Report

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Vauxhall District Centre

Retail Impact Assessment

London Borough of Lambeth
November 2012

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Appendices

1. Introduction

1.1 GVA were appointed in August 2012 to undertake a retail impact assessment of the proposed district centre at Vauxhall. This study has been prepared in parallel with the Council's draft Vauxhall Supplementary Planning Document (SPD), which supports the creation of a new district centre at the Vauxhall Heart.

1.2 Vauxhall falls within the Vauxhall Nine Elms Battersea (VNEB) Opportunity Area designation in the London Plan. The Opportunity Area is envisaged to undergo substantial redevelopment and intensification over the development plan period, which will include, inter alia, the regeneration of Battersea Power Station, the development of the new US Embassy and the redevelopment of the New Covent Garden Market site.

1.3 The London Borough of Lambeth is seeking to adopt the Vauxhall SPD to guide development and drive forward the ambitions for Vauxhall as part of the VNEB Opportunity Area. The Council have instructed GVA to assess the impact of the proposed district centre on the vitality and viability of existing centres in the surrounding area.

1.4 Since the publication of the original draft Vauxhall Area SPD in 2008, a number of retail development proposals have been granted planning consent in the VNEB Opportunity Area, which will influence the development of a new district centre at Vauxhall. Taking into consideration the number of retail developments which now have planning permission, it is of critical importance to fully understand the cumulative impact of these developments on the existing retail facilities and centres, and how they will contribute towards achieving the Council's aspirations for the area.

1.5 The retail impact assessment primarily assesses the impact of a new Vauxhall district centre on the vitality and viability of surrounding centres in Lambeth and Wandsworth. In addition, the assessment reviews how the proposed Vauxhall district centre will sit alongside major committed developments and the impacts arising on these planned investments.

1.6 The impact assessment has been informed by an agency review of the retail market, to establish the character, scale and market positioning of the retail offer which is likely to be commercially realistic and deliverable as part of the creation of a new district centre, having regard to the existing and proposed competition.

1.7 The retail impact assessment of Vauxhall district centre is structured as follows:

- **Section 2** sets out the study area including a qualitative analysis of retailing in the Vauxhall area and also the main competing centres (in particular Clapham, Victoria and Brixton);
- **Section 3** reviews the national, regional and local planning policy position, specifically focusing on retail policies for Vauxhall to provide an overview of the current policy context for a new district centre at Vauxhall;
- **Section 4** outlines the committed developments within the VNEB Opportunity Area which include an element of retail floorspace which could come forward over the development plan period. The implications of these developments are assessed within Section 6;
- **Section 5** provides market analysis and a review of retailer demand in Vauxhall to identify the scope and likely character of future retail provision at Vauxhall district centre and advises on what form of new retail floorspace should be provided;
- **Section 6** draws together our analysis and assesses the impact of the new floorspace which would form the proposed district centre and, taking into account all identified retail developments in the area, considers the cumulative impact implications on the current and future role of existing centres in the wider area; and
- **Section 7** sets out our conclusions and recommendations about the scale, type and form of retail uses likely to be appropriate and deliverable in order to support the Council's aspirations for the area.

2. Study Area and Context

2.1 In this section we consider the site and surrounding context for the proposed district centre. This includes a review of the type and role of existing retail provision in the immediate area and an overview of the main centres in the wider catchment, namely Clapham, Victoria and Brixton.

The Heart of Vauxhall

2.2 The final draft Vauxhall SPD (2012) identifies the broad location for the development of a new district centre at Vauxhall (see Appendix I). The proposed location of the new district centre extends from Vauxhall Bridge and Vauxhall rail station in the north, runs along the railway line to the east and south, to Ponton Road in the south west and bounded by the Thames to the north west. The northern part of this site is located within the London Borough of Lambeth and the southern half of the proposed district centre falls within the London Borough of Wandsworth.

2.3 The Lambeth area comprises several known development sites (see Appendix 2) including:

- Vauxhall Underground and Railway Stations;
- St George's Wharf;
- Bondway (including Vauxhall Bus Station);
- The Island Site (land to the west of the bus station bounded by Wandsworth Road); and
- Vauxhall Square (land bounded by Wandsworth Road and Bondway, adjacent to Market Towers).

2.4 The Wandsworth area of the proposed Lambeth district centre comprises several known development sites including:

- New Covent Garden Market;
- Market Towers (One Nine Elms); and

- US Embassy and Embassy Gardens (current DHL Express Depot).

2.5 A number of these sites already have planning consent, or are subject to a planning application currently under consideration by either the London Borough of Lambeth or the London Borough of Wandsworth. These proposals are considered in more detail in Section 4.

Vauxhall

2.6 Vauxhall currently functions as an important transport interchange between National Rail, London Underground and London Bus services. The area is highly accessible (with a PTAL rating of 6), and provides convenient links for local residents into and out of central London. It also provides an interchange for a transient population, including workers and visitors/tourists who travel through the area.

2.7 The VNEB OAPF and the draft Vauxhall SPD indicate that the existing underground and rail stations are already at capacity and are affected by congestion during the morning and evening peaks. Some of this of this congestion is likely to be alleviated by the Northern Line extension to Battersea. Notwithstanding this, Vauxhall will continue to be a major transport interchange and subject to high levels of footfall.

Existing Retail Provision with the proposed District Centre Boundary

2.8 Existing retail provision within the proposed Vauxhall Heart boundary is limited and what retail exists is fragmented, with no defined critical mass or focal point. Lambeth's Core Strategy (2011) does not identify any existing local centres within the Vauxhall Heart boundary.

2.9 The existing retail provision within the area comprises three distinct elements: St George's Wharf, Bondway and the railway arches, which are reviewed in turn below.

St George's Wharf

2.10 The development at St George's Wharf provides some retail and leisure units at ground floor level. Existing uses include a convenience supermarket (Tesco Express), a sandwich shop (Pret a Manger), a restaurant (Aqua Brasserie), a pub (Youngs Riverside), a coffee shop (Brunswick Coffee House), a gym, a dry cleaners, and a hair salon.

2.11 Some of the retail units provided at St George's Wharf have never been occupied and remain vacant. It is unclear whether this is due to limited occupier demand, high rental levels or low footfall.

2.12 St George's Wharf is arranged around a series of internal courtyards which provide modern format shop units at ground floor, and restaurants and bars which front on to the river (which are not visible from Wandsworth Road). The still vacant units are predominantly located at the back of the development which faces onto Wandsworth Road and the Vauxhall bus station.

2.13 There are several retail units fronting onto Wandsworth Road which are occupied. However the road network, which spans five lanes, is an obvious physical barrier which, without major re-configuration, will limit the extent to which the existing retail uses may be integrated into any future district centre at the Vauxhall Heart.

Bondway

2.14 The eastern side of Bondway features a traditional high street style frontage, directly facing the Vauxhall Bus Station. Whilst the street has the appearance of a traditional high street, there are only a limited number of shops with an active retail frontage. A Starbucks coffee shop is located at the north of Bondway near Vauxhall Rail Station, and a small independent convenience store (The Emerald) is located on the south of Bondway. The majority of the units in between these shops provide a mixture of business and residential uses. We note that a new Little Waitrose and Travelodge are currently under construction at 1-9 Bondway.

2.15 The buildings on the east of the Bondway are between 4 to 6 storeys high and comprise a mixture of traditional and more modern architectural styles and vary in quality. Due to the variety of uses provided within these buildings, they provide a relatively inactive frontage and this side of the road experiences low levels of footfall as a result.

2.16 The western side of the Bondway incorporates the Vauxhall bus station and an entrance to the underground station; an important transport interchange which is busy throughout the day and night. The bus station is situated off the gyratory system which limits permeability and safe pedestrian access to the wider Vauxhall area. The bus station itself is a strong landmark in Vauxhall.

Vauxhall Railway Arches

2.17 Adjacent to Vauxhall Rail Station there are a row of railway arches, which provide a mixture of eclectic retail and leisure uses. One of the railway arches to the south of Vauxhall Station is currently undergoing refurbishment to provide a new Sainsbury's Local convenience store.

2.18 To the north of the station at Albert Embankment (beyond the location of the proposed district centre) there is a Majestic Wine, Topps Tiles, Bathstore and Ducati dealership, alongside independent retailers (including restaurants, a delicatessen and a coffee shop), and a number of bars and nightclubs which serve Vauxhall's Lesbian, Gay, Bisexual and Transgender (LGBT) night time economy. Albert Embankment also provides a Texaco petrol station, Londis convenience store and a Costa Coffee.

2.19 The railway arches to the north of the rail station are poorly connected the underground station and beyond to Bondway. Pedestrians have to use several pedestrian crossings via traffic islands to make this journey, or alternatively use an elevated crossing over the gyratory system. Despite poor integration, the retail and leisure units under the northern railway arches provide a reasonably pleasant environment. The arches are set back from the main road, behind trees and areas of open grass. Taking advantage of this setting, some of the restaurants to the north provide outdoor seating.

Current Retail Role

2.20 At present the area which falls within the proposed district centre boundary does not perform a significant retail function. The main retail provision includes small convenience stores, coffee and sandwich shops which are largely geared towards serving the immediate residential and workforce population. The fragmented layout of existing provision means that there is no central focus and whilst, taken collectively, the range of goods and services on offer would be akin to that in a local centre, in practical terms, Vauxhall does not operate as such.

2.21 The existing retail offer does not encourage commuters and visitors using the transport interchange to spend any meaningful time in Vauxhall. Whilst St George's Wharf provides some attractive and good quality restaurants and pubs which take advantage of the riverside location, these are hidden from view and are not well publicised or signed from the transport interchange. The ability for these destinations to increase dwell times in the area is therefore limited.

2.22 Overall we consider that Vauxhall, in its current form, has no cohesive centre and the retail offer is fragmented and not making the most of opportunities associated with its function as a prominent transport interchange.

Retail Context and Competing Centres

2.23 In the area immediately surrounding the Vauxhall Heart boundary there is some additional retail provision in the form of a Sainsbury's supermarket and some small local centres. We have reviewed the nature and role of this provision in the wider area. We have also considered the role and performance of the larger centres situated further afield which also contribute towards serving the higher order shopping needs of the Vauxhall catchment.

Sainsbury's, Wandsworth Road

2.24 The Sainsbury's is located to the south of the proposed Vauxhall Heart, bounded by the railway line to the north, Wandsworth Road to the south east, residential dwellings at Pascal Street to the south and car parking for New Covent Garden Market to the south west. The foodstore currently comprises a gross retail floorspace of 6,418 sqm (4,203 sqm net sales area) of which 3,573 sqm net is dedicated to the sale of convenience goods and 631 sqm for comparison goods.

2.25 The Sainsbury's provides a range of in-store facilities including a deli, bakery, fish counter, meat counter, hot food counter, salad bar, clothing, pharmacy and a click and collect service. In addition the store benefits from a large surface car park (450 spaces) and a petrol station.

2.26 The store originally opened in 1982, and the interior of the store appears dated. The shopping environment is of a poor quality and suffers from congestion and overcrowding at peak times. However, there are proposals, which we consider in more detail later, for the store to be redeveloped and extended which will substantially enhance the current offer and quality of the internal shopping environment.

Kennington Lane Local Centre

2.27 The Lambeth Retail Study (2008) identified Kennington Lane as a small local centre comprising 24 retail units. The centre's retail provision is predominantly located within a parade of shops on the northern side of Kennington Lane (between the entrance to the Vauxhall Pleasure Gardens and Tyres Street). On the southern side of Kennington Lane there is a mixture of retail and service units, which are interspersed with residential properties and offices. Kennington Lane is a main road (A3204) which connects Elephant and Castle and Vauxhall and beyond to the north of the river.

2.28 During our site visit in August 2012, we identified a mix of retail units, mainly catering to local service needs, including estate agents, hairdressers, cafes, takeaways and pubs. The centre also provides small-scale convenience units of a localised nature, including a newsagent. The quality of the public realm on Kennington Lane is reasonably good and the centre includes some attractive historic terraced buildings.

2.29 Overall Kennington Lane local centre appears to cater for the immediate localised catchment and provides a limited convenience and comparison goods offer. This is not unexpected considering the relatively small scale of this centre. Our review of local shopping patterns (discussed in more detail later) indicates that local residents predominantly travel to higher order centres situated further afield to satisfy their higher-order shopping needs.

South Lambeth Road Local Centre

2.30 South Lambeth Road is situated to the east of the proposed Vauxhall Heart and comprises a parade of shops on the eastern side of South Lambeth Road up to the corner of Fentiman Road. Retail units on South Lambeth Road are interspersed with Victorian mansion blocks and more modern residential blocks.

2.31 The Lambeth Retail Study identified the area as a large local centre comprising 40 retail and service units. The centre is located within a predominantly residential area and the northern part of the centre sits adjacent to the boundary of Vauxhall Park which offers a pleasant environment.

2.32 The centre provides a range of local retail and service uses including a deli, restaurants, convenience stores, hairdressers, solicitors, cafes and fast food takeaways. There are no major multiple retailers, and the retail provision is small in scale and geared towards serving the day to day needs of localised catchment. As such the centre does not perform a prominent main food or non-food shopping role.

Wilcox Road Local Centre

2.33 Wilcox Road is classified as a small local centre comprising 37 retail and leisure units according to the Lambeth Retail Study (2008). The local centre is located in close proximity to the Sainsbury's on Wandsworth Road.

2.34 The retail and service units run along the northern and southern sides of Wilcox Road. On the northern side of the road the units are single storey, purpose built retail premises, whereas the units on the southern side of the road consist of ground floor retail units with two floors of residential properties above. The local centre has a reasonably well maintained public realm, benefiting from wide pavements which facilitate outdoor seating for cafes.

2.35 The centre has a limited comparison and convenience goods offer. Due to the close proximity to Sainsbury's it is likely that the supermarket caters for the majority of local residents main food shopping. The centre provides some cafes, pubs, an off licence, a betting shop, a small convenience store, newsagents and a money shop, as well as some vacant retail units. Overall the centre only appears to serve a relatively local catchment area, catering for the day-to-day needs of local residents.

Stockwell District Centre

2.36 Situated just over 1.5km to the south of Vauxhall, Stockwell is defined by the London Plan as a district centre, although this designation is subject to monitoring. According to the latest survey by Goad (February 2012), the centre comprises 7,785 sqm gross retail floorspace across 47 units.

2.37 The centre is a largely linear centre with the majority of retail provision situated on Clapham Road. Further provision is also located on a number of additional roads at the northern ends of the centre (Stockwell Road, Binfield Road, South Lambeth Road and Stockwell Road).

2.38 The level of convenience goods provision in Stockwell, which includes a Costcutter, Iceland and Greggs, is over twice the national average. The provision of retail and leisure services (e.g. cafes, betting offices and hot food take aways) is also above the national average. In contrast, the centre has a more limited comparison shopping function. The centre has a very low vacancy rate with just one vacant unit identified in February 2012.

2.39 Overall Stockwell performs a key local role, providing a range of convenience goods and key local services for the local community.

Clapham Junction

2.40 Situated to the south-west of Vauxhall, Clapham Junction is defined by the London Plan as a major centre with a regional/sub-regional night time economy. According to the latest survey by Goad (January 2012), the centre comprises 64,447 sqm gross floorspace across 374 units. The centre is anchored by a five-storey Debenhams store which is prominently located on the corner of Lavender Hill and St John's Road, in close proximity to the major rail interchange at Clapham Junction station.

2.41 The station itself includes a small covered shopping centre (Stop Shop @ Clapham Junction) which fronts onto St John's Hill and forms a functional link between the station and the wider shopping area along St John's Hill and St John's Road. Retailers represented here include Sainsbury's Local, M&S Simply Food, Joy, Moonsoon, Superdrug, Caffe Nero and Costa, which are typically associated with national rail station developments.

2.42 Beyond the station, the majority of national multiple retailers are situated along St John's Road which takes the form of a traditional High Street. Retailers represented here include TX Maxx, Marks & Spencer, Waterstones, Little Waitrose, Superdrug, Boots, New Look and JD Sports. There are also some higher-end retailers including Jamie's Recipease deli and L'Occitane. In addition, as is consistent with most contemporary high streets, there are a range of complementary service uses including banks/building societies, coffee shops (including Starbucks and Costa), employment agencies, hair salons and travel agencies interspersed with the retail offer.

2.43 To the north of the St John's Road, St John's Hill and Lavender Hill are more secondary in nature and accommodate a greater number of independent operators. To the north of Lavender Hill there is a large Asda superstore, a Boots retail warehouse and Lidl. To the south of St John's Road, there is a greater focus on eating and drinking along Battersea Rise and Northcote Road. This area is a renowned evening and night time destination which contributes to the centre's night time economy. There is some additional retailing along parts of Northcote which is recognised as having a special shopping character which is protected under local policy.

2.44 Overall, Clapham Junction is a prominent centre both in terms of its daytime shopping offer and as a popular destination for evening eating and drinking. The centre is highly accessible by public transport and as a result it has a relatively wide influence over surrounding areas including Battersea, Stockwell and Brixton.

Victoria Street

2.45 Situated to the north-east of Vauxhall, Victoria Street has undergone substantial change in recent years, largely as a result of major investment by developer Land Securities, who have and are continuing to bring forward the comprehensive redevelopment of a number of prominent sites; the objective being to create a new commercial district in one of the most accessible parts of London. In total, Land Securities have obtained planning permission to develop 125,000 sqm of new office space, 300 new homes and 19,000 sqm of new shop floorspace.

2.46 In terms of new retail development, Cardinal Place (developed in 2005) provides an attractive oasis of restaurants and cafes with outdoor seating alongside mainstream retailers including Marks & Spencer, Boots and Specsavers as well as higher end operators Space NK, L'Occitane and Molten Brown. Marketed as the *'new heart and soul of Victoria'*, Cardinal Place is seamlessly integrated with Victoria Street and within walking distance of Victoria station.

2.47 The creation of new modern units along Victoria Street has attracted a number of well-known multiple fashion operators including Topshop, Zara and Monsoon. The north site of Victoria Street is currently undergoing major works with the redevelopment of Kingsgate House. Once completed in late 2015, this site will re-instate an active retail frontage along this part of Victoria Street.

2.48 On Victoria Street southside, existing retail units have been refurbished, including new glazed frontages, which create a consistent and more attractive appearance. Operators represented here include Hotel Chocolat, Pret, The Perfume Shop and Starbucks.

2.49 A large, four-storey House of Fraser department store represents the bookend of mainstream retailing on Victoria Street. Beyond this, the retail offer is more secondary in nature. The House of Fraser itself now appears somewhat dated in comparison with the type of retail accommodation being brought forward by Land Securities.

2.50 The next stage of major retail development will come forward as part of Victoria Circle which is Land Securities biggest project in the area and involves the complete redevelopment of the area bounded by Buckingham Palace Road, Victoria Street and Bressenden Place. Alongside c.56,112 sqm new grade A offices and 200 apartments, the project will provide c.8,454 sqm of high profile retail, cafes and restaurants lining newly created pedestrian routes opening an attractive new route from Victoria through to Buckingham Palace and the Royal Parks. Victoria Circle will be delivered in two phases, completing in 2016 and 2018 respectively.

2.51 Overall Victoria is clearly establishing itself as a major, high quality office destination with associated retail and leisure uses and the area has been successful in attracting a number of major operators including those selling mainstream fashion. Further on-going improvements and major new schemes such as Victoria Circle will only reinforce the centre's performance moving forwards.

Waterloo

2.52 Waterloo is situated approximately 2.5km to the north of Vauxhall and, according to the latest survey undertaken by Goad (January, 2012), comprises approximately 27,210 across 210 units. Like Vauxhall, Waterloo is designated in the London Plan as an Opportunity Area for further intensification of commercial, residential and cultural facilities. The London Plan recognises potential to enhance the South Bank and extend the cultural and entertainment offer of Waterloo as a major London visitor destination which can also be enjoyed by local residents and employees. There are proposals for the area which are discussed in more detail later.

Brixton

2.53 Brixton is a major centre situated approximately 3km to the south-west of Vauxhall. The centre comprises just under 80,000 sqm gross retail and service floorspace extending across 453 units. This reflects the predominantly small scale of individual outlets, particularly those along Electric Avenue and Coldharbour Lane which form part of the market quarter.

2.54 The increasingly more mainstream shopping area is located along Brixton Road, anchored by Morleys department store which has been established in Brixton since the 1880s. The tenant mix in this part of the centre has seen rapid improvement over the last 10 years which has steered Brixton towards being a higher order centre. Tenants to have located in Brixton over this period include Footlocker, H&M, Starbucks, Caffe Nero, Costa Coffee, TK Maxx, Holland and Barratt and Poundland. Other key multiple retailers in this part of the centre include WH Smith, Sainsbury's Local, Marks & Spencer and Argos amongst others.

2.55 Reflecting Brixton's success as a centre, Zone A rents have risen from £150 Zone A to in excess of £200 Zone A in the last 5 years. Furthermore, with intervention from a local land owner and the local authority, Brixton has also developed an Artisan Quarter reflecting the recent gentrification of Brixton. The revival of Brixton Village market, particularly for food and drink, has created a destination in its own right which draws visitors into the centre from a wider than local catchment. This will naturally have spin-off benefits for other businesses in the centre.

2.56 Overall Brixton is a popular and vibrant centre which has successfully strengthened its role and function as a key centre serving the needs of the local resident and business community in south London. Building upon its unique qualities, in particular the markets, Brixton has increased its appeal to a much wider market (and catchment area), to the benefit of the centre as a whole.

Wider London Context and Larger Competing Centres

2.57 In London the West End and Knightsbridge continue to perform an important role as international retail destinations. We are aware that the West End is continuing to strengthen its retail offer, particularly at Regent Street and the eastern end of Oxford Street. There is a national trend of polarisation of retail provision to a smaller number of larger centres, and this gravitation towards larger centres is also prevalent within London.

2.58 Major and district centres in London continue to face competition from new purpose built shopping centres. The most notable recent retail development proposals within the wider London area include Westfield White City and Westfield Stratford City in the west and east of London respectively. Further major retail development is proposed at Brent Cross in north London and Croydon in the south.

2.59 Such developments attract mainstream and high end fashion retailers, who are keen to open new flagship stores within large, purpose built centres. These shopping centres benefit from inherent advantages, for example single shopping centre management and promotion, as well as the early adoption of new technologies within new built retail schemes. We understand that the development proposals for Battersea Power Station are likely to take a similar form and will directly compete with these type of retail developments.

2.60 Whilst these larger centres continue to attract mainstream fashion multiple retailers, district centres will have to position themselves in order to cater to a different retail market. Due to the number of centres within London's retail hierarchy it will be become more important for smaller centres to identify a niche, and not try to directly compete with larger schemes which cater to a mainstream fashion market. The market positioning of the Vauxhall Heart will be crucial in attracting the right retailers to the area and being a successful centre in its own right. The market opportunities are examined in further detail in Section 5.

Planned Redevelopment Proposals

2.61 In addition to existing facilities, we are also aware of major redevelopment schemes coming forward within the wider catchment area of the proposed District Centre. These developments are expected to significantly enhance the retail offer of these centres and help strengthen their market share within their immediate catchment areas.

Elephant and Castle

2.62 A planning application was submitted in April 2012 to Southwark Council for the redevelopment of a c.55 acre site centred at Elephant and Castle on the site of the former Heygate Estate. The redevelopment proposals include the demolition of the existing estate to provide a mixed use redevelopment comprising residential (Class C3), retail (Classes A1-A5), commercial (Class B1), leisure and community (Class D1/D2), an energy centre, landscaping, park, public realm and car parking. The proposals include the provision of up to 2,469 residential dwellings, and the total retail floorspace proposed (Classes A1-A5) is between 10,000 sqm and 16,750 sqm GEA. The expected retail split is a foodstore (2,500 sqm gross), other convenience retail (1,000 sqm gross), comparison retail floorspace (9,063 sqm gross), and Class A3-A5 retail services (4,187 sqm gross).

2.63 Elephant and Castle is currently designated as a Major Centre within the Southwark Core Strategy. The London Plan identifies that the area is a District Centre with the potential to be reclassified as a Major Centre over the development plan period. The existing retail provision in the centre catered towards a low end market and the retail units and shopping environment are of a poor quality (Elephant and Castle Shopping Centre and New Kent Road). The development proposals have the potential to significantly enhance Elephant and Castle's retail offer and provide units suited to the modern requirements of high quality multiple and independent retailers. We consider the proposals will enhance the attractiveness of this centre as a shopping destination.

Waterloo

2.64 As highlighted above, Waterloo is identified as an Opportunity Area in the London Plan, and is identified, alongside Vauxhall, as an area for Lambeth to focus growth over the development plan period. The Council support maximising the Waterloo area's potential to accommodate a full range of town centre activities. We are aware that a number of development sites are coming forward within the Waterloo area which will enhance the centre's retail function.

2.65 An application has been submitted to redevelop Elizabeth House planned to provide office, residential and retail floorspace (c.1,000 sqm flexible Class A1-A5 uses). Waterloo Station is currently undergoing refurbishment works to provide increased retail facilities, including the development of retail units at first floor level above the station concourse. We understand that some of these units are currently trading, whilst others are being completed. There are also plans to redevelop the Shell Centre for mixed office, retail and residential uses, with a planning application expected to be submitted in late 2012. We understand that this proposal is likely to provide a significant number of new homes, offices and retail floorspace.

2.66 Through these pipeline developments we anticipate that Waterloo will continue to develop its retail offer and provide a stronger retail function over the plan period.

Summary

- The defined Vauxhall Heart contains several large redevelopment sites within the London Boroughs of Lambeth and Wandsworth. The majority of these sites have existing planning consents or are currently being determined.
- Vauxhall currently offers a selection of local shops and services although these are fragmented and there is no central core or retail focus. Taken together, these existing facilities would be akin to a local centre. However, in practical terms, given the fragmented layout, existing retail provision at Vauxhall does not perform cohesively as a local centre should.
- Vauxhall currently performs an important function as a key transport interchange between the rail, bus and underground transport networks serving both a local and transient population. This provides Vauxhall with an opportunity to develop its offer to better serve and attract this transient population, encouraging longer dwell times and creating more of a 'hub' as opposed to just an 'interchange'.
- The main foodstore provision in the area is provided by Sainsbury's on Wandsworth Road which is located on the edge of the proposed Vauxhall District Centre. This store is subject to proposals to redevelop the existing store and create a substantially enhanced retail offer.
- In the surrounding area, there are several local centres which, consistent with their role, provide small scale, predominantly independent retail and service uses, catering for the day to day needs of a localised population. Within the wider area Brixton, Clapham Junction and Victoria Street are larger centres which perform more of a comparison shopping function as well as serving the day-to-day convenience and service needs of their local resident and workforce populations. Beyond this, Central London is the dominant higher order shopping destination.
- Elsewhere, other centres are expected to will enhance their offer over the plan period, for example, Elephant and Castle and Waterloo. These centres have potential to increase their influence over the Vauxhall area if there is no similar improvement in the retail offer at Vauxhall. The opportunity exists to develop Vauxhall as a new District Centre, to complement the role of existing centres and planned developments.

3. Planning Policy Position

3.1 It is necessary to review the current planning policy position to establish the policy context for the development of a district centre at Vauxhall. This section provides an overview of the national, regional and local planning policy framework setting out the policy basis for creation of a new district centre at Vauxhall.

National Planning Policy

National Planning Policy Framework (March 2012)

3.2 The National Planning Policy Framework (NPPF), published in March 2012, sets out the Government's planning policies for England and replaces the suite of national Planning Policy Statements, Planning Policy Guidance and Circulars with a single document.

3.3 The NPPF emphases that the planning system is plan-led, and therefore Local Plans, incorporating neighbourhood plans where relevant, are the starting point for the determination of planning applications. In line with the Government's aim to streamline the planning process, each Local Planning Authority (LPA) should prepare a single Local Plan for its area with any additional DPDs or SPDs to be used only where clearly justified.

3.4 In relation to retailing, the NPPF maintains the general thrust of PPS4. It advocates a 'town centres first' approach, and requires planning policies to positively promote competitive town centre environments and sets policies for the management and growth of centres over the plan period. Paragraph 23 states that in planning for town centres, LPAs should, inter alia:

- Recognise town centres as the heart of their communities and pursue policies to support their viability and vitality;
- Define a network and hierarchy of centres that is resilient to anticipated future economic changes;
- Define the extent of town centres and primary shopping areas, and set policies that make clear which uses will be permitted in such locations;

- Promote competitive town centres that provide customer choice and a diverse retail offer and which reflect the individuality of town centres;
- Allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, office, tourism, cultural, community and residential development needed in town centres. It is important that needs for retail and other main town centre uses are met in full and not compromised by limited site availability. LPAs should undertake an assessment of the need to expand town centres to ensure a sufficient supply of suitable sites;
- Ensure appropriate edge of centre sites for main town centre uses that are well connected to the town centre where suitable and viable town centre sites are not available; and
- Set policies for the consideration of proposals for main town centre uses which cannot be accommodated in or adjacent to town centres.

3.5 Local plans should set out strategic priorities for the area and include strategic policies to deliver the provision of retail, leisure and other commercial development needed in the area.

3.6 LPAs should ensure that the Local Plan is based on adequate, up to date and relevant evidence about the economic, social and environmental characteristics and prospects of the area. These assessments should be integrated and take full account of relevant market and economic signals (paragraph 158). LPAs should use the evidence base to assess:

- The needs for land or floorspace for economic development, including both the quantitative and qualitative needs for all foreseeable types of economic activity over the plan period, including retail development;
- The existing and future supply of land available for economic development and its sufficiency and suitability to meet the identified needs;
- The role and function of town centres and the relationship between them, including any trends in the performance of centres;
- The capacity of existing centres to accommodate new town centre development; and
- Locations of deprivation which may benefit from planned remedial action.

3.7 Consistent with transitional arrangements, the Local Plan will be examined by an independent inspector whose role it is to assess whether the plan is sound. In order to be found sound the Plan should be:

- Positively prepared (i.e. based on a strategy which seeks to meeting objectively assessed development requirements);
- Justified (i.e. the most appropriate strategy when considered against the alternatives);
- Effective (i.e. deliverable over its plan period and based on effective joint working); and
- Consistent with national policy (i.e. enable the delivery of sustainable development).

3.8 Overall the NPPF adopts a positive approach in favour of sustainable development and supports economic growth. Applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise. The NPPF is a material consideration in planning decisions.

Regional and Sub-Regional Planning Policy

The London Plan (July 2011)

3.9 The London Plan is the strategic spatial planning document for London. The Plan sets the London-wide context within which individual London Boroughs must develop their Local Plan.

3.10 Policy 2.13 of the London Plan identifies Vauxhall, Nine Elms and Battersea (VNEB) as one of 33 'Opportunity Areas' for substantial growth. Annex 1 sets out that the VNEB area has significant scope for intensification to increase housing and commercial capacity. Targets have been set for the Opportunity Area to provide an indicative employment capacity of 15,000 new jobs and at least 10,000 new homes.

3.11 London Plan policy 2.10 specifically relates to the CAZ (Central Activities Zone), and supports bringing forward and implementing development frameworks for CAZ opportunity and intensification areas to benefit local communities as well as providing additional high quality, strategic development capacity.

3.12 Within the CAZ, the CAZ Frontage refers to mixed use areas usually with a predominant retail function. London Plan policy 2.11 states that boroughs should identify, enhance and expand retail capacity to meet strategic and local need and focus this on the CAZ frontages defined in Annex 2. Annex 1 states that Battersea Power Station has the potential to become a new CAZ Frontage with potential for strategically significant mixed use development including residential, business, leisure, retail and service uses.

3.13 The London Plan (Annex 2) identifies a network of town centres and five broad types of centre:

- International – globally renowned retail destinations (e.g. West End and Knightsbridge);
- Metropolitan – serve wide catchment areas across several boroughs, typically of at least 100,000 sqm of retail floorspace (e.g. Croydon, Shepherds Bush and Romford);
- Major – typically have a borough wide catchment and contain over 50,000 sqm net of retail floorspace (e.g. Brixton and Streatham in Lambeth);
- District – are more widely distributed than metropolitan and major centres and provide between 10,000 and 50,000 sqm of retail floorspace (e.g. Clapham High Street, Stockwell and West Norwood/Tulse Hill in Lambeth); and
- Local / Neighbourhood – typically serve a localised walk in catchment predominantly providing convenience goods and include local parades and small clusters of shops (local and neighbourhood centres not defined in London Plan).

3.14 Table A2.1 of Annex 2 provides strategic guidance on the broad future direction for the defined international, metropolitan, major and district centres, including their possible potential for growth. Vauxhall is identified as having potential to provide CAZ frontage over the plan period, subject to capacity analysis, impact assessments, land use and accessibility, planning approvals, town centre health checks and full implementation.

3.15 In relation to town centres, Policy 2.15 seeks to co-ordinate development within the network of centres and supports promoting centres to function at a higher level in the hierarchy or designating new centres where necessary, to address identified deficiencies in the network of town centres, giving particular priority to areas with particular needs for regeneration.

3.16 Paragraph 2.71 recognises that it might be appropriate to designate new town centres, particularly in opportunity areas identified for significant levels of mixed use development, including town centre uses. New town centres that complement the existing network of centres can serve areas of existing deficiency as well as meeting demand generated by growth.

Vauxhall Nine Elms Battersea Opportunity Area Planning Framework (March 2012)

3.17 The Greater London Authority (GLA) has prepared a planning framework for the Vauxhall Nine Elms Battersea (VNEB) Opportunity Area in partnership with the boroughs of Lambeth and Wandsworth, as well as the London Development Agency, Transport for London and English Heritage. The document has undergone rigorous public consultation and is consistent with the London Plan.

3.18 The VNEB Opportunity Area Planning Framework (OAPF) provides supplementary guidance to the London Plan. Whilst the VNEB OAPF does not create new planning policy, the document clarifies the spatial context of existing policies to provide a strategic approach to resolve planning issues and reinforce common ground. The document provides greater certainty to the development process, and whilst the VNEB OAPF is not a statutory development plan document, it is a material consideration in the determination of planning applications.

3.19 The VNEB Opportunity Area comprises 195 ha, and is the largest remaining development opportunity within the CAZ. The planning framework for the Opportunity Area seeks to deliver two growth poles through new CAZ frontages at Battersea Power Station and Vauxhall, where high density residential and commercial development (including retail and offices) will be delivered.

3.20 The vision for Vauxhall Cross is that it will be transformed into an attractive, walkable neighbourhood, with a mix of uses and public spaces with streets that are not dominated by traffic. At Vauxhall, improvements to the highway network, transport interchange and public realm will underpin the delivery of a high quality, sustainable place with a strong identity and a range of town centre uses including retail, leisure and office uses in the form of a new CAZ frontage.

3.21 The Opportunity Area is identified as being poorly served in terms of access to major and district town centres and significant retail provision. The Sainsbury's on Wandsworth Road is identified as the only significant retail provision within the Opportunity Area. None of the existing parades of local shops are well located to serve the planned intensification of the VNEB area.

3.22 Whilst the most significant retail provision will be provided at Battersea Power Station (c.65,000 sqm of A Class uses), the VNEB OAPF identifies an opportunity to deliver a smaller CAZ frontage at Vauxhall which will act as the focal point for redevelopment in this area. The form of retail provision will be important in improving the vitality of the Opportunity Area, and could come forward as traditional shopping streets with ground floor shop frontages, particularly at Vauxhall.

Local Planning Policy

Lambeth Core Strategy (January 2011)

3.23 The Lambeth Core Strategy was adopted in January 2011 and sets the planning policy context for the Borough. The Core Strategy supports growth in the Vauxhall Opportunity Area.

3.24 **Policy S3(d)** 'Economic Development' supports the vitality and viability of Lambeth's hierarchy of major, district and local centres, including the Vauxhall Opportunity Area for retail, service, leisure, recreation and other appropriate uses. The policy states that development within Lambeth's centres 'will be encouraged in accordance with national policy to provide 5,400 sqm gross convenience and 3,600 sqm gross comparison retail floorspace across the Borough by 2015'.

Vauxhall

3.25 The vision for Vauxhall is 'a place of growth with a distinct heart, supported by excellent community and transport infrastructure'. The Council acknowledge that the Vauxhall area contains some good areas of active frontages concentrated on Black Prince Road and Kennington Lane, however there are very few active frontages around Vauxhall Cross. In Vauxhall Cross, the environment is poor, and dominated by traffic, with limited public space and blank facades.

3.26 **Policy PN2** 'Vauxhall' outlines the Council's support for mixed use redevelopment at Vauxhall for employment, housing, retail, hotel, student accommodation, leisure, entertainment and other commercial and community uses, in accordance with the area's Opportunity Area and CAZ designations in the London Plan. The policy supports the development of a 'distinct heart' at Vauxhall to create a recognisable sense of place and identity to fulfil its role as a coherent centre.

3.27 The policy also supports the provision of active ground floor frontages being provided within development throughout the Vauxhall area, with a mix of uses including Central London Activities with local services and facilities. The area will focus new retail uses around the transport interchange to create a district centre (Policy PN2 (a)).

3.28 In addition to aspirations for the development of a new district centre at Vauxhall, the planning policy also supports improvements to the Vauxhall underground and rail stations, bus station and highways improvements which will seek the removal of the one-way traffic system and transport links to the wider area.

3.29 The 'Vauxhall Heart' is identified as a specific character area, and Policy PN2 (f) supports the opportunity to develop a cluster of high quality tall buildings for mixed uses (including retail), which should be focused on the transport interchange at Vauxhall Cross.

3.30 The Core Strategy does not identify a major, district or local centre at Vauxhall Heart as part of the Borough's retail hierarchy in Annex 4.

Vauxhall Area Supplementary Planning Document (Draft 2008 and Final Draft 2012)

3.31 The London Borough of Lambeth originally consulted on the draft Vauxhall Area SPD in June 2008. The SPD is being developed to provide a planning framework to guide the future regeneration of the Vauxhall area, as part of the wider Vauxhall Battersea Nine Elms Opportunity Area. The SPD was produced as part of a collaborative process between Lambeth Council, the GLA, TfL, Wandsworth Council and the local community.

Draft Vauxhall Area SPD (June 2008)

3.32 The 2008 draft Vauxhall Area SPD set out the overarching objectives for the area and also provided guidance to inform the determination of future planning applications. The draft

SPD proposed that primary retail frontage should be provided fronting on to public spaces and street frontages along the viaduct. The SPD identified that a retail anchor site would be provided within one of three locations to the south of the Vauxhall area, within the Borough of Wandsworth.

3.33 Specifically in relation to the Vauxhall Heart, the draft SPD sought to promote, manage and focus development upon the transport interchange at Vauxhall Cross. The area was acknowledged to provide an opportunity for intensification to deliver a cluster of high quality taller buildings, which could extend into Wandsworth, a district centre and a new framed square. The Vauxhall Heart will provide a range of uses including employment, residential, retail, leisure and community.

3.34 The draft SPD identified nine opportunity sites within the Vauxhall Heart quarter for redevelopment: the Vauxhall Island Site, South Lambeth Place, Vauxhall Station Arches, 1 Wandsworth Road (bounded by Parry Street, Bondway and Miles Street), 69-71 Bondway, Miles Street (and corner of Wandsworth Road), Coliseum (Market Towers at 1 Nine Elms Lane), Flower Market, and St Georges Tower at St Georges Wharf.

Final Draft Vauxhall Area SPD (September 2012)

3.35 On 19 September 2012 the Council's Cabinet approved the revised final draft Vauxhall SPD for public consultation. The final draft SPD provides a vision, an assessment of challenges, sets out development principles, identifies character areas, sets out guidelines for sustainable development and implementation measures.

3.36 The SPD acknowledges that over the development of the SPD a number of planning applications have been determined by the Council or are currently being considered. The SPD does not directly reflect these proposals because they consider that while they remain unimplemented, 'it remains possible that a different form of development may go ahead and the Council wishes to maintain flexibility…to be able to respond to future opportunities' (para 1.20).

3.37 The vision for Vauxhall is 'sustainable growth as a distinctive neighbourhood'. The Council seek to create a 'heart of Vauxhall' which will feature shops, jobs and new homes. The SPD promotes re-establishing a 'sense of place' through the restoration of the high street, providing a focus along the Bondway (the Island Site). As part of the proposed district centre, the Council envisage a civic town square to host community and cultural events, with the intention that this new mixed use area (including distinctive retail businesses) will underpin a 'strong sense of local character' (para 3.3).

3.38 One of the key principles is the promotion of a new district centre, the 'Heart of Vauxhall', which will increase the vitality of the area and form a 'growth pole' in the form of a new CAZ frontage. The Council's ambition is for the development of a new double sided retail High Street on the site of the existing bus station[1]. The Council seek to provide a mix of shop units, with varied prices to attract a range of multiple, established independents and start up retailers. The Council anticipate that high levels of footfall arising from the transport interchange at Vauxhall Cross will underpin the commercial viability of the new High Street.

3.39 The key retail ambitions for the Vauxhall Heart are to:

- Consolidate a distinctive heart to serve the local shopping needs of the existing and new residents;
- Develop an animated District Centre, centred on a new High Street which links Vauxhall to the new retail proposed at New Covent Garden Market (into LB Wandsworth);
- Attract established multiple retailers to anchor the High Street;
- Provide space for small independent retailers at affordable rents and on flexible lease terms and encourage investment in the railway arches for retail and catering businesses;
- Provide a mix of national and independent retailers to produce a sustainable, thriving High Street which is characterful and memorable and avoids bland corporatism;
- Complement the success of Vauxhall's evening economy;
- Celebrates retail innovation and enterprise (as a result of property solutions, marketing, skills and training, business to business, mentoring and events management);

[1] Note that this site is subject to a consented planning application (the Island Site) as reviewed in more detail in Section 4.

- Avoids extended voids at ground floor, adopting a positive approach to 'meanwhile uses' where appropriate; and
- Maximise retail sector job and training opportunities (preferably for local people).

3.40 Planning conditions will be imposed on developments within the Vauxhall Character Areas to provide 20-25% of retail floor area as small units of less than 100 sqm in a range of unit sizes suited to independent retailers. Affordable retail units should be offered to fledgling retailers at 50% of the market rental value and on flexible lease terms, supported through funding from developer contributions. A new Vauxhall Community Development Trust could be set up to act as landlord for these affordable retail units, which the Council envisage will secure no more than 6 small affordable retail units (less than 100 sqm).

3.41 Specifically in relation to the Vauxhall Cross character area, the Council state that town centre uses are critical to this area to provide a new district centre. A two sided High Street with two floors of active frontage is envisaged along the Bondway, albeit not necessarily all retail frontage. The 'heart' of Vauxhall Cross will be a key component of the district centre, and will provide a new public square as a focal point.

3.42 The Council recognise that the proposal for a new district centre will cross the Borough boundary into Wandsworth, where the New Covent Garden Market redevelopment is proposed. Lambeth consider that an outward facing retail offer at this site (towards Lambeth), would help establish this part of Vauxhall Nine Elms as a new district centre as part of both boroughs. Within this area the Council consider there is scope to provide a significant amount of retail development (c.15,000 sqm) within Lambeth (which would meet the GLA's guidance for 10-50,000 sqm for a district centre in London).

Evidence Base

Lambeth Retail Study (Nathanial Lichfield and Partners, 2008)

3.43 The Lambeth Retail Study was undertaken in August 2008 and the results have been based on a household telephone survey undertaken in March 2008. Since the retail study was undertaken, the economy has been in recession and therefore the assumptions used by NLP in relation to forecasts for expenditure growth and the growth of internet spending are considerably out of date.

3.44 We consider that the projections for future retail capacity arising in the Borough are therefore out of date, and a new retail study should be undertaken to assess the current capacity for comparison and convenience goods floorspace in the Borough.

3.45 The 2008 Retail Study identified that for convenience goods, there was £37.2m surplus expenditure arising between 2008 and 2011 (equating to 7,525 sqm convenience goods floorspace); rising to £58.5m surplus expenditure arising between 2008 and 2015 (equating to 11,691 sqm); and increasing to £85.9m surplus expenditure between 2008 and 2020 (equating to 16,913 sqm).

3.46 For comparison goods, NLP calculated two scenarios: a high growth scenario assuming that Lambeth maintains its market share through delivering major retail development; and a low growth scenario assuming that the major retail developments outside the Borough at Battersea Power Station and Elephant and Castle will reduce the Borough's market share. The scenarios estimate that between 7,200 and 12,100 sqm net comparison goods floorspace could be accommodated in the Borough up to 2015. The low growth scenario could be delivered within vacant retail units and commitments.

Summary

- At the national level, the Government support a town centres first approach and encourage LPAs to manage the growth of centres to meet identified retail needs.
- The London Plan allocates the Vauxhall Nine Elms Battersea area as an Opportunity Area to accommodate substantial growth, and supports the potential CAZ frontage designation at Vauxhall over the plan period.
- The VNEB OAPF identifies that a small CAZ frontage may be developed at Vauxhall through the development of a high quality and sustainable new neighbourhood with a range of town centre retail, leisure and business uses.
- At the local level, the Lambeth Core Strategy supports high density development at Vauxhall and seeks to focus new retail development with active ground floor frontages around the transport interchange to create a new district centre.
- The Vauxhall SPD has been developed to translate existing policy into a planning framework to guide the future development of the area including the development of a new district centre at Vauxhall Heart with new CAZ frontage.

- The evidence base which identifies the capacity for new convenience and comparison retail floorspace in the Borough was undertaken in 2008, and is now likely to be out of date. A new assessment is required.

4. Consented Retail Development

4.1 There are a number of major development schemes within the wider Vauxhall area which have planning consent and the majority of these proposals include an element of retail floorspace. This section reviews the key development schemes which benefit from planning consent and other pipeline development schemes which are in the process of being determined.

4.2 Cumulatively, these developments will influence the retail provision in the area and may also impact on the development of Vauxhall district centre. Therefore it is crucial to understand the context of developments which could come forward as part of the proposed Vauxhall district centre.

4.3 A plan illustrating the proposed development sites is set out in Appendix 3. We review the development proposals below, including a review of the main town centre uses proposed, and estimate the total Class A1-A5 retail floorspace to be provided as part of consented and pending development proposals.

Consented Retail Development

4.4 The following development schemes have been granted planning consent (by either the London Boroughs of Lambeth or Wandsworth). We assume that these consented developments will come forward as approved, but we are aware that some schemes may be subject to future revisions. For the purposes of this impact assessment, we have based our assessment on the most recently consented schemes.

St George's Wharf, Vauxhall

4.5 Planning permission was granted at appeal in July 2005 for the provision of 666 residential dwellings, business, retail and health and fitness floorspace and a riverside walkway and public space on land to the south of Vauxhall Bridge. The majority of this development is complete, however a 50 storey tower remains under construction and a number of ground floor retail units remain vacant. The level of retail floorspace approved is:

- Class A1 - 5,932 sqm; and
- Class A3 – 1,077 sqm.

Vauxhall Island Site (land bound by Parry Street, Bondway and Wandsworth Road)

4.6 Planning permission was granted by the Secretary of State in August 2012 for the development of two towers (41 and 32 storeys), to provide 291 residential dwellings, alongside 663 sqm of Class A1-A5 retail floorspace, 2,162 sqm of business floorspace and 1,371 sqm for Class D1/D2 community and leisure floorspace (including the provision of a digital cinema), and a 179 bed hotel.

4.7 The retail units will be provided at ground floor level and Condition 41 of the consent requires that at least 50% of the proposed ground retail units shall be occupied by Class A1 uses. Therefore we assume that the retail provision will provide a minimum of:

- Class A1 - 332 sqm;
- Class A2-A5 – 331 sqm.

Battersea Power Station

4.8 Battersea Power Station has been derelict since 1983 and this large regeneration opportunity has been subject to a number of failed proposals for redevelopment. The latest scheme to be consented on site was approved in August 2011. The outline consent is for the conversion of the Power Station and surrounding area to provide a mix of uses including retail, residential, business, cultural, hotel, conference, event space, student housing, parking and associated works.

4.9 The retail element of the scheme includes the provision of a foodstore within the Power Station (the foodstore is capped at a maximum of 5,000 sqm gross), and also the development of a new High Street providing around 40 retail shops and 12 restaurants (to provide c.25,000 sqm gross Class A1 floorspace). The total retail floorspace proposed is:

- Class A1/A2 – 51,222 sqm gross. Of which
    - Comparison retail - 43,462 sqm gross;
    - Convenience retail – 5,358 sqm gross; and

    - Class A2 retail - 2,402 sqm gross.

- Class A3/A4/A5 – 12,228 sqm gross.

US Embassy and Embassy Gardens

4.10 Hybrid planning consent was granted to provide a new US Embassy building and the mixed use development of the surrounding area in March 2012. The proposals include 192,825 sqm of residential floorspace, 49,159 sqm of Class A1-A5 and car showroom and office floorspace, and the provision of a hotel, community uses, a gym, car parking and associated works.

4.11 The total Class A1/A2 retail provision is restricted to 3,917 sqm GEA, and this includes the development of a 1,675 sqm net sales foodstore (which is located within the first phase of development and benefits from full planning consent). Condition 26 restricts that apart from the foodstore, none of the other retail units shall exceed 300 sqm net sales. The total retail floorspace proposed is therefore:

- Class A1/A2 – 3,917 sqm GEA (which includes a 1,675 sqm (net sales) foodstore, which is restricted to the sale of 100% convenience goods only);
- Class A3/A4/A5 – 3,917 sqm GEA;
- Car showroom use – 1,886 sqm GEA.

Nine Elms Parkside

4.12 The Nine Elms Parkside site is the South London Royal Mail Centre on Nine Elms Lane. Outline planning permission was granted in March 2012 for the development of between 1,332 and 1,870 dwellings, up to 9,060 sqm GEA of Class A1-A5 and Class D1/D2 uses (which includes the provision of a new primary school) and up to 16,299 sqm GEA of Class B8 floorspace within towers up to 23 storeys.

4.13 The proposed Class A1-A5 retail units are restricted via condition 24 to not exceed 300 sqm net sales area. In addition no more than 50% of the retail units which are implemented shall be for one particular Class A1, A2, A3, A4 or A5 use. The Council have confirmed that the total retail floorspace proposed is:

- Class A1-A5 - 2,800 sqm (assuming that no more than half of the floorspace can be used for one particular use, maximum Class A retail floorspace is 1,400 sqm).

Riverlight

4.14 The Riverlight site occupies the former Tideway Industrial Estate and is currently under construction. Planning permission was granted for a residential-led mixed use scheme comprising 6 buildings of between 12 and 20 storeys to provide 806 dwellings and flexible Class A1/A2/A3/A4/D1 uses.

4.15 The retail element of the scheme comprises 2,600 sqm of flexible floorspace. The size of these units is restricted by Condition 16 to no more than 300 sqm net. The total retail floorspace proposed is:

- Class A1-A5 – 2,600 sqm.

Travelodge and Little Waitrose (Bondway and South Lambeth Place)

4.16 Planning permission for the redevelopment of this site near Vauxhall station was granted in April 2011, and construction is underway on site. The development proposals include the creation of a 6 storey building comprising a 148 bedroom hotel, with ancillary bar and restaurant, and flexible Class A1/A2/A3/A4 floorspace at ground floor level.

4.17 The ground floorspace is anticipated to be occupied by Waitrose to provide a Little Waitrose store. The total flexible Class A floorspace proposed is:

- Class A1/A2/A3/A4 – 550 sqm (GIA).

Overview of Consented Retail Development

4.1 Consented Retail Development

Development Scheme	Local Planning Authority	Status	Total A1-A5 Retail Floorspace Proposed (Gross)
St George's Wharf Ref. 03/01501/FUL	Lambeth	Granted July 2005, part complete, tower under construction	7,009 sqm
Vauxhall Island Site Ref. 10/02060/FUL	Lambeth	Granted August 2012	663 sqm

Development Scheme	Local Planning Authority	Status	Total A1-A5 Retail Floorspace Proposed (Gross)
Battersea Power Station Ref. 2009/3575	Wandsworth	Granted August 2011, new owners likely to submit revised scheme	63,450 sqm
US Embassy Ref.2011/1815	Wandsworth	Granted March 2012	7,834 sqm
Nine Elms Parkside (Royal Mail) Ref. 2011/2462	Wandsworth	Granted March 2012	2,800 sqm
Riverlight Ref. 2011/3748	Wandsworth	Granted December 2011, under construction	2,600 sqm
Travelodge / Little Waitrose Ref. 10/03151/FUL	Lambeth	Granted April 2011, under construction	550 sqm
TOTAL A1-A5 FLOORSPACE			**84,906 sqm gross**

Note: Floorspaces have been obtained through planning application documents and decision notices provided by the Council.

Proposed Retail Development

4.18 In addition, a number of schemes have a resolution to grant planning consent (subject to signing a S106 Agreement), or are still being determined by the relevant planning authority. We assess these proposals in more detail below to demonstrate the scale of other retail developments which may come forward over the plan period.

Sainsbury's, Wandsworth Road

4.19 A hybrid planning application has received a resolution to grant at planning committee in June 2012, subject to signing a S106 Agreement. While the S106 Agreement remains unsigned, planning permission has not formally been granted. The proposal includes the erection of a replacement supermarket and flexible retail, community and office floorspace and residential units in blocks of 19, 28 and 37 storeys.

4.20 The existing foodstore has a gross floorspace of 6,418 sqm (4,204 sqm net sales). The store provides 3,575 sqm net convenience goods floorspace and 631 sqm net comparison goods floorspace. The replacement foodstore will have a floorspace of 13,200 sqm gross

(7432 sqm net). In addition to the foodstore, flexible Class A1/A2/A3/A4/D1 floorspace is proposed. In total the retail proposals would result in:

- An increase of 3,228 sqm net for the supermarket (comprising an increase of c.996 sqm net convenience goods floorspace and c.2,230 sqm net comparison goods floorspace); and
- Class A1/A2/A3/A4/D1 floorspace of 2,628 sqm gross.

New Covent Garden Market

4.21 An application for the demolition of the existing market and the mixed use redevelopment of the site to provide 2,503 dwellings, 12,804 sqm of flexible commercial uses, including a foodstore, and flexible business, leisure and community uses, a gym and a 200 bedroom hotel. The application was resolved to be granted at planning committee in June 2012, subject to any direction from the Mayor of London or Secretary of State, and dependent on signing a S106 Agreement.

4.22 The proposed Class A1 retail floorspace is 7,800 sqm GEA and in addition 4,284 sqm GEA of flexible Class A1/A2/A3/A4 /A5 floorspace. As part of this retail floorspace a foodstore of 2,850 sqm GEA will be provided within the northern development zone. In total the retail provision will include:

- Total Class A retail – 12,084 sqm GEA comprising:
  - Class A1 - 7,800 sqm GEA;
  - Flexible Class A1/A2/A3/A4/A5 – 4,283 sqm GEA.

Vauxhall Square

4.23 Vauxhall Square lies between Wandsworth Road and Bondway. An application was submitted to the Council in December 2011 for the mixed use redevelopment of the site to provide 8 towers comprising between 6 and 50 storeys. The proposed development includes 604 dwellings, 14,722 sqm business floorspace, retail floorspace, a 438 bedroom hotel, a 40 bed homeless hostel, 416 student rooms, a new multiscreen cinema, a gym and a new public square.

4.24 The retail element of the proposals include the provision of 3,047 sqm (GIA) flexible Class A1/A2/A3/A4/A5 retail floorspace. Total retail is;

- Class A1-A5 – 3,047 sqm.

One Nine Elms

4.25 An application was submitted for the redevelopment of One Nine Elms in February 2012. The site is on the corner of Wandsworth Road and Nine Elms Lane, and currently comprises a 1970s tower block (Market Towers). The application was resolved to be approved at planning committee in June 2012, however the application has not formally been granted consent yet. The proposals include the erection of two towers (58 and 43 storeys), which will provide 491 dwellings, retail and business floorspace and a hotel.

4.26 The retail element of the development proposals seek flexibility for Class A1/A2/A3/A4 retail uses:

- Class A1-A4 – 721 sqm.

Railway Arches 50-51, Vauxhall

4.27 The railway arches adjacent to Vauxhall underground and rail station are currently subject to an application for change of use to Class A1 and to Class A1/A3/A5 retail uses. The change of use will facilitate the occupation of one of the arches by Sainsbury's Local. We are aware that work is currently underway on site. The total retail floorspace proposed for the arches is:

- Class A1 – 280 sqm (GIA)
- Class A1/A3/A5 – 280 sqm (GIA)

Overview of Proposed Retail Development (Pending Determination)

4.2 Retail Applications Pending Determination

Development Scheme	Local Planning Authority	Status	Total A1-A5 Retail Floorspace Proposed (Gross)
Sainsbury's, Wandsworth Road	Lambeth	Resolution to grant June 2012	5,856 sqm

Development Scheme	Local Planning Authority	Status	Total A1-A5 Retail Floorspace Proposed (Gross)
Ref. 11/02326/OUT			
New Covent Garden Market Ref. 2011/4664	Wandsworth	Recommended for approval by Committee June 2012, subject to Direction by Mayor of London or Secretary of State	12,084 sqm
Vauxhall Square Ref. 11/04428/FUL	Lambeth	Pending determination	3,047 sqm
One Nine Elms Ref. 2012/0380	Wandsworth	Resolution to grant June 2012	721 sqm
Arches 50-51, Vauxhall Ref. 11/02627/FUL	Lambeth	Pending	560 sqm
	TOTAL	**A1-A5 FLOORSPACE**	**22,268 sqm**

Floorspaces have been obtained through planning application documents and decision notices provided by the Council.

Total Retail Floorspace Proposed at Vauxhall Heart

4.28 The existing planning consents located within the Vauxhall Heart (St Georges Wharf, Island Site, US Embassy and Gardens and the Waitrose at Bondway) will provide a total of 16,056 sqm gross floorspace. In addition, there are proposals currently pending for other key sites in the Vauxhall Heart (New Covent Garden Market, Vauxhall Square, One Nine Elms and Arches 50-51), which will provide a further 16,132 sqm gross retail floorspace. Therefore the total Class A1-A5 retail floorspace coming forward at Vauxhall Heart will be c.32,188 sqm gross.

4.29 This floorspace fits within the London Plan definition of a District Centre. Of the total retail floorspace proposed at the District Centre we estimate that c.11,549 sqm gross will come forward on sites which fall within the London Borough of Lambeth's jurisdiction.

Summary

- There are a significant number of sites within the proposed location of the Vauxhall Heart (within the London Boroughs of Lambeth and Wandsworth) which already have planning consent or have pending planning applications. In addition, there are several schemes in the immediately surrounding area which also have consent or applications pending determination.

- The majority of the committed and pipeline developments are for large mixed use redevelopment schemes, which contain an element of retail floorspace. Whilst it is unclear whether the proposed developments will be delivered in accordance with the latest proposed schemes, for the purposes of this retail impact assessment, we have assumed that the developments will come forward as proposed.
- The total retail floorspace (Classes A1-A5) proposed within the immediate location of the proposed Vauxhall Heart is c.32,450 sqm gross (including existing retailing at St George's Wharf). Of this, we estimate that c.11,780 sqm gross will come forward on the sites within the London Borough of Lambeth's jurisdiction.
- Overall the proposed development schemes comprise a range of main town centre uses (defined in the NPPF as retail, leisure, entertainment and recreation (including sport, cinema, restaurants, bars, pubs, clubs, health and fitness centres), offices, arts, culture and tourism development (including theatres, museums, galleries, concert halls, hotels and conference facilities). The town centre uses proposed within these developments will add to the attraction and critical mass of the proposed district centre.

5. Market Analysis and Retail Agency Review

5.1 In this section we set out our market review which, having regard to existing and emerging competition in the area and comparable schemes, considers the potential form of new retailing which could realistically come forward at the Vauxhall Heart and the types of 'target tenants' which could be secured.

Market Analysis and Target Catchment of Vauxhall Heart

5.2 In Section 2 we have undertaken a detailed review of the existing retail provision provided by competing centres, including local centres within the immediate vicinity of Vauxhall, and larger competing centres within Vauxhall's catchment area. These centres perform different retail functions, with the main comparison goods retail offer provided at Victoria Street, Kings Road, The Strand and Clapham Junction. These are higher order centres with in excess of 50,000 sqm retail floorspace each. It is likely that those living within the Vauxhall catchment will continue to visit these locations but on a less frequent basis and as part of planned shopping trips.

5.3 Falling beneath these higher order centres, centres such as Elephant & Castle, Camberwell and Brixton are more middle order centres, predominantly catering to a local market, with some impulse and lifestyle uses. Camberwell and Elephant & Castle cater for a less affluent catchment and their retail mix is reflective of this, being independent and value driven mix.

5.4 It is important to determine the target catchment area of the proposed Vauxhall Heart in order to identify the customers that the district centre should seek to serve and to establish the market positioning of the centre. We consider there are four main target audiences at Vauxhall:

1. The existing and proposed residential population at Vauxhall

5.5 At present we estimate that there is a resident population of 5,500 people living within a 500m radius of Vauxhall station which will increase to 6,300 by 2022 (an increase of c.800 people).

5.6 However, these population growth estimates, derived from Experian, do not take into account additional population growth associated with proposed developments (including those which have been granted planning permission) on the basis that they may never come to fruition.

5.7 Having review the various developments which are coming forward within the Vauxhall Heart boundary and immediate surrounding area (not including Battersea Power Station), we estimate potential for an additional 8,613 dwellings which could theoretically support a new population of c.20,150 people[2] over and above Experian's population growth estimates. This is a significant increase in the immediate resident population which will be a driver for footfall and provide a requirement for the provision for local shops to cater for day to day food and non-food retail needs.

5.8 Closer analysis of the demographic of the existing residents in the area indicates that the majority are aged 20-44 (53%). Less than 8% are aged over 60. Just over 34% of the population fall within the highest social grade (AB), whilst 29% fall within C1 and 18% within C2. Those defined within the lowest social grades (D/E) equate to just 18% of the local population which favours well against the UK average of 26%. The majority (58%) do not own a car which suggests that they would be reliant on local transport facilities, notably the Vauxhall interchange.

2. The existing and proposed workforce population at Vauxhall

5.9 At present Vauxhall has a workforce population, which is expected to grow significantly following the implementation of the proposed developments at the Vauxhall Heart, many of which include the provision of new office floorspace (between 36,860 - 65,570 sqm not including BSP). This is likely to generate between 3,070 - 5,460 jobs[3]. In addition to these office jobs, the vast range of land uses proposed at the Vauxhall Heart will also generate a number of jobs, for example in the retail, hotel, service and leisure industries. These workers will generate significant additional spend, which would also help to support the district centre.

2 Assuming an average household size of 2.34.

3 Adopting the HCA's employment density of 12 sqm.

3. Users of the Vauxhall Transport Interchange

5.10 The rail, underground and bus stations are a key footfall driver in the Vauxhall area. However, existing users of the transport interchange do not currently dwell within the area for any significant period of time as the majority pass through the area as part of an onward journey.

5.11 These movements were assessed in detail by the 2009 Transport Study underpinning the VNEBOA. The 2009 Study identifies the morning peak movements through different parts of the Vauxhall interchange at 2008 and 2026 which are summarised in Table 5.1. It is assumed that the evening peaks will be the reverse of the morning peaks.

5.1 Station Throughputs (AM Peak: 7am-10am)

Station	Movement	2008 Pax/hr	2026 Pax/hr
Vauxhall (National Rail)	Boarders (inc Underground interchange)	2,000	3,400
	Alighters (inc Underground interchange)	5,700	5,800
Vauxhall (Underground)	Boarders (inc NR interchange)	5,800	7,000
	Alighters (inc NR interchange)	4,700	6,300
Vauxhall Interchange	Boarders	4,600	4,800
	Alighters	1,600	2,200

Source: VNEBOA Transport Study, SKM (December 2009)

5.12 The Vauxhall Heart has the potential to tap into the spend passing through the interchange, and encourage people using these transport modes to spend time in the area. It is however important to acknowledge that passenger movements on public transport are dominated by the peak commuter flows in and out of central London in the mornings and evenings, especially on the National Rail and Underground networks.

4. Visitors to the Vauxhall Heart

5.13 The development of the Vauxhall Heart creates an opportunity for Vauxhall to attract visitors in its own right. The development of a new retail and leisure offer will draw visitors to the area. In particular the food and beverage offer and the provision of cinema will be a key attractor to the area, encourage a widened evening economy tailored towards families, in addition to the well-established nightclub economy focused around the railway arches.

5.14 Taking account of these four target audiences we consider that Waterloo, Clapham and Pimlico offer a comparable retail offer to that which could be achieved at the Vauxhall Heart. These centres provide a mix of local service retail such as hairdressers, banks, estate agents, butchers, bakers, coffee shops and restaurants. They also offer interesting lifestyle retailers such cycle shops, furniture, hardware, decorating, cook shops, gift shops, lifestyle, gift and fashion shop (e.g. Oliver Bonas/Joy). Delicatessens, cafes, restaurant, bars and traditional pubs also form part of that mix.

5.15 Whilst these comparable centres provide an idea of the type of retail likely to be suitable at the proposed district centre, we consider that the Vauxhall Heart has scope to provide an eclectic mix of retailers to create a more distinctive centre. Vauxhall has the advantage of developing business and residential communities in advance of the High Street coming forward. As such, we consider that Vauxhall has the potential to provide a different and better retail offer at the Vauxhall Heart, which has significant footfall drivers arising from the resident and workforce populations and the busy transport interchange. The proposals for significant tower block developments and the riverside location of Vauxhall would allow a development of a distinctive district centre, with a strong sense of local character.

Proposed Developments at the Vauxhall Heart

5.16 This study has assessed the proposals within the Vauxhall Heart and surrounding area, assuming that they will come forward as consented, or as proposed. However it is difficult to predict in which form the developments will finally come forward. Battersea Power Station is likely to become a large scale fashion destination in its own right, competing with larger managed shopping centres such as Westfield and the proposals at Croydon. The proposals and development sites at the Vauxhall Heart are not large enough to accommodate a large scale comparison retail offer, such as proposed at Battersea Power Station. The Vauxhall Heart site is not configured in such a way for a developer to achieve a fashion-led retail scheme.

5.17 In addition many of the retail units proposed have been conditioned to restrict to the scale of retail units (many developments are restricted to the provision of no more than 300 sqm per retail unit). This means that the proposals are not suited to providing large anchor stores to meet the modern floorspace requirements of fashion comparison goods retailers. In any event, the proposed district centre at Vauxhall should be a complementary retail destination to Battersea Power Station and not seek to provide direct competition. The amount of space, the size of units, the cost and the constraints of the gyratory system and railway will rule out a comparison fashion pitch, as will the aims for the wider Vauxhall/Wandsworth area.

5.18 Building on the area's current strengths (the proximity to a busy transport interchange and the established and proposed residential and workforce population), Vauxhall has the potential to cater to a market to provide a service/convenience/impulse/distress purchase tenant mix. The development of the Vauxhall Heart as a "London village" will enable the development to attract aspirational tenants to the mix. Restaurants and civilised gastro bars should feature as part of the wider retail mix to support "7-11" economy that is important to liven the area and improve the evening economy and sense of security. This would also have a positive knock-on effect on retail trade.

5.19 Vauxhall is continuing to improve as a London destination. However, at present the office population who might dine or drink out in the evening probably go elsewhere and resident population returning home, probably stop elsewhere first. By improving the mix and offer, Vauxhall can easily tap into the available spend on its door step and achieve some good rents and returns for its investors.

London Case Study Examples

5.20 London is fortunate in that it has a good number of niche centres that have been manufactured with a set tenant mix strategy in mind. Unlike other centres in the country, London is also fortunate in that the historic landed estates still own swathes of London and either those estates or those disposed by leasehold interests to private, proactive developers, have created the opportunity to develop these niche centres:

- Brompton Quarter, Brompton Rd
- Brixton Market
- Borough Market
- Spitalfields Market, Commercial Rd
- Red Church Street
- Northcote Road, Clapham

- Marylebone High Street
- Broadway market
- Notting Hill Gate
- New Street Square, Holborn
- Brunswick Centre, Bloomsbury
- Regent Street

5.21 There will be other examples but these present good examples of how a niche centre can develop. In most of the above mentioned examples the key ingredient is cohesive ownership. It is very difficult to implement a strategy or a tenant mix policy if ownership is fragmented. Most of these centres have started with a single ownership and a 'vision' to improve the area.

5.22 The owner not only needs a vision they need to be extremely well funded which is often a major problem in today's market for both landlords and retail businesses. The funding is vital because, to establish the strategy the landlord will need to be able to offer incentivised "soft" deals to entice the initial retailers that form the building blocks of the niche centre. Often a strategy will start with a large space occupier of a certain cache that will bring the rest of the retailers with them.

5.23 In the case of Marylebone High Street arguably the first examples were securing Waitrose and the Conran restaurant and delicatessen empire to the northern end of the High Street, thus anchoring the street with two aspirant and exciting uses. The same could be said for Regent Street where The Crown Estate offered incentivised deals to new international retailers such as Massimo Dutti, Apple, Boodle & Dunthorne, Lacoste, Molton Brown and others and the rest have followed on to establish an iconic street of international brands.

5.24 In all of the "market" driven examples such as Brixton, Borough and Spitalfields, the developments have taken the shape of developing redundant and semi-derelict market premises as the wholesale markets have decentralised. In the example of Borough Market, the owners have aimed for every aspirational food-related use and have created a major London destination as a result. Spitalfields market has taken a different twist, catering for niche fashion and casual dining. The success has spread through to Commercial Road linking up with Brick Lane.

5.25 Other examples worthy of note are Redchurch Street, Hoxton and Northcote Road, Clapham where niche London villages are either established or starting to happen where the growth would appear to be organic. These examples are rarer, and generally relate to areas which have become desirable places to live for the young, professional and well-heeled residents, where strategic thinking retailers have taken the gamble to establish in the area.

5.26 It need not necessarily be the whole of a town centre in a single ownership, but a major section of one that could kick start the tenant mix and feel of the centre. It will however take a development with sufficient critical mass to put a strategy in place to target like-minded retailers.

5.27 Once a theme is established and there is a perception that a group of like-minded retailers are established and trading well, their contemporaries and competition will also consider an area, thus sustaining the tenant mix as long as good retail trade continues. However, the most successful centres need the control to keep out names that would locate in these areas but do not necessarily compliment the tenant mix.

Soft Market Testing and Target Tenants

5.28 We have undertaken some soft market testing, the results of which are included in Appendix 3. We approached several retailers to establish if they would have a future interest in locating within a new Vauxhall District Centre. This enables us to establish the commercial reality and retailer interest in Vauxhall to fully understand what is realistically capable of being delivered at the Vauxhall Heart.

5.29 Regarding tenant interest the result must be treated with a little caution as the feedback is based on a hypothetical development. However, from extensive experience in retail developments and specifically Central London retail, and having seen the rise of certain villages and areas in London, Vauxhall is easily capable of delivering a successful retail offer. It has a major transportation hub including a mainline rail station which is a major route to the south west, a major tube station on the Victoria line and also an adjoining bus station. The residential and office populations alongside the riverside location provide significant retail opportunities and these opportunities will increase alongside the intensification of the opportunity area.

5.30 However the attraction of the location is constrained by the busy ring road around the Island site. Effective spatial planning to make significant alterations to the highways network must continue to be pursued to provide a more attractive shopping environment to draw retailers to the Vauxhall Heart. Notwithstanding this, we consider there are sufficient positive attributes to make a successful development and retailers who are used to trading off of the footfall provided by a station would happily locate here. The remaining retailers tested may need persuading with a more realistic and certain development framework for the Vauxhall Heart and a suitable number of adjacencies before they commit to taking space.

Recommended Market Positioning

Recommended Scale and Type of Retail at Vauxhall Heart

5.31 Taking account of our market analysis and soft market testing we consider that some comparison goods shopping will be achievable at Vauxhall Heart, however this is unlikely to be strictly fashion led retail. Instead retailers tailored towards impulse and necessity purchases would suit development around a transport interchange. For example, the redevelopment of Kings Cross train station has attracted a range of retail provision who like to be situated in close proximity to stations, including retailers such as Accessorize, Oliver Bonas, Boots, TM Lewin, WHSmith, Paperchase, Kiehls and food and beverage operators such as Camden Food Co., Leon, Wasabi and Upper Crust. We consider that Vauxhall could cater towards this type of retail market, focused on grab and go retailing.

5.32 Assuming that for a District Centre to accord with the definition provided in the London Plan it must be at least 10,000 sqm, we estimate that approximately 5,000 sqm could support convenience goods shopping, 2,000 sqm quasi comparison retail and Class A3/A4/A5 retail and 3,000 sqm of Class A2/D1/D2/sui generis retail uses.

5.33 The development of a cinema as part of the Vauxhall Heart would drive footfall and act as a key attractor to food and beverage operators, who would been keen to locate alongside such leisure attractions. This would enable Vauxhall to become a retail and leisure destination in its own right; establishing the centre's daytime economy and broadening and diversifying the centre's already established LGBT evening economy.

5.34 The area has the opportunity to develop a wide range of retail units, tailored to a mix of multiple retailers, independent retailers and start up businesses. In retail terms, we consider that the Council's ambition to provide smaller units for independent operators at affordable rents on flexible lease terms would enable the development of a distinctive retail centre, support innovation and provide local jobs for start up businesses.

5.35 The Vauxhall Heart will need to be developed coherently and in a co-ordinated way to ensure that the centre has adequate linkages and permeability to attract retail operators. A clear understanding of how the different retail and leisure elements will provide a complementary role will need to be developed to combine the needs of different target audiences, providing cohesive daytime and evening uses.

Target Tenants

5.36 Our target list should be based around the attached soft market testing schedule. We need to consider the tenants already in place to include Sainsbury's (recently opened), Starbucks and the tenants in St Georges Wharf. We note the requirement to promote quality independents and a high street with distinction and character, looking to surrounding areas such as Brixton Market, Borough, Islington, Dulwich, Clapham for inspiration and aim for the following retailers:-

- Cath Kidston
- Hotel Chocolate
- Allpress Coffee
- Monmouth Coffee
- Sacred
- Sweaty Betty
- Joy
- Steamer Trading
- Noa Noa
- Muji
- Dwell

Retail Trends

5.37 Retailing in general is experiencing rapid change at present and there are different situations arising though the country. In many more affluent towns with "interested" populations we are seeing the re-birth of the traditional High Street where "foodies" are starting to see the resurgence of the traditional butcher, baker, delicatessen, bicycle shop, greengrocers and boutiques. However, as the population continues to convince itself that it is "cash rich and time poor", rigid A1 retail uses are now changing to quasi A1/A3 food related uses and A3/A4 food and beverage uses and service related uses.

5.38 We have all seen the demise of the traditional book stores and music outlets. Any business that finds it difficult to offer a "retail experience" and is easily replicated by online shopping at a lower cost will face challenges. However, there will always be a place for the service sector retailers. We have not as yet found a solution for getting your hair cut online or other related beauty services, coffee shops need not worry as yet and have similarly embraced the technological revolution by providing free wi-fi in stores to help capitalise on the mobile working revolution.

5.39 Regardless of what is thought about the major supermarket operators, they are of course experts at their business but what they do well is "being big", "easily accessible" and "open late" thus any retailer competing with that sector of the market needs firstly to be open when their most affluent catchment is available to shop, but also offering something slightly different. A prime example of this is the number of artisan butchers and delicatessens all over London offering better quality, more variety and the personal service. Examples include the Ginger Pig in Marylebone High Street and Borough Market and Moen & Sons in Clapham.

Summary

- There are clear opportunities for the Vauxhall Heart to capture spend generated in the area (by the growing resident and workforce populations) and also to harness spend currently passing through the area (by those using the transport interchange).
- Responding to this target audience, our market analysis and review of comparable schemes provides a broad idea of the type of retail likely to be suitable at the proposed district centre. However, in the circumstances, we also consider that the there is scope for the Vauxhall Heart to provide a more eclectic mix which would create a more distinctive centre. The proposals for significant tower block developments and the riverside location of Vauxhall would allow a development of a distinctive district centre but also one with a strong sense of local character.
- It is also clear from our soft market testing and review of successful case study examples from elsewhere in London that, to be successful, the Vauxhall Heart will need to be developed in a coherent and co-ordinated way to ensure that the centre has adequate linkages and permeability to attract retail operators.
- A clear understanding of how the different retail and leisure elements will provide a complementary role will need to be developed to combine the needs of different target audiences, providing cohesive daytime and evening uses. This will also be key in order to achieve any set 'vision' or theme for the area.
- We consider there is an opportunity to develop a wide range of retail units, tailored to a mix of multiple retailers, independent retailers and start up businesses.

6. Impact Assessment

6.1 In order to understand the implications of existing committed development (as set out in Section 4) and those in the development pipeline, we have undertaken a detailed cumulative impact assessment. Whilst we recognise 'Vauxhall Heart' as the area defined in the final draft Vauxhall SPD (see Appendix 1), given the proximity of developments in the peripheral areas (including Battersea Power Station), we have also included these developments within our assessment as their catchments will inevitably overlap.

Methodology

Household Survey

6.2 In the absence of a new, bespoke household survey, in order to inform our understanding of shopping patterns in the Vauxhall area and the likely trade draw implications of new retail development, we have drawn upon the results of the survey commissioned by Turleys which underpins the Retail Impact Assessment supporting the redeveloped Sainsbury's on Wandsworth Road. The survey was undertaken in January 2011 and represents the most up to date survey evidence currently available. The survey area adopted is also considered best reflective of the likely catchment of the Vauxhall Heart.

6.3 We have used the raw survey data to establish the convenience and comparison market shares for existing centres/foodstores which currently draw trade generated within the survey area. It should be noted that some destinations are located towards the edge or outside the boundary survey area and so the survey has not captured the full extent of the likely turnover of these centres/stores. This is a relevant consideration in judging the extent to which impact on these centre/stores may be considered significant.

6.4 Where relevant we have also drawn upon the results of Local Authority evidence base documents including the Lambeth Retail Study (2008), the Wandsworth Retail and Town Centre Needs Assessment (2008) and the Southwark Retail Study (2009). It should be acknowledged that these studies are now somewhat out-of-date and a degree of caution needs to be applied to the data extracted from these studies.

Population and Expenditure

6.5 Adopting the same survey area and zones as Turleys assessment, we have updated the population and spend per capita estimates using the latest projections supplied by Experian Micromarketer (2011 data). This differs to the data applied by Turleys which is derived from Pitney Bowes AnySite Report Data (2009 data).

6.6 It should be noted that there is some variation in the population figures between the two sources, particularly in relation to Zone 9 where Experian identify a population in excess of 92,000 at 2012 compared to Pitney Bowes estimate of 57,750 at 2011. Experian have verified their estimates and so, for the purposes of our impact assessment, we have adopted Experian's figures as the baseline.

6.7 At this stage, we have not factored in any additional population growth in the area, over and above the baseline. However, we do recognise that there are a number of committed development and pipeline schemes which involve new residential units which will substantially increase the localised population in the Vauxhall area. This, in turn, will increase locally available expenditure and reduce the level of impact associated with new retail floorspace. This should be a further consideration when judging the significance of impacts identified later in this report.

6.8 Alongside updating the population and expenditure per head estimates, we have applied up-to-date assumptions in respect of expenditure growth and sales efficiency drawing on the advice published in Experian Retail Planner 9 (2011).

Floorspace Estimates

6.9 We have derived floorspace figures for existing centres/stores from the relevant Local Authority retail studies. The floorspace proposed by committed/pipeline schemes has been derived from the planning application supporting documents and decision notices where available. Where necessary we have made a professional judgement as to the quantum of convenience or comparison floorspace which is likely to come forward on each individual scheme. Where there have been 'caps' applied by planning conditions, we have assumed the cap will be met in full in order to test the 'worst case'.

Comparison Impact Assessment

6.10 Based on our review of the committed and pipeline[4] development schemes coming forward in the Vauxhall area, we have identified the following quantum of comparison goods floorspace coming forward. The estimated turnover of the floorspace per scheme is also shown. This is based on a benchmark sales density and our professional judgement as to how we would expect the proposed floorspace to perform. The tables accompanying our assessment are included in Appendix 5.

6.1 Proposed Comparison Goods Floorspace (Committed and Pipeline)

	Estimated Comparison Floorspace Sqm Net	Estimated Turnover 2017 (£m)	Status
Island Site	249	£1.1m	Committed
Embassy Gardens Phase 1	201	£0.9m	Committed
Embassy Gardens Phase 2	1,274	£5.5m	Committed
New Covent Garden Market (Northern Site)	3,913	£21.3m	Pipeline
Vauxhall Square	1,110	£6.0m	Pipeline
One Nine Elms	335	£1.5m	Pipeline
Arch 50	280	£1.1m	Pipeline
Sub-Total Vauxhall Heart	***7,360***	***£37.4m***	-
Nine Elms Parkside	1,050	£4.6m	Committed
Riverlight	390	£1.7m	Committed
Battersea Power Station	32,597	£248.2m	Committed
Sainsbury's, Wandsworth Road	4,070	£26.6m	Pipeline
TOTAL All Schemes	**45,467**	**£318.6m**	-

Source: Tables 8 & 9, Appendix 5 NB: figures have been rounded.

6.11 Based on the these assumptions and having regard to the shopping patterns informed by the 2011 household survey, we have considered and assessed the likely catchment and trade draw of each of the above developments. Our assessment has also had regard to the type and nature of comparison retail likely to come forward as part of each development and the local circumstances including the road network and other existing/proposed transport links.

6.12 We have assumed that there will be a degree of inflow which takes into account likely visitor/workforce spend coming in from beyond the survey area. These assumptions have had regard to the Wandsworth and Lambeth retail studies which provide information on shopping patterns (albeit somewhat dated) across a much wider area. Our estimates of inflow are shown in Tables 8 and 9 in Appendix 5.

6.13 For example, having regard to the nature and scale of the proposals at Battersea Power Station, which is likely to function as a town centre with a higher-order mainstream comparison offer, we estimate that the scheme will draw from a much wider catchment beyond the Vauxhall area. We have therefore assumed that 50% of the total estimated turnover of this scheme will be derived from beyond the survey area.

6.14 In contrast, we would expect the proposed comparison floorspace in the Vauxhall Heart and the more peripheral developments to be more localised in nature and geared towards serving the local resident and workforce populations. There is also scope for new retail in the Vauxhall Heart to attract some of the transient population moving through the interchange. However, the success of this will be reliant on new facilities being suitably integrated with the station to be convenient and attractive to those passing through.

6.15 We have assessed the comparison goods impact of identified committed and pipeline development at 2017 and 2022. Recognising that the Embassy Garden Phase 2 is unlikely to come forward by 2017, this has not been factored in until 2022. All other developments have been factored in at 2017 and 2022.

6.16 Table 6.2 below summarises the results of our trade draw analysis which takes into account all proposed developments at 2022. The more detailed impact summary table, which also sets out the impact at 2017, is included in Appendix 5 (Table 18).

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[4] Includes schemes which have a resolution to grant or are subject to referral to the GLA.

6.2 Comparison Goods Impact Assessment at 2022 (Committed and Pipeline)

	Estimated Turnover Before Development 2022 (£m)	Estimated Turnover Post Development 2022 (£m)	Trade Diversion Impact 2022 (%)
Clapham Junction	£133.8m	£105.3m	-21.2%
Wandsworth	£103.8m	£82.8m	-20.3%
Kennington	£6.2m	£5.0m	-20.1%
Brixton	£109.6m	£94.9m	-13.5%
Clapham High Street	£56.1m	£49.2m	-12.2%
Croydon	£99.5m	£87.7m	-11.8%
Battersea	£60.3m	£54.3m	-9.9%
Central London	£772.8m	£696.8m	-9.8%
Kingston	£23.1m	£21.2m	-8.2%
Victoria	£34.1m	£31.5m	-7.5%
Bromley	£33.5m	£31.0m	-7.4%
Elephant and Castle & Walworth Road	£37.5m	£34.8m	-7.2%
Chelsea	£139.6m	£130.9m	-6.3%
Stockwell	£6.2m	£5.9m	-4.5%
Lewisham	£28.5m	£27.4m	-3.8%
Old Kent Road, Southwark	£69.2m	£66.6m	-3.7%
Southwark	£18.2m	£17.9m	-1.4%

Source: Table 18, Appendix 5

NB: The estimated turnover is the turnover derived from within the survey area. It does not represent the full turnover of each centre and the impact figures are therefore overstated.

6.17 We estimate that there will be an element of trade diverted from places like Central London, Croydon, Bromley and Kingston although this is entirely attributed to the proposals at Battersea Power Station which we would expect to be able to claw back an element of trade currently leaking to these higher-order shopping destinations from within the survey area.

6.18 To some extent Battersea Power Station will also impact on smaller centres in the area including Clapham Junction, Wandsworth and Brixton. We would also expect the proposed development at the Vauxhall Heart to claw back trade currently leaking to these centres, particularly from Zones 1, 2 and 3.

6.19 Cumulatively, we anticipate the greatest level of impact on Clapham Junction (21%) and Wandsworth (20%). We also anticipate an impact of 13% on Brixton. However, as highlighted previously, these impact figures are not reflective of the full turnover of these centres. Table 19, Appendix 5 sets out our estimate of the current turnover of these centres (along with Clapham High Street and Elephant and Castle) which is based on the information provided by the three Local Authority retail studies. We have taken the baseline turnover estimates identified within these studies and grown this to 2012 using appropriate growth rates advised by Experian.

6.20 Using the floorspace estimates provided by the studies, this enables us to estimate the current sales density of these centres at 2012. After allowing for improvements in the sales density (1.7% pa) we have estimated the likely sales density at 2022 before development and compared this to the sales density post-development. With the exception of Clapham Junction and Clapham High Street we estimate that all centres will continue to perform well and improve their sales density alongside all new development in Vauxhall (including Battersea Power Station). Furthermore, with new development planned at Elephant and Castle, we would expect this centre's performance to substantially improve and offset, to a reasonable degree, any impact associated with developments in Vauxhall.

6.21 We estimate a marginal reduction in the sales density of Clapham Junction and Clapham High Street as a result of increased competition from both Battersea Power Station, and to a lesser degree, the Vauxhall Heart. We expect that these centres will continue to perform well and remain attractive to the local catchment. However, given the proximity and accessibility of Vauxhall/Battersea Power Station by train/London Underground (assuming the Northern Line extension comes forward), both will be an attractive alternative although perhaps for less frequent visits.

6.22 We would also expect the proposed developments within the Vauxhall Heart to divert some trade from other smaller, more localised centres such as Battersea and Kennington. This is on the assumption that the new district centre will provide a more attractive and accessible shopping facility which will attract occasional visits. Notwithstanding this, we anticipate that these centres will continue to perform an important localised function serving the day-to-day needs of their immediate catchments. Furthermore, we would expect any impact on these centres, in terms of trade draw, to soon be mitigated by expenditure growth beyond 2022.

Convenience Impact Assessment

6.23 Adopting a similar approach as for comparison goods, we have identified and assessed the following quantum of convenience goods floorspace coming forward in the Vauxhall area (see Table 6.3). Whilst we anticipate that some smaller, localised convenience goods provision may also come forward, for the purposes of this assessment, we have focussed on the larger stores proposed and those with named-operators (e.g. Little Waitrose and Sainsbury's Local).

6.24 Where possible we have estimated the convenience turnover of the proposed floorspace using the relevant company benchmark sales density figures produced by Verdict (2011). Where there is no indication of a named-operator (e.g. at the NCGM site) we have adopted a sales density of £12,000 per sqm which we consider a reasonable assumption for the scale of store proposed in this location. The tables accompanying our convenience assessment are included in Appendix 6.

6.3 Proposed Convenience Goods Floorspace (Committed and Pipeline)

	Estimated Convenience Floorspace Sqm Net	Estimated Turnover 2017 (£m)	Status
Embassy Gardens Phase 1	1,675	£19.3m	Committed
Little Waitrose at Bondway	440	£5.1m	Committed
NCGM (Northern Site)	1,800	£22.0m	Pipeline
Arch 51	280	£3.6m	Pipeline
Sub-Total Vauxhall Heart	***4,195***	***£50.0m***	-
Battersea Power Station	2,610	£30.1m	Committed
Sainsbury's, Wandsworth Road	998	£6.4m	Pipeline
TOTAL All Schemes	**7,803**	**£86.5m**	-

Source: Tables 9 & 9A, Appendix 6 NB: figures have been rounded.

6.25 Drawing on the results of the 2011 household survey we have identified the main foodstores which are most influential across the survey area. Given the scale and nature of the larger convenience stores proposed, it is these foodstores which are most likely to be affected by increased competition in the area.

6.26 For the purposes of this high-level assessment we have not identified market shares for shopping facilities at the more local level, either within or without defined centres. Instead, the turnover of these facilities is collated under 'Other'. For example, the Tesco Express at St George's Wharf would fall under this category, as would the local facilities along South Lambeth Road and Kennington Lane etc.

6.27 Reflecting the likely timescale of committed/pipeline development, we have factored in all the identified convenience goods floorspace at 2017. Table 6.4 below summarises the results of our trade draw analysis which takes into account all proposed developments at 2022. The more detailed impact summary table, which also sets out the impact at 2017, is included in Appendix 6 (Table 18).

6.4 Convenience Goods Impact Assessment at 2022 (Committed and Pipeline)

	Estimated Turnover Pre-Development 2022 (£m)	Estimated Turnover Post- Development 2022 (£m)	Trade Diversion Impact 2022 (%)
Asda, Lavender Hill	70,548	48,080	-31.8%
Tesco, Kennington Lane	37,737	33,210	-12.0%
Sainsbury's, Clapham High St	46,346	43,334	-6.5%
Sainsbury's, Wandsworth Rd	61,560	59,337	-3.6%
Sainsbury's, Wilton Road	111,633	108,363	-2.9%
Asda, Old Kent Road	33,993	33,262	-2.1%
Other	633,545	606,267	-4.3%

Source: Table 18, Appendix 6

NB: The estimated turnover is the turnover derived from within the survey area. It does not represent the full turnover of each store and the impact figures are therefore overstated.

6.28 Reflecting the proximity of the Asda, Lavender Hill and the Tesco, Kennington Lane and the scope for claw back, we anticipate the majority of impact will fall on these stores. The Asda is likely to face slightly more competition from the combination of new stores proposed at Battersea Power Station, Embassy Gardens, New Covent Garden Market and the redeveloped Sainsbury's on Wandsworth Road.

6.29 We anticipate a marginal impact on the Sainsbury's stores in Clapham High Street and Victoria, and on the Asda, Old Kent Road. In any event the Sainsbury's stores are both performing strongly and are likely to be resilient to the level of impact identified. The Asda, Old Kent Road is located out-of-centre and impact on the performance of this store is not therefore a policy consideration.

6.30 Given the increase in competition in the immediate area, we anticipate a marginal impact on Sainsbury's Wandsworth Road. Notwithstanding this, the proposals for this store will provide a substantially enhanced offer, particularly in terms of comparison goods, and we anticipate that the store will continue to perform strongly. Given the proposed scale of the new store, the Sainsbury's is likely to be the dominant convenience foodstore in this part of Vauxhall.

6.31 Although not individually quantified, we would anticipate only a modest level of impact on local stores within the immediate area as a result of increased competition posed by the Little Waitrose and Sainsbury's Local. We do not anticipate any significant impact on these stores as a result of the larger stores proposed in the area as these will perform more of a main-food shopping function and will also be geared towards serving the needs of the new resident and workforce within their immediate catchments.

Summary

- Overall, we do not consider that the quantum of comparison and convenience floorspace currently proposed, either as part of committed or pipeline developments, is likely to lead to any significant, adverse effects on existing centres. The proposed developments will inevitably increase competition with existing centres/stores. However, for the most part the anticipated trade diversion from existing facilities will be as a result of legitimate claw back of expenditure currently leaking outside of the area. In this respect, the proposals will help to create a more balanced network of centres which will support more sustainable shopping patterns.
- Taking all relevant committed/pipeline schemes together we estimate that the Vauxhall Heart has potential to comprise 7,360 sqm net comparison and 4,195 sqm net convenience retail floorspace. This equates to a total of 11,555 sqm net retail floorspace (c.15,000 sqm gross), before factoring in any other retail service and leisure

uses (A1-A5) which, as recognised by our market analysis in Section 5, will be a crucial element in creating a successful and vibrant district centre in the future.

- Our analysis indicates that 11,555 sqm net (c.15,000 sqm gross) of purely convenience and comparison goods floorspace is unlikely to result in any significant adverse impact on existing centres. This level of retail floorspace (not taking into account additional retail/leisure uses) would therefore be acceptable in this location in impact terms.
- However, as recognised in the Council's SPD, the form in which this floorspace is permitted/proposed to come forward has not been cohesively planned and there may be scope for negotiating with landowners/developers to achieve something which is more coordinated and harnesses the opportunities available in this location. This is discussed in more detail in the following section.

7. Conclusions and Recommendations

7.1 There is planning policy support for the development of a new Vauxhall District Centre and CAZ frontage at the regional and local level, through the designation of an Opportunity Area in the Vauxhall Nine Elms Battersea area. This assessment has been prepared in parallel with the development of the final draft Vauxhall SPD which seeks to guide the future development in the Vauxhall area, including the delivery of a new district centre at the Vauxhall Heart.

Committed and Pipeline Development Proposals

7.2 We have reviewed the existing committed and pipeline developments both within the Vauxhall Heart and the surrounding developments in the Opportunity Area.

Development Proposals in the Vauxhall Heart

7.3 The key development sites within the proposed area of the Vauxhall Heart include:

- Bondway;
- US Embassy Gardens;
- New Covent Garden Market;
- Arches 51-51;
- The Island Site;
- Vauxhall Square; and
- One Nine Elms.

7.4 Cumulatively, the development proposals at Vauxhall Heart total c.25,460 sqm gross (A1-A5 uses). Of this, we estimate that c.11,780 sqm gross will come forward on sites which fall within the London Borough of Lambeth's jurisdiction.

7.5 We consider that if these schemes come forward as proposed, the developments would provide a level of town centre floorspace which would satisfy the London Plan definition of a District Centre. As such, there would be no need to allocate additional sites to meet the level of critical mass required to function as a district centre, although additional retail floorspace may be appropriate, subject to demand.

Development Proposals Neighbouring the Vauxhall Heart

7.6 In addition to the retail proposals at the Vauxhall Heart, other schemes which are located on the edge of the Vauxhall Heart (including Sainsbury's, Wandsworth Road; Nine Elms Parkside; and Riverlight), will also deliver a range of additional town centre uses which will contribute towards enhancing the overall offer in the Vauxhall area. Given the proximity of some of these sites to the Vauxhall Heart it may be appropriate to define a wider boundary. This is discussed in more detail below.

7.7 Further afield, the development of Battersea Power Station will provide a significant level of retail floorspace. Given the opportunity to deliver a critical mass of retail, we anticipate that Battersea Power Station will become a large-scale fashion destination, competing with larger managed shopping centres such as Westfield and the proposals at Croydon.

7.8 The proposals and development sites at the Vauxhall Heart are not large enough to accommodate a large scale comparison retail offer, such as proposed at Battersea Power Station, or configured in such a way for a developer to achieve a fashion-led retail scheme. The Vauxhall Heart should not attempt to compete with the higher-order function intended for Battersea Power Station, although if Battersea Power Station does not come forward, there may be scope for the Vauxhall Heart to attract some mainstream operators, depending on the extent to which a cohesive scheme can be delivered.

Defining appropriate boundaries

7.9 The VNEBOA already falls within the Central Activities Zone as defined by the London Plan (2011). In this area planning policy should recognise the importance of the strategic finance, specialist retail, tourist and cultural uses and activities, as well as residential and more local functions. A further classification within the CAZ, CAZ frontages, refers to refers to mixed use areas usually with a predominant retail function.

7.10 The VNEBOA Framework (2012) includes a small CAZ frontage at Vauxhall in line with the Council's aspirations for the new district centre. In accordance with the London Plan, the

CAZ frontage refers to mixed use areas usually with a predominant retail function in the CAZ (Central Activities Zone).

7.11 To ensure a focussed, concentration of complementary town centre uses, we would recommend a tightly defined CAZ frontage (treated akin to a Primary Shopping Area) which closely links with the transport interchange in order to capture and take advantage of the high levels of footfall and passing trade. The adoption of a tightly defined CAZ frontage will ensure the Council continues to retain a suitable degree of control over where new retail floorspace will be focussed in the new district centre.

7.12 Based on the current committed/pipeline proposals, it is not possible to achieve an optimum concentration of retailing directly adjacent and well integrated with the station facilities as those sites in closest proximity, (Arches 50-51, The Bondway and the Island Site) collectively, will deliver c.1,770 sqm gross retail floorspace (830 sqm gross of which will be new, local convenience stores). In contrast, Vauxhall Square, New Covent Garden Market and the US Embassy site which are all situated to the south of Parry Street and beyond, will collectively deliver c.22,965 sqm A1-A5 floorspace. We would therefore suggest that the CAZ frontage is tightly defined across these developments in a way which will ensure a suitable retail 'focus' is capable of being delivered.

7.13 Beyond the CAZ frontage, we recommend that a wider 'district centre boundary' is defined around the key sites which will contribute towards, and are well integrated with, the district centre beyond the tightly defined CAZ frontage. Depending on the extent to which the new Sainsbury's, Wandsworth Road and developments at Nine Elms Parkside and Riverlight are well integrated with the Vauxhall Heart, it may be appropriate to include these sites within the centre boundary.

Retail Market Positioning

7.14 The retail provision should be tailored towards the needs of the local resident and workforce population, which provide the benefit of an existing community around which to develop retail provision. The Vauxhall transport interchange brings with it substantial opportunities to drive additional footfall through the proposed district centre.

7.15 As such the proposed retail and leisure offer at Vauxhall should cater to these markets to provide a convenience service/impulse tenant mix. In addition, the Vauxhall Heart should have aspirations to attract food and beverage operators to the area. Such retailers will be attracted to the centre because of the potential for a significant level of footfall, and the attractor of a cinema is also crucial to some restaurant operators.

7.16 As such, there is considerable scope to enhance the dwell time within Vauxhall and develop the centre as a destination in its own right. We would encourage the development of a daytime retail and leisure economy, in addition to the broadening of the already successful evening pub and club economy to diversify into providing a complementary and comprehensive evening leisure offer which appeals to a wider market.

7.17 There is a rationale to provide a distinct retail offer at Vauxhall Heart, which is complementary to the surrounding centres which already exist and also to the major retail development proposal coming forward at Battersea. The Vauxhall Heart needs to be differentiated from other shopping centres (e.g. Brixton, Victoria and Clapham), by virtue of size, variety of unit types, multiple and independent retailers, urban form and layout and the proposed mix of Class A1 and A3 retail units.

7.18 Our soft market testing has identified that, subject to the development of an attractive and cohesive shopping environment at Vauxhall Cross, there would be retailer demand to locate in the area, with retailers who traditionally occupy units within or adjacent to stations happy to occupy a unit near the interchange. We have identified theoretical demand from a number of retail operators. However, it is also clear that certain retailers would be unwilling to commit to the area, without a more realistic and certain understanding of how new development will be comprehensively planned.

7.19 There is considerable scope to draw on the local distinctiveness of the Vauxhall area to create a retail and leisure offer which serves the needs of the established local communities, balanced with the intensification of the resident and workforce population.

7.20 The development of a new district centre at Vauxhall provides an opportunity to embrace advances in mobile technology and retail commerce, providing a retail technology hub. The Vauxhall Heart has the potential to provide significant improvements to the public realm, in addition to the mixed use tower developments, which could provide an ideal platform to showcase mobile retail commerce. For example the provision of areas for retailers to use augmented reality technology and advocate the use of QR codes to shop or research products online.

Impact on Vitality and Viability of Existing Centres

7.21 In order to understand the effects of new retail development in the Vauxhall Heart, we have undertaken a detailed impact assessment based on existing commitments and proposals in the development pipeline. Whilst we recognise that these schemes may not come to fruition as currently proposed, it nevertheless provides a sensible starting point for the purposes of testing impact.

7.22 Overall, we do not consider that the quantum of comparison and convenience floorspace currently proposed, either as part of committed or pipeline developments, is likely to lead to any significant, adverse effects on existing centres. The proposed developments will inevitably increase competition with existing centres/stores. However, for the most part the anticipated trade diversion from existing facilities will be as a result of legitimate claw back of expenditure currently leaking outside of the area. In this respect, the proposals will help to create a more balanced network of centres which will support more sustainable shopping patterns.

7.23 Taking all relevant committed/pipeline schemes together we estimate that the Vauxhall Heart has potential to comprise 7,360 sqm net comparison and 4,195 sqm net convenience retail floorspace. This equates to a total of 11,555 sqm net retail floorspace, (c.15,000 sqm gross) before factoring in any other retail service and leisure uses (A1-A5) which, as recognised by our market analysis in Section 5, will be a crucial element in creating a successful and vibrant district centre in the future.

7.24 Our analysis indicates that 11,555 sqm net (c.15,000 sqm gross) of purely convenience and comparison goods floorspace is unlikely to result in any significant adverse impact on existing centres. This level of retail floorspace (not taking into account additional retail/leisure uses) would therefore be acceptable in this location in impact terms. However, as recognised in the Council's SPD, the form in which this floorspace is permitted/proposed to come forward has not been cohesively planned and there may be scope for negotiating with landowners/developers to achieve something which is more coordinated and better harnesses the opportunities available in this location.

Opportunities and Threats for the Development of Vauxhall District Centre

Vauxhall Transport Interchange

7.25 The location of the Vauxhall Heart adjoining a busy transport interchange provides an easily accessible location for a new district centre. The interchange already serves a diverse residential, workforce and visitor population and the Vauxhall Heart offers an opportunity to harness some of this spend and encourage dwell time in the centre. The proposed intensification of the VNEB Opportunity Area will result in a significant increase in the resident and workforce populations, which will further drive the scope to provide retail floorspace in this location.

7.26 At present the rail, underground and bus stations provide an interchange point during a journey. We consider that there is potential to create the Vauxhall Heart to create more of a transport 'terminus' location, where people spend time at the beginning and end of their journey, rather than using the area as a quick change between transport modes. This will require mindsets to change to encourage this current transient population to alter their perceptions of using Vauxhall Station, and also to alter their shopping habits. In order encourage these changes, the development of the new district centre must provide a sufficient critical mass to alter people's perceptions and behaviour.

7.27 The transport interchange provides potential capacity to support significant levels of new retail and leisure floorspace in the Vauxhall Heart. People are more likely to be willing to use the district centre if the shopping facilities are located close to the stations. The Vauxhall Heart offers significant potential for retail development, but the existing development consents, as proposed, do not capitalise on the potential to draw spend from the extensive transient commuting population.

Highways

7.28 We support the Council's ambition to implement significant changes to the gyratory system and changes to the location of the bus station. At present the highway network forms a major barrier to movement through the proposed Vauxhall Heart. The reconfiguration of the existing road network to enable a permeable scheme for the district centre should be progressed. This will only help to establish an attractive and accessible retail destination at the Vauxhall Heart, and encourage retailers to locate in Vauxhall.

Next Steps

7.29 We recommend that the Lambeth Retail Study (2008) should be updated to provide up to date capacity forecasts for the Borough, taking account of the impact of the recession on expenditure growth forecasts. This will enable any future retail proposals coming forward to be assessed against an update understanding of the available convenience and comparison goods capacity arising in the Borough and the Vauxhall area. Drawing on up-to-date survey evidence, this retail impact assessment could also be updated.

7.30 The Council should continue to work closely with developers with extant retail consents and those with pending applications to ensure that the development proposals at the Vauxhall Heart contribute towards securing the vision for the proposed District Centre and fit within the planning framework set out in the Vauxhall SPD.

7.31 The boundary of the Vauxhall Heart should be defined to include all appropriate sites which will contribute towards creating the new district centre. Within this area, the CAZ Frontage should be tightly defined around those areas which will be the retail focus. The optimum frontage would emanate from the Vauxhall interchange in order to make the most of the opportunities available in this location.

7.32 The mechanisms to enable the successful delivery and implementation of the Vauxhall Heart need to be assessed further to maximise the development potential to create a legible and permeable district centre.