh and improve the scale and quality of Dartford Town Centre's leisure offer, along with the appropriate provision of complementary regional leisure uses in Bluewater Shopping Centre and new leisure uses in the planned centres of Ebbsfleet to help underpin their future viability and viability.

12.31 The following summarises the potential need for different types of leisure uses:

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[8] PPG. Paragraph: 004 Reference ID: 2b-004-20190722

Cinema

12.32 The lack of a cinema is the most notable gap in the town centre's commercial leisure offer. We forecast that Dartford's primary catchment (Zones 1-5) could potentially support up to six new cinema screens[9]. Notwithstanding the potential qualitative and quantitative need for a new cinema in the town centre, provision will depend on market demand over the forecast period. On a positive note, the proposals for the regeneration of Hythe Street (known as 'Westgate Dartford') will help to address this cinema need, if delivered. This scheme will create a strong and expanded leisure offer for Dartford that complements the theatre and other attractions, and benefits the town's daytime and evening economy.

Food and Beverage

12.33 Recent trends and structural changes in the food and beverage ('F&B') sector (which principally comprises café, restaurants, takeaways and bars) have resulted in the closure of a number of over-exposed and loss-making businesses (e.g. Carluccio's, Pizza Express, Byron Burger, etc.) and the growth in '*eating at home'*, driven by the expansion of delivery services and apps (e.g. Just Eat, Deliveroo, Uber Eats, etc.). These trends have been further accelerated by the COVID-19 pandemic and "social distancing" measures.

12.34 Notwithstanding this, F&B accounts for over half (55%) of total available leisure expenditure in the Borough and is forecast to experience the strongest growth over the forecast period; particularly in Ebbsfleet (Zone 7) due to the impact of the significant planned residential development and population growth. According to the household survey results eating out is also the most popular leisure activity carried out by the Borough's residents, ahead of going to the cinema, theatre/concerts and visiting bars and clubs.

12.35 In this context there is potential to strengthen and grow the quality and choice of cafés, coffee shops, restaurants and bars in Dartford Town Centre to help support both the daytime and evening economies.

12.36 The growth in the town centre's resident catchment population, investment in the town centre environment and existing/proposed mixed-use developments in the heart of the town will all provide an early opportunity over the next 5 years to support existing F&B operators and attract new operators into Dartford. For example, the provision of quality café and restaurant operators as part of the wider Westgate Dartford proposals and opportunities for F&B uses in other schemes across the town centre (e.g. the Lowfield Street development) will significantly boost Dartford's overall attraction as a daytime and evening destination, with the potential to draw new visitors from within its primary catchment and beyond.

Gym/ Health & Fitness

12.37 The household survey identified that approximately one-quarter of respondents visit gyms and health and fitness centres. The Council-owned and refurbished Fairfield Leisure Centre is the most popular choice for the Borough's residents, particularly for those living in Dartford Town Centre's primary catchment area (Zones 1-5). Other branded and independent gyms in the town centre also attract different levels of membership and participation depending on their offer and cost.

[9] The cinema screen capacity analysis for the Borough shows no capacity for new screens because of Bluewater's 17-screen Showcase Cinema de Lux. However, if Bluewater's cinema is excluded from the quantitative analysis, it does show capacity at the local level in Dartford Town Centre.

12.38 The quantitative analysis forecasts that there is potential to provide up to six new gyms in the Borough up to 2036 to serve the likely needs of the projected population growth. Based on the distribution of this population growth, we forecast that some three out of the four new gyms forecast for 2030 and four of the six gyms by 2036 will be needed in the Dartford East area, and specifically as part of the mix of uses proposed in the centres planned for Ebbsfleet.

Other Commercial Leisure Uses

12.39 There is the potential to improve and introduce other commercial leisure uses across the Borough and its main centres. As for other uses this this will be dependent on market demand, the availability and suitability of sites/premises and meeting the specific needs of operators. The wider leisure uses include:

- **Bingo Halls** – Although there is a gap in the Borough's and Dartford Town Centre's offer following the closure of Gala Bingo in 2014, there is no evidence of any market demand from the main operators. This is largely explained by the growth in online/mobile gambling.
- **Casinos** – There are no casinos in Dartford Town Centre, but there is no evidence of any market demand from national operators. It is our judgement that, at present, the town does not have the critical mass of uses or catchment to support a more formal and larger format casino offer.
- **Tenpin Bowling** - This is possibly the most popular activity in the so-called 'family entertainment' sector. Based on current provision and participation levels there is a potential need, subject to market demand, for a tenpin bowling venue in the Borough to serve its existing and forecast population, and to help claw-back trips that are currently leaking out of the Borough to venues in neighbouring authorities. The floorspace requirements of operators will vary between the larger venues operated by Hollywood Bowl and Ten Entertainment and the smaller venues run by independent operators. We understand, for example, that Hollywood Bowl is generally seeking sites and/or premises with a gross floorspace of between 1,208 sqm and 2,787 sqm (13,000 sqft – 30,000 sqft), but its preference is for larger format venues. The smaller bowling operators are better able to locate in existing, repurposed premises, subject to meeting their requirements.
- **Ice Skating** - The main seasonal provision in the Borough is the Bluewater Ice Skating Rink, which usually opens from the end of November to early January. The fact that there is no dedicated ice rink in Dartford Borough could point to a potential need, although we are not aware of any market demand from the main operators. On average Ice Rinks require a gross floor area of up to 1,858 sqm (20,000 sqft) and usually with a 60m by 30m dimension (e.g. Alexandra Palace, Blackburn Ice Arena and Gosport Ice Rink). In the absence of any potential demand for a permanent facility in the Borough, there could be potential for a 'pop-up' ice rink in Dartford Town Centre at Christmas to help attract more trips and linked expenditure, similar to that provided at Bluewater.
- **Trampoline Parks** - Trampolining has become one of the UK's fastest growing sport and leisure trends. It is estimated that there were some 150 parks in the UK in 2017/18, with the potential capacity for between 250-300 parks before saturation is potentially reached. The only dedicated trampoline park in the Borough is *Gravity Trampoline Park* in Bluewater. We are not aware of any requirements from other trampoline operators for representation in the Borough, although recent trends have seen trampolines introduced into vacant and repurposed larger format shop units in town and shopping centres. This may represent a potential opportunity to "refresh" the offer in Dartford town centre, dependent on market demand and the availability of suitable sites and premises to meet operators' needs. In general we understand that most trampoline park operators are seeking premises and/or sites with a gross area of between 2,323 sqm and 3,252 sqm (25,000 sqft – 35,00 sqft).

Art, Culture and Heritage

12.40 The Part 1 study identified that Dartford Town Centre has a relatively strong arts, culture and heritage offer. In particular, the Orchard Theatre is an important and popular asset and attraction, drawing visitors from within and beyond the Borough area. The theatre is very much one of Dartford's USPs, a "*jewel in the crown*", that sets it apart from other towns and shopping locations in the Borough and beyond. The success of the theatre needs to be maintained, managed, developed and promoted; particularly in the wake of the potential impacts of COVID-19 on theatre trips. The proposals for the new cinema, cafés and restaurants as part of the proposed Westgate Dartford scheme, if delivered, will help to strengthen the town's overall leisure offer, and should provide a further boost to the theatre's overall attraction and viability.

Summary

12.41 In summary - and notwithstanding the impact of the pandemic on the commercial leisure sector - a quantitative and qualitative need has been identified for a mix of commercial leisure uses in Dartford Town Centre to help diversify and strengthen both its daytime and evening economy, including the need for a new cinema, cafés and restaurants.

12.42 New food and beverage uses will also be required in the new centres planned for Ebbsfleet to meet the needs of the significant forecast population growth, and to complement the other retail, services and facilities needed to create sustainable and viable centres.

12.43 The quantitative analysis forecasts the potential to provide up to six new gyms in the Borough up to 2036. Based on the distribution of this population growth, we forecast that some three out of the four new gyms forecast for 2030 and four of the six gyms by 2036 will be needed in the Dartford East area, and specifically in the centres planned for Ebbsfleet.

12.44 In terms of other commercial leisure uses, most of these require larger floorplates, Their viability also generally depends on their co-location with other similar uses to strengthen their overall attraction. As a result many of these operators prefer to locate in dedicated leisure parks, 'family entertainment venues', retail parks and/or shopping centres that benefit from larger format units, strong catchments that match their customer profiles, and extensive parking. Notwithstanding their space requirements and business models, these larger ("indoor") commercial leisure formats are classified as town centre uses by the NPPF and should therefore be directed to town centres first in accordance with policy (the sequential test).

12.45 Finally, as for the retail capacity forecasts, any identified quantitative and/or qualitative need for new leisure uses will be subject to market demand and investor preferences. Where leisure uses are proposed outside of existing centres these should be normally be subject to the sequential and impact tests set out in the NPPF.

DARTFORD TOWN CENTRE: STRENGTH, WEAKNESSES & OPPORTUNITIES

12.46 Dartford is an historic market town dating back to Roman times, with a rich heritage and a good number of quality buildings, particularly along the High Street. The town centre is at the heart of an economically buoyant and growing Borough. Its proximity to London and good road/rail links mean that it is an increasingly attractive strategic location for new commercial, employment and residential investment.

12.47 The Council's adopted and emerging Development Plan Documents (DPDs), including the *Dartford Town Centre Framework SPD* (2018 Framework), place the regeneration and transformation of Dartford Town Centre as a key priority and objective (see Section 2 of this study). The Core Strategy's Vision and Strategic Objectives for Dartford Town Centre is to create a lively and vibrant town centre with a flourishing day and evening economy that attracts local residents for shopping, leisure, cultural and other activities and to enjoy its unique assets, set in an attractive public realm.

12.48 The *2018 Framework* also sets out the vision for the town centre stating that Dartford will build on its:

> *"…enviable setting, rich heritage and positive economic outlook to create an excellent place to live, work and enjoy. Through high quality design and innovative thinking Dartford will be a place which invests in its people and future generations, celebrating their creativity and talent to deliver on the aspiration to make Dartford a 'Town Centre for the Future'".*

12.49 Since the 2018 Framework was prepared the town has benefitted, and is set to benefit from significant new public and private sector investment. Together this investment will help to boost its overall attraction, vitality and viability as a place to live, work, shop, play and visit for a wide range of uses and activities. The new investment includes:

- The redevelopment of north Lowfield Street by Bellway Homes for a residential-led mixed use scheme comprising some 548 new dwellings (known as Copperhouse Green).
- The development of some 2,000 new homes have been developed or are being delivered on the Northern Gateway Strategic site with good access to the railway station and town centre, and with the potential for further residential development.
- Phased public realm improvements to Market Street, the High Street and Hythe Street, as well as improvements for pedestrians and cyclists at the main gateways into the centre.
- Central Park and the Acacia Estate have benefitted from new facilities, a programme of events and improved pedestrian access to Market Street and a new public square.
- Refurbishment of Dartford Museum and its integration with the Library.
- Refurbishment and upgrade of Fairfield Leisure Centre.
- Installation of way-marking signs and additional cycle stands at the railway station, following its refurbishment.
- Introduction of free WiFi access across the town, enabling local traders to inform shoppers of deals, as well as providing updates on local news and events.

12.50 Other investment is also planned or in the pipeline. As described above, this includes the plans for a circa £100m mixed use regeneration of the town's Westgate area to provide up to 120 residential units, a new multi-screen cinema, 85-room hotel, 9 flexible commercial units, a health and wellbeing hub and new car parking provision.

Strengths

12.51 Aside from the significant existing, committed and planned public/private sector investment in the town, the Part 1 study has also highlighted that Dartford Town Centre's other current strengths, include:

- The station is a key arrival point and gateway to the town. A modern new station has improved facilities on the concourse, and the railway station is the busiest in Kent.

- A relatively good mix and choice of both national multiples and independent businesses.
- The town's three shopping centres are key attractors and drivers of footfall; although they like other shops and businesses have been significantly impacted by the downturn in the retail sector over recent years and the impact of the COVID-19 pandemic.
- A number of popular shops ("attractors"), including Sainsbury's, Wilko, Aldi, Poundland, Primark and Iceland.
- Popular weekly street markets and speciality markets that help to diversify the town's overall offer, and strengthen its overall attraction, vitality and viability.
- The Orchard Theatre is a major attraction. It serves a wider sub-regional catchment area than the town centre and has benefitted from a reported increase in attendance rates over the years.
- Central Park provides a significant green space in the heart of the town centre, and is an important recreational and leisure asset that has a positive impact on the health and well-being of visitors.
- A good choice of sporting and cultural facilities including the Council-owned Fairfield Leisure Centre that has benefitted from significant new investment over recent years, the Central Library and Museum.
- Respondents to the in-centre survey "liked" the fact that the town centre is "compact" and "easy to walk around" and has a good "character" and "atmosphere".
- Although market demand for retail premises in the town centre is limited, there has been growing demand from other employment uses in Dartford. For example, The Base on the edge of the town centre is a popular location for business start-ups and there is potential for future expansion.

12.52 On a positive note, vacancy levels (pre COVID-19) across the town centre had also fallen back over the last decade. Significantly its vacancy rate of 8% (expressed as a proportion of total outlets), after taking account of the Lowfield Street redevelopment, was below the Experian GOAD national average of 11.9%.

12.53 Out-of-centre retail and leisure floorspace in the Borough is restricted to the relatively small Dartford Heath Retail Park, located to the south-west of the town off Princes Road (B2174), and the large format ASDA superstore at Crossways Boulevard, Greenhithe. The lack of edge and out of centre foodstore provision in particular has helped Dartford to maintain is important role as a food and convenience shopping destination, underpinned by its street market offer, as confirmed by the findings of the household and street surveys.

Weaknesses

12.54 Notwithstanding recent and new investment in the town centre, the Part 1 study has highlighted that there are a number of underlying weaknesses and potential threats to its overall vitality and viability, including:

- An under-provision of food and convenience outlets and floorspace generally and within specific categories. This is notwithstanding the fact that almost two-thirds of respondents to the in-centre survey indicated that their main reason for visiting was for food/grocery shopping.
- A decline in its comparison (non-food) offer, albeit this is in line with national trends. The town centre is also vulnerable to a further reduction in its non-food offer due to the impacts of COVID-19.

- The downturn in the retail sector has impacted on the UK shopping centre market and Dartford's three shopping centres are vulnerable to increased vacancies over time if current trends persist; particularly the "older generation" Priory Shopping Centre.
- Speciality and 'high-end' retailers are largely absent from the centre, mainly due to the offer, draw and influence of Bluewater and other competing centres and retail provision
- If market demand should arise from national retailers or larger commercial operators for new space in the town centre, there is a limited supply of modern larger format units to meet their needs.
- Prime Zone A rents have fallen by almost one-third since 2017 to £291/sqm by mid-2020[10]; but Dartford has performed better than some other nearby town centres.
- The in-centre survey showed that the majority (60.4%) of those interviewed who visit the town during the day never visit in the evenings. This is partly explained by the fact that:
    - The provision of restaurants, cafés and takeaway outlets in the town is below the national average level of provision[11].
    - There is no cinema in the town centre. As described above, this represents a significant gap in its daytime and evening offer.
    - The Council's 2010 Retail Study also identified that one of the town's "*weaknesses*" was the lack of anchor department stores such as Marks & Spencer and John Lewis (both of which are located within Bluewater). However, in the context of current market trends and the trading difficulties faced by many of the larger traditional high street anchors (including John Lewis, Debenhams, House of Fraser and Marks & Spencer), we consider this is less of a "*weakness"* today, as it means Dartford is not vulnerable to the potential loss of these larger format operators compared with other centres in the UK.
- There is limited published market demand from retail and leisure operators for representation in the town centre. Total requirements range from 2,276 sqm to 4,989 sqm gross, with most retail operators seeking outlets of between 120 sqm and 320 sqm.

12.55 In summary, it is apparent that market demand from national retailers for representation in the Town Centre is limited. This reflects wider market trends, but also the town's proximity to Bluewater which effectively "*casts a wide shadow*" on market interest from the larger national multiple operators for representation in Dartford and other centres in its immediate catchment. However, this does not explain the gap in the town's food and convenience shopping offer.

Opportunities

12.56 Although retail will remain an important part of Dartford Town Centre's overall attraction and diverse offer - helping to generate trips, footfall and expenditure for other shops, businesses and facilities – it is time to "*look beyond*" traditional retail to other more diverse uses to help support and grow the town's vitality and viability over the short, medium and long term.

12.57 In the current economic and retail climate, the town centre would benefit from the provision of more flexible uses and space. This flexible space could be provided in a number of different ways, including through:

- the repurposing and/or redevelopment of existing long-term vacant shops and assets;
- the provision of incubator space to enable start-up businesses to grow and flourish; and

[10] Sourced from PMA PROMIS Reports. Based on estimated Prime Zone A rents in mid-June 2020.

[11] Cafés, restaurants and take-aways represent approximately 13.3% of total outlets in Dartford Town Centre, which is below the national average of 17.3% for all centres and shopping locations covered by Experian Goad (circa 2,500 locations).

- the expansion of the street market and offer,

12.58 This will enable the town centre's retail and wider offer to respond to the needs of its existing and growing residential population and market demand in a more dynamic and proactive way. It will also help to differentiate the town centre from the larger centres in the region, including Bluewater, that are largely dependent on the national multiple retailers and larger format leisure operators to draw visitors from a wide regional catchment area. Greater diversity and flexibility will also help to create a more resilient town centre offer. On this point the Council has already recognised the importance of building resilience into the High Street through investment in business start-ups and a mix of "meanwhile uses".

12.59 The town centre's strategic location within a growing residential catchment also presents opportunities for improvements to the choice and quality of its food and beverage offer, and its overall daytime and evening economy. Westgate on Hythe Street should have a positive impact on the town centre, if delivered, as it will help to stimulate a thriving restaurant and café cluster to the north of the town centre, anchored by a new cinema and with an enhanced pedestrian route to the nearby theatre. It should also generate wider benefits to existing shops and business through increased trips, footfall and linked trip expenditure.

12.60 If the Westgate scheme is not delivered as planned, then other opportunities to provide a new cinema and quality food and beverage uses in the town centre should be considered and assessed as a priority. As described above there could also be opportunities to accommodate other indoor leisure facilities in the town centre, such as an indoor bowling alley and trampoline park, to meet identified needs. These types of town centre commercial leisure uses should be accommodated in town centres first, in accordance with national and local plan policy objectives. However, this will be subject to assessment of the availability and suitability of sites and/or existing premises in the town centre (including potentially the town's existing shopping centres) to accommodate any market demand from operators.

12.61 Dartford's strategic, highly accessible and convenient location means that it is an attractive proposition for people looking to live within easy and affordable commutable distance of London and other areas. There are therefore significant opportunities to increase the provision of a diverse town centre housing stock, to provide for first-time buyers, family and private rental sector (PRS), and for older people. Expanding the number of residents living within, on top of existing properties and on the edge of the town will further help to create a strong 'captive catchment', boost expenditure in local shops and businesses, and generate demand and investment for new businesses and uses. Other opportunities to redevelop and/or repurpose long-term vacant properties in the town centre should also be considered.

12.62 At the same time there is significant potential to promote new flexible workspace, community facilities, healthcare (potentially in the form of a new 'health hub') and education uses in and on the edge of the town centre as part of the infrastructure needed to support the growing Town Centre population. These diverse uses will also help generate linked trips and expenditure for the town's other shops and businesses in the most sustainable manner.

12.63 It is clear that Dartford Town Centre does have a number of competitive advantages and USPs that can be built on and strengthened over the short, medium and long term to further differentiate it from competing town centres and major shopping and leisure destinations, such as Bluewater. These include the potential to:

- strengthen the quality of its independent and multiple food and convenience store offer, subject to market interest and demand;

- strengthen and diversify the important role of the street markets;
- grow and diversify the number of high quality independent and multiple F&B businesses to build on the new cafés and restaurants that have taken space in the town over recent years;
- repurpose and redevelop the town's shopping centres, where the opportunities exist, to provide a more diverse and flexible mix of viable uses; including the potential for new residential and employment uses above ground floor commercial uses. The "refresh" of the shopping centres will better meet the needs of modern-day customers and businesses, and better reflect market trends. In particular the "older generation" shopping centres, such as The Priory, have the potential for renewal and redevelopment, to improve place-making and provide higher quality mixed-use environments that are better integrated and connected to the wider town centre. However it is important that, where feasible, any redevelopment maintains active ground floor commercial uses and frontages to support the town's pedestrian circuit and strengthen its overall vitality and viability;
- build on the attraction and success of the theatre, to help differentiate the town centre from Bluewater and other competing locations. This will also act as a catalyst to help further promote and grow the town's cultural, arts and creative uses and activities. This could lead to the potential to repurpose and reinvigorate some of the town's vacant buildings and spaces for alternative uses, and the potential for new public art in the town centre as part of new investment and as an integral part of the public realm;
- promote Central Park more widely as a major focus in the heart of the town centre for recreation and leisure activities as part of wider health and well-being initiatives;
- further develop the existing events in the town centre (and Central Park) and proactively market and promote a year-round events campaign for a mix of inter-related entertainment, cultural, shopping and leisure activities. This will help to raise awareness, attract a more diverse visitor profile, extend the town's catchment, and increase footfall, turnover and viability;
- build on the existing investment in the town's environment and public realm. Respondents to the in-centre survey called for improvements to the town centre's general appearance, including: better maintenance/cleanliness, more/better seating and better quality frontages;
- draw on the successful investment in the station and improve the other key 'gateways' to the town, including: Overty Liberty, Suffolk Road and the pedestrian connections from Northern Gateway; and
- improve pedestrian/cycle prioritisation and movement across the town to help create a clearly defined, legible, safe and 'easy to use' pedestrian and cycle network. Alongside this there is potential to provide new cycle hubs and secure stands to encourage cyclists to stop and dwell in the town centre for longer. Related to this the Council has installed new 'Wayfinding' signage in various locations across the town, with further signs to be provided in the near future.

12.64 To help deliver these opportunities in the "*post-COVID19 world*" will require ongoing proactive Council intervention. The immediate priority for the Council will be to support the recovery of the town and its existing businesses, and to build resilience. As described above, this will mean diversifying the town centre's offer and promoting flexibility of uses. The immediate challenge for the Council will be to retain existing businesses and provide the right conditions for new businesses to grow and flourish. In this context the Council may need to consider a more proactive place-shaping agenda, and take an increasing role in the ownership and management of the town centre through direct investment in vacant buildings and space, working in partnership with existing landowners and businesses. The benefit of this proactive approach will be to provide more control of the planning, regeneration and management of the town centre and to ensure that it is fit for purpose meeting evolving consumer behaviour and market trends. Aligned with this, we advise that the Council regularly monitor and update the town centre's key performance indicators (KPIs) to help measure the impact of policy, trends and interventions on Dartford's overall vitality and viability, including its daytime and evening economy.

DISTRICT CENTRES: STRENGTHS, WEAKNESSES & OPPORTUNITIES

12.65 There are six defined District Centres across the Borough that serve the wider more frequent shopping, service, health, leisure and community needs of their mainly local resident catchment populations.

Strengths

12.66 All the centres appear to be healthy and viable, and fulfilling their roles in the Borough's network and hierarchy of centres.

12.67 To varying degrees the District Centres comprise a diverse mix of uses, including local supermarkets, convenience stores, pharmacies, food and beverage outlets, and other community and health facilities that generate frequent trips and benefit other shops and businesses (e.g. libraries, doctor's surgeries and/or schools).

12.68 They vary in scale, offer and character. Longfield is the largest District Centre, with some 47 outlets and is anchored by Waitrose. Hawley Road/Lowfield Street is the smallest, with 18 outlets and is anchored by small Co-op and Costcutter convenience stores.

12.69 None of the centres had significant or long-term vacancies at the time they were audited. For example, there were no vacant outlets in Temple Hill, Hawley Road and Dartford West, and only one vacancy each in Longfield, High Street Swanscombe and Dartford East.

12.70 All the centres have relatively good and convenient access by different modes of travel. Both Longfield and High Street Swanscombe District Centres benefit from their proximity to railway stations. These stations are generating significant passenger usage, ranging from circa 176,000 per annum in 2017/18 at Swanscombe's station, up to 605,000 per annum at Longfield's station. The pedestrian footfall generated by both stations benefits existing shops and businesses in both centres through linked trip expenditure.

Weaknesses

12.71 Some of the centres would benefit from improvements to their environments, including investment in public realm, pavements and buildings/frontages. These include, for example, Longfield, High Street Swanscombe and Hawley Road/Lowfield Street.

12.72 Others would benefit from improved or better managed on-street and/or off-street parking (for example, Dartford West and Dartford East).

Opportunities

12.73 In summary, all the existing defined District Centres appear to vital and viable. They all perform important roles and functions in the Borough's hierarchy, meeting the more day-to-day food, convenience and service needs of their resident catchment populations. There is, however, potential for some of the centres to:

- accommodate new residential uses above existing shops to help improve the viability of existing businesses by increasing their "*captive*" catchment population; and

- repurpose and/or redevelop long-term vacant properties to provide a more attractive, sustainable and viable mix of commercial and residential uses, where demand exists.

12.74 It is vitally important in the current dynamic economic and retail context that the scale, quality and mix of uses in each centre is continually monitored to help identify any short/long term increase in vacancies, and potential threats to critical uses and businesses.

12.75 The Council should also look to introduce/retain policies that protect these critical uses. For example, proposed changes to the locally-set impact threshold (see below) should help to protect smaller shops and businesses from the significant adverse impacts that could arise from competing edge and out of centre floorspace. Furthermore the inclusion of small shops of not more than 280 sqm gross selling food in the new UCO Class F2 should also provide further protection to critical local shops in the Borough's District Centres.

12.76 Finally, we also recommend that the precise extent and boundaries of the District Centres be continually monitored and reviewed. This specifically applies to the linear centres of Dartford West and Dartford East. If long term vacancies were to occur in parts of these centres, then this would impact on their overall viability, and ultimately their roles as District Centres.

12.77 There is also potential to increase and strengthen the Borough's network of District Centres over the plan period in areas of major population growth, and specifically in Ebbsfleet. We consider this potential in more detail below.

EBBSFLEET

12.78 The planned development of Ebbsfleet is an important economic driver for Dartford Borough. It will provide a new Garden City and "*urban hub*" focussed around Ebbsfleet International Station (EIS) and is forecast to accommodate a new resident population of circa 27,709 and provide for up to 30,000 new jobs.

12.79 The *Ebbsfleet Development Corporation* (EDC)[12], established in April 2015, is responsible for delivering development across Ebbsfleet. The 2017 *Ebbsfleet Implementation Framework* ('EIF') sets out EDC's vision and the spatial framework for achieving a Garden City at Ebbsfleet, whilst still operating within the Dartford and Gravesham Local Plans. As part of the EIF a number of new centres are planned to meet the needs of people living and working in Ebbsfleet, and those visiting the area for a variety of different uses and facilities, including the International Station. The main centres planned are:

- **Ebbsfleet Central**: The vision is to create a "*centre*" for the wider Ebbsfleet development focussed around the International Station that is complementary to the offer provided at Dartford and Gravesend town centres, and Bluewater. A major commercial hub is envisaged supported by a diverse mix of residential, educational and leisure uses, with associated supporting bars, restaurants and convenience shopping. EDC acquired Ebbsfleet Central in October 2019 and has since commissioned a Masterplan to help secure a new outline planning permission for the mixed-use development of the site. The Masterplan will follow the principles outlined in the EIF and the application is scheduled for submission later in 2021. The updated floorspace schedule

[12] Although EDC is responsible for determining planning applications in the relevant part of Dartford Borough, this does not extend to producing Local Plans or other statutory planning policy. The adopted DPDs for both Dartford and Gravesham Borough Councils therefore apply in the EDC part of the Boroughs. The relevant policies in the adopted Dartford Core Strategy (2011) that cover the EDC area are described in detail in Section 2 to the Part 1 study.

provided to LSH by EDC/DBC during the preparation of this study shows the planned development of 10,781 sqm of new retail between 2025 and 2036[13].

- **Eastern Quarry**: is planned to accommodate the following new centres in distinct but inter-related character areas that will meet the needs of their local resident populations:
  - **Eastern Village – Castle Hill:** some 911 sqm of Class A1-A5 floorspace is being developed out and the potential occupants include a small convenience store, café, pharmacy, dentist and estate agent[14].
  - **Central Village – Alkerden:** will be the largest centre in Eastern Quarry as it needs to have a size and critical mass to attract commercial uses and services that meet the needs of residents, as well as being closely integrated with a new education campus. EDC has indicated that the non-residential floorspace proposed as part of the outline consent will be up to 7,960 sqm (GIA), comprising 3,950 sqm of retail and café/restaurant floorspace; a 1,800 sqm supermarket; a 1,230 sqm community centre; and a 980 sqm clubhouse.
  - **Ebbsfleet Green:** The original outline permission (ref: DA/05/00308/OUT) allowed for a new local centre comprising Class A uses (1,259 sqm), a hotel (5,000 sqm) and community centre (1,758 sqm). To date the following have been delivered: new office space (1,083 sqm office), a 104-bed hotel, 734 sqm pub/restaurant (A3/A4) and a 339 sqm Co-op convenience store (A1)[15].
  - **Western Village - Western Cross/Ashmere**: The scale and mix of uses allowed under the original outline permission was subsequently revised and the outline permissions (e.g. EDC/16/0094) now allow for circa 3,000 new residential units and up to 3,000 sqm for undefined commercial uses.

12.80 It is clear that a significant proportion of the retail and leisure floorspace that has been allocated, permitted and delivered to date in Eastern Quarry is of a scale and character intended to serve the day-to-day needs of residents and daytime commuters and office workers. The future role and viability of the four centres in Eastern Quarry is dependent on attracting new food and/or convenience stores to anchor their offer, and to meet the essential day-to-day needs of their local resident communities. This food and convenience offer ranges from the larger supermarket of circa 1,800 sqm planned for Alkerden, to the smaller 339 sqm Co-op opened in Ebbsfleet Green. This level of convenience provision is supported by the outputs of the retail capacity assessment for new convenience goods floorspace.

12.81 As planned centres in the EIF and the Borough's development plan documents, it is important that they are defined and designated as part of the wider hierarchy and network of centres. Against a background of limited market demand from retailers for new space both now and in the future, this designation will provide the emerging and planned centres with the certainty and protection they need to help promote their delivery and long-term vitality and viability. This is aligned with the policies and objectives at the national and local level, including the Borough's development plan polices and the EDC's EIF and masterplans. Applications for potentially competing stores in edge and out of centre locations will therefore need to be subject to the sequential and impact tests set out in paragraphs 86-90 of the NPPF. This is important as it should ensure that any demand and investment from suitable retailers and leisure operators is directed to the centres in Ebbsfleet first.

[13] The total permitted Class A1 floorspace is 12,536 sqm gross. EDC have calculated for the purpose of this study that approximately 86% of this retail floorspace is in Dartford Borough, with the remaining 14% located in Gravesend Borough.

[14] Planning permission reference: (ref: EDC/17/0067)

[15] Planning permission references: EDC/16/0071; EDC/16/0117; EDC/16/0118; and EDC/16/0083.

12.82 All the centres planned for Eastern Quarry will, to varying degrees, serve the day-to-day needs of their local residents and daytime commuters and office workers. Based on the evidence we advise that:

- by virtue of its size and planned mix of uses **Alkerden** should be designated as a **"District Centre**"; and
- the other three centres are smaller than Alkerden and will have a more local offer, principally meeting the needs of their local (walk-in) communities, and should therefore be defined as "**Local Centres**" in the Borough's network and hierarchy of centres.

12.83 **Ebbsfleet Central** has been identified as the "*heart of Ebbsfleet*" and the longstanding plans are for it to provide the largest quantum and mix of residential, office and other social/community uses in Ebbsfleet. The outline consent for Station Quarter North allows for up to 12,000 sqm of (Class A1) retail, along with new office and hotel floorspace (reference: DA/08/00577/EBQNC); although this permission will lapse in 2022.

12.84 EDC has recently commissioned a masterplan for Ebbsfleet Central to secure a new outline permission for mixed use development of the site, and this will provide greater clarity and certainty on the scale, mix and types of uses proposed. This masterplan will take account of the capacity forecasts identified by this study and the wider market trends impacting on the retail sector and other town centre uses, as well as restrictions on the retail units/quantum of floorspace that the new landowner can build on land at Ebbsfleet Central.

12.85 Although larger than Alkerden, Ebbsfleet Central as a whole will be significantly smaller in size than Dartford Town Centre. It will have a comparable role and function to the Borough's other District Centres; namely meeting the needs of its local community and workforce, as well as being closely integrated with the planned new strategic education and community hub. Against this background we therefore advise that Ebbsfleet Central should be classified as a **"District Centre**" in the Borough's network and hierarchy of centres. Its role, function and classification should be reviewed and monitored over time by the Council and EDC once the centre has been delivered; but in the meantime the "District Centre" classification affords important policy protection to this planned centre (and the significant investment proposed), particularly if applications for competing retail and other town centre uses are proposed in edge and out of centre locations over the plan period.

BLUEWATER SHOPPING CENTRE

12.86 Bluewater is one of the UK's largest shopping and leisure destinations. It has over 320 shops, cafés and restaurants and other commercial leisure uses trading from a total floorspace of circa 153,327 sqm. As described in Section 8, it has performed strongly as a shopping and leisure destination since it opened in March 1999.

Strengths

12.87 Bluewater's many strengths include:

- A high-quality comparison goods and fashion offer.
- Most of the major UK retailers are represented in the centre, along with several international retailers.
- Its main anchor stores are John Lewis (including Waitrose), House of Fraser and Marks & Spencer. Together these department stores generate trips and footfall around the 'triangular' shopping circuit.

- Its catchment extends across a wider area, well beyond Dartford Borough.
- According to our forecasts it achieved an estimated comparison goods turnover of circa £880m in 2019 (pre pandemic), which compares with Dartford's turnover of circa £155m.
- The owners have indicated that it generates average annual footfall of circa 26 million (pre pandemic).
- It has a diverse commercial leisure offer, ranging from branded food and beverage operators in Wintergarden (East Village) and Town Square (West Village), to the 17-screen Showcase Cinema du Lux in the Water Circus (South Village).
- The South Village also accommodate other permanent and temporary leisure uses, including an indoor climbing wall and 'Winter Wonderland'.
- Bluewater's leisure offer has been further strengthened by the recent permission for a new outdoor adventure centre, known as *'Bluewater Hangloose'*. It will comprise a range of outdoor adrenalin activities, including a 680m zip line ('Skywire'), a skydiving machine ('Skydriver') and an indoor virtual reality experience ('VR Extreme')[16].
- Although the number of vacant outlets has increased in the centre since 2015, the most recent recorded vacancy level of 8.7% was below the national average of 11.9%. Vacant floorspace represented 3.3% of total floorspace, which is significantly below the national average of 10.5%.

12.88 The centre also benefits from outline permission, granted in June 2017, to extend and alter the West Village[17]. The permission allows for up to 28,500 sqm of new comparison goods (Class A1) retail floorspace and up to 2,500 sqm of food and beverage (Class A3-A5) uses, with a limit on any net additional convenience goods floorspace. This permission allowed the owners to improve and complement the range of existing shops at Bluewater and to extend some of the existing units to accommodate Major Space Users (MSUs).

Weaknesses

12.89 Any weaknesses and/or potential threats to the regional shopping centre's future role, attraction and performance are mainly a consequence of the dynamic trends that are impacting on the retail sector generally, and on town and shopping centres specifically (see Section 4 of the Part 1 study). These trends include the impact of online shopping purchases and a fall in market demand for new retail space from occupiers; which have been further amplified and accelerated by the COVID-19 pandemic.

12.90 For Bluewater, these wider impacts resulted in a fall in its Prime Zone A rents by -15% since 2017 (to an estimated £3,552 per sqm by mid-2020). The reduction in rental income has been further compounded by the COVID-19 pandemic. Notwithstanding this, the fall in its rental values for Bluewater to mid-2020 was below the PMA average and the average for the top 10 regional shopping centres.

12.91 To date, only 4,267 sqm gross of Class A1 retail floorspace[18] has been delivered from the June 2017 outline permission; meaning a residual 24,233 sqm gross of Class A1 retail with permission has not been implemented to date. In current market conditions there is some uncertainty as to whether this additional floorspace will be delivered as planned.

[16] Planning application reference: DA/18/01377/FUL

[17] Planning application reference: 16/01207/OUT

[18] Planning application reference: 17/01202/REM

12.92 Apart from the forecast growth in online shopping, other potential challenges to Bluewater's market position include competition from comparable regional shopping centres, principally Westfield Stratford and Lakeside. The emerging proposals for the Leisure Resort could also represent a potential threat to Bluewater; although the London Resort could equally be viewed as an opportunity to capture more visitors from a wider catchment, including international visitors.

Opportunities

12.93 The economic need assessment has confirmed that there is no forecast capacity for new retail floorspace over and above existing commitments up to 2030[19]. In the context of current trends it is unlikely that there will be any need and/or significant market demand for new comparison retail space at Bluewater over and above the outline permission over the plan period.

12.94 We also advise that the current conditions restricting new foodstore and convenience goods floorspace at Bluewater are still required and critical to help maintain and support Dartford Town Centre's important role for food and convenience shopping. These restrictions will also prevent any potentially significant adverse impacts on the planned investment in, and delivery of the new centres identified to serve Ebbsfleet's new residential population; as these new centres will predominantly depend on food and convenience store provision to underpin their overall vitality and viability.

12.95 If the expansion of Bluewater's retail comparison floorspace is unlikely in the prevailing economic and retail climate, then this raises the question as to how it can evolve and expand its mix of uses over time to help maintain and support its competitive role as a specialist regional shopping destination?

12.96 In our judgement one potential opportunity for Bluewater's long term, sustainable growth will be to build on the recent permission for the new <u>outdoor adventure centre</u>, known as '*Bluewater Hangloose*'. This scale and type of these outdoor leisure uses, that have a regional draw (as well as appealing to visitors and tourists), cannot be provided in Dartford Town Centre. For this reason these types of outdoor leisure activities should not result in any significant impacts on the town centre's overall vitality and viability. These uses also complement the regional draw of Bluewater's existing high-quality shops and leisure uses, and will help to strengthen its catchment and viability in the future.

12.97 In this context, and to complement and support Bluewater's regional offer, we also consider that there is potential to provide new hotel accommodation to encourage visitors to stay overnight, during the week or at weekend. This could also represent an opportunity to promote and encourage linked trips with Dartford Town Centre and other attractions in the Borough. However it is important that any hotels proposed and planned for Bluewater do not impact on any existing and/or planned hotel investment in Dartford and Ebbsfleet.

12.98 Based on the findings of the Part 1 study we recommend that Bluewater's current definition and role as a **"*Regional Shopping Centre*"** in the Borough's network and hierarchy of centres is appropriate in policy terms and should be maintained. However, it is acknowledged that Bluewater needs to remain its competitive position in the face of:

- current market trends and the growth in online shopping;

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[19] These commitments include the residual comparison floorspace of up to 24,233 sqm that has yet to be delivered on the back of the June 2017 outline permission (reference: 16/01207/OUT).

- competition from other major regional shopping centres; and
- the potential competition from the proposed London Resort.

12.99 The opportunities for Bluewater highlighted above indicate that there is potential to build on the recent permission for *'Bluewater Hangloose'*; namely to provide complementary outdoor leisure uses and attractions that cannot be accommodated in existing centres (such as Dartford) due to their space requirements, and which depend on wider regional catchments to support and sustain their overall viability and vitality.

12.100 Notwithstanding the potential to extend and diversify Bluewater's mix of uses, it is critical that any new investment in the shopping centre complements rather than competes with Dartford and other town centres. New uses proposed for Bluewater over the plan period should not result in potentially significant adverse impacts on investment, trade/turnover and the overall vitality and viability of existing and planned centres (including Ebbsfleet Central). In this context, it is important that there are policies in place for Bluewater that allow for the assessment of the **impact** of new retail, leisure and town centres uses (in compliance with paragraph 89 of the NPPF).

12.101 Furthermore, although current policy does not require a **sequential test** for new retail floorspace, we recommend that this test should be included in any updated policy to cover indoor commercial leisure uses proposed for Bluewater in accordance with paragraphs 86-87 of the NPPF[20]. We believe the sequential test is necessary and important in this case, as it will enable the Council to effectively monitor and manage the evolution of Bluewater's leisure offer over the plan period, and to mitigate any potential risks to the vitality and viability of existing and planned centres.

POLICY REVIEW & RECOMMENDATIONS

12.102 The relevant current and emerging Development Plan Documents (DPDs) pertaining to Dartford Borough and Ebbsfleet have been reviewed in some detail throughout the Part 1 study (principally in Sections 2 and 3).

12.103 In brief, the main DPDs for Dartford Borough are the *Core Strategy* (adopted September 2011) and *Dartford Development Policies Plan* (DDPP adopted 2017). The DDPP has been prepared in the context of the CS and provides the main planning policies for plan-making and decision-taking by the Local Planning Authority (LPA)[21].

12.104 Drawing on the evidence and the key findings of this study, this final section sets out our overall review of current policy and our recommendations for reasonable changes and updates. In our view these changes and updates will be needed to help the Council effectively plan for, manage and promote the vitality and viability of its main centres.

12.105 In compliance with the requirements of the NPPF and the Council's Brief our policy review and advice covers:

- The definition of the Borough's network and hierarchy of centres to help promote their long term vitality and viability, and allow them to grow and diversity in a way that can response to rapid changes in the retail and leisure sectors, allow a suitable mix of uses (including housing) and reflect their distinct characters.

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[20] Refer to the leisure uses classified as main town centre uses in Annex 2 of the NPPF.

[21] The phrase "Local Planning Authority" as used in the CS recognises that both Dartford Borough Council and the EDC will be applying the policies.

- The definition of the extent of town centres and their primary shopping areas (PSAs); and
- The review and setting of a local impact threshold for the assessment of applications for new retail and leisure developments proposed outside of defined town centres and not in accordance with an up-to-date development plan;

Hierarchy

12.106 As described in Section 2 of the Part 1 study, the **Core Strategy** (Policy CS12) sets out the following network of (existing and planned) complementary shopping centres that are the main focus for shopping and leisure activity in the Borough:

- Dartford Town Centre (also refer to Policy CS2);
- Bluewater (Policy CS4);
- planned centres at Ebbsfleet/Eastern Quarry (Policies CS4/CS5); and
- Longfield District Centre.

12.107 The DDPP extended the network of centres to include five additional District Centres (namely Dartford West; Dartford East; Temple Hill Square; High Street Swanscombe; and Hawley Road/Lowfield Street).

12.108 A new tier of 16 Neighbourhood Centres was also introduced by the DDPP[22] that are smaller in scale, offer, role and function to the District Centres. The smaller Neighbourhood Centres generally take the form of small shopping parades, or clusters of local commercial services, with a small convenience store as anchor provide walkable provision for the day-to-day needs of communities.

12.109 In this context it is important to understand that the NPPF (Annex 2) defines "*town centres*" in its policies as:

- City centres;
- Town centres;
- District Centres; and
- Local Centres.

12.110 The NPPF states that "*smaller parades of shops of purely neighbourhood significance*" are not defined as town centres. Furthermore, out-of-centre developments, comprising or including main town centre uses, do not constitute town centres for policy purposes if they are not identified in the development plan.

12.111 In this context, the Borough's 16 ***"Neighbourhood Centres"*** sit outside of the NPPF's definition of what constitutes a "*town centre*"; and are not currently afforded any policy protection. We therefore recommend that they are reclassified as ***"Local Centres"*** to help manage and maintain their important roles and functions over the plan period; meeting the essential day-to-day convenience and service needs of their local communities. This will also enable the Council to effective monitor, manage and protect these centres from any significant adverse impacts from applications for competing retail and leisure developments in edge and out of centre locations.

[22] Refer to DDPP, Appendix B, for full list of Neighbourhood Centres.

12.112 For the reasons set out above we advise that Bluewater's current definition and role as a ***"Regional Shopping Centre"***, is appropriate and should be maintained; and recognised in Local Plan retail strategy.

12.113 Based on the evidence we therefore we also recommend the following update to the Borough's network and hierarchy of centres.

Table 12.2: Dartford Borough – Recommended Network and Hierarchy of Town and Shopping Centres

Definition:	Centre / Shopping Centre:
REGIONAL SHOPPING CENTRE:	Bluewater
TOWN CENTRE:	Dartford Town Centre
DISTRICT CENTRES:	Dartford West Dartford East Temple Hill Square High Street Swanscombe Hawley Road / Lowfield Street **+ Alkerden** **+ Ebbsfleet Central**
LOCAL CENTRES:	To include the Borough's 16 defined 'Neighbourhood' Centres **+ Castle Hill (Eastern Village)** **+ Ebbsfleet Green** **+ Western Cross/Ashmere (Western Village)**

Town Centre Boundaries and Primary Shopping Area Definition

12.114 Under the NPPF it is necessary for LPAs to identify the Primary Shopping Area (PSA) of defined centres as this forms the basis of the application of the sequential test for assessing applications for new retail and town centre uses.

12.115 The NPPF (Annex 2) defines the PSA as an *"area where retail development is concentrated"*. It also defines "*edge of centre*" for retail purposes as a location that is *"well connected to, and up to 300 metres from, the primary shopping area"* (our emphasis underlined). For all other main town centre uses it is a location "*within 300 metres of a town centre boundary*" (our emphasis underlined).

12.116 There is no policy requirement under the NPPF to define primary and/or secondary shopping frontages. Notwithstanding this, they can help inform the definition of PSAs and may be justified in cases where they can help to support the vitality and viability of particular centres[23]. In the context of Dartford Town Centre, we advise that a PSA/frontage policy may warrant retention if it is closely focused on the core part of the town centre with the most viable retail uses and the highest footfall. It is important that the role, function and integrity of the retail "heart" (core) of the town centre is maintained, as retail remains a key driver of trips to the town centre and will continue to underpin Dartford's overall vitality and viability; notwithstanding the impact of market trends and the COVID-19 pandemic on the retail and leisure sectors. This PSA should be a relatively compact area, to include the core part of the high street, and should not be extended to areas where policy flexibility is needed for substantial redevelopment and/or repurposing of vacant shops and buildings.

12.117 We advise that the continued use of primary and secondary frontages in policy is now out dated and too restrictive. This takes account of current and predicted economic and market trends

[23] PPG. Paragraph: 002. Reference: ID: 2b-002-20190722.

(including the impacts of COVID-19), and the Government's reforms of the Use Classes Order and other planning reforms (adopted and proposed) aimed at promoting greater flexibility and diversity on high streets. Although the frontage policy 'tools' have been traditionally used to protect the integrity and role of primary and secondary shopping areas, and restrict the "*creep*" of an inappropriate number of non-retail (formerly non-A1) uses, the policy of protecting both 'primary' and 'secondary' areas has also had "*unintended consequences"*; including preventing the growth of a mix of non-retail uses and activities that can add to the vitality, vibrancy and viability of towns and high streets. Any change of use policy should be well targeted, and structured around the flexibility within the new use classes.

12.118 All boundaries for town centre planning purposes need to be kept up to date. Dartford town centre's boundary should include key town centre facilities and assets, such as the library/ museum and the town centre's supermarkets.

Impact Threshold

12.119 As described in Section 2, the National Planning Policy Framework (NPPF) requires an impact assessment to be undertaken for "*retail, leisure and office development outside of town centres, which are not in accordance with an up-to-date Local Plan*" (paragraph 89). The Framework states that local planning authorities should require an impact assessment if the development is over a proportionate, locally set floorspace threshold. If there is no locally set threshold, then the NPPF default threshold of 2,500 square metres (gross) should be applied. To help inform the setting of a locally appropriate impact threshold we have also referred to the *Planning Practice Guidance* (PPG)[24].

12.120 As described in Section 2, Policy DP14 (*Retail and Town Centre Development*) of the DDPP currently sets out the Council's sequential and impact 'tests' for managing and determining applications for retail and leisure development outside town centres that are not in accordance with an up-to-date development plan. Under Policy DP14(4) there is a locally set impact floorspace threshold for new developments of 500 sqm net[25] and above.

12.121 In this case, although we agree that a lower impact threshold is reasonable and necessary for Dartford Borough, we consider that the current threshold should be subject to further review for several reasons, including:

- it is expressed in terms of net sales area and the most appropriate measure should be gross area in compliance with the NPPF and PPG[26];
- long-term trends in the retail sector at the national and local level, and changes in retailer requirements, including the impact of COVID-19;
- the existing vitality, viability and vulnerability of the Borough's centres to impact from existing and potentially new edge and out of centre developments; and
- there is no forecast capacity for new convenience or comparison goods floorspace over the short to medium term.

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[24] PPG. Paragraph: 015. Reference ID: 2b-015-20190722

[25] Development includes changes of use and variations to permissions / agreements

[26] The PPG defines '**gross retail floorspace'** (or gross external area) as *"the total built floor area measured externally which is occupied by a retailer or retailers, excluding open areas used for the storage, display or sale of goods*".

12.122 For Dartford Borough we advise that a lower impact threshold of **280 sqm gross** would now be more appropriate and robust for proposed retail/leisure developments outside the defined retail network. We briefly set out the reasons why below.

12.123 As reported in Section 4 to the Part 1 study, the growth in internet shopping is having a significant impact on the way households choose to buy food and non-food goods, which in turn is impacting upon retailer business and operating models. This should be considered alongside the long-term impacts of out-of-centre stores, shopping and leisure facilities on town centres. These impacts are probably best illustrated by the changes in the grocery sector over the last decade. Following a sustained period of growth over almost 20 years up to 2010, principally driven by new larger format superstore openings, the main grocery operators (i.e. Tesco, Sainsbury's, Asda, Waitrose and Morrisons) have effectively scrapped their superstore expansion programmes to focus on growing their market shares via online sales and opening smaller convenience stores (i.e. Sainsbury's Local, Tesco Express, Little Waitrose, etc.). Although sizes vary from location-to-location, the main grocers are promoting smaller convenience stores with a minimum gross floorspace of between 280 sqm and 372 sqm (circa 3,000 - 4,000 sqft).

12.124 The 280 sqm gross floorspace figure is also significant, as stores below this threshold are exempt from Sunday trading restrictions. In brief, the Sunday Trading Act defines a 'large shop' as generally being over 280 sqm. It is the Government's intention through this Act to protect smaller, independent stores which are perceived to be financially weaker and therefore require protection from unfair competition from the major supermarket operators. In general terms therefore it follows that proposals for retail floorspace over 280 sqm gross are unlikely to be a purely local facility and will have the ability to draw trade from outside of their immediate local catchment with potential consequent impacts on existing stores and centres. For example, in circumstances where convenience stores are proposed on the edge or outside of centres, often as part of petrol filling stations or conversions of public houses, they can have a significant adverse impact on the trading performance, vitality and viability of smaller district and local centres nearby. This will particularly be the case where these existing centres are dependent on smaller supermarkets and/or convenience stores to anchor their retail offer, and to generate footfall and linked trips/expenditure to the benefit of other shops, services and facilities. In some cases post office counters can also form an integral part of the convenience store offer and attraction in smaller centres, and their future operation could therefore also be jeopardised by new convenience stores opening outside of centres.

12.125 The Government's overarching aim to protect the role, function and integrity of local shops selling essential goods and comprising essential services (e.g. post-office counters) is further demonstrated by the recent reforms to the UCO which came into effect from the 1st September. A new use class has been introduced, Class F2, which covers local community uses. Within this category, Class F2(a) specifically pertain to a shop (previously classified as A1) selling mostly "*essential goods*", including food, to visiting members of the public where the shop's premises cover an area of no more than 280 sqm and there is "*no such facility within 1,000 metre radius of the shop's location*". This new use class with Class F2 is intended to ensure that uses which are important to local communities have some protection through the planning system because the scope to change use without planning permission is more limited.

12.126 The health checks for Dartford Town Centre and the Borough's other centres have also identified that smaller independent stores and services make a significant and vital contribution to each centre's diverse offer and overall vitality and viability. Clearly any application proposals (either individually or cumulatively) comprising floorspace and units of a similar scale, format and type of offer to that provided in the Borough's main centres could result a significant adverse impact on the viability of these smaller independent businesses, resulting in their potential closure and increased vacancies and difficult-to-let units across centres in some cases.

12.127 Turning to the published requirements detailing retailers and leisure operators potentially seeking representation in the Borough's main centres, and principally Dartford Town Centre, it is apparent that the minimum average unit sizes required are under 280 sqm gross. Clearly if the demand from these operators was to be met in edge and out of centre locations, then it could result in a significant adverse impact on the vitality and viability of the Borough's main centres, specifically in terms of reduced market demand, investment and trade.

12.128 Furthermore recent permissions for new mixed-use schemes in the Borough's main centres (principally Dartford), and current applications being determined by the Council, are all generally seeking permission for smaller retail/commercial units. For example, the committed schemes in Dartford Town Centre allow for new residential development, with smaller scale commercial retail, leisure and service uses at ground floor level. These and other similar proposed schemes in the Borough's main centres would be vulnerable to competition from any edge and out of centre schemes also seeking similar smaller format units, possibly as part of residential-led mixed use schemes. In simple terms, competing out-of-centre proposals could have a significant adverse impact on investor confidence in, and market demand for the commercial retail, leisure and service elements of these mixed use town centre schemes.

12.129 In conclusion, we advise that a lower floorspace threshold of 280 sqm gross should be set in this case. This will provide the Council with greater flexibility to robustly assess the individual ('solus') and cumulative impacts of any smaller commercial floorspace (including convenience stores) proposed outside of existing centres that could compete 'like-against-like' with existing, planned and proposed investment in its main centres.

12.130 To be clear this locally-set impact threshold does not determine whether an application should be allowed or refused, only whether an application should be subject to an impact assessment. Furthermore, the PPG advocates that the level of information pertaining to the impact test (and the sequential test) provided in support of any application should be proportionate and considered in a locally appropriate way[27]. We therefore advise the Council that they should pro-actively engage with any applicant at an early state in the pre-application process to scope and agree the detail of any assessment and the evidence required in support of an application on a case-by-case basis.

- End -

[27] PPG. Paragraph: 017. Reference ID: 2b-017-20190722