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## **EXECUTIVE SUMMARY**

### **Introduction**

- i. This study reviews the supply and demand for employment land and premises (industrial and office accommodation under use class B1, B2 and B8) in the Ribble Valley up to 2018. It also assesses the health of retail in the three town centres of Clitheroe, Longridge and Whalley, and estimates future retail floorspace requirements. Carried out on behalf of Ribble Valley Borough Council (RVBC) and Lancashire County Developments Limited (LCDL), it has been commissioned to inform the Local Development Framework (LDF). It also identifies opportunities, supported by economic evidence, where the public sector might intervene to promote sustainable local economic development.

### **Methodology**

- ii. Steered by RVBC, LCDL and Ribble Valley Local Strategic Partnership, the study has reviewed strategic planning policy and consulted a wide range of stakeholders in the private and public sectors. These have included Lancashire Economic Partnership, landowners, local businesses (including a business survey covering retail, office and industrial sectors), commercial agents and developers. A survey of 950 households was also undertaken to inform this study.

### **Findings**

#### ***Employment Land***

- iii. The Ribble Valley has a highly skilled resident workforce but many (45 percent) commute out of the Borough to work. Its economy is very localised and successfully incubates new businesses. However, there is a lack of choice and quality in business premises, (particularly in grow-on space), and anecdotal evidence suggests that the more established businesses are moving to competing locations along the M6/M65 corridors.
- iv. Despite the shift to service industry activity, in line with the national economic trend, and the expectation that the industrial sector will decline further over the LDF period; manufacturing will continue to be important to the Ribble Valley economy (remaining the 3<sup>rd</sup> largest sector employer).
- v. Demand for small, good quality office premises (100-300 sqm) is expected to increase over the LDF period. This is due to employment areas along the M6/M65

corridors becoming increasingly built out, and forecast job growth in office sectors (see economic forecasts in Appendix 7 – included in a separate document).

- vi. Inward investment in the Borough is minimal. This may be linked to a shortage of suitable employment land but is more likely to be due to the availability of more competitive sites in neighbouring districts, and their associated higher profile marketing.
- vii. Despite the strength of the Borough's property market, potential developers are holding back from speculative schemes due to changes in the global economy (see Annex Report) and the new business rate payment regulations for empty premises. Also, some landowners are holding back employment sites because of aspirations for higher value alternative uses, particularly residential.
- viii. Overall, there is 15.33 ha of available employment land across 11 sites in the Ribble Valley. Only 17 percent (2.70 ha) represents sites that are allocated in the Local Plan. The remainder have consent for employment (but not allocated) in the Local Plan or are windfall sites.
- ix. Two thirds of the land supply is immediately available for development. But all of this, with the exception of one site at Salthill Industrial Estate, is linked to developers, and is for office-led activity. There is a lack of available freehold land, especially sites that lend themselves to industrial development.
- x. Only two of the sites support key service centres – Chapel Hill at Longridge (which is severely constrained) and Salthill Industrial Estate at Clitheroe.
- xi. The proposed BAe Aerospace Enterprise Park (4.6 ha) site at Samlesbury is not included in the land supply because of its specialist nature, regional strategic significance and the fact that it would not cater for local property market issues. Samlesbury is included in the Lancashire Economic Strategy as a key site for investment and as such, BE Group, in agreement with RVBC, has not included this site in the analysis because of the distortion it would have on land supply provision for the local economy.
- xii. Based on take-up rates over the last ten years (1.07 ha/year), a further one ha is needed, in addition to the existing supply, to serve the Ribble Valley to 2018.

Incorporating a buffer to provide continuing choice on the range of size and location of sites, and discounting constrained land, generates a requirement to identify **6 ha**, ideally for industrial accommodation, to cater for employment land take-up in the next ten years.

- xiii. Realistically, 9.78 ha is currently available (once constrained and inappropriate sites are removed) but most of this is liked to office-led activity and could potentially be developed in the first half of the LDF period. More land is needed to meet the demand for industrial premises and growth in the key service centres. There is also a need to compensate for existing but outdated employment areas, which could be lost to other uses, for example the Primrose site (6.47 ha) in Clitheroe.
- xiv. Ten potential new employment sites have been identified. These total 61 ha and are summarised in Table 83 in Section 11.0. Plans are included at Appendix 5 and a detailed analysis is included at Appendix 15.
- xv. In assessing these sites, consideration has been given to their capacity to satisfy market demand (accessibility, moderate quality, development constraints) balanced against the need to identify sustainable employment solutions (near to town centres, transport options, brownfield remediation). Based on this criteria, the top three sites are Land at Thurstons, Mellor Brook; Admiral Taverns land adjoining Barrow Brook Business Park; and land that could form an extension to Salthill Industrial Estate. There is a shortage of employment land coming forward in Longridge, and so land south of Chapel Hill is also included in the potential supply. Together, these sites could bring forward a supply of 32.5 ha.
- xvi. Existing rural schemes are well occupied in the Ribble Valley, largely supporting entrepreneurial business start-ups. They are particularly suited to small office based/light industrial businesses such as creative industries, which cover a broad spectrum from artists, to media consultants to engineering. In coming years, the economy expects an explosion of creative industries and Ribble Valley has ample assets to be able to accommodate this.

### ***Retail Economy***

- xvii. The household survey found that the Borough is capturing a very poor share (only 29 percent) of the available goods spend from its catchment area. Of this, Clitheroe captures the most at 24 percent of the available spend; Longridge just under five

percent, and Whalley a negligible amount together with the remaining towns in the Borough.

- xviii. Despite its size, Whalley performs the best of the three main towns in terms of vitality and viability. It has no vacant shops, retailer confidence is high, footfall and trade seem to have been constant over the last four years, if not increasing. Shoppers from across all parts of the Borough find the town centre easily accessible (albeit mostly by car) and rate it the best town centre in terms of being able to walk around.
- xix. Spend on non-bulky comparison goods (clothes, footwear, small electrical items, etc) contributes more to the town's retail economy than any other goods type. However, the town centre also has an emerging pub and restaurant scene. There is a lack of convenience retailers (many shops have changed to other retail uses) which means local residents need to travel further for necessity items. This raises concerns around the town centre's sustainability, especially if spend on comparison goods decline unexpectedly.
- xx. Longridge is not doing as well as it could be. For its size, it captures a low share of retail spend in the Borough. Demand for shop premises is lower than the other two towns, reflected in its Zone A rents. Convenience stores, professional and financial services are most important to the town centre in terms of attracting shoppers.
- xxi. Factors constraining the town's vitality include negative perceptions affordable parking, anti-social behaviour and environmental quality. The town centre is also spread out along Berry Lane, which reduces mobility, particularly up the steep hill, and results in the town centre lacking a retail core. The household survey shows that shoppers on the whole, are attracted to the town centre out of necessity, rather than for leisure.
- xxii. Clitheroe, by far accommodates the largest goods-based retail economy in the Ribble Valley (approx. £59m a year, compared to £15m in Longridge and £1m in Whalley). However, it is showing signs of decline. Retailers report a fall in shopper numbers and a decline in trade. This could be compounded in coming years as nationally, consumer spending is curbed by the credit crunch. For its size, the town captures a very low market share of retail spend from the catchment and is overshadowed by the retail economies of Preston, Blackburn, Burnley, Accrington and Nelson. Its retail economy is dominated by spend on convenience goods at its three supermarkets.

More people appear to be visiting the town centre out of necessity rather than for leisure. Retailers' main concerns are the poor variety of shops and lack of national retailer representation which fail to draw more shoppers to the town.

- xxiii. Based on the retail capacity assessment findings, a further 14,919 sqm of retail floorspace (goods based) is needed in the Borough by 2018 for it to maintain its existing market. Most of this is required in Clitheroe, being the largest of the three towns and for non-bulky comparison goods. There is a need to change the town centre.
- xxiv. Finally, it is important to bear in mind that these conclusions reflect existing market conditions as at July 2008. Should these change, depending on the magnitude of the current recession, conclusions and recommendations could differ significantly. An Annex Document has been provided with this report. This summarises current national economic changes during 2007/8 and their likely impact on the Ribble Valley economy and findings of this report.

#### ***Key Recommendations***

- xxv. There is a need to provide a better choice of locations, quality and availability of modern, freehold industrial premises (predominantly <500 sqm) in order to sustain current levels of economic growth.
- xxvi. More office premises (up to 100 sqm for start-up units) as well as grow-on space should be provided along the A59 and in key service centres, particularly Clitheroe and Longridge. This will create new employment, reduce out-commuting and promote indigenous business growth.
- xxvii. High value sites should be retained for potential inward investment and business start-ups in key growth sectors. Moderate to low value sites should be put aside for local industry.
- xxviii. RVBC should review the feasibility of funding an inward investment campaign to promote the Ribble Valley as a great place to start a business, building on its ability to incubate entrepreneurial, knowledge based, business start-ups and quality of life factors. This should seek to stimulate both the office and industrial markets, and support new and existing sites.

- xxix. LCDL and RVBC should open discussions with developers to look at ways to facilitate and bring forward sites for development as a priority.
- xxx. There is a need to ensure that broadband is physically, not just theoretically accessible in all rural areas of the Borough. Continued support is required to facilitate the delivery of rural workspace, particularly as part of farm diversification.
- xxxi. It is recommended that RVBC and LCDL produce a masterplan for Clitheroe town centre that addresses potential land assembly and regeneration options, to deliver more modern retail floorplates and an enhanced market place.
- xxxii. These recommendations are summarised in an Action Plan, which outlines priority actions to take forward, upon agreement with key partners.

## **1.0 INTRODUCTION**

- 1.1 This study has been commissioned by Ribble Valley Borough Council and Lancashire County Developments Limited (LCDL). There are two elements to this study. Firstly, it reviews the supply and demand for employment land and premises (use class B) in the Ribble Valley up to 2018. Secondly, it assesses the health of retail in the three town centres of Clitheroe, Longridge and Whalley, and estimates future retail floorspace requirements.
- 1.2 The study has been commissioned to provide robust evidence to underpin and inform the Local Development Framework (LDF), the new style review of the Local Plan. It will also be used to inform the Local Regeneration Strategy and work of the Local Strategic Partnership. It will identify opportunities, supported by economic evidence, where the public sector may intervene to promote sustainable local economic development and retail growth in the Ribble Valley and City Region.
- 1.3 BE Group, economic development and property consultants, based at Ingot House, Kelvin Close, Birchwood, Warrington, WA3 7PB, has compiled this report. BE Group has worked closely throughout the study period with, and reported regularly to the client steering group. The latter comprised David Gordon and Andrew Barrow of LCDL, Colin Hirst of Ribble Valley Borough Council and David Ingham of the Ribble Valley Partnership. This group will be responsible for taking forward the study findings.

### **Methodology**

- 1.4 A number of research methods have been used in the compilation of data for this study. They include desk-top research, site visits, questionnaire surveys, face-to-face and telephone interviews with a range of private and public stakeholders.
- 1.5 It is a statutory obligation that there is extensive community consultation as part of the LDF preparation and this has been reflected in our methodology. Surveys have been completed with households, retailers and businesses. This study has also consulted developers, investors and their agents. Various public sector agencies with responsibility for the study area have also been consulted. Desktop analysis of existing reports, statistics and documents has also been filtered into the overall findings. A list of consultees is included at Appendix 1 (see accompanying document for appendices).

## Study Area

- 1.6 The Ribble Valley is a large rural borough in Lancashire, located east of the M6 and Preston. To the south it is bounded by the M65 and conurbation of Blackburn, Burnley and Central Lancashire towns. It comprises numerous picturesque villages, but the key settlements are Clitheroe, Longridge and Whalley. The north of the Ribble Valley reaches as far north as Lancaster to the west and Yorkshire to the east.
- 1.7 The study area has a population of 57,800 (ONS mid-year estimate, 2006). Clitheroe is the biggest population centre, representing around a quarter of the Borough's residents.
- 1.8 Employment is focused in and around the main towns of Clitheroe, Longridge and the A59 corridor. Key employment areas include Shay Lane Industrial Estate (Longridge), Salthill Industrial Estate and Link 59 (Clitheroe) and Time Technology Park (Simonstone). Key employers in the Ribble Valley include BAe Systems, Castle Cement, Ultraframe, James Thornbur and HJ Berry & Sons.
- 1.9 A summary of strategic policies and documents, relevant to the study area is included at Appendix 2.

**Figure 1 – Study Area**



Source: Lancashire Profile Website

- 1.10 Sections 2.0 to 7.0 assess the local economy, supply and demand for employment sites in the Ribble Valley. Sections 8.0 and 9.0 review the retail market and future requirements. Conclusions and recommendations are contained in Sections 10.0 and 11.0. Due to their size, appendices are included in a separately bound document, which accompanies this report.

## **2.0 BUSINESS PROFILE**

### **Introduction**

- 2.1 This section considers the size of the economy, the type and location of businesses and their accessibility to centres of population. It also considers how things may change in the future, given that this report is assessing land provision to 2018. By appreciating these aspects it is easier to facilitate economic development by allocating land in the correct locations, for the right types of business.
- 2.2 The profile is a result of secondary research, drawing together national statistics and background documents.

### **Demographic Assessment**

- 2.3 The population of the study area as of mid-year 2006 is 57,800 (2007 is not yet available). 27,900 people (88.7 percent) of the working age population are economically active. This is higher compared to both Lancashire (78.4 percent) and England (78.5 percent) (Annual Population Survey, September 2007). Please note that population growth projections are included at Section 7.0 (working age in Ribble Valley from Oxford Economics) and Section 8.0 (resident population in catchment area from MapInfo).
- 2.4 86.5 percent of people are in employment, which is substantially higher than the Lancashire and England averages (both 74.3 percent). A far greater proportion of workers in the Ribble Valley are self-employed (15.5 percent) compared to both Lancashire (8.5 percent) and England (9.6 percent). National Statistics report that the Ribble Valley's unemployment rate is the lowest in Great Britain at 2.5 percent, one of four similar areas in the country (Annual Population Survey, September 2007).
- 2.5 None of the Ribble Valley's Lower Super Output Areas (LSOAs) feature in Lancashire's 20 most deprived areas. Rather, six Ribble Valley LSOAs are within the County's 20 least deprived areas, a pointer to the relative affluence of large areas of the Ribble Valley.
- 2.6 Table 1 illustrates the breakdown of resident's employment type by occupation group. Whilst there are some groupings that align to regional and national averages, a greater proportion of Ribble Valley residents are employed in managerial, senior officials and professional occupations. Conversely there is a smaller proportion of

skilled tradesmen, plant operatives and customer service operators resident in the Ribble Valley.

**Table 1 – Employment by Main Occupation Group – Resident Based**

<b>Socio-economic Class</b>	<b>Ribble Valley, percent</b>	<b>Lancashire, percent</b>	<b>England, percent</b>
Managers and senior officials	23.0	14.5	15.7
Professional occupations	22.2	12.3	13.1
Associate professional and technical occupations	13.3	12.8	14.4
Administrative and secretarial occupations	8.7	13.3	12.0
Skilled trades occupations	8.6	11.1	10.7
Personal service occupations	7.9	9.6	7.9
Sales and customer service occupations	2.5	7.2	7.5
Process, plant and machine operatives	4.6	8.7	7.0
Elementary occupations	9.2	10.3	11.3

*Source: ONS Annual Population Survey Oct 2006 to Sep 2007*

### **Economic Activity**

- 2.7 Most jobs in the Ribble Valley are in Public Administration, Education & Health (26.8 percent), Manufacturing (25.9 percent) and Distribution, Hotels and Restaurants (24.6 percent). The Ribble Valley has a greater proportion of jobs in Agriculture & Fishing and Manufacturing, when compared to regional and national figures (see Table 2). This is largely explained by the study area's rural character and industrial heritage. The proportion of jobs available in Transport & Communications and Banking, Finance & Insurance are both below regional and national averages.
- 2.8 The proportion of jobs in the manufacturing sector is likely to be so large because it includes jobs at BAe Systems at Samlesbury (despite it extending across two boroughs and providing jobs for many non-Ribble Valley residents). Regardless, manufacturing is still important to the Ribble Valley economy.
- 2.9 Overall, the jobs available in the Ribble Valley do not seem to match the skills of the local labour supply. This suggests that the in and out commuting flows between Ribble Valley and the surrounding districts have different characteristics. The Ribble Valley exports its managerial and professional residents, and imports skilled trades to work in its industrial sector.

**Table 2 – Standard Industrial Classification Breakdown – Jobs Based**

SIC 2003	Employment Structure, proportion of jobs, percent		
	Ribble Valley, percent	Lancashire, percent	England, percent
Agriculture & Fishing	1.5	0.3	0.8
Energy & Water	0.4	0.5	0.5
Manufacturing	25.9	16.8	10.9
Construction	5.2	5.1	4.6
Distribution, Hotels and Restaurants	24.6	24.2	23.7
Transport & Communications	3.0	4.7	6.1
Banking, Finance & Insurance, etc	8.9	14.8	21.9
Public Administration, Education & Health	26.8	29.5	26.3
Other Services	3.7	4.2	5.3

Source: ONS Annual Business Inquiry Survey 2006

### Numbers and Sizes of Businesses

- 2.10 At the start of 2007, there were 2720 businesses registered for VAT in the study area, an increase of 35 businesses from the previous year. Of 2720, most were in Real Estate, Renting & Business Activities (23.0 percent) and Wholesale Retail & Repairs (21.0 percent). However, this figure does not pick up on very small companies operating below the minimum VAT threshold, nor the corporate/national companies registered elsewhere. Approximately 30.0 percent of businesses are in non-industrial or non-office based sectors e.g. retail.
- 2.11 Data from the Lancashire Profile website shows that the percentage change in VAT registered business stock (the increase in new businesses) in the last fifteen years, has been slightly higher in the Ribble Valley (+ 22.0 percent) than the UK average (+ 20.0 percent). Ribble Valley is one of only three boroughs in Lancashire (along with Chorley and South Ribble) to achieve this. Also, business survival rates over the same period were marginally higher in the Ribble Valley (93.0 percent), than the UK (91.0 percent).
- 2.12 Annual Business Inquiry data for 2007 identifies that 88.3 percent of businesses in the UK are micro businesses (with between one and nine employees). Overall 97.9 percent of all businesses are classified as small (up to 49 employees).
- 2.13 Table 3 shows that Ribble Valley has a significant above average proportion of

businesses with less than four employees, when compared to regional and national figures. Coupled with above average business start-up and survival rates, this illustrates the entrepreneurial qualities of the Ribble Valley.

**Table 3 – Business Size, by number of employees**

Size Band	Proportion of Businesses, percent		
	Ribble Valley	Lancashire	UK
0-4	80.7	73.3	75.6
5-9	11.2	13.7	12.7
10-19	4.6	6.8	6.3
20-49	2.5	3.7	3.3
50-99	0.6	1.2	1.0
100-249	0.2	0.8	0.6
250 +	0.2	0.5	0.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: ONS UK Businesses: Activity, Size and Location 2007: Lancashire Profile website

- 2.14 Also, business start-up rates were significantly above regional and national averages at the start of 2007. There were 581 businesses registered for every 10,000 adult residents in the Ribble Valley, compared to 352 and 398 in Lancashire and the UK respectively (ONS VAT Business Stock: Lancashire Profile website).

### **Geographic Location**

- 2.15 The bulk of businesses and employers are located in the south of the Borough, near to the boundary with Burnley and Hyndburn local authorities (including Simonstone Technology Park), and in Clitheroe (Link 59, Primrose Industrial Estate and Salthill Industrial Estate). Evidence of this is provided by Valuation Office hereditament statistics for the study area (Table 4). There are far fewer hereditaments in the eastern part of the study area. Only 9.0 percent of industrial units and 7.0 percent of offices are here. The north west part of the study area is also poorly represented – just 11.0 percent of industrial units and 14.0 percent of offices.
- 2.16 The Valuation Office data shows that a large number of small businesses are located in the rural areas of the Borough. The southern area, characterised by a number of small settlements, has the largest number of hereditaments – but their average size is considerably less than those around the main population centre of Clitheroe.

**Table 4 – Valuation Office Hereditaments**

Area	Number of Units (Floorspace, sqm)		Number of People Homeworking
	Factories/ Warehouses	Office	
<i>North Eastern</i> SOA 001 (Slaidburn, Bolton by Bowland, Gisburn, Waddington, Newton, Bashall Eaves, Hurst Green)	<b>59</b> <b>(16,000)</b>	<b>36</b> <b>(3000)</b>	<b>769</b>
<i>Central</i> SOA 002 (North and East Clitheroe)	148 (180,000)	63 (10,000)	297
SOA 003 (South and West Clitheroe)	48 (44,000)	35 (4000)	298
<b>Sub-Total</b>	<b>196</b> <b>(224,000)</b>	<b>98</b> <b>(14,000)</b>	<b>595</b>
<i>Western</i> SOA 004 (Dunsop Bridge, Chipping, Hesketh, Knowle Green, Ribchester)	<b>50</b> <b>(19,000)</b>	<b>18</b> <b>(1000)</b>	<b>402</b>
<i>Southern</i> SOA 005 (Chatburn, Downham, Sabden, Simonstone, Barrow, Wisewell, Worston)	91 (45,000)	19 (2000)	461
SOA 006 (Longridge, Alston)	85 (52,000)	35 (3000)	221
SOA 007 (Billington, Whalley, Grant Mitton)	33 (9000)	40 (4000)	396
SOA 008 (Balderstone, Samlesbury, Mellor)	23 (5000)	7 (1000)	502
<b>Sub-Total</b>	<b>232</b> <b>(111,000)</b>	<b>101</b> <b>(10,000)</b>	<b>1580</b>
<b>Total</b>	<b>537</b> <b>(370,000)</b>	<b>253</b> <b>(28,000)</b>	<b>3346</b>

Source: ONS Commercial and Industrial Floorspace 2007 (Rateable Value 2005)  
ONS Census 2001

### Homeworking

2.17 In Ribble Valley, homeworking accounts for 12.7 percent of the working age population (16-74 year olds) in employment. This figure exceeds both the Lancashire (8.9 percent) and England averages (9.2 percent). It is also higher than the averages

for surrounding local authorities including Blackburn with Darwen (8.1 percent), Burnley (7.3 percent), Hyndburn (7.5 percent), Pendle (8.1 percent) and South Ribble (8.1 percent).

- 2.18 Most home-workers are found in southern (47.2 percent) and north-eastern (23.0 percent) parts of the Ribble Valley, compared to central and western areas.

### **Commuting**

- 2.19 Statistics on commuting are available from the Lancashire Rural Delivery Pathfinder research, completed in 2007. This analysed Census 2001 Travel to Work data. Overall, Ribble Valley experiences a daily net loss of 2320 people (8.0 percent of the economically active of working age). Clitheroe, Longridge and Whalley are looked at in closer detail here.

- 2.20 Clitheroe attracts in the region of 3237 workers everyday. This, when compared to an outflow of 2934 workers (largely managerial and professional workers), produces a net in-flow of 303 workers, although dominated by lower value occupations. 90 percent of commuters to Clitheroe come from within the East Lancashire sub-region. 75 percent of commuters from Clitheroe, work in the East Lancashire sub-region. 4004 people live and work in Clitheroe.

- 2.21 Most commuters starting from Longridge finish their journey in Central Lancashire, most notably Preston. 2159 people commute out of Longridge each day for work, but on the whole less commute in (1118 people). Again, those commuting from the town work in higher value occupations. 1391 people live and work in Longridge.

- 2.22 Roughly the same number of people come into Whalley to work (1015 people) as leave (1031 people) on a daily basis. Again, It is mainly service workers coming into the town, and higher value occupations (managerial and professional) that leave. 298 people live and work in Whalley.

### **Summary**

- 2.23 The Ribble Valley area has a highly skilled workforce, comprising largely managerial and professional occupations. Most of these however commute out of the Borough for work (approximately 3230 (net) workers a day), roughly eight percent of the workforce. Unemployment is low and economic activity is high.

- 2.24 Most of the study area's businesses are classified as micro businesses (less than nine employees)/sole traders (92 percent). This reflects regional and national averages. Most are located in the southern parts of the Borough.
- 2.25 Ribble Valley residents are entrepreneurial. Compared to regional and national patterns, it has a greater proportion of new business start-ups, higher business survival rates and greater growth in registered business stock.
- 2.26 Homeworking levels are above regional and national averages. This reflects the rural character and quality of life characteristics of much of the Borough, which attracts significant numbers of highly skilled and entrepreneurial residents. This combined with the high level of business start-ups and entrepreneurial activity in the Ribble Valley, provides ample opportunity to explore the viability of live/work space developments.
- 2.27 Business premises provision is dominated, in terms of both numbers and floorspace by Clitheroe. However there are also important clusters in Longridge; Simonstone (close to the M65 motorway) and settlements closely allied to the A59 corridor.

### 3.0 PROPERTY MARKET – GENERAL

#### Introduction

- 3.1 Prior to analysing the study area's property market by the individual components of sites, industrial and offices; commentary is provided relating to the Ribble Valley as a whole. This comprises mainly comment from the public sector and other stakeholders, and from analysis of monitoring data.
- 3.2 During the course of this study, a cycle of economic recession has begun in the UK brought on by a number of global and national economic changes. As yet, the magnitude of this is unknown, but it is already having an impact on the high street and local economic development. This is summarised in an Annex Document to this report.

#### ***Lancashire Economic Partnership (LEP)***

- 3.3 Enquiry data for business sites and premises are available from LEP at borough level. Table 5 shows enquiries received by LEP for Ribble Valley (although not exclusively) over the last three years (up until end of 2007). Demand for industrial premises has consistently been at least twice that for office premises. There have been more enquiries for land than office premises in all years, but especially so in 2007. Industrial enquiries account for 50 percent of all those received. It is important to note, that this will not comprise all enquiries – many go directly through local property agents and landowners and cannot be monitored. It is also worth pointing out that it is not statistically robust to compare enquiry levels collected by different local authorities as their recording methods vary. In fact, the enquiry statistics should be treated with caution and taken for guidance only.

**Table 5 – LEP Enquiries Type for Ribble Valley 2005 – 2007**

Type	2005	2006	2007	Total
Industrial / Warehouse	73	75	109	257
Office	30	33	33	96
Land	48	38	72	158
<b>Total</b>	<b>151</b>	<b>146</b>	<b>214</b>	<b>511</b>

Source: LEP 2008

- 3.4 Enquiries for industrial premises are weighted towards properties of below 300 sqm. Indeed, almost half of all the enquiries are for premises of less than 100 sqm, as Table 6 shows. There is a relatively even distribution of enquiries amongst all the

size band widths above 300 sqm.

**Table 6 – LEP Industrial Enquiries Size for Ribble Valley 2005 – 2007**

Size, sqm	1-99	100-299	300-499	500-999	1000-2499	2500 +	Size not stated	Total
<b>Total</b>	123	59	20	19	18	18	0	257

Source: LEP 2008

- 3.5 Office enquiries (see Table 7) are fairly distributed across all size bands. Most demand is for units in the 100-299 sqm band. There are few enquiries for offices larger than 1000 sqm.

**Table 7 – LEP Office Enquiries Size for Ribble Valley 2005 – 2007**

Size, sqm	1-99	100-299	300-499	500-999	1000-2499	2500+	Size not stated	Total
<b>Total</b>	10	16	11	9	3	8	39	96

Source: LEP 2008

- 3.6 Analysis of demand for sites is constrained as LEP can only split enquiries to categories of above or below 0.4 ha (1 acre). As Table 8 shows, around 80 percent of the enquiries did not specify a particular size requirement. Details of preferred locations, if any, in the Ribble Valley are also not available.

**Table 8 – LEP Land Enquiries Size for Ribble Valley 2005 – 2007**

Size, ha	< 0.4	> 0.4	Size not stated	Total
<b>Total</b>	14	19	125	158

Source: LEP 2008

#### *Inward Investment*

- 3.7 Closer inspection of the enquiries reveals that in most cases (74 percent), the origin of the enquiry was not recorded. So it is difficult to understand what proportion may be considered as representing inward investment. Enquiries to LEP will not include many local enquiries that are more likely to be dealt with directly by local property agents.
- 3.8 However, an analysis of the remainder shows that 40 percent of these are businesses seeking to expand or relocate into Lancashire from elsewhere, although not exclusively to the Ribble Valley (border hopping). 35 percent are new businesses starts, whilst 25 percent are existing businesses relocating within Lancashire.

- 3.9 Of the 26 businesses looking to expand or relocate into Lancashire, only one represented a total relocation. 16 of the 26 enquired in 2005, only 10 in the last two years. There was an equal division between leasehold and freehold premises and two wanted land. Size requirements varied from 400-700 sqm and were primarily retail, manufacturing and business services. No information is available as to how many enquiries have come to fruition.
- 3.10 LEP reports that the Ribble Valley receives very few enquiries from inward investors, compared to neighbouring districts and Lancashire as a whole. The Borough also has less foreign-owned companies than any other local authority in Lancashire.

***North West Regional Assembly (NWRA)***

- 3.11 Consultation with NWRA identified only issues relating to employment land allocations as defined in the draft RSS. As stated elsewhere in this report, the draft RSS does not disaggregate allocations to individual local authority areas. The key point made relates to whether Regional Investment Sites should, or should not be included in employment land supply figures for local authority areas. This is discussed later in the report with regard to the proposed Aerospace Park at Samlesbury.

***Lancashire County Council (LCC) Planning Services***

- 3.12 Planning policy in the past has been strictly imposed upon proposed rural workspace, particularly from a Highways point of view. Proposals are now reviewed on a case by case basis, with the social and economic benefits associated with such workspace given greater consideration. However, there is still a need to ensure that employment provision is retained and supported in key service centres and strategically positioned villages.
- 3.13 Areas with potential for new employment sites include Gisburn, Chipping, Newton and Sabden. In Clitheroe, an extension to Salthill Industrial Estate, and a mixed-use scheme in the Primrose area might be considered, but these are likely to have access issues. There may be an opportunity to extend Shay Lane Industrial Estate at Longridge, but this would require the development being delivered within Preston City Council's boundary, and Preston has previously objected to this idea.
- 3.14 Also, there may be an opportunity to link land belonging to English Partnerships in Grimsargh to sites in Longridge, through the Growth Point bid to deliver infrastructure

improvements.

- 3.15 Both Blackburn and Hyndburn are seeking to deliver more employment land around Whitebirk and Great Harwood, which could impact upon provision in the Ribble Valley, especially in the south of the Borough.

***Lancashire County Developments Ltd (LCDL)***

- 3.16 Lancashire County Developments Limited (LCDL) is Lancashire County Council's economic development company and provides economic development services to the authority. LCDL is committed to helping businesses and people across Lancashire. It works with other County Council Directorates and partners to achieve this. The activities of LCDL are focussed on promoting the economic, social and environmental well being of Lancashire's people. It contributes to the achievement of the County Council's Corporate Strategy and Lancashire Partnership's 20 year Community Strategy, Ambition Lancashire.
- 3.17 The Physical Regeneration Team of LCDL has been engaged in the consultation of this study, and has a programme that focuses upon the provision of improved business infrastructure to stimulate, facilitate and secure incremental improvements in workspace across Lancashire.
- 3.18 LCDL has no current investment interests in the Ribble Valley but has been previously involved in site assembly to bring forward employment land at The Printworks (Barrow) and The Sidings (Whalley).
- 3.19 LCDL believe there is a lack of suitable employment sites in the Ribble Valley. In some instances, land owners are not putting land forward for employment use as they have aspirations for residential. LCDL feel it is likely that there is latent demand for office accommodation. However, there are no speculative office schemes coming forward to test this, and that the lack of demand is due to a lack of adequate supply.
- 3.20 LCDL consider that employment activity is very much focused in the Ribble Valley along the A59 corridor and outside the main settlements. They are interested in supporting sites in these areas. Key sites of interest include:
- LCC Household Waste site and garage at Billington
  - Extension to Barrow Brook Business Park
  - Extension to Link 59/Salthill Industrial Estate towards A59

- Gisburn Auction Mart (was this to close)
- Primrose area of Clitheroe for mixed-use scheme.

3.21 LCDL emphasise the need for under-utilised brownfield sites to be regenerated. However, the existing tightly drawn settlement boundaries means that these may be difficult to identify.

### ***Lancashire Rural Futures (LRF)***

3.22 The rural economy is not solely about agriculture and tourism – it is strongly reliant on the industrial market. Also, rural communities are considered largely in terms of housing and services but more attention should be paid to their economic contribution and need. Since Jan 2006, LRF has supported 21 new rural workspace schemes (B1/B2/B8 only, to end of March 2008) and these are summarised in Table 9. In total, 6630 sqm (5828 sqm – industrial, 802 sqm – office) of new workspace has been supported. This represents 1.7 percent of the Borough’s total employment floorspace. Supported by £418,000 of public monies, this has levered in just under £1.1m of private funding. Most of the schemes have taken place in the north eastern part of the Ribble Valley.

3.23 The two largest schemes supported have been Backridge Farm (23 units, office and light industrial) and Fairfield Farm (11 industrial units), located in Bashall Eaves and Osbaldeston respectively.

**Table 9 – LRF Supported New Workspace in Ribble Valley**

Area	Floorspace created, sqm	
	Industrial	Office
North Eastern	3018	45
Clitheroe	-	83
North Western	1196	550
Southern	1614	124
<b>Total</b>	<b>5828</b>	<b>802</b>

Source: Lancashire Rural Futures 2008

3.24 A further 2403 sqm of rural workspace (B1/B2/B8 only, six schemes) has been upgraded with assistance from LRF (2145 sqm – industrial, 258 sqm – office). Perhaps surprisingly, most of this has taken place in Clitheroe (see Table 10). These six schemes were supported by just over £138,000 and levered in just under £800,000.

**Table 10 – LRF Supported Upgraded Workspace in Ribble Valley**

Area	Floorspace created, sqm	
	Industrial	Office
North Eastern	-	-
Clitheroe	1605	258
Western	216	-
Southern	324	-
<b>Total</b>	<b>2145</b>	<b>258</b>

Source: Lancashire Rural Futures 2008

- 3.25 LRF worked on the Rural Pathfinder Research, with Rural Innovation, which examined 12 settlements in Lancashire. The research called for more local business opportunities to be created in rural areas (especially in the Ribble Valley) in order to minimise out-commuting and the resulting pressure upon local infrastructure. LRF feels there is significant latent demand for speculative high quality rural workspace schemes in the Ribble Valley.
- 3.26 Key factors holding back local business development in the Ribble Valley are planning restrictions, the cost of land and buildings and competing with aspirations for higher-value residential uses. Schemes have been largely private sector led and notable examples include Fern Court (small office suites) in Clitheroe; Backridge Farm (workshops/small offices) at Bashall Eaves and Poors'land Barn (nine office units) at Slaidburn.
- 3.27 There is a need to respond to opportunities as and when they arise in rural areas, rather than following a restrictive allocated sites policy which limits sustainable rural diversification. Urban planning criteria (particularly Highways policy) cannot be applied so strictly to rural areas, as there are different needs to address. There are opportunities to create further rural workspace at Slaidburn, Dunsop Bridge, West Bradford and Grindleton which could help reduce out-commuting levels. The public sector has had an important role in negotiating with land owners to bring forward rural workspace schemes, rather than seek solely residential development. This approach is vital in securing sustainable rural communities for the future.
- 3.28 Employment land provision at the Borough's main industrial estates is appropriate for regional and national businesses, but does not support local business start-ups or commuters seeking options to work nearer home. Public sector agencies are traditionally focused on large employment allocations, but in such a rural area as

Ribble Valley there should be greater emphasis on small workspace schemes.

***Ribble Valley Borough Council (RVBC)***

- 3.29 RVBC considers there to be a lack of modern industrial and office premises, and a lack of suitable potential employment sites of the right quality, size and location. Current employment land allocations could potentially be fully developed within the first half of the LDF period and so there is an urgent need to identify further opportunities to be brought forward. Particularly so, as there is a need to accommodate businesses looking to move to larger premises or better quality locations.
- 3.30 Business growth is also felt to be restricted by utilities and transport infrastructure, and low value employment sectors in the Ribble Valley.
- 3.31 RVBC believes that demand for employment land is strong, and that there is evidence of latent demand for small, high quality office space, particularly in some rural locations. Demand for small industrial units continues to be high in the Borough.
- 3.32 The Borough's access to the national motorway network, and inclusion in the Northern Way Growth Strategy both need to be capitalised upon. It also benefits from a key growth sector – the aerospace industry (BAe Systems at Samlesbury). The Borough is also well placed to serve growing high value sectors in business and finance. The Borough attracts highly skilled residents and there are opportunities for business to make more of its high quality environment.
- 3.33 Despite the expected growth of high-value business sectors, the manufacturing sector will continue to be important to the sub-regional economy. Much of the region's growth has been in the poorly paid sectors such as retail, hotel and catering services. This is expected to shift to science and technology, teaching, research & development. The large City-region conurbations will benefit the most from future growth but RVBC hopes to benefit from this as much as possible. There is a need to challenge traditional divisions between rural and urban economies. It is hoped that places such as the Ribble Valley will benefit more from knowledge based industries, which are increasingly footloose and will value quality of environment more in the future. There are important opportunities to encourage home-working, rural workspace and live/work space as part of this. The employment forecasts supplied by Oxford Economics, set out in Section 7.0 and Appendix 7, provide more detail on

the industry sectors expected to grow in the Ribble Valley in the period to 2018.

- 3.34 The largest employment areas are Salthill Industrial Estate and Link 59 in Clitheroe, Shay Lane Industrial Estate in Longridge and Time Technology Park in Simonstone. There are numerous smaller workspace schemes, and other sites with consent for employment use which are not yet developed. There is some concern that land owners are seeking higher-value residential uses, rather than employment, for their land. As such, there is a need to ensure that an appropriate and sustainable balance is delivered.
- 3.35 Regarding retail, there is some concern that an increasing number of Clitheroe town centre retailers are moving to edge-of-town and out-of-town business park and industrial estate locations to continue their trade. Such locations are felt to offer better accessibility and cheaper rents. This could potentially be a sign of weakening retail trade and 'hollowing out' of Clitheroe town centre.

#### ***Hyndburn Borough Council***

- 3.36 Altham Business Park is close to Time Technology Park at Simonstone (in the Ribble Valley). It is now fully developed and is performing well. Strict planning ensured that the built scheme is high quality and low density. The allocation of additional land to extend the Business Park, is one option being mooted as part of Hyndburn's LDF process.
- 3.37 Another key employment area in Hyndburn (though perceived to be part of Blackburn) is Whitebirk. This lies adjacent to the M65, and is relatively close to the Ribble Valley's southern boundary. Development of Whitebirk is supported by the NWDA and Blackburn with Darwen Council.
- 3.38 Hyndburn is also considering new office and industrial accommodation at Huncoats Business Park, at the M65/A56 junction. Outline planning permission has yet to be confirmed.

#### ***Burnley Borough Council***

- 3.39 As with Altham Business Park, Shuttleworth Mead Business Park is close to Time Technology Park. It delivers high quality business premises and is readily accessible to the M65. It covers 70 acres and accommodates approximately 60,000 sqm of industrial and office space. It is fully built out now and there is no scope for further

expansion of the site.

- 3.40 The Borough has also seen a programme of commitments to other new employment areas associated with the M65 junctions serving Burnley itself.

***South Ribble Borough Council***

- 3.41 A review of employment land and premises in Preston, Chorley and South Ribble is expected to be completed shortly. It is likely that it will identify a shortfall of sites in South Ribble, particularly so if the sub-regional Growth Point bid is successful. The latter aims to accelerate economic growth in the sub-region and so more land will be needed to support this.

- 3.42 Key sites near to Ribble Valley include Cuerden Regional Investment Site (65 ha); South Rings, which is a new 15 ha mixed-use business park, and Lancashire Business Park (96 ha).

***Pendle Borough Council***

- 3.43 Pendle is currently reviewing the findings of a recent employment land study. This indicates that there is a shortfall of employment land required to meet demand up to 2021. All of its employment land allocations have been built out. Its existing supply consists of 62 sites across 35 ha but 54 ha is needed, based on a take-up rate of 3.4 ha/year. Whilst 11 new sites have been identified to meet the shortfall, these still leave a shortfall of 7 ha.

***Blackburn with Darwen Borough Council***

- 3.44 Blackburn with Darwen is yet to review its employment land supply as part of its LDF process. However, existing key sites near to the Ribble Valley include Centurion Park and Trident Office Park.
- 3.45 Centurion Park is a 3 ha (8 acre) site located between Junctions 4 and 5 of the M65. It accommodates just under 12,000 sqm of industrial units and a business centre with 44 small serviced office suites.
- 3.46 Trident Office Park, at Junction 6 of the M65, comprises 19 office units ranging from 60 to 130 sqm.

### ***Preston City Council***

- 3.47 As with South Ribble, the City Council is awaiting the findings of the sub-regional employment land study. Early indications suggest that a plentiful supply of employment land remains available for development in Preston, approximately 101 ha. Much of this is the continuing legacy of motorway related and out of town greenfield sites allocated by the former Central Lancashire New Town.
- 3.48 King Sturge reports that there are two key developments at Junction 31a of the M6: Millennium City Park (12 ha, office and light industry) and the Helios industrial scheme (16 ha). King Sturge is one of the letting agents for Millennium City Park. Both schemes form gateway developments on the Longridge approach into the Ribble Valley. Part of Millennium City Park, developed by Modus and Barnfield Construction has been completed. It comprises 7765 sqm of modern, high quality two-storey office accommodation, units ranging from 328 to 1941 sqm. Further phases are planned but specific details are not yet available. The Helios scheme is awaiting planning consent and proposes 80,000 sqm of industrial units (ranging from 1000 to 1500 sqm). Also, land at Broughton Business Park at Junction 32, owned by English Partnerships, is on hold until road issues are resolved.

### ***Longridge Partnership***

- 3.49 The Partnership's Board consider Longridge to be constrained in terms of new employment land allocations, because it lies so close to the Borough's boundary. To extend Shay Lane Industrial Estate would require negotiation with Preston City Council, who are yet to express support for this proposal. The lack of new employment opportunities is undermining the sustainability of the town, which is threatened by high out-commuting levels (especially to Preston) and recent job redundancies (despite this, retail growth in the town has increased in recent years, more so than Clitheroe and Preston).
- 3.50 Existing employment sites are well occupied and there appears to be unsatisfied demand for business premises. Other land in Longridge identified for potential employment use includes Moss Farm on Green Lane and the former Ryan site on Inglewhite Road. However, both are located within Preston City Council's boundary.

### **Marketed Property Supply**

- 3.51 A schedule of the marketed floorspace in the study area (as at May 2008) has been compiled from site surveys, property databases, a trawl of commercial property

agents and consultation with other stakeholders. The schedules for industrial (including warehouses and workshops) and offices have been included in Appendix 3.

- 3.52 However, it should be noted that this analysis could reflect a picture worse than it actually is for Time Technology Park at Simonstone. This is because an up-to-date vacant property schedule for the development is not available. Whilst marketing particulars suggest that 25,800 sqm is vacant (58 percent), the owner and agents inform that the figure is only 7000 sqm (15 percent). Unfortunately, despite frequent requests and received promises, no detailed information has been provided. Data for all other sites and premises in the Ribble Valley is believed to be accurate.

### **Industrial**

- 3.53 Table 11 shows that there is 35,088 sqm of marketed industrial floorspace, made up of 31 properties. 18 of the properties are 500 sqm or under, most being at Time Technology Park near Simonstone. There are a number marketed in the 201-500 sqm size range, largely at Link 59 in Clitheroe. The number of marketed properties tails off towards the larger size bands. The largest unit apparently being marketed is 8128 sqm at Time Technology Park (although the owner states that there is only 7000 sqm in total still available).

**Table 11 – Amount of Marketed Industrial Property**

Size Band, sqm	0-100	101-200	201-500	501-1000	1001-2000	2001-5000	5001-10,000	Total
Floorspace, sqm	100	845	3056	3566	3350	16042	8128	35,087
Number	1	6	11	5	2	5	1	31

Source: BE Group 2008

- 3.54 Table 12 indicates that by far the largest amount of marketed industrial property is at Time Technology Park. A fifth of the total number of the premises being marketed are at Link 59 and Mearley Brook Business Park (part of Salthill). Much of this is speculative development, which has recently come onto the market.

**Table 12 – Location of Marketed Industrial Property**

Area	Number
Time Technology Park, Simonstone	14
Link 59, Clitheroe	6
Salthill Industrial Estate, Clitheroe	3

Area	Number
Mearley Brook Business Park, Clitheroe	3
Lincoln Way, Clitheroe	1
Cobden Mill, Sabden	1
Primrose Mill, Clitheroe	1
Kendal Street, Clitheroe	1
Upbrooks Industrial Estate, Clitheroe	1
<b>Total</b>	<b>31</b>

Source: BE Group 2008

- 3.55 BE Group's analysis of the marketed space suggests that the current available industrial space is split between good and moderate quality. The former is represented by the new units at Link 59 and Mearley Brook Business Centre. There are few low grade properties available, although one is one of the largest units available in the Borough (Primrose Mill). Table 13 summarises the assessment.

**Table 13 – Quality of Marketed Industrial Property**

Premises Quality	Good/New	Moderate	Budget
Number	9	19	3

Source: BE Group 2008

**Table 14 – Tenure of Marketed Industrial Property**

Tenure	Freehold	Leasehold	Either	Not Known
Number	6	20	4	1

Source: BE Group 2008

- 3.56 As Table 14 demonstrates most of the units available in Ribble Valley are offered on a leasehold basis. One fifth of the units are exclusively freehold disposals. These are mostly units located in the Clitheroe area.

### **Offices**

- 3.57 Table 15 provides a breakdown of the currently marketed office space. In total there is 3567 sqm of marketed offices (24 premises). 75 percent of the premises are of 100 sqm or less. There are only two offices available that are larger than 500 sqm.

**Table 15 – Amount of Marketed Offices**

	0-50	51-100	101-200	201-500	501-1000	1001-2000	2001-5000	5001-10,000	Total
Floorspace, sqm	303	574	662	0	900	1128	0	0	3567
Number	10	8	4	0	1	1	0	0	24

Source: BE Group 2008

- 3.58 Table 16 shows that over 60 percent of Ribble Valley’s marketed office premises are at Time Technology Park. Just under a quarter are in Clitheroe Town Centre.

**Table 16 – Location of Marketed Offices**

Area	Number
Time Technology Park, Simonstone	15
Clitheroe Town Centre	5
Gisburn (outskirts)	2
Chatburn Town Centre	1
The Printworks	1
<b>Total</b>	<b>24</b>

Source: BE Group 2008

**Table 17 – Quality of Marketed Offices**

	Good/New	Moderate	Budget
Number	1	23	0

Source: BE Group 2008

- 3.59 As Table 17 reveals the available stock is overwhelmingly of moderate quality. Only The Printworks at Barrow Brook Business Park offers good quality space, albeit small suites. All of the other options, most of which are at Time Technology Park and in Clitheroe Town Centre, are of moderate quality. There are few options available to companies requiring freehold property. Only two buildings are currently available on a freehold basis (Table 18).

**Table 18 – Tenure of Marketed Offices**

	Freehold	Leasehold	Either
Number	1	30	1

Source: BE Group 2008

## **Valuation Office Data**

### ***Industrial***

- 3.60 According to Valuation Office (VO) statistics there are 537 industrial hereditaments in the study area, totalling 370,000 sqm. Out of all this space there are 31 premises (known about/being marketed) totalling 35,087 sqm (from Table 11). This suggests an overall occupancy rate for the study area of 91 percent by floorspace. By premises number, the overall occupancy rate is 94 percent.

### ***Offices***

- 3.61 There are 253 office hereditaments in the study area, totalling 28,000 sqm. There are only 24 currently vacant premises (known about/being marketed), totalling 3567 sqm (from Table 15). This suggests an overall occupancy rate for the study area of 87 percent by floorspace. By premises number the overall occupancy rate is 91 percent.
- 3.62 The Valuation Office states that 23 percent of offices in the Ribble Valley are 'non-commercial' (i.e. public sector). This is much higher than the North West proportion (Lancashire not available) of non-commercial offices, which is 15 percent.

### **Modern Occupier Needs**

- 3.63 In this sub-section the report outlines what modern businesses are looking for in terms of their property, as well as those developers providing space for them. These are general comments and apply across the UK, as well as in the Ribble Valley. They refer to typical, traditional property requirements.
- 3.64 There are two key property sub-markets to consider in understanding the demand for premises. The first is the demand from companies looking for sites for their own occupation; the second, which is necessarily derived from the first, comes from specialist property developers who will provide solutions for these companies.
- 3.65 Many end-user companies, especially small ones, looking for accommodation prefer occupying an existing building to either organising the construction of one for themselves or entering into a design and build agreement with a developer. This is due to the management time and effort involved; while it is also difficult to rationalise and visualise such an important acquisition off-plan.
- 3.66 Having premises built requires a long lead-time to cover the planning, negotiation and construction time involved. Furthermore not every company wants a brand new

building, partly because they are generally more expensive than second hand ones.

- 3.67 However the recent combination of historically low interest rates and the depressed stock market has led to an unusually large number of companies looking to own their premises. One route to achieving this is by developing their own site, especially if they cannot find a suitable freehold property. Nationally most requests are for small sites of less than 0.4 ha in size (this scenario may change in coming years as the national economy shows evidence of decline).
- 3.68 Although design and build options can be convenient, they are quite expensive because the controlling developer makes its profit not only on the land sale, but also on managing the building process. Consequently if the company is able, they prefer to buy land direct and organise building contractors themselves. This is especially the case with lower value added industries where high quality buildings are of secondary importance. However without strong planning control this scenario can lead to business areas of lower aesthetic value and layout.
- 3.69 Developers acquiring sites consider the nature of the market, as outlined above, as well as the potential for speculative development, i.e. riskier, supply-led, rather than demand-driven construction.
- 3.70 They also prefer to acquire prominent, easy to develop, greenfield sites close to arterial roads or motorways because irrespective of sustainable development policies and the need to support Key Service Centres. They naturally want land that is attractive to end-users.
- 3.71 Furthermore property development is intensely entrepreneurial and extremely price sensitive. So although land may be available on the open market, if it is at too high a price, then the developer will not acquire it.
- 3.72 Lastly, it is important to note that the Ribble Valley caters for two markets. On the one hand, it accommodates large employment sites that serve the sub-region such as Salthill Industrial Estate and Time Technology Park. It also has some important specialist sites/Regional Investment Sites such as BAe Systems and the emerging Aerospace Enterprise Park proposal. However, equally of importance in the Ribble Valley is the growth and development of schemes that cater for local traders and rural businesses. Although smaller, these schemes are significant in supporting and

creating sustainable rural economies. They do not need site allocations in the conventional planning sense as do large employment sites but do need strategic support and recognition, particularly so as they will increasingly lend themselves to accommodate knowledge-based creative industries.

## **Emerging Trends**

### ***Industrial***

- 3.73 Occupiers are generally looking for smaller premises as average company size continues to decrease. In line with a relatively healthy economy (although it is recognised that this may change pending a recession), rising aspirations and a concentration on higher value added activities, companies are looking for higher quality accommodation. This means specifically dedicated, self-contained, secure yard areas, and for units over 1858 sqm the trend seems to be at least one dock level loading bay and a 40 metre turning circle to allow heavy goods vehicles access into and out of the unit. Eaves heights are also continuing to rise from an average of six metres to more towards ten metres to allow storage racking and more efficient use of space.
- 3.74 Two key points to be made are firstly, that the recent onset of the 'credit crunch' is impacting on the pace of property development, particularly speculative schemes. This will affect Ribble Valley's commercial property market (e.g. Barrow Brook Business Park) where much of the pipeline development is of a speculative nature. Secondly, there are still businesses in the market place that require grow-on space. However, it is likely that their emphasis will be on lower cost and lesser quality premises for financial reasons, rather than high quality development which the public sector may wish to encourage. Consequently, future land employment land allocations need to cater for both high and low quality space.
- 3.75 Large requirements, above 9290 sqm, are rare, and where they do exist are generally for distribution warehousing. Most of these are contract-led with a flurry of activity as a number of specialist distribution companies look for units, before one of them wins the deal. However these companies generally cannot wait for a bespoke warehouse to be built for them and so, due to the rarity of such large, available buildings their search areas are increasingly wide.
- 3.76 Freehold demand remains strong as a result of the historically low interest rates, poor stockmarket pension performances and increased private sector interest in property

investment. This has resulted in an overheated investment market, rising values, lowering yields and lead to response from property developers that are now more willing to offer speculative, freehold buildings. However, there is evidence that this is now changing as developers become more conservative in their investment programmes, reflecting the global squeeze on credit.

- 3.77 Outsourcing of many aspects of the production and distribution process has led to a declining need for traditional, large scale, all-encompassing manufacturing facilities. Yet the need for smaller, sub-assembly light manufacturing space continues from those businesses (the majority) too small to relocate internationally. Shorter leases (five years) and break clauses (three years) are now becoming much more the norm.

### **Offices**

- 3.78 The trend is for smaller office suites as average business sizes fall. There are two strands to this. Micro-businesses (those with less than ten employees) are wanting serviced offices or similar types of easy-in, easy-out schemes that lower their risk exposure. Whilst small businesses (with 10-49 employees) are looking for offices in the region of 186-279 sqm, often they are satellite facilities for larger companies.
- 3.79 Improving technology means specifications are changing, for example wireless networks will soon make raised floors superfluous and make the conversion of older buildings easier.
- 3.80 In line with a relatively healthy economy, rising aspirations and a concentration on higher value added activities, companies are looking for higher quality accommodation. For example air conditioning is becoming almost a standard requirement in new schemes, which pushes up rentals by £53-108/sqm on average. Public sector requirements attached to funding support and rising concern regarding climatic change, is also bringing forward more high environmental specification builds which can raise build costs up to £530-630/sqm. Furthermore occupiers (looking for more than 186 sqm) tend to want self-contained premises, i.e. their own front door, toilets, reception, utilities, etc. A quality environment is also keenly sought, as such the Ribble Valley's natural environment is well placed to cater for this.
- 3.81 Car parking remains a big problem for occupiers everywhere as the public sector seeks to limit spaces in response to the sustainability agenda. The lack of public sector control means they cannot rely on public transport especially in rural areas and

there is a strong demand for car parking space. Developers are starting to charge per car park space in major cities, and this is now hitting the North West, South Manchester and Warrington.

- 3.82 As with industrial property, freehold demand remains strong as a result of the historically low interest rates (although this may change in the plan period); poor stockmarket pension performances and increased private sector interest in property investment. This has resulted in an overheated investment market, rising values, lowering yields and lead to response from property developers that are now more willing to offer speculative, freehold buildings. Aside from this, on the leasehold side, there is increasing demand for relatively short leases (one to three years), which helps account for the increasing popularity of serviced offices.
- 3.83 In the currently tight job market and with increasing employee legislation, organisations are taking more care of their staff in ensuring accommodation is close to amenities, especially retail and leisure facilities. The Commission for Architecture and Built Environment research on the value of developing, owning and operating a typical office over the 25 years of a traditional occupational lease shows that, excluding land, 6.5 percent of the total goes on construction cost; 8.5 percent goes on furnishing, maintaining and operating the facility and 85 percent goes on the salary costs of the occupiers. Therefore factors that influence the effectiveness of staff, such as an improved working environment and accessibility, are the factors that will have the greater financial/productivity gains.
- 3.84 Higher quality occupiers, especially those linked to the Regional Economic Strategy's growth sectors will be concerned about access to an appropriate pool of skilled labour, which will drive demand towards research facilities and higher education institutes. Property will need to be increasingly flexible to accommodate research-based manufacturing space as more complex processes develop, but still within an office environment.
- 3.85 Traditionally, there has been a move to out-of-town, high quality, greenfield developments which have provided better access to motorway networks, plentiful car parking and cheaper rents (compared to town centre locations). Such locations are more popular with large businesses requiring international access and seeking like-minded companies.

- 3.86 There is evidence that this trend is now beginning to reverse as demand and rents rise in out-of-town business parks and rising fuel and commuting costs increasingly make it difficult to secure labour. Office based employers are now re-considering town centre locations, particularly those who those in the professions, creative industries, where face-to-face contact is important or where public transport is important to attract staff. This is in line with, but independent of public sector sustainable development policy which is pushing office occupiers back towards town centres (see Policy Statement 6 and Policy 17 in the Joint Lancashire Structure Plan).
- 3.87 However, town centre office supply is dominated by older, poorer quality premises of limited size. More often than not they do not have disabled access or on-site car parking. As such, there is demand for town centre locations but not for town centre premises. New office development is costly, as it incurs demolition and remediation costs, as such it is often only viable as part of mixed-use schemes in large cities with high rents.
- 3.88 A study by BE Group on behalf of Lancashire County Council found that policy mechanisms have been ineffective in driving new office development back to town centre locations. In 2006/7, none of the office developments completed (above 500 sqm in size) in Lancashire, took place in town centre locations. There is also a lack of innovative public-private sector partnerships assembling and bringing forward town centre sites for development.
- 3.89 The study found that Ribble Valley was the 7<sup>th</sup> worst performing borough (of 14) in terms of the proportion of total office supply located in town centres. In the Ribble Valley, only 20 percent is found in town centres. The best performing boroughs have large town/city centres (i.e. Preston, Burnley, Blackburn with Darwen) with substantial financial and professional sector representation, which attract enough demand to support an office market. Town centre office space, particularly in market towns is dominated by A2 rather than B1 premises, which serve a retail as well as office purpose.

### **The Future**

- 3.90 In conjunction with this economic forecast it is worth reiterating some of the findings of the Government's Foresight programme – a think tank predicting future trends and influences on the UK's socio-economic environment.

- 3.91 It expects that structural forces at work in the economy will create an explosion of SMEs (small and medium enterprises) in the near future. The UK has around 4.3 million such businesses. This rapid growth and change will be driven by:
- Revolutionary advances in computing and communication technologies, especially the internet
  - Advances in other technologies such as material sciences and biotechnology
  - Growth in knowledge-intensive work supplanting labour-intensive industries
  - The rise of intellectual capital as the key value creation.
- 3.92 This will lead to new opportunities for SMEs. Many more will be in technology intensive sectors. Other opportunities will arise from large corporations outsourcing, unbundling or investing in start-ups. There will be parallel opportunities in the public sector – in health, caring services for the elderly and the disabled.
- 3.93 The majority of today's SMEs will not exist in 2015 and the majority of SMEs that will exist in 2015 do not exist today. This will obviously lead to very dynamic business profiles in all areas, increasing the emphasis on planning policy to be equally dynamic and flexible.
- 3.94 This will also see new ownership patterns (with more companies owned by women, minorities, and people in their 20s and 60s); intangible assets as the main drivers of value; SMEs acting in collaborative groups, in procurement for example; access to more financing options; and proportionately more companies trading internationally.
- 3.95 Although the industrial base in developed markets will continue to be eroded as jobs transfer to emerging markets, fears of the demise of Western manufacturing are unfounded. Developed manufacturing economies will still hold an advantage in high-value and capital-intensive activities; proximity to customers will also be critical for many.

### **Summary**

- 3.96 Demand for business premises in the Ribble Valley is dominated by industrial enquiries, then land and then offices. There are very few industrial premises being marketed of the right quality and location to meet occupier needs, and so demand is not being satisfied. Although demand for offices is less, this is expected to increase during the LDF period (see Section 7.0). There are office premises being marketed, but again these are largely not in the required locations, nor are they of the right

product quality. Office developments are likely to come forward at Barrow Brook which will satisfy immediate demand, but there is likely to be a need to supply more offices in later years of the LDF period. As with rural workspace, the market is supply-led. When good quality premises are provided, evidence demonstrates that latent demand materialises (e.g. as at The Printworks).

- 3.97 As indicated in Section 7.0, the economic forecasts see growth for the Ribble Valley in sectors that require office floorspace. Hence the importance of bringing forward supply to meet this need.
- 3.98 Overall, there are very few vacant/marketed premises in the Borough, and the commercial property stock is well occupied. Vacant premises are in poor locations, do not meet the quality standards of potential occupiers and very few are freehold.
- 3.99 Although up-to-date information for Time Technology Park would be useful for this analysis, the conclusions would change little. If the landowner's claims are true and less floorspace is vacant, then this would only strengthen the demand picture in the Ribble Valley. Occupancy levels are high in the remainder of the study area for both office and industrial premises. Low occupancy appears to be the case at Time Technology Park due to its location and older buildings, not due to lack of demand, hence the large re-investment programme planned by the landowner. The landowner appears to be positive about the demand picture as he has recently secured planning permission to build a further 1769 sqm of industrial space.
- 3.100 There is a lack of land and freehold premises for sale, in particular grow-on space and good/moderate quality premises. Premises up to 300 sqm are most popular. If supplied, this could boost demand levels. A shortage of land with employment permission is restricting local willing developers from delivering appropriate business premises. Existing sites could potentially be developed in the first half of the LDF period. There is also felt to be latent demand for rural workspace. There is a need for the public sector to intervene where the market is failing to deliver.
- 3.101 Inward investment is minimal. Most enquiries are made by new businesses starting up and existing businesses needing larger premises. Most enquiries represent businesses moving between Lancashire districts (border hopping).
- 3.102 The proportion of office floorspace accommodated in Ribble Valley town centres is

low in comparison to other Lancashire districts.

- 3.103 Adjacent districts are also running out of employment land – particularly along the M65 (except Preston which retains an over-supply). If new sites do not come forward in neighbouring districts, the Ribble Valley has a role to support economic growth in the City Region.
- 3.104 There is some concern that an increasing number of Clitheroe town centre retailers are moving to edge-of-town and out-of-town locations to continue their trade, because rents are cheaper and access better. This could be weakening town centre retail.
- 3.105 Findings here impact upon public policy and intervention decisions. These are explored in more detail in Section 10.0.

## 4.0 PROPERTY MARKET – ANALYSIS

### Introduction

- 4.1 This section analyses more closely supply and demand in the Ribble Valley property market. It is important to consider this as a prelude to understanding the need for land, as the demand for land is essentially derived from the demand for property.
- 4.2 The analysis is broken down into two sections, industrial and offices. Industrial space, in this instance, refers to accommodation for manufacturing, storage, distribution and warehousing purposes, together with smaller workshop premises. These findings are from consultations with private sector stakeholders.

### Industrial

- 4.3 The views of property agents and local developers have been summarised in a series of tables. Clearly the area is not a priority for regional, national agents and occupiers. Table 19 provides a breakdown of the industrial comments.

**Table 19 – Property Market Stakeholder Comments – Industrial**

Contact	Comment
National Agent	Manchester based agent. Not currently marketing any property in the Ribble Valley. It is rare that they do. Do not cover anywhere further north of the M65. Involved in schemes at Bamber Bridge and Chorley. Very little comment to made regarding the Ribble Valley market, as it is very localised and self-contained. Do get enquiries from Ribble Valley tradesmen/start-up businesses who need to expand and are looking to relocate to the M65 corridor
Regional Agent	The commercial property market in Ribble Valley is negligible and is second priority to schemes along the M65 corridor. It is dominated by industrial enquiries, from small local companies. Link 59 is performing well, especially so considering it was largely speculative. More could be developed in the Ribble Valley, but due to national economic changes, the market is likely to slow down for a while
Regional Agent	There is no new land coming onto the market in the area which is helping to maintain prices. Due to business rate changes, developers are holding back on speculative schemes and are more likely to phase them. Enquiry levels however, remain consistent. Developers remain cautious and are waiting to see what the national picture does
Regional Agent	There is a shortage of small freehold sites. Many local businesses want to build their own units. Rents at Time Technology Park are cheaper than adjacent Shuttleworth Mead and Altham Business Park, because of its older accommodation (£2.50/sqft compared to £4.50-4.75/sqft). There is a shortage of large industrial accommodation in the wider area. Time Technology is not marketed as Ribble Valley but as Burnley market. There is consistent demand for industrial premises in the area
Local Developer	There is plenty of land available for employment use in the Ribble Valley, but most landowners have aspirations for residential and are not therefore, freeing the land up for employment uses. No plans to do more schemes for time being
Local Developer	Enquiries remain healthy despite downturn in national economy. Ribble Valley is a local market. Enquiries come from local tradesmen so it is less likely to be affected by national changes. Has plans to build more but putting off for the time

Contact	Comment
	being. Believes there is market for good rural scheme, next to A59 with good security for local business start-ups
Sub-regional Developer	Healthy market for industrial in Ribble Valley, although it is now beginning to slow down. Interested in any sites coming forward for development, but feels that there is a lack of suitable sites. Market is largely for local, expanding businesses rather than inward investment. It is largely a self-contained, localised market

Source: BE Group 2008

4.4 In Table 20 the performance of a selection of self-contained industrial schemes in the study area is illustrated. All the industrial schemes have high occupancy levels, most with very few or no empty units, with the exception of Time Technology Park.

**Table 20 – Selected Industrial Schemes Performance**

Property Scheme	Total Floorspace, sqm and Number of Units	Unit Size Range, sqm	Occupancy Rate, percent	Comments
Whalley Industrial Park, Barrow	3251 20	50 - 300	95	Planning consent to build 345 sqm but no plans to start. Mainly start-up businesses, flexible terms. Adjacent land put forward for housing, but may be interested in industrial. £4.50/sqft
Time Technology Park, Simonstone	37,400 Not known	200 - 500	38 (likely to be better occupied)	Also has some offices Owned by GET Aspirations to extend to rear Has planning consent for a further 1769 sqm
Link 59 Business Park, Clitheroe	16,250 52	250 - 2000	87	Scheme performing well despite slow down in market, £4.75/sqft All allocated land now built out. Owned by JGB Investments. Remaining vacant units are speculative
The Sidings, Whalley	1700 19	50 - 100	100	Has been fully occupied since 1993. Has noticed a drop in industrial enquiries Largely offices on site
Bee Mill, Ribchester	5500 25	60 - 1400	100	£3.00/sqft Mix of start-up and relocating businesses A number of creative industries there Good performance

Property Scheme	Total Floorspace, sqm and Number of Units	Unit Size Range, sqm	Occupancy Rate, percent	Comments
				Healthy level of enquiries
Albion Court, Clitheroe	5195 5 units	965 - 1150	100	Owned by RVBC Motor trade occupiers
Mill Lane Industrial Estate, Gisburn	800 4 units	200	100	Private ownership Four occupiers

Source: BE Group 2008

### Offices

4.5 The lack of comments on the office market (Table 21) in the Ribble Valley highlight that it is not a priority for regional and national agents and developers. Small rural office schemes do however, seem to be performing well.

**Table 21 – Property Market Stakeholder Comments – Offices**

Contact	Comment
National Agent	Manchester based agent. Not marketing any properties in the Ribble Valley – along the M65 corridor only around Blackburn and Preston. The office market is negligible but believes that there may be latent demand for high quality, small office schemes. No other comment
National Agent	Very little involvement in Ribble Valley, as the office market is negligible. Is marketing some land at Simonstone which is under offer and has had good interest. Levels of enquiries are dropping off in general due to national economic changes, not local. This is making developers hold back on schemes. No other comment
Regional Agent	There is a lack of employment land in the Ribble Valley – all sites are built out or planned for development. Finding suitable sites with infrastructure is difficult, particularly in such a rural borough. Most sites along the M65 corridor are now developed. Enquiries remain fairly consistent – mainly for small freehold offices. The market caters for largely local/sub-regional firms. No emerging sectors or trends.
Regional Agent	Office market in Ribble Valley is reasonable at the moment but could be doing better. It is hoped that investment planned at Time Technology Park will improve this (although this is considered as part of the East Lancashire market). Ribble Valley is more suited to industrial and small, local companies. Unemployment in Ribble Valley is low so not sure of the need for more employment land.
Regional Developer	No longer considering speculative development in the Ribble Valley – just not viable. The market is focused on the M65 corridor, with some scope for live/work space on A59 corridor

Source: BE Group 2008

4.6 Table 22 illustrates the performance of selected office schemes in the study area.

**Table 22 – Selected Office Schemes Performance**

Property Scheme	Total Floorspace, sqm and Number of Units	Unit Size Range, sqm	Occupancy Rate, percent	Comments
The Printworks, Barrow Brook Business Park	2000 10	50 - 200	93	£12.50/sqft
Time Technology Park, Simonstone	6503 Flexible	20 - 2000	56	£5-6.00/sqft Developed two years Re-investment plan scheduled Wants to build more
The Sidings, Whalley	3300 8	250 - 650	100	Has been fully occupied since 1993. Mainly public sector/services occupiers. Also industrial on-site
Bee Mill, Ribchester	500 7	20 - 50	100	£8.00/sqft Good performance Healthy level of enquires Owned by Bannister Bros.
Gisburn Business Park	690 6	65 - 200	81	£8.50/sqft Good performance Owned by local farmer
Asturian House, Ribchester	330 4	40 - 100	100	Old hospital site Running for 3 years Fully occupied to date Owned by Brindle Developments
Poors'land Barn, Slaidburn	360 9	20 - 50	100	£5.00/sqft Fully occupied within six months
Fern Court, Clitheroe	242 9	14 - 67	100	£18.00/sqft (incl. utilities) Small offices, not serviced

Source: BE Group 2008

### Rental Values

- 4.7 Compared to neighbouring Preston, Blackburn and Burnley, commercial property rents in the Ribble Valley are low for both industrial and office premises (Table 23).

**Table 23 – Commercial Property Rents**

Location	Offices (£/sqft)	Industrial (£/sqft)
Ribble Valley	6 - 8	4 - 5
Burnley	7 - 8	4 - 5
Blackburn	8 - 10	7 - 8

Location	Offices (£/sqft)	Industrial (£/sqft)
Preston	12 - 14	5 - 7

Source: Focus Deals and Marketed Properties (BE Group 2008)

- 4.8 Office rents are based largely on town centre values (for consistency purposes) and serviced office rents have been excluded (as they are usually much higher). It is difficult to get an absolute picture of rents as this varies from deal to deal. Values also vary considerably depending on size, quality and location.
- 4.9 The Ribble Valley performs as expected considering that it is a less well sought after location compared to the other three. What is interesting is that on closer inspection rural workspace (particularly offices) appear to achieve slightly higher rents than expected, probably down to a premium paid for high environmental quality. Industrial rents in Blackburn are higher than Preston. Preston by far achieves the highest office rents.

### Summary

- 4.10 The commercial property market in Ribble Valley is very localised, largely catering for local tradesmen and business start-ups. The office market is important locally (with a number of successful rural schemes) but attracts little if any regional or national attention. The industrial market is much stronger, despite declining nationally and is sustaining good levels of enquiries. Potential developers are however, holding back particularly from speculative schemes due to the downturn in the national economy and some concerns about the impact of the new empty premises business rates payments legislation. Many landowners have aspirations for residential development, because of the higher property values.
- 4.11 There are mixed feelings as to whether there is a shortage of land coming forward for employment. Some feel that there is, as existing schemes are well occupied. Others think that there is sufficient land available, but that the landowners are reluctant to bring forward their sites for employment uses.
- 4.12 Demand is largely local and there is minimal evidence of inward investment.
- 4.13 Businesses increasingly want good quality, well-located premises close to the M65 and A59 corridors on flexible, short term leases (although a good proportion are interested in freehold). Consultations with property agents and local developers,

suggests that Ribble Valley caters for largely start-up businesses, who once they are established, seek larger premises outside of the Ribble Valley (300-1000 sqm).

- 4.14 Industrial demand tends to be for 100 to 500 sqm units. There appears to be a shortage of small workshops, units up to 200 sqm, as existing schemes generally display full occupancy. There could be latent demand for office space, particularly so for start-up business premises. Where demand exists it is for small premises of 100 to 200 sqm. There is a lack of freehold units. Several schemes have tried serviced accommodation for small businesses but demand has been low.
- 4.15 Rents in the Ribble Valley do not appear to be out of the ordinary. They are lower than adjacent areas, as to be expected, but rural office schemes appear to be achieving good rents of £8-9/sqft.

## 5.0 COMPANY SURVEY

### Introduction

- 5.1 A business survey has been carried out to establish some empirical evidence of demand, and substantiate findings in other sections of this study. It is another strand of evidence that will be used to inform the study's conclusions and recommendations.

### Methodology

- 5.2 A questionnaire with explanatory covering letter and pre-paid reply envelope was sent out to 190 companies sourced from the Focus business database (included in Appendix 4). The companies targeted were evenly distributed across the study area and represent the business profile by activity and size. There are 2720 businesses in the study area operating from B1, B2 or B8 premises or sites, so this is a seven percent sample.

### Response

- 5.3 The unprompted postal response achieved was 33 percent – one of the highest levels BE Group has experienced. Building on this, follow-up telephone calls were made to elicit better co-operation from businesses.
- 5.4 These actions enhanced the numbers of responses, as well as establishing those companies who have either ceased trading or are no longer in the study area.
- 5.5 Overall 101 questionnaires have been completed, 53 percent of the total originally targeted, see Table 24.

**Table 24 – Company Survey Responses**

Total Questionnaires Issued	Number of Companies	Percent
Responses Received	101	53.2
Too Busy / Unwilling	4	2.1
Companies Ceased / Moved	24	12.6
Still Awaiting (after reminder)	61	32.1
<b>Total</b>	<b>190</b>	<b>100</b>

Source: BE Group 2008

- 5.6 Table 25 shows that the geographic distribution of the companies responding to the survey is relatively representative of the original sample used.

**Table 25 – Company Location**

Postcode Area	Proportion of Sample Businesses, percent	Proportion of Companies Responding, percent
BB7 1	27.8	24.7
BB7 2	7.9	14.2
BB7 3	6.9	6.8
BB7 4	7.9	11.8
BB7 9	29.7	23.5
PR3 2	3.0	2.2
PR3 3	16.8	16.8
<b>Total</b>	<b>100</b>	<b>100</b>

Source: BE Group 2008

### Company Size

- 5.7 The 101 companies taking part in this survey employ 799 people. Of these, 13.1 percent (105) are part-time employees.
- 5.8 The responses very much fit the national profile of small company employment. The majority (78 percent) employ 10 or less. Only one company employs more than 50 people. The company size breakdown can be seen in Table 26.

**Table 26 – Company Profile**

Company Size, Number of Employees	Number of Companies Responding	Proportion of Companies Responding, percent
0 – 2	44	43.6
3 – 5	21	20.8
6 – 10	14	13.9
11 – 20	11	10.9
21 – 50	10	9.9
50 +	1	0.9
<b>Total</b>	<b>101</b>	<b>100</b>

Source: BE Group 2008

- 5.9 The two largest companies who took part in the survey were Dugdale Nutrition Ltd (46 employees) and AJA Smith Transport Ltd (92 employees) both located at Salthill Industrial Estate in Clitheroe.

### Skills

5.10 Six companies indicated that they suffered from skill shortages. Most are in specialised sectors, looking for people with the following skills:

- Commercial vehicle builders and coach painters
- Commercial plant operators
- Workshop technicians (transport and logistics sector)
- Advertising agents
- Landscaping (domestic gardens)
- Insurance brokers.

### Current Premises

5.11 Companies were asked to state the type of property they occupy e.g. offices, industrial, warehouse, etc. Table 27 shows that just over a third of the companies are based at home rather than occupying commercial premises. 33.7 percent are in industrial/warehouse accommodation, 24.8 percent occupy offices (26.7 percent if serviced offices are included). 3.0 percent operate from a site.

**Table 27 – Responses by Premises Type Occupied**

Type of Accommodation	Number of Companies Responding	Proportion of Companies Responding, percent
Office	25	24.8
Industrial	31	30.7
Home	37	36.6
Warehouse	3	3.0
Site	3	3.0
Serviced Office	2	1.9
<b>Total</b>	<b>101</b>	<b>100</b>

Source: BE Group 2008

5.12 Companies were asked to show whether they own or rent their property. Out of the 61 companies that answered this question, just over a half (52.5 percent) own their property, whereas the remainder are renting (47.5 percent). This excludes the businesses working from home.

5.13 Table 28 indicates the sizes of premises occupied by companies. Emphasis is on premises of 500 sqm or less (74 percent), with the greatest proportion (17 percent) based in premises of less than 100 sqm.

**Table 28 – Size of Premises Occupied**

Size, sqm	Number of Companies Responding	Proportion of Companies Responding, percent
N/a (Work from home)	37	36.6
0 – 100	17	16.8
101 – 200	9	8.9
201 – 500	12	11.8
501 – 1000	7	6.9
1001 – 2000	5	5.0
2001 – 5000	4	4.0
Site size given	4	4.0
Not stated	6	6.0
<b>Total</b>	<b>101</b>	<b>100</b>

Source: BE Group 2008

- 5.14 Respondents were asked to comment on whether they were satisfied with their present accommodation, and if not to explain why. Table 29 shows that 88 percent are content.

**Table 29 – Satisfaction with Current Premises**

Satisfaction with Premises	Number of Companies Responding	Proportion of Companies Responding, percent
Very satisfied	35	34.5
Satisfied	53	52.5
Unsatisfied	11	11.0
Very unsatisfied	1	1.0
No answer	1	1.0
<b>Total</b>	<b>101</b>	<b>100</b>

Source: BE Group 2008

- 5.15 Of the 11 companies that are unsatisfied with their property or site, all but one gave reasons why. Three are in premises that are too small, whilst one states that they require an additional site (but cannot find anything suitable). One business no longer wants to operate from home and one wishes to move to a busier location. The four remaining companies are concerned about the physical condition of their properties, access, and insufficient parking.

### **Future Accommodation Requirements**

- 5.16 Companies were asked whether they are considering moving premises in the next twelve months, or two to three years. 16 companies indicated that they are intending

to relocate; with six of them proposing that this will happen in the next year. All are seeking alternative premises to their existing. Reasons for moving vary from seeking better quality premises in a more convenient location, seeking cheaper premises, no longer wanting to work from home, seeking bigger premises and downsizing. All want to stay in the Ribble Valley.

- 5.17 All but two companies planning to move cited the amount of floorspace likely to be required. In some instances a range of sizes were indicated. By adding these together an overall need is calculated as shown in Table 30.

**Table 30 – Total Land and Property Requirements**

Type	Number	Gross Floorspace Requirements, sqm	
		Minimum	Maximum
Industrial/Warehouse	6	1130	1270
Office	8	60	170
Serviced Office	1	100	200
<b>Total</b>	<b>15</b>	<b>1290</b>	<b>1640</b>
<b>Land, ha</b>	1	-	

Source: BE Group 2008

- 5.18 The breakdown of forecasted future space needs, by location, property type and size, are shown in Tables 31 to 33 which add up to the figures in Table 30. None of the businesses expect to retain their current premises, and so this space will be released back onto the market when they move. It also applies to those companies looking for premises that are currently working from home. Only two businesses are looking for larger premises.

**Table 31 – Property Requirements by Location and Type – Industrial**

Location Type	Current Size, sqm	Required Size, sqm	Tenure and Quality	Area Preferred
Industrial Estate	51-100	51-100	No Preference (for either)	Anywhere in Ribble Valley
Rural	21-50	21-50	Freehold/Moderate	Clitheroe
Industrial Estate	101-200	51-100	No Preference/Budget	Anywhere in Ribble Valley
Industrial Estate	1000	1000	No Preference/ Moderate	Anywhere in Ribble Valley
Industrial Estate/Rural/Business Park	11-20	11-20	Freehold/Budget	Longridge
Industrial Estate/Rural	Work from home	Not stated	Freehold/No Preference	Longridge
<b>Total</b>	<b>1184-1370</b>	<b>1134-1270</b>		

Source: BE Group 2008

**Table 32 – Property Requirements by Location and Type – Offices**

Location Type	Current Size, sqm	Required Size, sqm	Tenure and Quality	Area Preferred
Rural	0-10	0-10	No Preference/ Moderate	Anywhere in Ribble Valley
Town Centre	0-10	11-20	Freehold/ No Preference	Anywhere in Ribble Valley/ Clitheroe
Industrial Estate	Not stated	Not stated	No Preference/ Moderate	Clitheroe
Industrial Estate	0-10	0-10	Leasehold/ Moderate	Whalley
Rural	0-10	0-10	No Preference and New	Clitheroe /Whalley
Rural	21-50	51-100	Leasehold/ Moderate	Longridge
No Preference	Work from home	0-10	Freehold/ Moderate	Longridge
Rural	0-10	0-10	No Preference/ Moderate	Clitheroe
Business Park	101- 200	101-200	No Preference and Moderate/New*	Clitheroe/Whalley
<b>Total</b>	<b>122-300</b>	<b>163-370</b>		

\*Serviced office requirement

Source: BE Group 2008

**Table 33 – Requirements by Location and Type – Sites**

Location Type	Current Site Size, ha	Required Site Size, ha	Tenure	Area Preferred
Town Centre/ Industrial Estate	Work from home	Not stated	No Preference/ Budget	Clitheroe
<b>Total</b>	-	-		

Source: BE Group 2008

- 5.19 There are six industrial and nine office premises requirements (including one serviced office requirement). One company (which operates from home) also stated that they will require a site in Clitheroe to build new premises in the next year (although they are unsure what size site is needed). In relation to industrial requirements, there is a preference for moderate or budget quality premises, in rural locations, or on industrial estates. Over half of the respondents stated no preference for tenure, with the rest requiring freehold space. Most demand is for space up to 1000 sqm, spread between the smaller size bands.
- 5.20 The companies requiring new offices are generally looking for moderate quality premises in rural locations or on industrial estates. Only one company is specifically looking for a town centre office. Preference is similar between leasehold and freehold property (again with the majority indicating no preference). Demand is for suites of up to 100 sqm.
- 5.21 For the 16 companies expecting to move in the next three years, the most important factor(s) when looking for alternative accommodation are shown in Table 34. Several companies gave more than one reason.

**Table 34 – Most Important Factor(s) When Seeking Alternative Accommodation**

Aspect	Number of Companies Commenting	Proportion of Companies Responding, percent
Cost	5	31.2
Accessibility	4	25.0
Parking	4	25.0
Location	2	12.5
Prominence	1	6.25
Security	1	6.25
Utilities	1	6.25

Source: BE Group 2008

- 5.22 The most important factor for companies is cost. Access and parking (for both staff and visitors) are also important, followed by location.

### **Business Support**

- 5.23 18 companies have accessed business support in the last three years. Table 35 shows that Business Link is the most commonly used agency. Several companies have used more than one agency.

**Table 35 – Business Support**

<b>Agency Used</b>	<b>Number of Companies</b>	<b>Proportion of Companies Surveyed, percent</b>
Business Link	11	10.8
Ribble Valley Enterprise Agency	6	5.9
Chamber of Commerce	6	5.9
Lancashire Rural Futures	3	2.9
Other (Lancaster University)	1	0.9

Source: BE Group 2008

### **Perceptions/Comments**

- 5.24 Almost half of respondents (45 percent) made additional comments relating to the wider business environment, with some making several comments. As can be seen in Table 36, which outlines all comments made, a lack of (and lack of awareness of) business support was the most common issue. Companies that made this comment indicated that they have not used any of the agencies mentioned above. A lack of parking, limited refuse collection in Longridge, and planning issues were also mentioned quite frequently.

**Table 36 – Company Comments**

<b>Aspect</b>	<b>Number of Companies Commenting</b>
Lack of (and awareness of) business support	9
Lack of parking	4
Limited refuse collection in Longridge	4
Planning issues	4
Access/traffic congestion	3
Public transport is not good enough	3
The isolated location of rural centres	2
Lack of property options	2

Aspect	Number of Companies Commenting
Lack of affordable premises	2
Recruitment issues	2
Good and speedy planning system	2
Business rates are too high	1
Poor roads around Shay Lane Industrial Estate	1
Business support is good	1
Low crime area	1
Transport and access are good	1
Business rates are reasonable	1

Source: BE Group 2008

- 5.25 Although not highlighted in the company survey, during conversations with businesses attending the Ribble Valley Business Breakfast Group, it is apparent that there are severe limitations with broadband access in the rural areas of the Borough. Whilst major improvements to high speed internet access in the North West rural areas are viewed to have supported diversification, and increased ability for businesses to compete in wider markets; it would appear that there are considerable restraints remaining. Although BT exchanges are enabled for high speed broadband, accessing the service is believed to be restricted to properties within a radius of 1.5km of an exchange. In the rural Ribble Valley, this places most businesses outside this radius and therefore still unable to access broadband without considerable contributions to the cost of cabling. In view of the Borough's rural nature and level of homeworking, this represents a major challenge.

### Summary

- 5.26 Most requirements are for industrial units up to 1000 sqm and small office suites up to 100 sqm. There is no particular preference for tenure. Generally, moderate quality premises in rural and industrial estate locations are desired.
- 5.27 The supply of available premises (assessed in Section 6.0) is shown against business requirements identified in the company survey (Table 37). Although, the comparison is useful, the business requirements are low and are only represent a small part of the full picture. However, the comparison suggests that there is a plentiful supply of small office space and industrial premises, compared to the number of requirements. This suggests that quality and location of premises is lacking, rather than the number of properties on the market.

- 5.28 However, it is important to note that much of the vacant property is at Time Technology Park, Simonstone (owned by GET Developments). As such, there is a lack of choice available in the Ribble Valley to businesses seeking new premises.
- 5.29 GET Developments indicate that only 15 percent of floorspace is vacant, not 58 percent as suggested by marketing particulars (see Section 3.0). Unfortunately, a detailed schedule of available premises at Time Technology Park has not been provided to substantiate their statement.

**Table 37 – Ribble Valley Premises Supply and Demand Analysis**

Property Size Requirement	Industrial		Office	
	Available Units	Number of Requirements	Available Units	Number of Requirements
Sqm				
0-100	1	0	18	5
101-200	6	1	4	1
201-500	11	1	0	0
501-1000	5	2	1	1
1001-2000	2	0	1	1
2001-5000	5	0	0	0
5001 +	1	1	0	0
Freehold	6	3	1	2
Good Quality / New	9	0	1	2

Source: BE Group 2008

- 5.30 The survey confirms the extent of homeworking in the study area; the need for business park/industrial estate property solutions (particularly in rural locations); the continuing need for office units and the importance of business support, services, parking and a more coherent planning system.
- 5.31 16 businesses (8.4 percent) are seeking new premises and/or land but all wish to stay within the Ribble Valley. If they cannot be accommodated, their relocation from the Borough would lose in the region of 103 jobs from the local economy. Of the parent population, this would be equal to approximately 1223 jobs.
- 5.32 It should be remembered that the company survey is just one strand of evidence. It illustrates pent-up demand. It is not the sole answer; obviously not all the company requirements will come to fruition as shown by the survey returns. Equally there will be other companies who were surveyed that stated that they not intend to relocate at

the moment, but which may well do so over the next five years.

- 5.33 The current limitations on broadband availability within the rural parts of the Ribble Valley represent a major constraint to homeworking and rural business development.

## 6.0 EMPLOYMENT LAND

### Introduction

- 6.1 This section looks at the existing portfolio of employment land available for development in the study area, not only how much there is, but also its quality, type, suitability and availability. Ribble Valley needs a balanced portfolio of land to accommodate a sustainable, growing economy that can respond to dynamic market conditions, changing business needs and working practices, including higher technology operations.
- 6.2 By initially establishing how much land there is, we must then, secondly, consider how much land is needed in the future (to 2018).
- 6.3 The Joint Lancashire Structure Plan, shortly to be replaced by the Regional Spatial Strategy (currently in draft) states that the Ribble Valley requires 25 ha of allocated employment land over the period 2001-16. The RSS does not quote any figures other than a requirement for a further 280 ha in Lancashire, between 2005-21, which is not split down to individual local authority level.

### Land Supply

- 6.4 The starting point for the supply side assessment is an analysis of the three sites allocated for employment uses in the 1998 Local Plan. Of the original 9.17 ha, 2.70 ha is remaining. The sites, their current status and ownerships are updated in Table 38.

**Table 38 – Allocated Employment Sites Schedule**

Name	Owner	Location	Size, ha	Comment / Update	Estimated Availability
Salthill Industrial Estate (EMP 1)	Unknown/ Twin Brooks Farm	Clitheroe	0.92	Most of site has been developed and occupied by Ultraframe	1-3
Link 59 (EMP 2)	JGB Investments	Clitheroe	-	All developed for B2/B8	-
Chapel Hill (EMP 4)	United Utilities	Longridge	1.78	Undeveloped. Aspirations for housing or retail. Employment not deemed viable. Ground contamination Seek re-allocation	5+
		<b>Total</b>	<b>2.70</b>		

Source: RVBC Local Plan 1998 & BE Group 2008

6.5 Five other areas with outline planning consent for employment use were listed in the 1998 Local Plan, but were not included in the allocated sites. These can be divided into nine sites and are listed in Table 39. Three of these: Whalley Sidings, Brockhall Village and Calderstones Hospital are no longer relevant. This leaves six sites with potential to accommodate employment uses, which together supply 11.63 ha.

**Table 39 – Potential Employment Sites in Local Plan (Sites Coming Forward)**

Name	Owner	Location	Size, ha	Comment / Update	Estimated Availability
Barrow Brook Business Park	New Close Properties	Barrow	3.31	Outline consent granted. Awaiting detailed planning decision. Includes land planned for housing and vocational learning centre for Ribble Valley (ASPIRE Centre)	1-3
Barrow Brook Business Park	Hindle & Scholfield	Barrow	1.01	Outline and detailed consent granted	0-1
Barrow Brook Business Park	NJW/Papillon (1)	Barrow	4.32	Outline consent granted. Awaiting detailed planning decision	1-3
Barrow Brook Business Park	NJW/Papillon (2)	Barrow	1.03	Outline consent for employment, but plans for hotel and leisure use	5+
Barrow Brook Business Park	Total Foods	Barrow	0.86	Planning permission granted	0-1
Time Technology Park	DTZ are agents on behalf of Grant Thornton administrators	Simonstone	1.10	Under offer Currently used as a car park No planning consent	3-5
The Sidings	Andrew Ronnan	Whalley	-	Now all developed for B1/B2	-
Brockhall Village, west of Cherry Drive	Gerald Hitman	Brockhall	-	Consent granted in 2006 for 26 live/work space units Not yet implemented No longer employment land	-
Calderstones Village	Harvey Developments	Calderstones	-	Consent for offices now expired	-

Name	Owner	Location	Size, ha	Comment / Update	Estimated Availability
Hospital				Aspiration for housing	
		<b>Total</b>	<b>11.63</b>		

Source: RVBC Local Plan 1998 and BE Group 2008

- 6.6 In total, this means that there is currently 14.33 ha of undeveloped land in the Ribble Valley with either consent or allocation for employment use.
- 6.7 Including windfall sites (which have been granted planning permission since the 1998 Local Plan, but are yet to be built) increases the total supply of employment land to **15.33 ha** across 11 sites (plans are provided at Appendix 5). Windfall sites are listed in Table 40.

**Table 40 – Windfall Employment Sites**

Name	Owner	Location	Size, ha	Comment / Update	Estimated Availability
Whalley Industrial Park	John Ashcroft	Barrow	0.29	Consent to build 2 x units (total 4125 sqm). Not built	0-1
Coalyards site, Time Technology Park	GET Developments	Simonstone	0.58	Consent to build 1769 sqm industrial	1-3
Salesbury Hall Farm	Colin Mustoe	Salesbury	0.13	Consent for B1 1296 sqm	1-3
		<b>Total</b>	<b>1.00</b>		

Source: BE Group 2008

- 6.8 The original draft of the RSS did not include Regional Investment Sites in the overall land supply. However, the EiP panel recommended that such sites be included. The position remains unclear, especially as the precedent may have been set by the Inspector's report, which found Lancaster City's LDF Core Strategy to be sound. In so doing, it accepted the Council's argument that Regional Investment Sites should be excluded from calculations of employment land provision at local authority level. Consequently, there is justification to argue that the proposed BAe Aerospace Enterprise Park (4.6 ha) site at Samlesbury should not be included in the land supply because of its specialist nature, national strategic significance and the fact that it does not cater for local employment land supply issues. As such, BE Group, in agreement with RVBC has not included the site in this analysis.

### Change of Use

- 6.9 No allocated employment sites appear to have been re-allocated to other uses. However, owner aspirations for Chapel Hill at Longridge (EMP 4) are for housing.
- 6.10 Of sites with consent for employment use in the 1998 Local Plan (but not allocated), Brockhall Village (3.3 ha) now has consent for live/work space and housing. Live/work space is considered to be sui generis and is therefore excluded from employment land figures. Calderstones Hospital's (Area Policy A3) consent for employment (1.75 ha) is considered by RVBC to have now expired. As such, it is excluded from the employment land supply. The owner also has aspirations for housing. The remainder of the hospital site has been developed for housing by Taylor Wimpey.
- 6.11 Regarding existing employment areas (already developed), there is the potential that the former Contrast Upholstery site (0.92 ha) and Victoria Mill owned and occupied by Marbill Developments (1.23 ha retaining 1858 sqm for employment) could be lost to housing. There are also current proposals for a large mixed-use scheme (mostly housing) at the Primrose site in Clitheroe, which could potentially lose 6.47 ha of existing employment land.
- 6.12 An outstanding consent for offices at the Spinney, Grindleton has now expired and the owners have no aspirations to develop it for employment uses.
- 6.13 In summary, the Ribble Valley currently has 11 sites with allocations or outstanding consents for employment. These are analysed in the following section and shown on site plans in Appendix 5.

### Distribution

- 6.14 As Table 41 shows, most of the land is located at six sites in Barrow. However, the land at Whalley Industrial Park and Salesbury is very small. Of the remaining four sites, two are at Simonstone, one at Longridge and the other at Clitheroe.

**Table 41 – Distribution of Employment Land**

Location	Number of Sites	Total Employment Land, ha
Barrow	6	10.82
Longridge	1	1.78
Simonstone	2	1.68

Location	Number of Sites	Total Employment Land, ha
Clitheroe	1	0.92
Salesbury	1	0.13
<b>Total</b>	<b>11</b>	<b>15.33</b>

Source: BE Group 2008

### Availability

- 6.15 In principle most of the land (74 percent) could be developed within the next three years (see Table 42). This is because it is tied to developers who either have detailed planning consent or are awaiting a decision. This exceeds the recommended 30 percent level in the RSS and will mostly cater for the office sector only.

**Table 42 – Availability of Employment Land**

Location	0-1	1-3	3-5	5+	Total Employment Land, ha
Barrow	2.16	7.63	-	1.03	10.82
Longridge	-	-	-	1.78	1.78
Simonstone	-	0.58	1.10	-	1.68
Clitheroe	-	0.92	-	-	0.92
Salesbury	0.13	-	-	-	0.13
<b>Total</b>	<b>2.29</b>	<b>9.13</b>	<b>1.10</b>	<b>2.81</b>	<b>15.33</b>

Source: BE Group 2008

- 6.16 However, consultations with the land owners/developers identified that some are unlikely to develop land immediately. They are holding back because either firstly, banks are less willing to loan funds in light of the current national economic concerns; or secondly, they feel that it is not a good time to build speculatively because of a slowing economy and changes to business rate regulations. Only two of the proposed schemes claim to have occupiers lined up – Total Foods and NJW Developments.
- 6.17 Also, three of the sites are effectively unavailable for employment use. The landowners of two sites are seeking higher values for their land and have aspirations for housing. This comprises Chapel Hill at Longridge (EMP 4, 1.78 ha) and most of New Close Properties' land at Barrow (2.74 ha). The other is NJW/Papillon's site at Barrow which has consent for hotel and leisure uses. This adds up to 5.55 ha, a third of the employment land available in the Borough.

- 6.18 Most of the available land is constrained in some way, largely because most of the sites are too small and inflexible to accommodate a range of business premises. Chapel Hill at Longridge (EMP 4) reportedly has contamination constraints. It is a former landfill site, it requires continual monitoring of gases and part of the site has an active waste management licence. Ground conditions are currently being investigated by the owner United Utilities, but they expect that only housing on the site, will make its remediation and use viable. No other sites report contamination issues.
- 6.19 Most of the sites appear to be adequately serviced, with adequate infrastructure reportedly in place.
- 6.20 9.87 ha are suitable for office premises and comprise:
- New Close Properties, Barrow Brook Business Park (outline consent granted, decision awaited for 2.74 ha of housing)
  - Hindle & Scholfield, Barrow Brook Business Park (detailed consent)
  - NJW/Papillon, Barrow Brook Business Park (outline consent)
  - Grant Thornton site, Simonstone
  - Salesbury Hall Farm, Salesbury.
- 6.21 2.65 ha are suitable for industrial premises and comprise:
- Adjacent Twin Brooks Farm, Salthill Industrial Estate
  - Total Foods, Barrow Brook Business Park (detailed consent)
  - Whalley Industrial Estate, Barrow (detailed consent)
  - Time Technology Park, Simonstone (outline consent).
- 6.22 Overall, 12.52 ha of the total employment land supply appears to be suitable and available for development of business premises. These are graded in the following section.

### **Site Grading**

- 6.23 All sites have been graded using a standard scoring system. Each site is scored out of a 100, made up of ten individual measures, each scored out of ten. These are: proximity to the strategic highway network, proximity to the motorway network, prominence, access to public transport, planning status, access to services, constraints, environmental setting, flexibility and availability. The detailed scores and scoring system are provided in Appendix 6.

- 6.24 The scoring illustrates how attractive the site is to developers and occupiers. It gives an appraisal of the overall quality of the land resource. However, the location needs of certain occupiers, linked to the specialist sectors, means that their choice is limited and an otherwise very poor quality site, might be suitable for them (and indeed may be one of very few options available nationally and even internationally).
- 6.25 Two scores are provided in Table 43, a total score and a market-led score, which reflects the locational strengths and weaknesses of each site. The market-led score is made up of just strategic highway proximity, motorway proximity, prominence, environmental setting and flexibility. These are the characteristics that are very difficult to improve. The other five aspects (public transport, planning status, services, constraints and availability), which combine to make up the total score, are easier to improve and hence provide the ability to raise the quality of a site.

**Table 43 – Employment Sites Scoring**

Name	Location	Size, ha	Total Score, max 100	Market-led Sub-total, max 50	Land Type
Hindle & Scholfield	Barrow Brook	1.01	82	41	Brownfield
Total Foods	Barrow Brook	0.86	82	39	Brownfield
New Close Properties	Barrow Brook	3.31	78	43	Brownfield
NJW/Papillon (1)	Barrow Brook	4.32	78	43	Brownfield
NJW/Papillon (2)	Barrow Brook	1.03	64	39	Brownfield
Whalley Industrial Park	Barrow	0.29	62	19	Brownfield
Salesbury Hall Farm	Ribchester	0.13	61	20	Brownfield
Coalyards site, Time Technology Park	Simonstone	0.58	60	28	Brownfield
Grant Thornton site	Simonstone	1.10	56	34	Brownfield
Adjacent Twin Brooks Farm, Salthill Industrial Estate (EMP 1)	Clitheroe	0.92	39	16	Brownfield/ Greenfield
Chapel Hill (EMP 4)	Longridge	1.78	30	12	Brownfield

Source: BE Group 2008

- 6.26 The highest scoring sites are those in high profile locations along the A59 at Barrow Brook Business Park. The Longridge site is the worst scoring overall, but also of the market-led scores. However, this is the only existing employment land allocation undeveloped in Longridge.

6.27 The site grading provides a reference against which decisions may be taken as to whether some sites might be recommended for deletion from the land supply, because they are unsuited to market needs.

### Employment Areas

6.28 In this sub-section an assessment of Ribble Valley's main employment areas is made in order to provide guidance as to their continued viability. In Table 44, they are grouped into BE Group's categories to better reflect their ranking one against the other. They are graded in the context of the study area, not at a sub-regional level. It should be noted that an employment area, because of its functions may be included in more than one category of site.

**Table 44 – Site Hierarchy**

Type	Typical Characteristics	Employment Areas/Sites
Flagships	Sites of scale, location and setting capable of being broad business park developments competing for investment in the regional/sub regional marketplace. These are prime sites for marketing to a cross-section of users – including new inward investments into the Borough. They can also meet the needs of image-conscious, aspirational companies already in the area. They may be B1, B2 or B8 in nature.	Barrow Brook Business Park BAe Systems proposed Aerospace Enterprise Park
Narrow Band Sites	Key developments where the sites, their locations and environment are promoted for a narrow range of uses. It may be that only a part of a larger site is allocated to this activity. In other cases it may be prudent to dedicate the whole site to this narrow band use. Often they are high technology/key growth sector related.	BAe Systems proposed Aerospace Enterprise Park
Key Employment Sites	Sites with an influence over the whole of the study area, geared to serving the needs of indigenous industry. They are likely to be of a size to create presence and able to accommodate a range of uses, but more suited to B2 and B8 activity.	Shay Lane Industrial Estate Salthill Industrial Estate Link 59 Time Technology Park
Key Local Sites	Sites that offer employment opportunities within specific local areas. In most instances their role will be to meet the expansion needs of indigenous companies or to accommodate local start-ups. They tend to focus on use classes B1c, B2 and B8.	Bee Mill, Ribchester Pendle Trading Estate, Chatburn Victoria Mill, Sabden The Sidings, Whalley
Key Rural Sites	Sites that offer employment opportunities within rural areas. In most instances	Whalley Industrial Estate

Type	Typical Characteristics	Employment Areas/Sites
	their role will be to meet the expansion needs of rural businesses or to accommodate rural start-ups.	Gisburn Office Park Mill Lane Industrial Estate Backridge Farm Fairfield Farm Asturian House Poors'land Barn

Source: BE Group 2008

### Summary

- 6.29 There is 15.33 ha of employment land in the study area, comprised of 11 sites. The proposed BAe Aerospace Enterprise Park (4.6 ha) site at Samlesbury is not included in the land supply due to its specialist nature, national strategic significance and the fact that it does not cater for local employment land supply issues. It is a site included in the Lancashire Economic Strategy and has been excluded from this analysis, in line with Inspector's report for Lancaster City's LDF Core Strategy (regarding Lancaster Science Park), although the picture remains undecided.
- 6.30 11.42 ha (74 percent) is immediately available for development (within three years), which exceeds the RSS recommended level of 30 percent. All of this with the exception of 0.92 ha at Salthill Industrial Estate, is linked to developers. Neither is the Salthill site being marketed.
- 6.31 There is only one site being marketed that can be acquired freehold and independent of a developer – the Grant Thornton site (1.10 ha) at Simonstone. This site has no planning status and is currently under offer to an undisclosed buyer. There is a shortage of freehold land for both offices and industrial.
- 6.32 There will be a plentiful supply of good quality office space available for either sale or lease at Barrow Brook Business Park, should development proceed. However, many developers are re-evaluating their plans based on the national economic downturn and difficulties in securing funds.
- 6.33 One site is unlikely to come forward for development at Longridge due to its poor location, remediation issues, existing leasehold interest and owner aspirations for housing. Likewise, one site has permission for leisure uses at Barrow Brook. Another is awaiting a decision for housing at Barrow Brook. If the 5.55 ha affected does not come forward, the Borough's land supply falls to 9.78 ha and Longridge would be left without any employment land.

6.34 Both employment sites and employment areas have been assessed and graded. The highest scoring sites are at Barrow Brook Business Park, but 3.77 ha of the total 10.53 ha is likely to be developed for non-employment uses. Most of the remaining land is planned for office premises. There are few sites available for industrial accommodation.

## 7.0 LAND NEED FORECAST

### Introduction

7.1 This section explains the models applied to the assessment of employment land need in the future. The models normally used are:

- Historic Land Take-up
- Government Policy Effects
- Population/Labour Supply Change
- Employment Sector Change.

7.2 None provide a definite answer, and all are flawed in some way, but they are influences to be considered. Indeed the use of economic forecasting is recognised to be very difficult and uncertain. Such forecasts are often not particularly robust at a local authority level, although tend to be more so at sub-regional/regional level. Most regional development agencies dislike forecasting over a long period and recommend regular 3-5 year reviews.

7.3 The population and workforce projections used are supplied by Oxford Economics. These are 'policy-off' and do not take account of aspirational government growth targets. They refer to economic forecasts that take no account of public sector plans to increase the number of residents, economically active, businesses or grow particular industry sectors in an area. Such forecasts are generated using generic national/regional growth profiles.

### Model 1 – Historic Land Take-up Forecast

7.4 BE Group and RVBC have compiled a schedule of land taken-up for employment use in the last ten years. This has been compiled from site visits and an interrogation of planning permissions. The 10.72 ha of land developed during this period equates to an average take-up of 1.07ha/year (see Table 45).

**Table 45 – Employment Land Take-Up 1998 to 2008**

Site Name	Location	Ha	Type	Type
Printworks	Barrow	0.56	Office	Windfall
Link 59	Clitheroe	6.76	Industrial	Allocated
Ultraframe/James Alpe	Clitheroe	1.71	Industrial	Allocated
Fern Court	Clitheroe	0.05	Office	Windfall
Gisburn Business Park	Gisburn	0.4	Office	Windfall

Site Name	Location	Ha	Type	Type
Fairfield Farm	Osaldston	0.71	Office/Workshops	Windfall
Asturian House	Ribchester	0.19	Office	Windfall
Poors'land Barn	Slaidburn	0.18	Office	Windfall
Backridge Farm	Waddington	0.11	Office/Workshops	Windfall
The Sidings	Whalley	0.05	Office	Allocated
<b>Total</b>		<b>10.72</b>		

Source: RVBC and BE Group 2008

7.5 Take-up was slower at the start of the ten-year period, indeed most took place between 2003 and 2005. None has taken place during the last two years. Most of the take-up relates to industrial accommodation on larger sites at Link 59 and Salthill Industrial Estate. Sites developed for office accommodation, although more numerous are much smaller. In most cases, they represent regeneration of former farm buildings.

7.6 The Joint Lancashire Structure Plan, shortly to be replaced by the draft Regional Spatial Strategy states that the Ribble Valley requires 25 ha of allocated employment land for the period 2001-16. Since 2001, all 10.72 ha has been completed, which suggests that a further 14.28 ha is needed. Subtracting the existing supply of employment land (unconstrained and likely to come forward for development) this suggests there is an existing shortfall of allocated employment land in the Ribble Valley of 4.5ha.

#### **Forecast Land Need**

7.7 Should this long term trend continue, then the Ribble Valley will need a further 10.72 ha (gross) to cater for an expected take-up through to 2018. However, extrapolating land take-up rates assumes that current economic conditions will continue. It is also important to provide a buffer to cater for range and choice and ensure a continuing supply. The draft RSS suggests a three year period, but our view is that five years would be appropriate. This is a period accepted by other local authorities. This would increase land need to 16.08 ha.

7.8 There is 15.33 ha of employment land in the study area (from Section 6.0) which indicates that there is a shortfall of 0.75 ha based on historic take-up trends.

7.9 However, some 36 percent of the supply (particularly at outstanding allocated sites) is constrained and unlikely to come forward for employment development. This

includes Chapel Hill at Longridge. A further 1.03 ha is likely to be lost to leisure uses and 2.74 ha to housing at Barrow Brook Business Park. This leaves 9.78 ha, most of which is proposed to be developed (for offices) in the next five years. This suggests the need to identify **a further 6.30 ha**, to cater for employment land take-up in the next ten years. And this should be for industrial and warehousing uses, if the Ribble Valley is to continue to sustain a balanced economy.

- 7.10 This model assumes that employment densities, office/industrial floorspace proportions remain constant. Should more land be taken up for offices (i.e. if the local economy moved in this direction) less land overall would be needed.

### **Model 2 – Strategic Policy Effects**

- 7.11 Another important influence to consider would be Government strategic policy that looks to actively change the local economy. This might include, for example, proposals to increase the number of businesses in an area; the servicing of employment land or the creation of new premises (especially for small and start-up businesses); raising the economic activity rate; reducing unemployment; growing certain, potentially high growth, industry sectors; or reducing out-commuting. All these actions, if pursued aggressively, would have an implication on the need for employment land and premises because more people and businesses would be working locally.
- 7.12 However there is likely to be minimal change from such strategies in Ribble Valley. There are a number of reasons for this. Ribble Valley already performs well in terms of its key socio-economic indicators: unemployment is very low; wages levels are generally high; economic activity is high; and the Borough actually experiences a net inflow of commuters. Secondly, other parts of the North West (e.g. East Manchester, Merseyside) are the focus for Government strategic policy and activity, meaning there are no such aggressive growth or development plans for Ribble Valley.
- 7.13 Although specific details are not available at borough level, there are strategic plans in place to support a further 55,000 jobs in the Central Lancashire City Region of which the Ribble Valley is a part. This could affect land requirements in the Borough either way depending on where strategic investment is channelled.

### **Model 3 – Population/Labour Supply Change**

- 7.14 Naturally, if the population, specifically those of the working age resident population,

grows, then there is likely to be an additional need for land and premises to accommodate a larger workforce.

- 7.15 Oxford Economics has provided forecast working age resident populations. These are included in a detailed spreadsheet at Appendix 7. In 2006 the working age population was estimated to be 35,595, in 2018 this is forecast to have risen to 41,950. This is a 17.9 percent increase. Oxford Economics also show a resident based working age population increasing from 35,595 in 2006 to 41,390 in 2018 – different to ONS figures of 36,600 (2006) to 37,700 (2018). Projections here are more likely to be an over-estimate rather than under-estimate.
- 7.16 Valuation Office data for 2006 indicates that there is 398,000 sqm of commercial floorspace in Ribble Valley. Assuming 17.9 percent more will be needed by 2018, to align with the forecast growth in the working age population, this would mean an increase of 71,242. At standard development density rates of 3400 sqm/ha, this is equivalent to **a further 21.0 ha** of employment land. The 2006 floorspace figure remains valid as the basis for this calculation as no further land has been taken up and developed for employment use since then (other than minimal rural workspace development equal to less than one hectare).
- 7.17 The number of economically active is equated to a land need using the following assumptions: the proportion of people working in each industry sector remains constant; the economic activity rate remains constant (89 percent of the working population); the rate of out-commuting remains constant; and the industry sector use of space remains constant.

#### **Model 4 – Employment Sector Changes**

- 7.18 The assessment of the effect of employment change, i.e. the shift to the service sector, has been modelled using economic forecasts sourced from Oxford Economics. Forces such as globalisation, technological change and the decline of UK's manufacturing sector are leading to more people working in offices than before. There will still be a need for industrial space, some manufacturing will obviously remain, as well as lower order processing activities. There is also an increase in the need for warehousing and light manufacturing/assembly uses.
- 7.19 This change in employment by sector is translated into property need using the following floorspace per worker ratios. These are in line with draft RSS figures,

produced by ARUP based on the amount of space that workers generally occupy. The assumptions are shown in Table 46.

**Table 46 – Employment Space Use Definitions**

Sector	Proportion of Workforce Occupying Office Floorspace, percent	Proportion of Workforce Occupying Industrial Floorspace, percent	Average Office Floorspace/ Worker, sqm	Average Industrial Floorspace/ Worker, sqm
Agriculture, Extraction, Electricity, Gas & Water	35	26	19	34
Manufacturing	35	35	19	34
Construction	18	35	19	34
Distribution & Hotels	38	12	19	34
Transport & Communications	39	38	19	50
Financial & Business Services	79	3	19	34
Public Administration & Defence	64	3	19	34
Education & Health	24	2	19	34
Other Services	37	5	19	34

Source: Various

7.20 Table 47 applies these assumptions to the number of workers in each sector in Ribble Valley in 2006 and 2018, as modelled by Oxford Economics. This is then used to create a floorspace requirement for each industry sector.

**Table 47 – Employment Numbers Needed – Employee Based**

Sector	Number Employed in Ribble Valley		Office, sqm 2006	Industrial, sqm 2006	Office, sqm 2018	Industrial sqm 2018
	2006	2018				
Agriculture, Extraction, Electricity, Gas & Water	937	591	6231	8283	3930	5224
Manufacturing	6754	5629	44,914	80,373	37,433	66,985
Construction	2150	2690	7353	25,585	9200	32,011
Distribution & Hotels	6735	8303	48,627	27,479	59,948	33,876
Transport & Communications	914	859	6773	17,366	6365	16,321
Financial & Business Services	2511	4076	37,690	2561	61,181	4157
Public Administration & Defence	359	378	4365	366	4596	386

Sector	Number Employed in Ribble Valley		Office, sqm 2006	Industrial, sqm 2006	Office, sqm 2018	Industrial sqm 2018
	2006	2018				
Education & Health	6606	7471	30,123	4492	34,068	5080
Other Services	1407	1621	9891	2392	11,396	2756
<b>TOTAL</b>	<b>28,373</b>	<b>31,618</b>	<b>195,968</b>	<b>168,897</b>	<b>228,117</b>	<b>166,796</b>

Source: Oxford Economics 2008

- 7.21 The model suggests that the Ribble Valley's workforce in 2006 needed 168,897 sqm of industrial space and 195,968 sqm of offices. This takes occupational density ratios literally. However in 2006 the Valuation Office estimated that there was 370,000 sqm of industrial floorspace and 28,000 sqm of offices in Ribble Valley. There is therefore a substantial difference to what is in use in practice and the theoretical model. This is illustrative of how it can be difficult to apply such economic forecasts at local authority level, especially using floorspace density statistics, which may well be limited in their applicability to the Ribble Valley context.
- 7.22 There are a number of further caveats to this data. It is workplace based (and not resident based as the working age population data considered above), and therefore could double count those people with two (or more) jobs.
- 7.23 However this analysis can be used to indicate the effect of employment changes on the need for land and premises. By 2018 the amount of floorspace needed for Ribble Valley increases to 166,796 sqm of industrial and 228,117 sqm of office space. This is a 1.2 percent industrial floorspace decrease, 2101 sqm; and an increase of 32,149 sqm of offices (16.4 percent). The combined change is an overall increase in floorspace of 30,048 sqm, equivalent to a further 8.8 ha of land (at a standard development density ratio of 3400 sqm/ha).
- 7.24 However, measuring this against the true amount of floorspace in the Ribble Valley (taken from Valuation Office hereditaments), rather than what the model predicts there to be in 2006, should iron out any flaws in the assumptions used – floorspace/activity/density. This equates to the Borough needing 4440 sqm less of industrial and 4592 sqm more of office floorspace (based on the 2006 Valuation Office estimates). Combined, this totals 152 sqm more floorspace, equivalent to a **further 0.04 ha** of land.
- 7.25 This model is also likely to be affected by the future mix of activities in terms of office,

manufacturing and warehousing employment within different sectors; it is also impossible to predict the impact of evolving technical change over the study period, and the analysis therefore assumes the current ratios are maintained; and no variation in the density rates is assumed through to 2018.

### **Caveat**

- 7.26 These figures are surrounded by potentially large margins of error, and local employment land studies should reconsider the market balance, making more accurate assessments of potential losses, taking account of land quality, geography and availability (and deliverability) of sites. It is also particularly important that local studies consider market conditions, including the commercial viability of development.

### **Summary**

- 7.27 Applying the annual average take-up over the last ten years (1.07 ha/year), there is not enough employment land, of the right quality in the best locations to cater for the study area's needs to 2018.
- 7.28 Comparing the take-up rate forecast to JLSP requirements (another 15 ha by 2018), suggests that the study area needs up to 6 ha employment land. This includes a buffer of an additional three years supply and discounts employment land likely to be lost to other uses. The population growth and employment based models are less robust and between them suggest between 21.0 ha and 0.04 ha is needed (respectively). They are useful in that they represent each extreme of the amount which could be provided in the Ribble Valley.
- 7.29 In BE Group's view, a realistic assessment depends upon the quality and location of existing land available. Removing constrained sites, gives a total employment land supply of 9.79 ha. Most of this is brownfield and targeted at office development (via developer ties and owner aspirations). This leaves nothing for the industrial sector in the Ribble Valley to grow – which is still important and has represented most of the take-up in the last ten years. Based on this increasing the existing supply by 6 ha is a realistic requirement.
- 7.30 The proposed Aerospace Enterprise Park (approx. 4.6 ha) at BAe Samlesbury has not been included in the land supply. Were it to be, it would effectively eradicate the requirement for a further 6 ha, without attending to any of the local economic issues e.g. the under supply of land for industrial premises in the Ribble Valley, the need for

small and good quality office premises.

- 7.31 The projections used are 'policy-off' and take no account of aspirational public sector growth strategies for the Central Lancashire City Region. However there is likely to be limited impact from this, because attention is focused in more deprived areas and neighbouring conurbation of Preston/Blackburn/Burnley, rather than in the Ribble Valley.
- 7.32 Generally where population/economic forecasts are applied a number of caveats are made. The economic models are in some ways simplistic (and this is recognised), they assume the property market is a perfect market, and not rife with market failures as it is (for example they make no allowance for companies modernising or relocating into different sized properties; that land is not used totally efficiently; that brownfield land will remain undeveloped due to the costs of remedying it; or that some companies occupy more space than they need, etc). Such economic forecast methodologies therefore also recommend having an employment land buffer, to allow the structural change predicted (the move from industrial to office space) to occur.
- 7.33 There will be a move to higher density employment, however, counter to this and increasing the need for land, will be continuing economic growth, the growth in numbers of small business; and increasing preference for better quality, more spacious accommodation. The economic forecasts should be used merely to indicate a trend – or 'direction of travel'. They are not necessarily meant to be used literally.
- 7.34 The potential redevelopment of Primrose Industrial Estate to the south of Clitheroe town centre could lose 6.47 ha of employment land in the Borough's principal Key Service Centre. It is currently under-utilised and access is poor.

## 8.0 RETAIL CAPACITY ASSESSMENT

### Introduction

8.1 This section examines the need for further retail floorspace in the three town centres of Clitheroe, Longridge and Whalley in the Ribble Valley for the period to 2018. It assesses the shopping patterns and spend of households in five postcode zones, that together reflect an area just greater than the Borough. Findings will inform future land allocations to support and encourage new retail growth. Both comparison (non-food) goods and convenience (food) goods are considered.

8.2 The objectives of the retail capacity study have been to:

- Project population figures for the next ten years
- Estimate household spend in each product category
- Estimate the market share of total household spend captured by each town centre
- Account for any new stores being built
- Estimate the amount of spend lost outside the Borough
- Establish whether there is a spend surplus that justifies building new stores.

### Study Area

8.3 The study area is significantly rural, and includes the main settlements of Clitheroe, Longridge and Whalley. There are also numerous villages including Wilpshire, West Bradford, Gisburn, Chatburn, Ribchester, Chipping and Slaidburn. Because of the structure of postcode zones, the assessment has involved an area slightly greater than the Borough's boundaries (see Figure 2).

8.4 The southern boundary of the study area falls just short of the large conurbation of Blackburn, Accrington, Burnley and Nelson, which follows the M65 motorway. Also, just outside to the south east is Preston. As significant numbers of Ribble Valley residents commute to work outside the Borough, and because of the proximity to the two conurbations, it is perceived that a large proportion of spend leaks outside the Ribble Valley.

8.5 To test this perception, a survey of 955 households has been carried out, spread across the five postcode zones.

8.6 Postcode zones were used (rather than wards) as this makes it easier to sample and

confirm the location of surveyed households. It also makes it easier to project population growth in future years.

- 8.7 Retail catchments are not definitive. They are fluid and changeable, depending on people's shopping preferences. People do not shop on a rational basis, i.e. visit the centre nearest to where they live. Instead, they are influenced by a variety of different factors including the type of shops, services, transport options and facilities available. Larger towns usually have a greater pull, even though they may be further away.
- 8.8 The zones have been drawn around areas expected to share shopping patterns. For example, it is expected that Zone 2 (Clitheroe) residents will largely shop in Clitheroe, that Zone 3 shoppers will travel mostly to Burnley and Nelson, that Zone 4 shoppers will largely go to Blackburn, and Zone 5 residents to Preston. These assumptions are tested by this model. The postcodes contained within each zone are listed in Table 48.

**Table 48 – Postcodes by Zone**

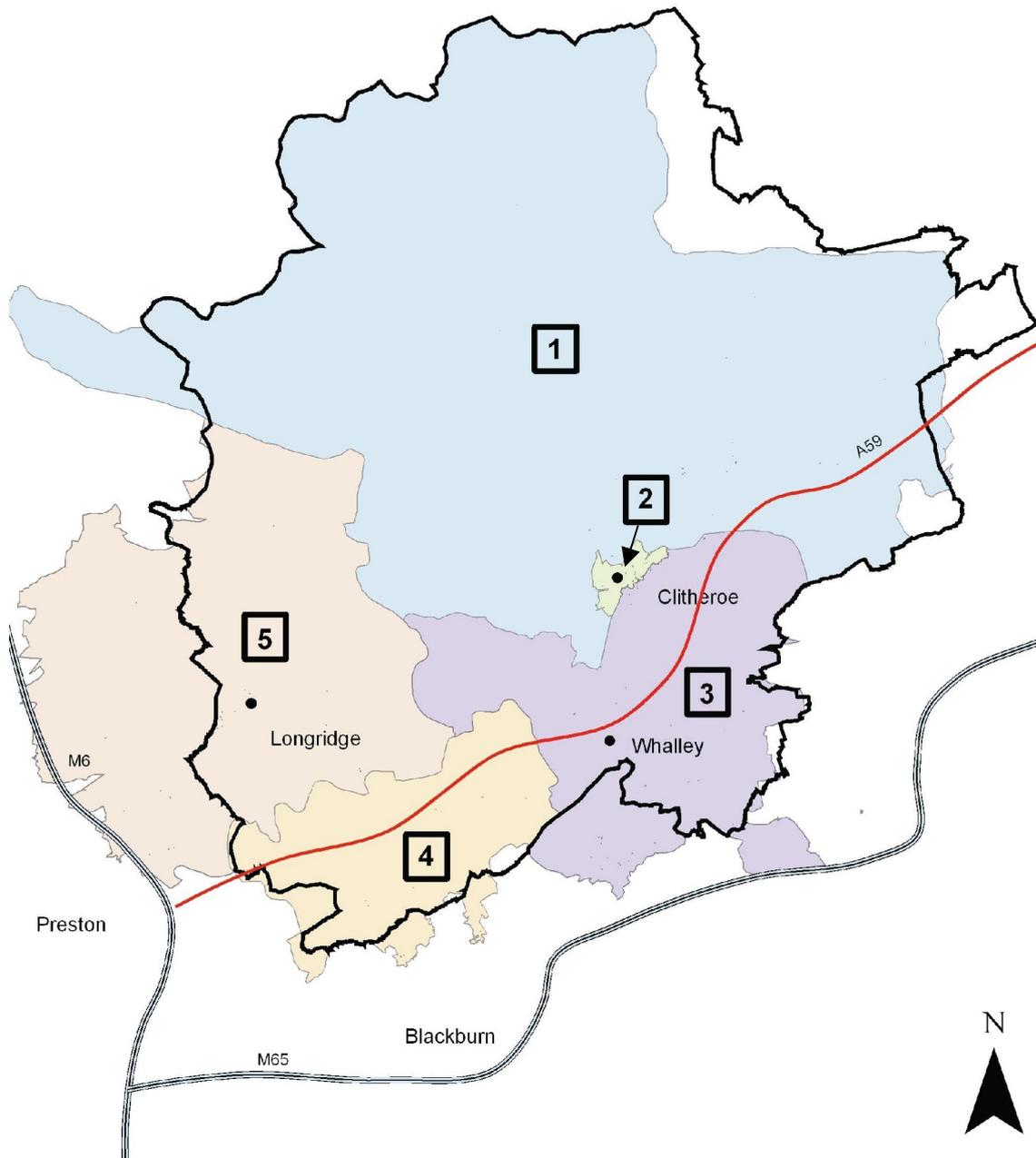
Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
BB7 3 BB7 4	BB7 2	BB7 1 BB7 9 BB12 7 BB6 7	BB6 8 BB1 9 BB2 7	PR3 2 PR3 3 PR2 5 PR3 5

Source: NEMS Household Survey 2008

### Methodology

- 8.9 The household survey, undertaken by NEMS Research, completed 955 household phone interviews in April 2008. This represents just over four percent of the total number of households in the Ribble Valley (there were 22,202 in 2001). Compared to other boroughs, participation levels were low: to achieve the completed interviews, 26,334 connected calls were made. Details on NEMS' survey methodology are included at Appendix 8.
- 8.10 The number of households surveyed in each zone is shown in Table 49. Results have been weighted in order to be representative of the total number of households in each zone.

**Figure 2 – Study Area and Postcode Zones (black outline is Borough boundary)**



Source: BE Group 2008

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**Table 49 – Households by Postcode Weighting**

Zone	Postcode	Population	Interviews Achieved	Weighting
1	BB7 3	1270	38	0.8161
	BB7 4	2197	64	0.8383
2	BB7 2	3372	100	0.8234
3	BB6 7	5056	120	1.0289
	BB7 1	3305	81	0.9964
	BB7 9	3622	86	1.0284
	BB12 7	3156	61	1.2634
4	BB1 9	4330	101	1.0469
	BB2 7	2940	67	1.0715
	BB6 8	1448	35	1.0102
5	PR2 5	1253	24	1.2749
	PR3 2	2273	65	0.8539
	PR3 3	3714	88	1.0306
	PR3 5	1173	25	1.1457
	<b>Total</b>	<b>37,936</b>	<b>955</b>	

Source: NEMS Household Survey 2008

- 8.11 The household survey asked respondents to state how much they spend on different products. This identified household spend over a year for convenience (food and drink), non-bulky comparison (e.g. clothes and footwear) and bulky comparison (e.g. large electrical goods, carpets, furniture and DIY) goods. This was divided by the number of people in the household to achieve an average per capita spend per year.
- 8.12 The market share captured by each of Clitheroe, Longridge and Whalley has been calculated based upon where people said they shop. The data is shown at Appendix 9.
- 8.13 The household survey also asked a range of qualitative questions, including what they like about these three towns, how accessible they are and what range of services they use. These findings are included at Section 9.0, which considers the health of the retail markets in each of the three towns.

### **Population Projections**

- 8.14 Population projections have been obtained from MapInfo. These relate only to 2017. Data for 2018 is not available, and so (on agreement with RVBC) this has been extrapolated from the data provided. These are different to population projections

used to forecast employment land requirements, as only MapInfo could provide population data at postcode sector level.

- 8.15 Table 50 shows the 2008 population for the study area to be 92,122. Between 2008 and 2018, the population is expected to increase by 6.9 percent to 98,520.

**Table 50 – Population Projections up until 2018 for Study Area**

Year	Population	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Change over previous 2 years, percent
2008	92,122	8776	6822	36,179	22,308	18,037	-
2010	93,384	9010	6873	36,609	22,636	18,256	+ 1.4
2012	94,666	9254	6907	37,105	22,944	18,456	+ 1.4
2014	95,961	9496	6943	37,605	23,253	18,664	+ 1.4
2016	97,241	9740	6976	38,100	23,559	18,866	+ 1.3
2018	98,520	9924	7038	38,604	23,867	19,087	+ 1.3

Source: MapInfo and BE Group 2008

- 8.16 Compared to ONS population and LEP projections at district level for 2009 and 2014 (Table 51) there is a significant difference. This is because MapInfo data includes densely populated parts of Preston and Blackburn (as shown in Figure 2), and not solely the Ribble Valley.

**Table 51 – Population Comparison Data Table**

Year	MapInfo (study area)	ONS (Ribble Valley borough area)	LEP (Ribble Valley borough area)
2009	92,765	59,800	58,437
2014	95,961	62,500	59,926

Source: BE Group 2008

- 8.17 The North West Regional Spatial Strategy is currently in draft, and is expected to be finalised later this year following Government scrutiny. It is recommended that RVBC update the population forecasts, and hence projected retail floorspace requirements, once they are confirmed in the final Strategy.

### Household Survey Analysis

- 8.18 A statistical analysis of the household survey, as well as the raw data, has been provided in a separate document. However a description of key findings for each of the five zones is included at Appendix 10. A closer analysis of each product category

follows.

### Convenience Goods

- 8.19 Table 52 shows per capita convenience goods spend in each zone (main food shop and top-up purchases). On average, residents of Zone 2 (Clitheroe), spend the least on convenience goods. Zones 4 and 5 household spend is also low, when compared to the 2008 UK average of £1641 per capita. Zone 1 households (the large rural area to the north and east of Clitheroe) spend the most. Spend per capita on convenience goods is expected to increase on average by six percent over the next ten years (however, this may now be an over-estimate following start of the economic recession).
- 8.20 MapInfo/URPI's 2007 Information Brief estimates the expected annual growth in convenience goods spend. This is a reliable and commonly used source of data in planning policy. Annual growth is expected to be 1.2 percent for the next ten years. This is greater than long-term levels of growth experienced since the 1960s, which averaged around 0.1 percent. Since then, incremental rises in food production costs and household incomes have increased spend on food. This pattern will continue, although for different reasons, as rising global demand for food stuffs (particularly from China and India) pushes prices to an all-time high. Households will be buying less but spending more. As shown later, expected growth in comparison goods spend is much higher.
- 8.21 Household spend lost to Special Forms of Trading (SFT) which includes mail order, catalogue and Internet, has been excluded from the calculations as this does not reflect demand for physical retail floorspace.

**Table 52 – Per Capita Convenience Goods Spend by Zone (excludes SFT)**

Year	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	1753	1429	1600	1474	1484
2010	1774	1446	1619	1492	1502
2012	1795	1464	1639	1510	1520
2014	1817	1481	1658	1528	1538
2016	1839	1499	1678	1546	1557
2018	1861	1517	1698	1565	1575

Source: BE Group/NEMS Household Survey 2008

8.22 Surprisingly, the loss of convenience spend to the Internet is not as high as expected for a such a large rural borough. It appears from the household survey, that no convenience goods are purchased via SFT in Zone 1. For Zones 2 to 5, it varies between 1.5 and 2.6 percent (Zone 2 being the lowest, Zone 5 the highest). As is shown later, a much greater percentage of household spend on comparison goods is lost to SFT.

8.23 Table 53 multiplies the forecast population (Table 50) by the average per capita convenience goods spend (Table 52) to generate an estimate for the total convenience goods spend by each zone up to 2018.

**Table 53 – Total Convenience Goods Spend by Zone (£m)**

Year	Total spend, convenience	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	142,668,266	15,384,328	9,748,638	57,886,400	32,881,992	26,766,908
2010	146,383,589	15,984,064	9,939,375	59,277,293	33,765,850	27,417,007
2012	150,209,690	16,613,932	10,108,407	60,801,381	34,635,993	28,049,997
2014	154,126,332	17,252,982	10,283,026	62,360,145	35,523,685	28,706,495
2016	158,092,156	17,908,653	10,455,884	63,939,172	36,423,056	29,365,391
2018	162,111,652	18,465,932	10,675,397	65,562,401	37,342,026	30,065,895

Source: BE Group/NEMS Household Survey 2008

8.24 The total amount of convenience goods spend in all zones is expected to grow from £143m in 2008 to £162m by 2018, an increase of 13 percent.

8.25 The household survey asked households to identify their preferred destination for convenience shopping (both main food and top-up food shopping). This identified the share of spend captured by the towns of Clitheroe, Longridge and Whalley as well as the proportion that leaks outside the Borough. This is summarised in the following paragraphs. Workings are provided in spreadsheets at Appendix 11.

### **Clitheroe**

8.26 Table 54 sets out Clitheroe's share of total convenience spend captured from the study area, using the data in Table 52.

**Table 54 – Clitheroe’s Market Share of Convenience Goods Spend from each Zone, £m (percent)**

Year	Total/yr	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	49,222,565 (35.0)	12,250,332 (79.6)	8,299,222 (85.1)	23,721,273 (41.0)	4,487,120 (13.7)	464,619 (1.7)
2010	50,564,377 (35.0)	12,727,894 (79.6)	8,461,601 (85.1)	24,291,247 (41.0)	4,607,732 (13.7)	475,903 (1.7)
2012	51,964,116 (35.0)	13,229,449 (79.6)	8,605,501 (85.1)	24,915,803 (41.0)	4,726,473 (13.7)	486,890 (1.7)
2014	53,392,937 (35.0)	13,738,316 (79.6)	8,754,158 (85.1)	25,554,569 (41.0)	4,847,609 (13.7)	498,286 (1.7)
2016	54,843,433 (35.0)	14,260,418 (79.6)	8,901,316 (85.1)	26,201,639 (41.0)	4,970,338 (13.7)	509,723 (1.7)
2018	56,276,810 (35.0)	14,704,172 (79.6)	9,088,192 (85.1)	26,866,822 (41.0)	5,095,742 (13.7)	521,882 (1.7)

Source: BE Group/NEMS Household Survey 2008

\* Calculated by multiplying the market share by the total convenience spend

\*\* Based on a constant market share

- 8.27 Table 54 shows that convenience stores in Clitheroe currently capture some £49m, 35 percent of the available spend within the study area. This is expected to increase by 14 percent to £56m by 2018.
- 8.28 Assuming that the convenience stores in Clitheroe are able to retain their current market share up to 2018, the resulting increase in spend of £7,054,245 would support a further 791 sqm, when based on an average sales density of £8910/sqm (this is derived from an average of sales/sqm from the five leading supermarket chains and covers both out-of-town and town centre locations).
- 8.29 Alternatively, an average sales density can be derived from total sales (£49,222,565 from Table 54) captured by Clitheroe in 2008, divided by the amount of convenience floorspace in the town centre (8974 sqm - Experian Goad 2008). This gives a local sales density figure of £5485/sqm and accounts for the three large supermarkets in Clitheroe. This figure suggests that convenience spend could support an additional **1286 sqm** in Clitheroe by 2018. For the purposes of this study, this figure will be used as it reflects local conditions. This is smaller than the size of the existing Sainsbury’s store in Clitheroe which is approximately 2500 sqm.
- 8.30 There are no commitments or planned convenience stores to consider in this calculation. Retail capacity assessments usually consider the impact of an increase

in market share on floorspace requirements. However, this is unlikely in the Ribble Valley without significant supply changes.

- 8.31 Market share could increase if more households decide to do their food shopping in the Ribble Valley (rather than go outside the Borough), for example, if a new supermarket were to be built. However, the amount of pull exerted by any new stores in the Ribble Valley would need to exceed the attraction of new stores being built in neighbouring districts. This is unlikely and any increase is also likely to be offset by a greater share of spend lost to the Internet.
- 8.32 As lifestyles get busier, websites more sophisticated and people become more computer literate, Internet shopping will become more popular. Although existing spend on the Internet for food stuffs in the Ribble Valley is small, future convenience floorspace requirements will decrease if this occurs.
- 8.33 Table 55 summarises the convenience floorspace capacity for Clitheroe, for each of the test years. The lower figure for each year is based on the national sales density, the higher figure is based on the local sales density.

**Table 55 – Additional Convenience Floorspace in Clitheroe**

Year	Floorspace Requirement, sqm
2008	0
2010	150-245
2012	307-500
2014	468-760
2016	630-1025
2018	791-1286

Source: BE Group/NEMS Household Survey 2008

### **Longridge**

- 8.34 Table 56 sets out Longridge's share of total convenience spend captured from the study area.

**Table 56 – Longridge's Market Share of Convenience Goods Spend from each Zone, £m (percent)**

Year	Total/yr	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	9,295,745 (6.5)	28,996 (0.2)	-	389,738 (0.7)	101,079 (0.3)	8,775,932 (32.8)

Year	Total/yr	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2010	9,522,101 (6.5)	30,127 (0.2)	-	399,103 (0.7)	103,796 (0.3)	8,989,076 (32.8)
2012	9,743,753 (6.5)	31,314 (0.2)	-	409,364 (0.7)	106,471 (0.3)	9,196,605 (32.8)
2014	9,973,431 (6.5)	32,518 (0.2)	-	419,859 (0.7)	109,199 (0.3)	9,411,854 (32.8)
2016	10,204,091 (6.5)	33,754 (0.2)	-	430,490 (0.7)	111,964 (0.3)	9,627,883 (32.8)
2018	10,448,566 (6.5)	34,805 (0.2)	-	441,419 (0.7)	114,789 (0.3)	9,857,554 (32.8)

Source: BE Group/NEMS Household Survey 2008

\* Calculated by multiplying the market share by the total convenience spend

\*\* Based on a constant market share

- 8.35 Table 56 shows that convenience stores in Longridge currently capture some £9.3m, which is under seven percent of the available spend in the study area. This is expected to increase by 12 percent to £10.4m by 2018.
- 8.36 Assuming that the convenience stores in Longridge are able to retain their current market share up to 2018, the resulting increase in spend of £1,152,822 would support a further 129 sqm, when based on an average sales density of £8910/sqm (this is derived from an average of sales/sqm from the five leading supermarket chains).
- 8.37 Alternatively, an average sales density can be derived from total sales (£9,295,745 from Table 56) captured by Longridge in 2008, divided by the amount of convenience floorspace in the town centre (5072 sqm - Experian GOAD 2008) which includes all three supermarkets in Longridge. This gives a local sales density figure of £1832/sqm. This figure suggests that in order to maintain the town's existing market share of convenience spend, it would require an additional **629 sqm** in Longridge by 2018. For the purposes of this study, this figure will be used as it reflects local conditions. This figure is smaller than the size of the existing Booths supermarket in Longridge, which is approximately 1000 sqm.
- 8.38 There are no new stores planned in Longridge. Table 57 summarises the convenience floorspace capacity for Longridge, for each of the test years.

**Table 57 – Additional Convenience Floorspace in Longridge**

Year	Floorspace Requirement, sqm
2008	0
2010	25-124
2012	50-245
2014	76-370
2016	102-496
2018	129-629

Source: BE Group/NEMS Household Survey 2008

### **Whalley**

8.39 The same methodology is applied to Whalley. Table 58 sets out Whalley's share of total convenience spend captured from the study area.

**Table 58 – Whalley's Market Share of Convenience Goods Spend from each Zone, £m (percent)**

Year	Total/yr	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	6792 (0.005)	-	-	3334 (0.006)	3458 (0.011)	-
2010	6965 (0.005)	-	-	3414 (0.006)	3551 (0.011)	-
2012	7144 (0.005)	-	-	3502 (0.006)	3642 (0.011)	-
2014	7328 (0.005)	-	-	3592 (0.006)	3736 (0.011)	-
2016	7513 (0.005)	-	-	3683 (0.006)	3830 (0.011)	-
2018	7703 (0.005)	-	-	3776 (0.006)	3927 (0.011)	-

Source: BE Group/NEMS Household Survey 2008

\* Calculated by multiplying the market share by the total convenience spend

\*\* Based on a constant market share

8.40 Table 58 shows that Whalley currently captures some £6792 a year, which is only 0.005 percent of the available convenience spend within the study area and a very low share. Spend is expected to increase by 13 percent to £7703 by 2018.

8.41 Assuming that the convenience stores in Whalley are able to retain their current market share up to 2018, the resulting increase in spend of £911 is too small a figure to support any further floorspace regardless of what sales density is used.

8.42 There are no convenience stores planned in Whalley and household expenditure is unlikely to support another over the next ten years. Discussions with supermarket operators confirm this.

### Non-Bulky Comparison Goods

8.43 Table 59 shows per capita non-bulky comparison goods spend for each zone. This includes clothes and footwear, as well as recreational items such as books, CDs, jewellery and sports equipment. This represents a third of spend on convenience goods, which is very low (for reasons explained later). Zone 3 (Wilpshire, Brownhill and north of Burnley) spends the most per capita, whereas Zone 2 (Clitheroe) spends the least.

**Table 59 – Per Capita Non-Bulky Goods Spend by Zone**

Year	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	518	388	525	662	454
2010	571	428	579	730	501
2012	630	472	638	805	552
2014	698	523	708	892	612
2016	774	580	785	989	678
2018	858	643	870	1097	752

Source: BE Group/NEMS Household Survey 2008

8.44 Estimated growth in comparison goods spend has been taken from MapInfo/URPI's Information Brief 2007. This is the most reliable information available and states that the annual increase in comparison goods spend is expected to be 5.0 percent, rising to 5.3 percent after 2012.

8.45 Historically high levels of debt, in relation to incomes, are starting to constrain spend, particular in response to the recent hikes in interest rates. Consumer spend is also decreasing as energy prices/production costs continue to rise. Comparison goods have experienced uncharted growth since 1993, when nationally, spend per capita exceeded spend on convenience goods for the first time in recent times. On average, current spend on all comparison goods is twice that spent on convenience goods.

8.46 Household spend lost to SFT such as mail order, catalogue and Internet, has been excluded from the calculations as this does not reflect demand for physical retail floorspace. Quite a significant amount of spend on non-bulky goods is lost to SFT. For clothes and footwear, 12 percent of households in Zone 2 (Clitheroe) prefer to

purchase these items via SFT. This varies between three and five percent in each of the remaining zones. The scenario is most significant for items such as books, CDs and sports equipment. 24 percent of Zone 3 households, 21 percent of Zone 4 households and 18 percent of Zone 2 households prefer to buy these items via SFT. This is 15 percent in Zone 5 and 7 percent in Zone 1.

- 8.47 Table 60 multiplies the forecast population (Table 50) by the forecast per capita non-bulky comparison goods spend (Table 59). It estimates the total non-bulky comparison goods spend in the study area up to 2018.

**Table 60 – Total Non-Bulky Goods Spend by Zone (£m)**

Year	Total	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	49,143,573	4,545,968	2,646,936	18,993,975	14,767,896	8,188,798
2010	54,934,141	5,145,566	2,940,063	21,189,747	16,520,998	9,137,767
2012	61,409,278	5,826,617	3,257,455	23,678,214	18,462,237	10,184,756
2014	69,035,692	6,629,555	3,630,721	26,608,405	20,746,790	11,420,221
2016	77,583,550	7,539,793	4,044,910	29,891,999	23,306,954	12,799,894
2018	87,165,695	8,518,124	4,524,894	33,582,965	26,180,820	14,358,893

Source: BE Group/NEMS Household Survey 2008

- 8.48 The total non-bulky comparison goods spend in the study area is expected to grow from £49m in 2008 to £87m in 2018, an increase of 78 percent.
- 8.49 The household survey asked households to identify their preferred destination for non-bulky comparison shopping (clothes and footwear, books and CDs, etc.). This identified the share of spend captured by the towns of Clitheroe, Longridge and Whalley as well as the proportion leaked outside the Borough. Workings are provided at Appendix 11.

### **Clitheroe**

- 8.50 Table 61 sets out Clitheroe's share of total non-bulky comparison spend in the study area (taken from the 2008 household study).

**Table 61 – Clitheroe's Market Share of Non-Bulky Comparison Goods Spend by Zone, £m (percent)**

Year	Total non-bulky residual spend	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	3,580,389	996,860	633788	1600783	303425	45533

Year	Total non-bulky residual spend	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
	(7.3)	(21.9)	(23.9)	(8.4)	(2.1)	(0.6)
2010	4,008,411 (7.3)	1128342 (21.9)	703975 (23.9)	1785839 (8.4)	339445 (2.1)	50810 (0.6)
2012	4,489,183 (7.3)	1277686 (21.9)	779972 (23.9)	1995563 (8.4)	379330 (2.1)	56632 (0.6)
2014	5,055,391 (7.3)	1453758 (21.9)	869347 (23.9)	2242515 (8.4)	426269 (2.1)	63502 (0.6)
2016	5,691,176 (7.3)	1653358 (21.9)	968521 (23.9)	2519252 (8.4)	478871 (2.1)	71173 (0.6)
2018	6,399,422 (7.3)	1867891 (21.9)	1083450 (23.9)	2830321 (8.4)	537918 (2.1)	79842 (0.6)

Source: BE Group/NEMS Household Survey 2008

\* Calculated by multiplying the market share by the total non-bulky comparison spend by zone

\*\* Based on a constant market share

- 8.51 Table 61 shows that Clitheroe currently captures some £3.6m. This is expected to increase by 77 percent to £6.4m in 2018. This represents 7.3 percent of spend in the study area.
- 8.52 Assuming that the non-bulky comparison stores within Clitheroe are able to retain their current market share up to 2018, the resulting residual spend of £2,819,033 could support a further 805 sqm of new floorspace. This is based on a national average sales density of £3,500/sqm (taken from leading national chains at town centre, edge-of-centre and out-of-town locations).
- 8.53 Alternatively, a local average sales density can be derived from dividing the total non-bulky comparison sales (£3,580,389 from Table 61) for Clitheroe in 2008, by the amount of non-bulky comparison floorspace in the town (8798 sqm - Experian Goad 2008). This gives a more realistic local figure of £407/sqm. This projects an additional non-bulky comparison floorspace requirement of **6926 sqm** in Clitheroe by 2018. There are currently no plans for new non-bulky comparison stores in Clitheroe.
- 8.54 An assessment of retail capacity needs to allow for growth in turnover efficiency (or productivity). Historical models show that the efficiency growth rate of comparison goods has risen by 3.0-3.4 percent since 1981. This is thought to be due to the decrease in size of most electronic goods as design and production becomes more efficient. This is unlikely to continue at the same rate. The scenario of a growth in floorspace efficiency of one percent is recommended and is shown in Table 62. Any

increase in floorspace efficiency will decrease the amount of future floorspace required.

**Table 62 – Additional Non-bulky Comparison Goods Floorspace in Clitheroe**

Year	Floorspace Requirement, sqm	1% increase in floorspace efficiency, sqm
2008	0	0
2010	122-1052	102-875
2012	260-2233	218-1876
2014	421-3624	358-3083
2016	603-5186	518-4457
2018	805-6926	698-6006

Source: BE Group/NEMS Household Survey 2008

- 8.55 If the one percent figure is used, the resulting floorspace required to support the existing market share would reduce to 6006 sqm by 2018. This is approximately six times the size of the Emporium in Clitheroe, based on a three-storey building.
- 8.56 RVBC and LCDL are advised to use the larger figures and to try and increase the town's share of these goods. As discussed later, BE Group recommend that this should comprise large floorplates in order to attract recognised brand retailers and to reduce the share of trade lost outside the Borough. This needs to be sympathetic to the town's individuality and protect independent retailers.

### **Longridge**

- 8.57 Table 63 sets out Longridge's share of total non-bulky comparison spend within the study area (taken from the 2008 household study).

**Table 63 – Longridge's Market Share of Total Non-Bulky Comparison Goods Spend by Zone, £m (percent)**

Year	Total non-bulky residual spend	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	249,042 (0.5)	- (0.0)	- (0.0)	- (0.0)	- (0.0)	249,042 (3.0)
2010	277,903 (0.6)	- (0.0)	- (0.0)	- (0.0)	- (0.0)	277,903 (3.0)
2012	309,744 (0.6)	- (0.0)	- (0.0)	- (0.0)	- (0.0)	309,744 (3.0)

Year	Total non-bulky residual spend	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2014	347,318 (0.6)	- (0.0)	- (0.0)	- (0.0)	- (0.0)	347,318 (3.0)
2016	389,277 (0.6)	- (0.0)	- (0.0)	- (0.0)	- (0.0)	389,277 (3.0)
2018	436,691 (0.6)	- (0.0)	- (0.0)	- (0.0)	- (0.0)	436,691 (3.0)

Source: BE Group 2008/NEMS Household Survey 2008

\* Calculated by multiplying the market share by the total non-bulky comparison spend by zone

\*\* Based on a constant market share

- 8.58 Table 63 shows that Longridge currently captures some £249,042 from Zone 5 only, which is less than one percent of the total non-bulky goods spend in the study area. This is expected to increase to £436,691 by 2018.
- 8.59 Assuming that the non-bulky comparison stores in Longridge retain their share up to 2018, the resulting residual spend of £187,648 could support a further 54 sqm of new floorspace. This is based on an average sales density of £3,500/sqm as discussed earlier.
- 8.60 Alternatively, an average sales density can be derived from total non-bulky comparison sales (£249,042 from Table 63) for Longridge in 2008, divided by the amount of non-bulky comparison floorspace in the town (1997 sqm - Experian Goad 2008). This gives a more realistic local figure of £125/sqm. This projects an additional non-bulky comparison floorspace requirement of **1501 sqm** in Longridge by 2018. There are no new non-bulky comparison stores planned in Longridge.
- 8.61 As shown for Clitheroe, an assessment of retail capacity needs to allow for growth in turnover efficiency (or productivity). This is explained at paragraph 8.54. Figures for Longridge are set out in Table 64.

**Table 64 – Additional Non-Bulky Comparison Goods Floorspace in Longridge**

Year	Floorspace Requirement, sqm	1% increase in floorspace efficiency, sqm
2008	0	0
2010	8-231	6-191
2012	17-486	14-405

Year	Floorspace Requirement, sqm	1% increase in floorspace efficiency, sqm
2014	28-786	24-664
2016	40-1122	34-957
2018	54-1501	46-1293

Source: BE Group/NEMS Household Survey 2008

8.62 Considering, that small shops in Longridge average around 100 sqm in size, this represents 13 small shops for non-bulky floorspace by 2018.

### **Whalley**

8.63 Table 65 sets out Whalley's share of total non-bulky comparison spend from the study area. Surprisingly, Whalley attracts more non-bulky comparison spend than Longridge.

**Table 65 – Whalley's Market Share of Total Non-Bulky Comparison Goods Spend by Zone, £m (percent)**

Year	Total non-bulky residual spending	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	597,450 (1.2)	15,017 (0.3)	51,734 (2.0)	53,162 (0.3)	477,537 (3.2)	0 (0.0)
2010	667,994 (1.2)	16,998 (0.3)	57,463 (2.0)	59,307 (0.3)	534,225 (3.2)	0 (0.0)
2012	746,184 (1.2)	19,248 (0.3)	63,666 (2.0)	66,272 (0.3)	596,998 (3.2)	0 (0.0)
2014	838,207 (1.2)	21,901 (0.3)	70,961 (2.0)	74,473 (0.3)	670,871 (3.2)	0 (0.0)
2016	941,285 (1.2)	24,907 (0.3)	79,057 (2.0)	83,664 (0.3)	753,657 (3.2)	0 (0.0)
2018	1,057,158 (1.2)	28,139 (0.3)	88,438 (2.0)	93,994 (0.3)	846,587 (3.2)	0 (0.0)

Source: BE Group/NEMS Household Survey 2008

\* Calculated by multiplying the market share by the total non-bulky comparison spend by zone

\*\* Based on a constant market share

8.64 Table 65 shows that Whalley currently captures some £597,450 a year. This is expected to increase to £1.1m by 2018, just over one percent of the available non-bulky goods spend in the study area.

8.65 Assuming that the non-bulky comparison stores within Whalley are able to retain their

current market share up to 2018, the resulting residual spend of £459,709 could support a further 131 sqm of new floorspace. This is based on an average sales density of £3,500/sqm as discussed earlier.

- 8.66 Alternatively, an average sales density can be derived from total comparison sales (£597,450 from Table 65) for Whalley in 2008, divided by the amount of non-bulky comparison floorspace in the town (1988 sqm - Experian GOAD 2008). This gives a more realistic local figure of £300/sqm. This projects an additional non-bulky comparison floorspace requirement of **1532 sqm** in Whalley by 2018. Considering that the average floorspace of a shop in Whalley is 115 sqm, this equates to roughly 13 new shops. There are currently no plans for new non-bulky comparison stores in Whalley.
- 8.67 An assessment of retail capacity needs to allow for growth in turnover efficiency (or productivity). This is explained in paragraph 8.54. Projected floorspace figures for Whalley are set out in Table 66.

**Table 66 – Additional Non-Bulky Comparison Goods Floorspace in Whalley**

Year	Floorspace Requirement, sqm	1% increase in floorspace efficiency, sqm
2008	0	0
2010	20-235	15-195
2012	42-496	36-415
2014	69-803	58-680
2016	98-1146	84-981
2018	131-1532	113-1324

Source: BE Group/NEMS Household Survey 2008

### **Bulky Comparison Goods**

- 8.68 Bulky comparison goods spend per capita for each zone is set out in Table 67. It shows that spend per capita on bulky goods is less than spend on convenience and marginally less, than spend on non-bulky comparison goods.
- 8.69 Estimated growth in comparison goods spend has been taken from MapInfo/URPI's Information Brief 2007. This is the most reliable information available and states that the annual increase in comparison goods spend is expected to be 5.0 percent, rising to 5.3 percent after 2012.

8.70 The calculations have excluded spend lost to SFT (i.e. mail order, catalogue and the Internet). For bulky goods, this is most significant in Zone 3 where 34 percent of household spend is lost to SFT. It is also high in Zone 5 (25 percent), Zone 2 (22 percent), Zones 1 and 4 (both 12 percent).

**Table 67 – Per Capita Bulky Comparison Goods Spend by Zone**

Year	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	961	402	473	480	463
2010	1060	443	521	529	510
2012	1168	489	575	583	563
2014	1295	542	637	647	624
2016	1436	601	707	717	692
2018	1592	666	784	795	767

Source: BE Group 2008/NEMS Household Survey 2008

**Table 68 – Total Bulky Comparison Goods Spend by Zone (£m)**

Year	Total spend, bulky goods	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	47,347,818	8,433,736	2,742,444	17,112,667	10,707,840	8,351,131
2010	52,981,102	9,546,118	3,046,148	19,090,953	11,978,971	9,318,912
2012	59,290,719	10,809,611	3,374,992	21,332,943	13,386,516	10,386,656
2014	66,723,468	12,299,233	3,761,726	23,972,905	15,042,990	11,646,613
2016	75,062,983	13,987,916	4,190,861	26,931,268	16,899,302	13,053,636
2018	84,374,356	15,802,928	4,688,163	30,256,652	18,983,072	14,643,540

Source: BE Group 2008/ NEMS Household Survey 2008

8.71 Table 68 multiplies the forecast population (Table 50) by the per capita bulky comparison goods spend (Table 67) and estimates the total bulky comparison goods spend for the study area up to 2018. The total spend on bulky comparison goods is expected to grow from £47.3m in 2008 to £84.4m in 2018.

8.72 The survey asked households to identify their preferred destination for bulky comparison shopping (large electrical items, furniture and carpets, and DIY goods, etc). This identified the share of spend captured by the towns of Clitheroe, Longridge and Whalley as well as the proportion leaked outside the Borough. Spend captured by each town is summarised in the following paragraphs. Workings are provided at Appendix 11.

### Clitheroe

8.73 Table 69 sets out Clitheroe's share of total bulky comparison spend from the study area (taken from the 2008 household survey).

**Table 69 – Clitheroe's Market Share of Total Bulky Comparison Goods Spend by Zone, £m (percent)**

Year	Total bulky residual spending	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	6,003,978 (12.7)	2,108,781 (25.0)	1,292,674 (47.1)	1,989,984 (11.6)	600,282 (5.6)	12,256 (0.15)
2010	6,728,002 (12.7)	2,386,923 (25.0)	1,435,827 (47.1)	2,220,033 (11.6)	671,542 (5.6)	13,677 (0.15)
2012	7,540,119 (12.7)	2,702,848 (25.0)	1,590,830 (47.1)	2,480,748 (11.6)	750,449 (5.6)	15,244 (0.15)
2014	8,496,581 (12.7)	3,075,315 (25.0)	1,773,121 (47.1)	2,787,742 (11.6)	843,311 (5.6)	17,093 (0.15)
2016	9,571,247 (12.7)	3,497,555 (25.0)	1,975,397 (47.1)	3,131,761 (11.6)	947,376 (5.6)	19,158 (0.15)
2018	10,765,332 (12.7)	3,951,383 (25.0)	2,209,805 (47.1)	3,518,461 (11.6)	1,064,193 (5.6)	21,491 (0.15)

Source: BE Group/NEMS Household Survey 2008

\* Calculated by multiplying the market share by the total bulky comparison spend by zone

\*\* Based on a constant market share

8.74 Table 69 shows that Clitheroe currently captures some £6.0m, mostly from Zones 1, 2 and 3. This is expected to increase to £10.8m by 2018, which is just over 12 percent of the total bulky goods spend in the study area.

8.75 Assuming that the bulky comparison stores in Clitheroe retain their share, the resulting residual spend of £4.7m could support a further 1360 sqm of new floorspace by 2018. This is based on an average sales density of £3500/sqm as discussed earlier.

8.76 Alternatively, an average sales density can be derived by dividing the total bulky comparison sales (£6,003,978 from Table 69) in Clitheroe by the amount of bulky comparison floorspace in the town (3418 sqm - Experian GOAD 2008). This gives a more local figure of £1756/sqm. This suggests that projected spend could support an additional bulky comparison floorspace of **2711 sqm** in Clitheroe by 2018. The range of floorspace estimates are dependent on the sales density applied.

- 8.77 A new Homebase store (4587 sqm) is currently being built in Clitheroe. Based on this analysis, this will absorb all future demand for additional bulky comparison floorspace for the next ten years, and more. However, the store will cater for only part of the bulky goods comparison market – DIY and small electrical items, but less so for carpets, furniture and large domestic appliances.
- 8.78 This analysis is also based on a constant market share. A recognised brand could actually increase the local share of bulky comparison spend captured by Clitheroe and as such, the resulting floorspace which could be supported. However, by how much is questionable as the household survey found that only four percent of the study area’s population prefer Homebase (currently at Accrington and Preston Docks) to the B&Q brand (43 percent) but this may have been through lack of choice rather than preference.
- 8.79 A retail assessment needs to allow for growth in turnover efficiency (or productivity). The efficiency growth rate of comparison goods has risen by 3.0-3.4 percent since 1981. This is thought to be due to the decrease in size of most electronic goods as design and production becomes more efficient. Whilst this is unlikely to continue at the same rate, the impact of a growth in floorspace efficiency of one percent is shown in Table 70.

**Table 70 – Additional Bulky Comparison Goods Floorspace in Clitheroe**

Year	Floorspace Requirement, sqm	1% increase in floorspace efficiency
2008	0	0
2010	207-412	172-344
2012	439-875	369-736
2014	712-1419	607-1209
2016	1019-2031	877-1748
2018	1360-2711	1181-2354

Source: BE Group/NEMS Household Survey 2008

- 8.80 If floorspace efficiency increases by one percent per year over the next ten years, the additional bulky comparison floorspace required is reduced to 2354 sqm by 2018 (half the size of the Homebase store completed in Clitheroe towards the end of this study).

### **Longridge**

- 8.81 Table 71 sets out Longridge’s share of total bulky comparison spend in the study

area.

**Table 71 – Longridge’s Market Share of Total Bulky Comparison Goods Spend by Zone, £m (percent)**

Year	Total bulky residual spend	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	1,371,864 (2.9)	- (0.0)	- (0.0)	- (0.0)	- (0.0)	1,371,864 (16.4)
2010	1,530,844 (2.9)	- (0.0)	- (0.0)	- (0.0)	- (0.0)	1,530,844 (16.4)
2012	1,706,245 (2.9)	- (0.0)	- (0.0)	- (0.0)	- (0.0)	1,706,245 (16.4)
2014	1,913,222 (2.9)	- (0.0)	- (0.0)	- (0.0)	- (0.0)	1,913,222 (16.4)
2016	2,144,357 (2.9)	- (0.0)	- (0.0)	- (0.0)	- (0.0)	2,144,357 (16.4)
2018	2,405,535 (2.9)	- (0.0)	- (0.0)	- (0.0)	- (0.0)	2,405,535 (16.4)

Source: BE Group/NEMS Household Survey 2008

\* Calculated by multiplying the market share by the total bulky comparison spend by zone

\*\* Based on a constant market share

8.82 Table 71 shows that Longridge currently captures some £1.4m, just under three percent of the available bulky goods spend in the study area. This is expected to increase to £2.4m by 2018.

8.83 Assuming that the bulky comparison stores in Longridge retain their market share up to 2018, the resulting residual spend of £1,033,672 could support a further 295 sqm of new floorspace. This is based on an average sales density of £3500/sqm as discussed earlier.

8.84 Alternatively, an average sales density can be derived by dividing the total bulky comparison sales (£1,371,864 from Table 70) for Longridge by the amount of bulky comparison floorspace in the town (1997 sqm - Experian GOAD 2008). This presents a more realistic local figure of £617/sqm. This suggests that projected spend could support an additional bulky comparison floorspace of **1675 sqm** in Longridge by 2018. The range of floorspace estimates are dependent on the sales density applied.

8.85 No new stores are planned in Longridge.

- 8.86 A retail assessment needs to allow for growth in turnover efficiency (or productivity) . This is explained at paragraph 8.69. Floorspace requirements for Longridge are set out in Table 72.

**Table 72 – Additional Bulky Comparison Goods Floorspace in Longridge**

Year	Floorspace Requirement, sqm	With 1% increase in floorspace efficiency, sqm
2008	0	0
2010	45 - 258	38 - 213
2012	96 - 542	79 - 452
2014	155 - 877	131 - 741
2016	221 - 1252	188 - 1068
2018	295 - 1675	254 - 1443

Source: BE Group/NEMS Household Survey 2008

- 8.87 If floorspace efficiency increased by one percent per year over the next ten years, Longridge could support a further 1443 sqm by 2018. This is a quarter of the size of the new Homebase store in Clitheroe.

### **Whalley**

- 8.88 Table 73 sets out Whalley's share of total bulky comparison spend in the study area.

**Table 73 – Whalley's Market Share of Total Bulky Comparison Goods Spend by Zone, £m (percent)**

Year	Total bulky residual spend	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
2008	188,592 (0.4)	-	71,230 (2.6)	117,363 (0.7)	-	-
2010	210,048 (0.4)	-	79,118 (2.6)	130,930 (0.7)	-	-
2012	233,965 (0.4)	-	87,659 (2.6)	146,306 (0.7)	-	-
2014	262,115 (0.4)	-	97,703 (2.6)	164,412 (0.7)	-	-
2016	293,550 (0.4)	-	108,849 (2.6)	184,701 (0.7)	-	-
2018	329,273 (0.4)	-	121,766 (2.6)	207,507 (0.7)	-	-

Source: BE Group/NEMS Household Survey 2008

\* Calculated by multiplying the market share by the total bulky comparison spend by zone

\*\* Based on a constant market share

- 8.89 Table 73 shows that Whalley currently captures some £188,592 less than one percent of the available bulky goods spend in the study area. This is expected to increase to £329,273 by 2018.
- 8.90 Assuming that the bulky comparison stores in Whalley retain their market, the resulting residual spend of £140,681 could support a further 40 sqm of new floorspace. This is based on an average sales density of £3500/sqm as discussed earlier.
- 8.91 Alternatively, an average sales density can be derived from total bulky comparison sales (£188,592 from Table 73) for Whalley in 2008, divided by the amount of bulky comparison floorspace in the town (483 sqm - Experian GOAD 2008). This presents a more realistic local figure of £241/sqm. This suggests that projected spend could support an additional floorspace of **584 sqm** in Whalley by 2018.
- 8.92 No new stores are planned in Whalley.
- 8.93 A retail assessment needs to allow for growth in turnover efficiency (or productivity – explained in paragraph 8.69). However, the effect on any increase in floorspace efficiency is to reduce the future floorspace requirement. As the floorspace figures for Whalley are so small, this has not been calculated. Projected floorspace requirements for Whalley are set out in Table 74.

**Table 74 – Additional Bulky Comparison Goods Floorspace in Whalley**

Year	Floorspace Requirement, sqm
2008	0
2010	6 - 89
2012	13 - 188
2014	21 - 305
2016	30 - 436
2018	40 - 584

Source: BE Group/NEMS Household Survey 2008

### Summary

- 8.94 This section has addressed the capacity of three towns in the Ribble Valley to support further retail floorspace over the next ten years. The figures, summarised in Table 75, indicate that there is sufficient capacity to increase floorspace provision for all retail categories by 2018, particularly in Clitheroe, but not for bulky comparison goods.

**Table 75 – Retail floorspace (sqm) requirements in the Ribble Valley by 2018**

	<b>Clitheroe</b>	<b>Longridge</b>	<b>Whalley</b>	<b>Total</b>
Convenience	791 - 1286	129 - 629	-	920 - 1915
Comparison – Non Bulky	698 - 6006**	46 - 1293**	113 - 1324**	857 - 8623
Comparison – Bulky	1181 - 2354**	254 - 1443**	40 - 584	1475 - 4381*
<b>Total</b>	<b>2670 - 9646</b>	<b>429 - 3365</b>	<b>153 - 1908</b>	<b>3252 - 14,919</b>

Source: BE Group/NEMS Household Survey 2008

\* Excludes new Homebase store in Clitheroe for non-bulky goods at 4587 sqm (building was completed at the end of the study, effectively removing this requirement)

\*\* Accounts for expected one percent increase in floorspace efficiency

- 8.95 In total, the three towns currently retain approximately £70m (29 percent) of the total available retail spend in the study area. This could support a further 14,919 sqm of retail floorspace over the following ten years when based on local sales density figures (reduces to 10,332 sqm now that the Homebase store is built). Very little (less than one percent) is spent elsewhere in the Borough. The remaining spend is leaked outside the Borough, approximately £168m (71 percent). New retail floorspace would be best accommodated in Clitheroe due to its population and potential to attract more of its residents back to shopping in its town centre.
- 8.96 This requirement reflects new retail floorspace, or floorspace taken up for retail use (e.g. that could have been previously employment, leisure or housing). If new convenience retail was accommodated in premises previously used for comparison retail this would need to be reflected as a loss of floorspace for comparison, but overall no change to retail requirements. This balance should be borne in mind for future retail planning permissions.
- 8.97 It should be noted that convenience retail floorspace figures are likely to be over-estimated. This is because existing supermarkets have the capacity to absorb further spending to a degree, Internet shopping is likely to increase and inflated food prices are likely to curb unnecessary spending among some demographic groups.
- 8.98 Conversely, the comparison retail floorspace figures are more likely to be under-estimated. This is because, in BE Group's view, per capita spend levels taken from the household survey (the agreed methodology) and used in the calculations are too small. They represent half the UK average per capita figure for comparison spend, which is approximately £3500 in 2008. However, because spend per capita also

affects the sales density figure (which the captured spend is divided by), it is not statistically robust to merely double the floorspace requirement.

8.99 Retail capacity models are useful as a means to test reality, however they are limited by a number of factors. It is impossible to absolutely determine where people will choose to shop and how much they will spend in the future. For example, Preston's planned Tithebarn scheme due to open around 2014 will be a significant pull. As such, it is impossible to know by how much market shares/spend captured by a specific town will change.

8.100 In reality, the amount of retail floorspace required in the future is determined by:

- Actual population growth (including the impact of jobs and housing markets)
- Levels of household disposable incomes
- Global production costs and demand
- Technological change and floorspace efficiency
- Retail fashions and fads
- Popularity of Internet retail
- Sales density figures
- The quality of a town's individual retail experience (influenced by car parking, representation of national brands and accessibility).

8.101 Forecasting retail floorspace requirements is however an important tool in determining how much floorspace and what type is required to maintain existing local economic growth. Again, how much is determined by a number of factors:

- What assumptions are made
- Whether the town wants to increase or maintain its existing market share
- Whether it wants to extend/widen its catchment
- Whether it needs to offer a distinctive pull and how it achieves this
- How to balance individuality (independent and specialist retailers) with conventionality (trusted and recognised national brands).

8.102 The calculations made here by BE Group, based on the attributes of the Ribble Valley and a realistic scenario, have assumed that:

- The market shares/spend captured by the Borough remain the same (it would require a significant change to challenge the existing pull of Blackburn, Preston and Accrington shopping destinations)
- The local sales density figures remain low, reflecting the rural catchment

- Existing floorspace cannot absorb further spend
- Floorspace efficiency/productivity levels will not exceed one percent each year (based on historical levels, impending national economic changes and advice from MapInfo).

8.103 However, BE Group recommend that RVBC and LCDL adopt a pro-active approach and seek to increase the Borough's market share (and so reduce spend leaked out the Borough). This would be best achieved in Clitheroe, where evidence (discussed in Section 9.0) of falling trade and consumer confidence is undermining the town's future retail growth, justifies public intervention.

8.104 The requirement to increase retail floorspace in the next ten years should be combined with the opportunity to reconfigure retail floorplates/land assembly in the town centre. Not only would this make better use of under-utilised sites but would also consolidate the town centre's retail core. This could explore options to increase floorplates to attract national brands to pull in more shoppers, yet retain development sympathetic to the town's individuality and character. Clitheroe needs to work very hard to maintain its existing market share, considering the rate of growth expected in Preston and popularity of Blackburn, Accrington and Burnley as shopping destinations.

8.105 Lastly, shopping is no longer a necessity so much as a desire. Improving the retail experience and so reducing the loss of shoppers, is key to improving the vitality and viability of the three town centres.

## 9.0 RETAIL HEALTH ASSESSMENT

### Introduction

- 9.1 This section assesses the health of the retail economy in Clitheroe, Longridge and Whalley. It is based on the indicators shown in Table 76, which are outlined in PPS6 'Town Centres'. It draws conclusions on the vitality and viability of each town centre and makes recommendations to promote retail growth.

**Table 76 – Vitality and Viability Retail Health Indicators**

Vitality	Viability
Accessibility	Diversity of Uses and Floorspace
Pedestrian Flows	Retailer Representation
Crime and Safety	Vacancy Rates
Environmental Quality	Retail Rents and Yields
Retail/Shopper Perceptions	Turnover
	Business Confidence

Source: Planning Policy Statement 6 'Town Centres' (DCLG 2005)

- 9.2 Vitality indicators qualitatively assess retail performance, and as such are largely based on shopper and retailer perceptions. Information has been collected via a town centre retailer survey, and a household survey of the retail catchment (see Section 8.0) both completed in April 2008. The findings of the retailer surveys in each town centre are summarised at Appendix 12. Key points are discussed here.
- 9.3 Viability indicators are more quantitative and are based on an analysis of retail composition, floorspace use, retail rents and yields. Information has been drawn from a town centre audit (completed in April 2008), Experian GOAD plans of the town centres from November 2007, consultations with property agents, a review of marketed and vacant properties, national retail statistics and trends and the retailer survey. Current planning policy within the Ribble Valley Local Plan does not define town centre boundaries drawn for Clitheroe, Longridge and Whalley.
- 9.4 Health checks have been completed for both Clitheroe and Longridge as part of the Market Town Initiative in 2002 and 2004 respectively. Findings from both contribute to conclusions made here.

## **Vitality**

### ***General Description***

#### *Clitheroe*

- 9.5 Clitheroe is the largest town in the Ribble Valley and has a population of 14,000. It is approximately 10 miles north of Blackburn and 20 miles north east of Preston, and serves a wide rural catchment. It is identified as a key service centre in the 2006 Lancashire Economic Strategy. The nearest motorway, the M65, is eight miles away. The train station has regular services to and from Manchester.
- 9.6 The town is a traditional market town, built around a 12<sup>th</sup> century Norman Castle, and expanded upon the cotton industry in the 18<sup>th</sup> and 19<sup>th</sup> centuries. Its industrial base has demised and is now largely based on cement, clothing and chemical manufacturing.
- 9.7 In recent times, as experienced by many market towns across the UK, Clitheroe has witnessed a fall in trade and shopper numbers. There is evidence to suggest that the town is not supported as well as it could be by its population. Many residents commute out of the town for work, and as such are more likely to shop and use services at more modern and more convenient destinations in and around Preston, Blackburn and Accrington. This is evident in the household survey which found that the town only retains seven percent of the catchment's spend on comparison goods i.e. non-food items.
- 9.8 In fact, most shoppers (63 percent) said that their main reason for visiting Clitheroe town centre is for food shopping. Other key reasons included bars and restaurants (48 percent), clothes and footwear shopping (47 percent), leisure and recreation (40 percent).
- 9.9 Retailing in Clitheroe town centre is focused on Castle Street, Castlegate, King Street and Moor Lane. There are no covered shopping parades in the town. The market is located off New Market Street and is held four times a week. Tuesdays and Saturdays are the main market days, but smaller markets are also held on Thursdays and Fridays. Key attractions include the Norman Castle, the markets, independent and specialist retailers, bars and restaurants, the cinema and the newly opened Grand theatre.

### *Longridge*

- 9.11 Longridge is the second largest town in the Ribble Valley, after Clitheroe with a population of approximately 8000 (Census 2001). The town's population expanded rapidly in the 18<sup>th</sup> and 19<sup>th</sup> centuries around agriculture, cotton weaving and quarrying. It has since declined but continues to be an important service centre for surrounding villages.
- 9.12 The town is less than five miles from the M6, and approximately eight miles north of Preston. It does not have a train station. Many residents commute to Preston and the main towns of Lancashire to work. As such, they are more likely to shop at modern and more convenient destinations.
- 9.13 The household survey indicates that Longridge captures only 6.5 percent of spend on convenience goods from the catchment (see Figure 2), less than one percent of spend on non-bulky comparison items (e.g. clothes and footwear, books, CDs) and three percent of spend on bulky comparison goods (e.g. DIY, carpets and furniture).
- 9.14 Most households (24 percent) said that their main reason for visiting Longridge is for food shopping. This was closely followed by health and professional services, bars and restaurants and leisure and recreation (all 17 percent each). 12 percent said their main reason to visit is to purchase clothes and footwear.
- 9.15 Retailing in Longridge is focused on Berry Lane and to a lesser extent, Derby Road and Inglewhite Road. The town has a market which has declined in recent years. Key attractions include the Heathcotes restaurant, shops and services. Longridge is also well used as a stop-off point for visitors to the Forest of Bowland and Beacon Fell Country Park.

### *Whalley*

- 9.16 The historic town of Whalley has a population of approximately 4000 (Census 2001). Just under five miles from Clitheroe, it depends very much on its larger neighbour for services. The town grew around the Abbey and expanded to nearly 12,000 people in the 19<sup>th</sup> century. It has since declined following the demise of the weaving and quarrying industries in the surrounding area, and more recently agriculture.
- 9.17 As described for Clitheroe and Longridge, much of Whalley's residents commute to Preston and towns in Lancashire to work. As such most residents are likely to shop

at more modern, convenient destinations. Whalley does retain a very small but important share of household expenditure from across the catchment (see Figure 2). Its largest share (1.2 percent) is in non-bulky comparison goods (such as clothes and footwear, recreational goods). It retains 0.4 percent of the bulky comparison goods (carpets, furniture, DIY) but only 0.005 percent of the convenience goods market from the catchment.

9.18 Most households said that their main reason for visiting Whalley is for bars and restaurants (21 percent). An equal proportion of households said that their main reason is for food shopping, clothes and footwear, leisure and recreation, and health services (all 13 percent each).

9.19 Retailing in Whalley is focused on King Street. Key attractions include the 14<sup>th</sup> century Abbey, pubs and cafes. The train station has regular trains to Manchester and Clitheroe.

### ***Accessibility***

9.20 This aspect considers the ease and convenience of travel, by different means, to and within the town centres. Data is taken from the household survey (see Section 8.0).

#### *Clitheroe*

9.21 The household survey asked shoppers to rate how easy it is to get to Clitheroe. Of those who answered:

- Most households (69 percent) said they thought public transport to Clitheroe is 'good' – but least so in Zones 1 and 5
- Most households (82 percent) said they thought that access by car is 'good' – rated highly in all zones
- Most households (61 percent) said walking to the town centre is 'good' – rated lowest in Zones 3, 4 and 5.

9.22 It is clear, that overall Clitheroe town centre is felt to be most accessible by car. The responses do not appear to vary by age of the respondent. Access by foot is rated poorer probably because of the town's rural location.

9.23 58 percent of all households rated pedestrian mobility in the town centre as 'good' but least so by residents of Zone 4. It seems that access to the town centre is satisfactory but pedestrian movement within the town centre could be improved.

- 9.24 Overall access by private transport is rated the highest suggesting that most households prefer to travel to Clitheroe by car. This is probably because they are travelling from rural areas and it is therefore more convenient.
- 9.25 The Health Check (2002), which surveyed the town's residents only, identified that 88 percent of households have one or more cars (higher than the Lancashire average – 75 percent). Very few households said that they use public transport on a regular basis. Congestion was a key concern (43 percent) and 19 percent felt pavements are in poor condition. Despite this, only a minority suggested pedestrianisation of parts of the town centre. Based on findings from the household survey, both Longridge and Whalley perform better in terms of accessibility.

#### *Longridge*

- 9.26 The household survey asked shoppers to rate how easy it is to get to Longridge town centre. Of those who answered:
- Most households (64 percent) said they felt that public transport is 'good'
  - Most households (85 percent) said they felt that travelling by car to the town centre is 'good'
  - Most households (69 percent) said walking to the town centre is 'good'
  - Most households (61 percent) said pedestrian mobility within the town centre is 'good'.
- 9.27 This highlights that overall, the town centre is felt to be most accessible by car. The results do not appear to vary significantly by age of respondent.
- 9.28 The Longridge Health Check (2004) surveyed residents and a common suggestion was a need to reduce traffic on Berry Lane and introduce more pedestrian crossing points. No information has been gathered to test if this is still the case. Consultation with shoppers and retailers did not highlight congestion as a key concern.

#### *Whalley*

- 9.29 Again, the household survey asked shoppers to rate how easy it is to get to Whalley and once there, move around. Of those who answered:
- Most households (70 percent) thought public transport is 'good'
  - Most households (75 percent) thought travelling by car is 'good'
  - Most households (58 percent) thought walking to the town is 'good' (lower than responses for Clitheroe and Longridge)

- Most households (73 percent) felt pedestrian mobility within the town centre is 'good'.

9.30 Overall, the findings reflect favourably on the town and Whalley is perceived to be more accessible by car and public transport, than by foot. Pedestrian mobility within the town centre is felt to be the best in Whalley of the three towns.

### ***Pedestrian Flows***

9.31 No information is available for footfall counts in any of the town centres. However, retailers were asked if they have noticed any change in footfall outside their shop in the last four years.

#### *Clitheroe*

9.32 In Clitheroe, most retailers (64 percent) stated that footfall has decreased. This is felt across the town centre but more so on Moor Lane (75 percent of retailers) and Castle Street (83 percent of retailers). 69 percent of retailers noting a decline in footfall, also noted a decline in trade. Compared to Longridge and Whalley, a greater proportion of Clitheroe retailers noted a decline in footfall.

#### *Longridge*

9.33 In Longridge, most retailers (52 percent) felt that footfall has actually increased in the town centre, thus painting a positive picture of retail health, the best of the three towns. However, retailers at the top of Berry Lane are more concerned about falling trade compared to shops at the bottom.

#### *Whalley*

9.34 Most retailers (44 percent) have noticed no change, compared to 38 percent who felt it has increased and 19 percent who thought it has decreased. This reflects a positive picture of retail health in Whalley.

### ***Crime and Safety***

#### *Clitheroe*

9.35 Households were asked to rate security and personal safety in the town centre. Of those who answered, 81 percent thought this is 'good'. Whalley compared as favourably (83 percent), but Longridge less so (68 percent). Fewer Zone 3 households rated Clitheroe so well, but the proportion was still high (78 percent).

- 9.36 In Clitheroe itself, only two percent of households said they felt that security and personal safety is a concern. Overall, the majority of shoppers feel safe in Clitheroe. This paints a more positive picture than the findings of the Market Town Health Check (2002), which identified that 77 percent of households thought crime to be an issue in Clitheroe despite its low incidence. None of the retailers surveyed were overly concerned about crime.

*Longridge*

- 9.37 68 percent of households thought security and personal safety in Longridge is 'good'. This is a lower proportion than the other two towns but is still quite high.
- 9.38 14 percent of retailers surveyed have concerns around anti-social behaviour (this was not mentioned in the other two towns). Four percent felt there is a need to improve CCTV. This was also noted in the Health Check (2004) but was not a key concern.

*Whalley*

- 9.39 Overall 83 percent of households said this is 'good' – the best rating achieved of the three town centres. The rating was high in all zones, but lowest in Zone 4 (75 percent). Crime and security was not a key concern noted in the retailer survey.

***Environmental Quality***

- 9.40 Households were asked to comment on the quality of the natural and built environment in each of the three towns.

*Clitheroe*

- 9.41 Overall, 86 percent of households felt that environmental quality in Clitheroe is 'good'. More households in Zone 4 (93 percent) felt this to be so, the least in Zone 3 (84 percent), although this is still high. A very low proportion of all households felt that environmental improvements were needed in the town, only 0.9 percent overall. The Health Check (2002) identified the two uppermost environmental issues of concern to be dog fouling and littering. This was not noted to be an issue in the 2008 retailer survey.

*Longridge*

- 9.42 Environmental quality in Longridge was rated as 'good' by 64 percent of households, a lower proportion compared to Clitheroe and Whalley. However, only one percent of households suggested that environmental improvements in Longridge town centre

would encourage them to visit more often. It appears that there may be room for improvement in Longridge in terms of how it looks, general cleanliness and tidiness but that any changes are unlikely to draw more shoppers in. A key action in the Health Check (2004) was to establish a community team to tackle unattractive public areas in the town centre, although it is not known if this has been done. Environmental improvements (more flowers, less litter, better pavements) was the most common suggestion made by retailers to draw more shoppers in.

#### *Whalley*

- 9.43 Overall, environmental quality was rated 'good' by 93 percent of households. This was high across all zones in the catchment. Environmental improvements was the most common suggestion made by retailers to draw more shoppers in – mainly requests for more flowers, more bins and less litter.

#### ***Retailer Perceptions***

- 9.44 A more detailed analysis of the retailer survey is included at Appendix 12.

#### *Clitheroe*

- 9.45 An attractive market town, the wide variety of shops, tourism and good local community are features of Clitheroe rated most highly by retailers. They are most concerned by the poor variety of shops (over 50 percent said this), the number of charity shops, perceived expense of business rates/rents and poor parking (a lack of and expense). The most common suggestions to improve trade were more and cheaper parking, more street entertainment and events, more advertising, environmental improvements (such as more flowers and less litter) and fewer charity shops. Improving the variety of shops, markets, and attracting more brand stores were also common suggestions.

#### *Ribble Valley Business Breakfast Group (RVBBG)*

- 9.46 There is currently no established business group in Clitheroe (it disbanded some years ago). Retailers are however represented on the recently formed RVBBG. Members are from all types of business sectors from across the Borough. It has in the region of 20-30 members at present.
- 9.47 Consultation with RVBBG members highlighted key concerns regarding trade in Clitheroe as follows:
- Shopper numbers are declining

- The market is poor quality and needs improving
- There are too many cafes and charity shops, creating aggressive competition
- The Castle development is too self-contained – more should be done to encourage visitors into the town centre
- There are too many empty shops
- There is a lack of freehold shops available
- There is a lack of parking (flexibility and expense).

9.48 Key actions identified by RVBBG included:

- A need to focus on quality goods and excellent customer service
- A need to encourage residents to buy local
- Promote local food trails and specialist shops
- Establish a good quality farmer's market (potentially close Church Street on market days)
- Improve regional and national advertising (link to national press such as 'Nibble in the Ribble')
- A need to pool funds (business memberships, sponsorship and public funds).

#### *Longridge*

9.49 The community, wide variety of shops, ease of access and availability of amenities are all features of Longridge rated highly by town centre retailers. Their main concerns comprise poor parking (amount, flexibility and expense), speeding cars on Berry Lane, accessibility and perceived anti-social behaviour.

9.50 Key suggestions to improve trade in Longridge are environmental improvements, more and cheaper parking, more public support (in terms of grants, events and marketing), better promotion and advertising.

#### *Longridge Partnership*

9.51 Longridge Partnership oversaw the Health Check (2004) of the town. It feels that retail performance in the town is satisfactory although there is room for improvement. There are few vacant shops and a low proportion of charity shops compared to other towns. The town has successfully developed its customer base and now attracts more affluent shoppers. There is a good mix of shops, balanced with adequate supermarket representation.

9.52 Car parking is good – there is free on-street parking on Berry Lane and in adjoining

streets. There is also a free car park provided by the supermarket. There is a Council-owned Pay 'n' Display car park but this is little used. This site is under-utilised and may be better suited to commercial/leisure uses.

#### *Longridge Business Group*

- 9.53 A new business group is starting up (approximately 12 members at present) which has recently drawn up its vision and objectives for the town. It aims to promote a better quality retail experience, encourage residents to buy local, attract more shoppers and visitors from further afield, and through a concerted effort promote the town more through advertising and media.

#### *Whalley*

- 9.54 Most retailers rated the community, variety of shops, ease of access and attractiveness, as the town's best features. Most were concerned about the lack and/or expense of car parking and traffic congestion in the town centre.
- 9.55 Common suggestions to improve the town centre included more and cheaper parking, environmental improvements (e.g. flowers and less litter) and a wider variety of shops. The bus station was thought to be too large a site by some (7 percent) and suggested as a suitable site for either a car park or shops.

#### *Whalley Business Group*

- 9.56 Whalley Business Group represents retailers in the town centre. There is some concern that specific shops are under-represented. For example, there are no greengrocers or bakers and there are too many health and beauty shops. Local residents now shop elsewhere for their basic goods, which means a lot of 'spin off' spend is also lost. A lack of local convenience retailers is having a particularly negative impact upon the local elderly population.

#### **Household Perceptions**

- 9.57 Households were asked what improvements would encourage them to shop in each of the town centres more often.

#### *Clitheroe*

- 9.58 57 percent of households said they felt that no improvements are needed. Of the remainder, an increased range and choice of shops (in particular national brands) was the most common suggestion (17 percent); followed by more car parking (eight

percent), improved quality of shops (four percent), better public transport (three percent) and new/improved market facilities (three percent). Other suggestions included:

- Less expensive car parking
- Pedestrianisation
- More entertainment facilities
- Cheaper shops
- Less charity shops
- A Marks and Spencer's store
- Environmental improvements
- More clothes shops.

#### *Longridge*

- 9.59 72 percent of households thought that no improvements are needed. Of the remainder, an increased choice of shops (42 percent), more and improved parking (14 percent), better public transport (14 percent), higher quality shops (10 percent) and more leisure and entertainment facilities (10 percent) were the most common suggestions. Requests for another supermarket (there are three existing), environmental improvements, better security and publicity were also noted.

#### *Whalley*

- 9.60 72 percent of households thought that no improvements are needed. Of the remainder, an increased choice of shops was the most common suggestion (43 percent), followed by more parking (32 percent) and improved quality of shops (11 percent). Seven percent suggested a new supermarket, seven percent said cheaper car parking and four percent said less traffic. Other suggestions included more leisure facilities, more restaurants, more pubs and better publicity.

### **Viability**

#### ***Diversity of Uses and Floorspace***

- 9.61 Information has been sourced from Experian GOAD plans for 2007 supported by a retail audit completed in April 2008 by BE Group for each of the three town centres.
- 9.62 The GOAD plans provide a breakdown of retail uses by goods type for each of the town centres (surveyed in November 2007). They cover a slightly larger area than the town centre boundaries (taken from the Local Plan) for both Clitheroe and Longridge, but is the same extent in Whalley. The GOAD plans provide an up-to-date

boundary of the town centre, as these are based on surveys completed in late 2007 rather than boundaries drawn in 1998 for the Local Plan.

9.63 Table 77 summarises the percentage of floorspace in each town centre dedicated to different goods types. A more detailed breakdown is provided in Appendix 13.

**Table 77 – Retail Floorspace by Goods Type**

Goods Type	Clitheroe		Longridge		Whalley		Total Floorspace, sqm
	Floorspace, sqm	Percent	Floorspace, sqm	Percent	Floorspace, sqm	Percent	
<b>Convenience</b>	8974	42	5072	56	595	19	14641
<b>Non-Bulky Comparison</b>	8798	42	1997	22	1988	65	12783
<b>Bulky Comparison</b>	3418	16	1997	22	483	16	5898
<b>Total</b>	21,190	100	9066	100	3066	100	33,322

Source: Experian GOAD November 2007

\* Retail analysis by goods type excludes services such as restaurants, cafes and hairdressers which are classed as retail uses in Planning Policy. These are assessed in Table 78.

9.64 Table 77 shows that overall, Clitheroe accommodates just over twice the amount of floorspace dedicated to retail goods in Longridge, and seven times the amount in Whalley.

9.65 Retail floorspace in Clitheroe is dominated by convenience and non-bulky comparison goods, each representing 42 percent. Bulky comparison goods represent only 16 percent, but this will increase to 31 percent when the new Homebase store (4587 sqm) is completed.

9.66 In Longridge, retail floorspace is dominated by convenience goods (56 percent) which comprises three supermarkets – Booths, Somerfields (edge-of-centre) and Coop as well as other small retailers. Floorspace dedicated to comparison goods is equally split by bulky and non-bulky (each 22 percent).

9.67 Whalley is by far dominated by floorspace dedicated to non-bulky comparison goods. The remainder is evenly split between convenience and bulky comparison goods. The proportion of convenience floorspace is low.

**Table 78 – Retail Floorspace by Use Class**

Use Class	Clitheroe		Longridge		Whalley		Total
	No. (sqm)	Percent	No. (sqm)	Percent	No. (sqm)	Percent	No. (sqm)
A1 – Shops	138 (21,989)	73 78	59 (9160)	63 73	28 (3409)	65 75	225 (34,558)
A2 – Professional/ Financial	21 (2657)	11 9	14 (1663)	16 13	6 (538)	14 12	41 (4858)
A3 – Restaurants/ Cafes/Pubs*	15 (1486)	8 6	12 (845)	13 7	8 (529)	19 12	35 (2860)
Sui Generis	4 (697)	2 2	3 (576)	3 4	1 (56)	2 1	8 (1329)
Vacant	11 (1459)	6 5	5 (372)	5 3	-	-	16 (1831)
Total	189 (28,288)	100 100	93 (12,616)	100 100	43 (4532)	100 100	325 (45,436)

Source: Experian GOAD November 2007

\*Data not available to be broken down into A3/A4/A5 use classes

9.68 As Table 78 shows, Clitheroe has the highest percentage of premises/floorspace dedicated to A1 class use (shops).

9.69 Longridge appears to have a slightly higher percentage of premises/floorspace dedicated to professional and financial services (A2). BE Group's (2008) Lancashire Town Centre Office Study found that A2 premises make up the majority of town centre office supply. An implication for the future may be pressure upon other retail uses to change to A2 if financial and professional services realise an opportunity to cluster.

9.70 Interestingly, Whalley has the highest proportion of premises/floorspace dedicated to restaurants, cafes and pubs, which is creating a thriving emerging evening economy. However, as town centre space is constrained, this may incur pressure upon other retail uses to change to restaurants, pubs and bars. This could negatively impact upon retail composition and incur a less sustainable mix of retail types.

#### *Clitheroe Market*

9.71 Clitheroe is the only town centre to have a permanent market, which consists of 41 outdoor cabins. These are all reportedly fully occupied. There are a further 31 stalls, which are occupied on a seasonal basis and can be dismantled. The cabins and

stalls are approximately 8 x 10ft. Rents vary depending on the market day, type and size of pitch. Some town centre retailers held the view that the quality of the market has fallen in recent years as traders have changed the products they are selling – a reflection of changing shopping patterns. The household survey identified that less than one percent of households in the catchment area visit Clitheroe market to shop. Of households in the catchment area, 10 percent rated it as poor, increasing to 21 percent of Clitheroe residents.

- 9.72 The market is located just off New Market Street and is not visually prominent. Most visitors reportedly do not realise it is there. There have previously been plans to upgrade the site but these were postponed in the early 1990's due to the recession.
- 9.73 There are no plans in place to expand the market site. Cabin/stall holders have reportedly requested their own allocated parking spaces to make it easier for them to re-stock their stalls during busy market days. There is also a desire for wet weather protection. It is felt that the market needs to diversify and reinvent itself in order to sustain future trade and remain viable.

#### *Longridge Market*

- 9.74 A weekly market is held at the Civic Hall on Thursdays and is run by the Longridge Enterprise Company. Rents are in the region of £10-15 per stall for the afternoon. The market is reportedly diminishing in size, losing trade and is no longer a viable proposition. There is also little evidence from the household survey that the market is used at all for regular shopping or considered to be part of Longridge's core retail offer.

#### ***Retailer Representation***

- 9.75 Table 79 lists the top 20 retailers in the UK (Focus Database, 2008) and shows that they are very poorly represented in the three town centres. Whalley has none, Longridge has one (Lloyds Pharmacy) and Clitheroe has three (Boots, Woolworths and Lloyds Pharmacy). For its size, Clitheroe could potentially accommodate more.

**Table 79 – Top 20 UK Retailer Representation**

<b>UK Rank</b>	<b>Retailer</b>	<b>Clitheroe</b>	<b>Longridge</b>	<b>Whalley</b>
1	BOOTS	Yes	-	-
2	MARKS AND SPENCERS	-	-	-
3	ARGOS	-	-	-

UK Rank	Retailer	Clitheroe	Longridge	Whalley
4	WOOLWORTHS	Yes	-	-
5	DEBENHAMS	-	-	-
6	JOHN LEWIS	-	-	-
7	WH SMITH	-	-	-
8	BHS	-	-	-
9	NEXT	-	-	-
10	DIXONS	-	-	-
11	SUPERDRUG	-	-	-
12	LLOYDS PHARMACY	Yes	Yes	-
13	WILKINSON	-	-	-
14	CO-OP DEPARTMENT STORES	-	-	-
15	PRIMARK	-	-	-
16	NEW LOOK	-	-	-
17	HMV	-	-	-
18	DOROTHY PERKINS	-	-	-
19	ROSEBYS	-	-	-
20	WATERSTONES	-	-	-

Source: Focus Database 2008

- 9.76 It is likely that neither Longridge nor Whalley are large enough to support any other top retailers, or other well-known brands. This is evident by the low market share captured by the towns (see section 8.0). Large retailers have enough market influence to be able to have a store in a small town should they wish to. Usually, the reason they are not present is either because there are no suitable retail premises (modern, with a large floorplate) available or it is not economically viable to do so because the retail catchment population would not support a store. M&S Simply Food has requirement for Clitheroe.
- 9.77 There is a need to balance the representation of national brands (who increase market share) with local independent retailers (who provide individuality and character). A report by the New Economics Foundation in 2005, "Clone Town Britain", found that 42 percent of towns in Britain are considered to be clone towns – a place where the individuality of the high street is replaced by a homogenous, non-place specific array of national brands. Conversely, 33 percent are home towns – a town with a high street which is recognisable and distinctive. The remaining 26 percent were home towns under threat. It is not known whether Clitheroe was included in this study.

9.78 Recognised retail brands can be a significant attraction and can influence market shares captured by towns to make them more viable. This is of course, influenced by a wide variety of factors – accessibility, perception of crime, environmental quality (all of which are considered here) that together create a retail experience.

### ***Vacancy Rates***

9.79 There are no vacant premises in Whalley. The vacancy rate in Clitheroe and Longridge is 5-6 percent by premises (national average is 10.3 percent), and 3-5 percent by floorspace (national average is 7.9 percent). Although compared to other market towns this is a healthy figure, there is a perception from retailers in Clitheroe that there are too many vacant shops and that the quality of retail is falling. There seems to be an imbalance between what the statistics show and what is perceived. A comparison to 2003 data (available only for Clitheroe) demonstrates that most of this is churn – there is no evidence of the same retail units staying vacant.

9.80 Neither is there a change to lower value retail. Of those shops that changed hands for example, seven hair and beauty shops in 2003 increased to eight in 2008; and two charity shops in 2003 increased to three in 2008 – hardly a noticeable change. Clitheroe still retains its share of antiques stores, ladies designer fashion and specialist food retailers. A spreadsheet of vacant/marketed shops in each of the three town centres is included in Appendix 14.

### ***Retail Rents and Yields***

9.81 A review of vacant shops in Clitheroe and Longridge (there are none in Whalley) and discussions with local retail agents suggest that Zone A rents (which represent the first six metres from the shop frontage) are in the region of £32-35/sqft. These are summarised in Table 80 and compared to other Lancashire towns.

**Table 80 – Zone A Rents**

<b>Town Centre</b>	<b>Zone A Rents £itza/sqft</b>
Preston	140.00
Blackburn	135.00
Lancaster	105.00
Burnley	62.50 - 65.00
Nelson	20.00
Colne	20.00
Clitheroe	35.00

Town Centre	Zone A Rents £itza/sqft
Longridge	32.50
Whalley	35.00

Source: Focus Database and Pettys Commercial Agents

- 9.82 The 2008 Midsummer Report by Colliers CRE indicates that shop rents are falling at their fastest rate in 15 years – by 3.1 percent nationally in the last year (ending May 2008). They are expected to fall by a further 15 to 20 percent in the next three years. Small, less affluent towns and high streets are expected to experience this change more acutely, as the fall in consumer spending hits these locations the hardest. However, this is the national picture and the North West has held up well with rents actually increasing by 1.8 percent in the last year. Cathedral cities and affluent market towns are reportedly performing the best (Colliers CRE).
- 9.83 To test this scenario in the Ribble Valley, local retail agents were consulted. In their view, demand for retail units in the Ribble Valley is high, particularly in Clitheroe. The market is performing better than nearby Colne, Nelson and even Burnley. However, this is dominated by local independent retailers seeking freehold premises, who are willing to pay above market rates. It is still the case that very few national brands are interested in Ribble Valley locations (only M&S Simply Food have a current requirement).
- 9.84 The retailer survey found that a significant proportion of retailers in Clitheroe (35 percent) own their premises, increasing to 54 percent in Longridge and 54 percent in Whalley. To meet demand, some have even bought houses to convert to shops e.g. Barrowford, as most of the properties being marketed are for rental only.
- 9.85 A review of recent property deals suggests that retail yields in Clitheroe are in the region of 8.00-8.50 percent, which is fairly high and reflects the riskier investment faced by national brands choosing to locate in Clitheroe. Interestingly, yields are lower in Longridge (4.0-4.5 percent) and Whalley (4.5-5.0 percent), but based on so few deals it is difficult to draw any conclusions from this.
- 9.86 Overall, this suggests that due to the local nature of the retail property market in Clitheroe, Longridge and Whalley (i.e. largely local, independent retailers with freehold premises) the town centre is more immune to national changes in rents and yields i.e. the low representation of national brands protects local retail rents to changes in the national economy. However, the benefits of this need to be weighed

against the lack of trade associated with poor national retailer representation.

- 9.87 Historically, we are still experiencing low interest rates although this may change soon. Should this change, local retailers are likely to suffer more acutely than large chains and national brands and the viability of the town centre threatened. A balance between national and independent retailer representation needs to be struck.

### ***Retail Turnover***

- 9.88 The Household Survey identified how much households spend on goods, where and how often. From this BE Group has calculated how much expenditure (or retail turnover) is captured by each of the three towns (see Section 8.0). This is an estimation, and it is not possible to get absolute figures as not all retailers disclose such information.

**Table 81 – Town Centre Retail Turnover per Annum**

Goods Type	2008 Retail Turnover (£m)			
	Clitheroe	Longridge	Whalley	Total
Convenience	49.2	9.3	0.07	58.6
Non-Bulky Comparison	3.5	2.5	0.6	6.6
Bulky Comparison	6.0	1.4	0.2	7.6
<b>Total</b>	<b>58.7</b>	<b>13.2</b>	<b>0.9</b>	<b>72.8</b>

*Source: BE Group 2008/NEMS Household Survey 2008*

- 9.89 Table 81 shows estimated 2008 retail turnover figures for each of the three towns. This does not include spend captured by visitors from outside of the catchment. It is goods based turnover only and does not include spend captured by retail services such as bars, restaurants, hairdressers, etc. It shows that both Clitheroe and Longridge capture most of their turnover from the convenience goods market. Whalley however, captures most of its turnover from the non-bulky comparison goods market. This reflects the floorspace composition in each town centre as discussed in paragraph 9.61.
- 9.90 Overall, Clitheroe's retail turnover is approximately four times greater than Longridge's. It is also nearly 60 times greater than Whalley's turnover, reflecting its size and dominance in the local retail market. Clitheroe's turnover will however be far smaller than the retail economies of neighbouring Burnley, Blackburn and Preston.
- 9.91 STEAM statistics for the Ribble Valley estimates tourist spend in the Borough to be

£92m (2006). This includes £15m on food and drink and £20m on shopping. Across Lancashire and Blackpool, this is lower in only three other districts (Rossendale, Pendle and Hyndburn) and so is not that high. It represents just below four percent of Lancashire and Blackpool's total tourism revenue. It cannot be split down to spend captured by each town but shows that the retail economy is significantly boosted by non-goods spend. However, tourist spend is important to the Ribble Valley economy as it exceeds estimated household spend on comparison goods.

*Business Confidence*

- 9.92 Retailers were asked whether their trade (or turnover) had changed in the last four years. This is a useful indication of change in the local economy as well as retailer confidence in coming years.

**Table 82 – Change in Retailer Trade (over last four years)**

Change in Trade (turnover)	Town Centre Retailers, Percent		
	Clitheroe	Longridge	Whalley
Increased	32	60	56
No Change	28	28	39
Decrease	40	12	6

Source: BE Group 2008

- 9.93 Table 82 shows that by far, a greater proportion of retailers in Clitheroe have experienced a decline in trade (40 percent) compared to 12 percent in Longridge and six percent in Whalley.
- 9.94 Conversely, most retailers in Longridge (60 percent) and Whalley (56 percent) said that their trade had increased in recent years – both positive signs for each town centre. For Longridge, this has not changed since 2004, when 61 percent said they were confident about future trading.
- 9.95 Three shops (five percent) in Clitheroe are considering closing/relocation from the town centre within the next 12 months. They have been in Clitheroe town centre for 17 years, 8 years and one year respectively. The reasons stated for closing are falling trade, too many similar shops and expensive business rates. One shop is considering moving from Whalley town centre, having been there for three years, as the location is considered to be poor. No shops were reported to be closing in Longridge in the near future. On the whole the proportion of business closures do not

highlight undue concern in any of the three towns. However, this is a sample and there may be further closures as not all shops took part.

### **Summary**

- 9.96 Despite its size, Whalley performs the best of the three town centres in terms of vitality and viability. It has no vacant shops, retailer confidence is high, footfall and trade seem to have been constant over the last four years, if not increasing. Shoppers from across all parts of the Borough find the town centre easily accessible (albeit mostly by car) and rate it the best town centre in terms of being able to walk around. However, availability of affordable parking and traffic congestion are key concerns.
- 9.97 Despite Whalley's low market share of retail spend from the catchment, it appears to be better supported by shoppers than both Clitheroe and Longridge. Spend on non-bulky goods contributes more to the town's retail economy than any other goods type. The town centre has an emerging pub and restaurant scene, which is developing a thriving evening economy. However, one emerging concern is the lack of convenience retailers (many have changed to other retail uses) which means local residents need to travel further for necessity items. This may undermine the town's long term sustainability, should comparison spending drop unexpectedly (for example, due to rising interest rates).
- 9.98 Longridge also appears to be doing well, although perhaps not as well as it could be. It has the lowest Zone A rents of the three towns, despite being the second largest (as such, reflecting lower demand for shop premises). At almost 13 times the size of Whalley's economy, it is an important service centre particularly for professional and financial services (in terms of the proportion of floorspace dedicated to this use) and business confidence is high. The convenience goods market is also important to the town centre in terms of turnover generated and attracting shoppers.
- 9.99 Factors impacting upon the town's vitality include the perception that there is a lack of affordable parking (although there does seem to be adequate parking available), an element of anti-social behaviour and environmental quality which could be affecting retail trade. The town centre is also spread out by the linear nature of Berry Lane, which reduces mobility, particularly up the steep hill, and results in the town centre lacking a retail core (although it is clear that trade is focused towards the bottom end of Berry Lane). There is one market (although declining) and few attractions to

encourage visits to the town centre other than for necessity.

9.100 Clitheroe, by far accommodates the largest retail economy in the Ribble Valley. Despite this, it is showing signs of decline (although Zone A rents and demand for shop units remain high). Retailers are witnessing a fall in shopper numbers and a decline in trade. This will be compounded in coming years as nationally, consumer spending is curbed by the credit crunch. For its size, it captures a very low market share of retail spend from the catchment and is overshadowed by the retail economies of Preston, Blackburn, Burnley, Accrington and Nelson. Its retail economy is dominated by spend on convenience goods and is the main reason shoppers visit the town. More people appear to be visiting the town centre out of necessity rather than for an experience. Retailers' main concerns are the poor variety of shops and lack of national retailer representation. Demand is high for retail units but only from local, independent retailers seeking freehold. A significant proportion of retailers own their shop premises.

## 10.0 CONCLUSIONS

### The Ribble Valley Economy

- 10.1 The Ribble Valley has a highly skilled resident workforce but many (45 percent) commute out of the Borough to work. It is a very localised market, and successfully incubates new businesses that go on to achieve good survival rates. However, there is a lack of choice and quality in grow-on space, and anecdotal evidence suggests a loss of larger, more established businesses, to competing opportunities along the M6/M65 corridors.
- 10.2 There are two key opportunities in the Ribble Valley to deliver sustainable local economic development. Firstly, there is an existing strong market for modern industrial premises up to 1000 sqm, which includes a need to supply grow-on space to limit the number of expanding businesses relocating to neighbouring districts. However, inevitably this market will decline over the LDF period, but will continue to be important to the Ribble Valley economy (remaining the 3<sup>rd</sup> largest sector employer). Secondly, although less evident at present, the office market is expected to become stronger over the LDF period due to employment areas on the M65 becoming increasingly built out, and expected job growth in office sectors in the Ribble Valley. There is a lack of small, good quality premises for business start-ups (up to 100 sqm) and grow-on space (100-300 sqm).
- 10.3 Such opportunities would be best located along the A59 and in key service centres, particularly Clitheroe and Longridge which accommodate the largest populations. Balancing the two market opportunities collectively, will create new employment, reduce out-commuting and promote indigenous business growth in line with aspirations for local economic development. The economic forecasts contained in Appendix 7, demonstrate that there will be ongoing structural shift in the economy, leading to an increased need for office rather than industrial floorspace in the period to 2018.
- 10.4 The Borough largely caters for home-grown, local business growth, and attracts very minimal inward investment. The latter may in part be linked to a shortage of suitable land but is more likely to be due to the availability of more competitive sites in neighbouring districts, and their associated higher profile marketing. The latter is something lacking in the Ribble Valley. Most movement into the Borough seems to be businesses moving between Lancashire districts (border hopping). The company

survey found that eight percent of businesses in the Ribble Valley are seeking alternative premises. All those sampled wish to remain local, but cannot find appropriate premises (due to expense, location and quality). There is a need to provide more opportunities to encourage such businesses to stay in the Ribble Valley.

- 10.5 The industrial sector is much stronger than the office market and despite declining nationally still generates a good level of enquiries for the Ribble Valley. Schemes are very well occupied, with the exception of Time Technology Park. Up-to-date information could not be obtained for Time Technology Park despite the landowner's claims that it is better occupied than suggested here. Although this data would be useful, conclusions made here would change little. If the landowner's claims are true and less floorspace is vacant (15 percent compared to 58 percent), then this would only strengthen the demand picture in the Ribble Valley. The landowner appears to be positive about the demand picture as he has recently secured planning permission to build a further 1769 sqm of industrial space. A large re-investment programme is also planned at Time Technology Park.
- 10.6 Despite the strong market, potential developers are holding back from speculative schemes due to changes in the national economy (see Annex Report) and the new business rate payment regulations for empty premises. Also, some landowners aspire to residential development for its higher land values, which is particularly sought on land with expected high remediation costs.
- 10.7 Most of the existing industrial supply is very well occupied. A shortage of available premises and few new developments coming forward is constraining economic growth in the Ribble Valley. The right size range is available but very few are freehold, of good to moderate quality or in preferred locations.
- 10.8 The office sector is important locally (with a number of successful rural schemes) but does not attract regional or national investment. Levels of office enquiries are very low compared to neighbouring districts, largely due to the lack of prominent office locations and modern premises. However, rural office schemes are very well occupied suggesting there may be latent demand, particularly for rural workspace schemes which are achieving good rents. It should also be noted that the Ribble Valley accommodates a very low proportion of office premises in its town centres (only 20 percent) when compared to other Lancashire districts.

- 10.9 Both industrial and office premises up to 300 sqm are most popular. Although, there also appears to be a lack of grow-on premises (300-1000 sqm) hence the loss of larger businesses from the Borough. Freehold premises are particularly sought after. As such, many businesses are looking for land to build their own units (encouraged by historically low interest rates although this may be starting to change). In fact, the Ribble Valley receives more enquiries for land than offices.
- 10.10 Employment areas are largely built out in Pendle, Hyndburn, Burnley and potentially South Ribble. Preston is the exception. Consequently, there is scope for the Ribble Valley to bring forward sites to support economic growth in the wider Central Lancashire City Region. Preston's Millennium City Park development and Helios scheme proposals (located near to Ribble Valley boundary) total 28 ha, may lessen the requirement for employment land at Longridge due to their proximity.

### **Employment Land**

- 10.11 Overall, there is 15.33 ha of available employment land across 11 sites in the Ribble Valley. Only 17 percent (2.70 ha) represents sites that are allocated in the Local Plan. The remainder have consent for employment (but not allocated) in the Local Plan or are windfall sites.
- 10.12 The original draft of the RSS did not include Regional Investment Sites in the overall land supply. However, the EiP panel recommended that such sites be included. The position remains unclear, especially as the precedent may have been set by the Inspector's report, which found Lancaster City's LDF Core Strategy to be sound. In so doing, it has accepted the Council's argument that Regional Investment Sites should be excluded from calculations of employment land provision at local authority level. Consequently, there may be justification to argue that the proposed BAe Aerospace Enterprise Park (4.6 ha) site at Samlesbury should not be included in the land supply because of its specialist nature, national strategic significance and the fact that it does not cater for local employment land supply issues. Samlesbury is included in the Lancashire Economic Strategy as a key site for investment and as such, BE Group, in agreement with RVBC, has not included this site in the analysis.
- 10.13 Two thirds of the land supply is immediately available for development (i.e. in line with the draft RSS definition of three years). But all of this, with the exception of 0.92 ha at Salthill Industrial Estate (which is not being marketed) is linked to developers and is office-led (i.e. land at Barrow Brook Business Park). Only one site is for sale, at

Simonstone. There is clearly a lack of land available to promote new developments despite the success of Link 59.

- 10.14 All of the existing eleven sites are brownfield with the exception of one – Twin Brooks Farm. The brownfield sites at Barrow Brook Business Park (former Printworks) score the highest in terms of location, ease of delivery and marketability. The condition of the brownfield site at Chapel Hill, Longridge lends itself more to residential use. Only two sites support Key Service Centre economies – Chapel Hill at Longridge and Salthill Industrial Estate at Clitheroe.
- 10.15 The allocated Chapel Hill site at Longridge is unlikely to come forward for development due to its poor location, remediation issues, existing leasehold interest and owner aspirations for housing. It is likely that only residential values would make this site's development viable. If the 1.78 ha affected does not come forward, the Borough's land supply falls to 13.55 ha. More importantly, this leaves Longridge without any employment land for the future.
- 10.16 Based on take-up rates over the last ten years (1.07 ha/year), a further one ha is needed in the Ribble Valley in addition to the existing supply. Incorporating a buffer and discounting land at Chapel Hill, Longridge, the leisure and housing aspirations at Barrow Brook generates a requirement to identify **six ha**, ideally for industrial accommodation, to cater for employment land take-up in the next ten years. This is supported by the JSLP (based on a 25 ha requirement in the Ribble Valley by 2018), which identifies that a further 4.50 ha is needed.
- 10.17 Realistically, 9.78 ha is available (having excluded land likely to go to other uses) and most could potentially be developed in the first half of the LDF period for offices. There is not enough employment land of the right quality, in the best locations, suited to appropriate uses in the Borough up until 2018 to maintain, yet exceed existing levels of economic growth. More land is needed to meet demand for industrial premises. There is a need to compensate for existing employment areas lost to other uses, which could include the Primrose site (6.47 ha) in Clitheroe. The future of Primrose Industrial Estate is directed towards residential not employment use. However, because of its proximity to Clitheroe town centre, it would be highly appropriate to promote some live/work space, with emphasis on office or service industry activity, compatible with a residential area.

10.18 A prioritisation of sites to take forward for employment use, is identified in the Recommendations section (11.0).

### **Retail Economy**

10.19 Despite its size, Whalley performs the best of the three town centres for its size in terms of vitality and viability. It has no vacant shops, retailer confidence is high, footfall and trade seem to have been constant over the last four years, if not increasing. Shoppers from across all parts of the Borough find the town centre easily accessible (albeit mostly by car) and rate it the best town centre in terms of being able to walk around.

10.20 Despite its low market share, spend on non-bulky goods contributes more to the town's retail economy than any other goods type. The town centre also has an emerging pub and restaurant scene, which is developing a thriving evening economy. However, one emerging concern is the lack of convenience retailers (many shops have changed to other retail uses) which means local residents need to travel further for necessity items. This raises concerns around the town centre's sustainability, should spend on comparison goods decline unexpectedly (for example, due to rising interest rates).

10.21 Longridge is also doing fairly well, although perhaps not as well as it could be. It captures only 4.5 percent of the retail goods market available in the Ribble Valley. It also has the lowest Zone A rent values of the three towns, despite being the second largest of the three (reflecting lower demand for shop premises). At £13m, its goods-based retail economy is almost 13 times the size of Whalley's. It is an important service centre particularly for professional and financial services. The convenience goods market is also important to the town centre in terms of turnover generated and in attracting shoppers.

10.22 Factors constraining the town's vitality include the perception that there is a lack of affordable parking (although this does seem to be adequate), an element of anti-social behaviour and environmental quality. The town centre is also spread out by the linear nature of Berry Lane, which reduces mobility, particularly up the steep hill, and results in the town centre lacking a retail core (although it is clear that trade is focused towards the bottom end of Berry Lane). There is a weekly market (although declining) and limited attractions to encourage visits to the town centre other than for necessity.

- 10.23 Clitheroe, by far accommodates the largest goods-based retail economy in the Ribble Valley (approx. £59m). However, it is showing signs of decline (despite relatively high Zone A rents reflecting demand for shop units from local traders). Retailers report a fall in shopper numbers and a decline in trade. This could be compounded in coming years as nationally, consumer spending is curbed by the credit crunch. For its size, the town captures a very low market share of retail spend from the catchment and is overshadowed by the retail economies of Preston, Blackburn, Burnley, Accrington and Nelson. Its retail economy is dominated by spend on convenience goods at its three supermarkets and is the main reason shoppers visit the town. More people appear to be visiting the town centre out of necessity rather than for an experience. Retailers' main concerns are the poor variety of shops and lack of national retailer representation to draw more people in.
- 10.24 The capacity assessment identified that a further 14,919 sqm of retail floorspace (goods based) is needed in the Borough by 2018 for it to maintain its existing market share. Most of this is required in Clitheroe, being the largest of the three towns and for non-bulky comparison goods. Of immediate concern is how best to support the waning retail market in Clitheroe.
- 10.25 Finally, it is important to bear in mind that these conclusions reflect existing market conditions as at July 2008. Should these change, depending on the magnitude of the current recession, conclusions and recommendations could differ significantly. An Annex Document has been provided with this report. This summarises current national economic changes during 2007/8 and their likely impact on the Ribble Valley economy and findings of this report.

## 11.0 RECOMMENDATIONS

### Employment Land

- 11.1 There is a need to provide more grow-on space (300-1000 sqm) for established businesses, particularly modern industrial/warehouse units for rent or purchase, to encourage them to stay in the Ribble Valley. Industrial businesses continue to be an important part of the Ribble Valley economy and as such need to be supported. Economic forecasts show that by 2018, manufacturing as now, will be the third largest sector of employment.
- 11.2 More employment land (approximately six ha) should be identified in the Ribble Valley in order to facilitate and maintain levels of economic development in the next 10 years. The new supply needs to be primarily located adjacent to the A59, provide industrial premises, where possible extend and add value to existing employment areas, and be accessible to key service centres.
- 11.3 There is a need to restrain the loss of existing employment areas and premises to other uses. Only in exceptional circumstances, where these areas are deemed inappropriate for modern employment needs, should RVBC consider their release. Mixed-use development may be considered appropriate where it brings value to a proposed employment use. Where this is the case, RVBC should seek to accommodate the land area lost on an alternative site.
- 11.4 Over the LDF period, there is a need to provide sites for high-value knowledge based industries (i.e. advanced manufacturing and creative industries, particularly in aerospace, transport, finance, energy and communications (taken from Lancashire's Economic Strategy)), as this is the way the local economy needs to travel in order to remain competitive both regionally and internationally. However, a balance must be struck with the need to support and retain the existing industrial local economic base in the Ribble Valley. High value sites should be retained for potential inward investment and business start-ups in key growth sectors. Moderate to low value sites should be put aside for local industry. This section identifies the sites that are most suitable for each use, in order to sustain the development of the polarised economy. It also recommends that effort to bring forward suitable sites for development needs to commence now.
- 11.5 There is a shortage of land in the existing supply suitable for industrial use (B1/B2) in

the Ribble Valley. New schemes should aim to deliver industrial units in the region of 100-300 sqm with potential grow-on space. They need to be of moderate quality, affordable and freehold as at Link 59 and Mearley Brook Business Park. The Ribble Valley has the potential to support economic growth in the Central Lancashire City Region, as sites along the M65 corridor in neighbouring districts become built out.

- 11.6 Ten potential new employment sites have been identified through a trawl of sites included in the 2006 Settlement Audit, together with 'candidate sites' put forward for housing. These total 61 ha and are summarised in Table 83. Plans are included at Appendix 5 and a detailed analysis is included at Appendix 15.
- 11.7 In assessing the sites, consideration has been given to their capacity to satisfy market demand (accessibility, moderate quality, development constraints) balanced against the need to identify sustainable employment solutions (near to town centres, transport options, brownfield remediation). There is a need to balance the two, to deliver accessible employment sites that will both satisfy market requirements and support town centre economies and lead to sustainable, local economic growth.
- 11.8 The potential land supply far exceeds the Borough's current ten-year requirement of six ha. Scoring all ten sites helps to select those that are most attractive to the market, accessible and developable in terms of size, shape, location and constraints. Based on this criteria, the top three sites are Land at Thurstons, Mellor Brook; Admiral Taverns land adjoining Barrow Brook Business Park; and land that could form an extension to Salthill Industrial Estate. Together, they total 31 ha. Identification of a new employment site in Longridge, should also be prioritised in order to support the town's growth.
- 11.9 Land at Thurstons, Mellor Brook could be developed for industrial premises relatively quickly but is restricted by owner aspirations for housing. Located on the A59, the site could provide valuable employment opportunities in Mellor Brook (in the region of 72 industrial jobs). Its use could complement the BAe Samlesbury site and Aerospace Park proposal which is adjacent. Due to its restricted size, the site would be better brought to the market as land for sale to a single occupier rather than developed as a multi-let scheme. RVBC may need to negotiate with the landowner to bring the site forward for employment rather than residential, but there is no reason why this need not be a private-led scheme, without public intervention.

- 11.10 An extension to Barrow Brook Business Park could serve as an excellent location for new industrial premises. It would complement the existing planned mixed-use development of housing, office and industrial (once this comes forward). A brownfield location, it has key infrastructure in place and development costs are therefore likely to be lower than expected. As such, in theory it could be delivered quickly. However, although the most marketable site, it raises sustainability concerns as although near to Clitheroe, it may not necessarily support the town centre. As the site is in single ownership, it presents an opportunity for early intervention by the public sector to deliver serviced plots and/or premises.
- 11.11 The Salthill Industrial Estate extension, although largely greenfield, represents the best opportunity to add value to and support an existing employment area (which is well occupied). Its location is the closest opportunity to Clitheroe and would support the town centre economy, providing much needed business premises (particularly if the Primrose area is de-allocated from employment use, and current occupiers need new premises). It would be accessible to local labour and the A59. There is no evidence of any owner aspirations for housing, but key constraints for development could be drainage and infrastructure costs – including both on and off site road improvements.
- 11.12 The site is large, and thus development should be phased to reflect demand. The immediate priority should be to investigate bringing forward land at Twin Brooks Farm (current allocation) and the adjacent Driving Range. This is likely to require public sector assistance in landowner negotiations, land assembly and potential infrastructure/drainage costs. The scale of the opportunity necessitates a masterplanning exercise as an early action. There is scope to accommodate businesses seeking to relocate (16 were identified in the business survey and their details passed to LCDL representing eight percent).
- 11.13 It should be noted that greenfield sites are not necessarily cheaper to develop than brownfield sites (as traditionally perceived). This is because prices for agricultural land (depending on grading) is rising due to the global shortage in food stuffs. Also, new infrastructure costs can often exceed demolition and remediation costs of brownfield sites (depending on severity). This should be considered when looking at site development in closer detail. Certain agricultural gradings are also protected from development.

**Table 83 – Potential New Employment Sites**

Project Name	Location	Ownership	Total Score	Market Score	Constraints	Recommended End-Use	Land Type	Area (ha)	Potential Floorspace Created (sqm)*		Potential Jobs Created**		Sustainability
									Office	Industrial	Office	Industrial	
Land at Thurstons	Mellor Brook	Leehand Properties	66	40	Aspirations for housing	Industrial Moderate	Brownfield/ Greenfield	0.59	2,165	2,437	114	72	
Barrow Brook Business Park Extension	Barrow	Admiral Taverns	60	41	Aspirations for housing	Industrial Good	Greenfield	4.2	15,418	17,346	811	510	Good infrastructure, but not brownfield and out-of-town site
Salthill Industrial Estate Extension	Clitheroe	Not Known (not on land registry)	59	40	Multiple ownerships, drainage	Industrial Moderate/ Budget	Brownfield/ Greenfield	26.2	96,180	108,206	5,062	3,183	Not brownfield but will add to existing estate, support town centre
Friendship Mill and land adjacent	Read	Woodford Land/Mr Speak	59	35	Aspirations for housing	Rural Workspace/ Mixed-use	Brownfield/ Greenfield	1.9	6,975	7,847	367	231	
Auction Mart	Gisburn	Not Known (not on land registry)	58	37	Still in use, potential contamination	Industrial/Offices/ Mixed-use	Brownfield	6.6	8,076	9,086	425	267	Still in use but could provide local jobs if came onto market. Although area is 6.6 ha, calculations are based on 2.2 ha for employment, as part of a mixed-use scheme
Land at Petre roundabout, Longsight Road	Langho	Petre Wood Garden Products Ltd	56	40	Aspirations for housing	Offices/Mixed-use	Brownfield/ Greenfield	1.99	7,305	8,219	384	242	
Sidings Business Park Extension	Whalley	Cooperative	55	33	Aspirations for housing	Industrial/Offices/ Mixed-use	Greenfield	2	7,342	8,260	386	243	Not brownfield but will add to existing estate, support town centre
Johnson Matthey site/Castle Cement	Clitheroe	Matthey Ltd	54	27	Aspirations for housing	Industrial Good/Moderate	Brownfield	13.29	48,787	54,888	2,568	1,614	Partially in use, good location, support town centre
Cobden Mill, former Contrast Site	Sabden	Mr Harper	47	14	Aspirations for housing, poor access	Industrial/ Mixed-use	Brownfield	1.5	5,507	6,195	290	182	Poor access but anecdotal demand, would support local jobs
South of Chapel Hill	Longridge	United Utilities	30	15	Aspirations for housing, potential contamination	Industrial/Offices/ Mixed-use	Greenfield	2.97	10,903	12,266	574	361	Longridge needs viable employment land, support town centre
<b>Total</b>								<b>61.24</b>	<b>208,658</b>	<b>234,750</b>	<b>10,981</b>	<b>6,905</b>	

\* Based on alternatives of 37 percent of land developed for three-storey office buildings or 41 percent for two-storey industrial buildings, standard car parking ratios

\*\* Based on one office worker/19 sqm and one industrial worker/34 sqm, taken from draft RSS figures (ARUP)

- 11.14 Another important site, although not scored so highly in Table 83, is land south of Chapel Hill, Longridge. The current employment land supply in Longridge consists of one poor quality, highly constrained site. It is recommended that land north of Chapel Hill, Longridge (current allocation) is released for other more appropriate uses. Site constraints make this unviable for employment use in terms of development and remediation costs. However, this would mean there would be no employment land remaining in Longridge. The logical location would be an extension of Shay Lane Industrial Estate, but as this sits within Preston's boundary (who have objections to any extension) this is unlikely to be possible within the immediate future. Instead, land to the south of Chapel Hill (a candidate site for housing) is the only option and should be considered for employment use. This has the potential to generate at least 350 jobs. Longridge needs more employment land to support its town centre and local economic development. The office-led development at Millennium City Park (first phase – 8000 sqm of offices) and the proposed Helios industrial scheme (80,000 sqm industrial), just outside of Longridge at Junction 31a could delay the requirement for sites in Longridge.
- 11.15 Although much smaller in size, there is currently no employment land supply in Whalley. Land to the rear of Sidings Business Park near the train station, represents the best opportunity to cater for future employment growth in the town which would in turn support retail in the town centre. The land is part of a larger site owned by the Cooperative who has aspirations for housing on the site. Employment provision could be considered as part of a wider mixed-use scheme.
- 11.16 There is a risk that existing employment land, particularly at Barrow Brook Business Park, may be further delayed in coming forward for development for offices (as consented) due to the current economic climate. LCDL and RVBC should open discussions with developers to look at ways to facilitate and bring forward development as a priority.
- 11.17 Currently, the Ribble Valley has no structured marketing campaign relating to inward investment and the development of employment sites. Whilst this may be due a lack of sites in direct public sector control, or limited budgetary resources; it is recommended that RVBC review the feasibility of funding a campaign to raise awareness of investment opportunities within the Borough.
- 11.18 Evidence from the company survey highlights that only ten percent of businesses are

accessing support services, and a further ten percent would like more public sector help with development and planning issues. As such, there is scope to market business support services more widely, in particular to retailers who seem to be experiencing a period of decline. This could be incorporated into an investment marketing campaign to promote the Ribble Valley as a great place to start a business, building on its ability to incubate entrepreneurial, knowledge based, business start-ups.

11.19 Lastly, there is a need to continue support and facilitation of rural workspace particularly as part of farm diversification. Existing schemes are well occupied in the Ribble Valley and support entrepreneurial business start-ups. They are particularly suited to small office based/light industrial businesses such as creative industries, which cover a broad spectrum from artists, to media consultants to engineering. In coming years, the economy expects an explosion of small businesses and Ribble Valley has ample assets to be able to accommodate this. However, there is a need to pre-empt demand (latent) and support the development of speculative schemes as Lancashire Rural Futures has facilitated in the past. There is also a need to address the challenge of effective provision of broadband in the rural areas of the borough.

### **Actions**

11.20 It is therefore recommended that the Admiral Taverns land at Barrow Brook (greenfield) and land south of Chapel Hill at Longridge (greenfield/brownfield) are prioritised for development led by the public sector. In total, this delivers 7.17 ha, more than the ten-year requirement to 2018.

11.21 The following sites should be retained for future employment use in the medium to long term (five to ten years):

- Extension to Salthill Industrial Estate (greenfield/brownfield) for industrial (although long-term output, site preparation should begin when feasible)
- Land at Thurstons, Mellor Brook (greenfield/brownfield) for offices/industrial
- Friendship Mill and land adjacent (greenfield/brownfield) for mixed-use
- Sidings Business Park extension (greenfield) for mixed-use/industrial.

11.22 Three further sites should be retained for employment use in the long term (ten years plus, two of which may require significant remediation):

- Auction Mart, Gisburn (brownfield) for mixed-use
- Land at Petre roundabout, Langho (greenfield) for office/industrial

- Johnson Matthey/Castle Cement site (brownfield) for office/industrial.

11.23 The Chapel Hill site (north), Longridge should be considered for release from the employment land supply.

11.24 Together with Lancashire Economic Partnership, RVBC should investigate the reality of broadband provision throughout the Borough and the barriers to be overcome to ensure homeworkers and rural businesses are effectively enabled.

### **Retail Economy**

11.25 The Ribble Valley currently loses approximately £168m (71 percent) of available retail goods spend each year to neighbouring districts. There is therefore considerable scope to improve the Ribble Valley's share of retail goods market captured from its catchment.

11.26 The retail market in Clitheroe in particular is declining (despite strong local demand for freehold shops from local retailers). Whilst Longridge and Whalley are both performing well, there is some evidence that Longridge would benefit from public realm and environmental improvements and that Whalley needs help in retaining food retailers (as increasingly its retail mix leans towards retail services and comparison goods which may not be sustainable).

11.27 Clitheroe's goods based retail market relies strongly on food shopping (captured by the supermarkets) and the town centre captures only a poor share of household spend on clothing and footwear. Based upon what retailers and households have said, Clitheroe's waning town centre would benefit from a greater national retailer presence. This would boost both shopper numbers and the local retail economy.

11.28 Clitheroe attracts only 22 percent of the available retail goods spend from the catchment. This is low in comparison to similar sized towns of similar geographies, such as Melton Mowbray (37 percent) and Hinckley (32 percent). Clitheroe should be pro-active and seek to increase its market share to 30 percent by 2018.

11.29 The requirement to increase retail floorspace in the next ten years should be combined with the opportunity to reconfigure retail floorplates and provide more modern office premises in the town centre (as identified in BE Group's Lancashire Office Study 2008). Not only would this make better use of under-utilised sites but

would attract key retail brands. Working with an anchor store such as M&S Simply Food (who are interested) could kick start the market.

- 11.30 The retail capacity assessment identified the potential to accommodate up to 6000 sqm in Clitheroe town centre. This could consolidate and strengthen the town centre retail offer. RVBC and LCDL should look at land assembly options and potential sites for masterplanning, which could include land in and around New Market Street and regeneration of the market site. Clitheroe needs to work very hard to maintain its existing share, considering the rate of retail growth expected in Preston, Blackburn, Accrington and Burnley generated by proposed new town centre developments. Improving the amount and quality of retail floorspace is the key opportunity available to achieve this. Otherwise, Clitheroe will continue to significantly lose retail spend to areas outside of the Ribble Valley.
- 11.31 However, any potential development scheme would need to be carefully done to enhance the town centre's character and protect it from 'clone town' status. There is a need for a vision that incorporates public realm and building design in keeping with the town's heritage and architecture. This should be explored as a priority.
- 11.32 RVBC and LCDL should also consider pedestrianisation (except for deliveries) of parts of the town centre (e.g. Castlegate and the top of King Street) as part of any visioning process. Although this was not suggested by the majority of retailers and households, evidence from other market towns (e.g. Kendal) is that this can be very successful. Pedestrianisation would curb a number of concerns identified by retailers and households – traffic congestion and poor pedestrian mobility, which could become worse in coming years.
- 11.33 Retail growth in all three key service centres could be supported through other initiatives including 'shop local' campaigns which would encourage households to support their local economy and reduce leakage from the borough. This would also align with priorities to support specialist food producers in the wider area, for example the Forest of Bowland and Nibble in the Ribble initiatives. This could be promoted through town centre markets and events (on pedestrianised streets) to complement a targeted advertising campaign.

### ***Actions***

- 11.34 This could be achieved through the following actions:

- Deliver more retail floorspace in the town centre of larger floorplates to attract more recognised retail brands as well as complement the existing retail offer
- Commission a masterplan for Clitheroe town centre to include the potential for a mixed-use office and retail led scheme which regenerates the market area
- Explore potential for pedestrianisation of Castlegate and parts of King Street, with traders. This would improve mobility from the Castle to the town centre, remove traffic congestion (except for deliveries) and enhance the town's retail promenade feel. Consider the success of Kendal and Chester as examples
- Develop a one-way traffic system to complement pedestrianisation of Castlegate
- Complement the above with public realm improvements that are sympathetic and in keeping with the town centre's architecture and character
- Explore need for a shop front improvement scheme to maintain and improve shop frontages over the LDF period
- Immediately implement a 'shop local campaign' to encourage residents to support their town.

11.35 Key actions for both employment land provision and retail capacity to promote local economic growth and summarised in Table 84. This identifies key partners, delivery and required outputs.

11.36 Shopping is no longer a necessity so much as a desire. Improving the retail experience and so attracting more shoppers, is vital in supporting the vitality and viability of town centres. Providing new employment opportunities in and around the key service centres will contribute towards achieving this. The Ribble Valley retail market needs to work very hard to maintain, let alone improve, its current share.

### **Planning Policy**

11.37 Recommendations for future planning policy to better facilitate local economic development, include the following:

- Employment land allocations should be grouped together for ease of reference and not identified separately as either land with consent/potential for consent/area policies. All allocated sites should be identified by area on the proposals maps
- There is a need to emphasise the commercial role of key service centres and their need to be employment generators and not just places where people live
- Equal attention should be paid to B1(industrial)/B2/B8 as to B1(offices) in local

planning policy, particularly so due to the polarised nature of the Ribble Valley businesses and the continuing importance of the industrial sector to its economy

- Less prescriptive policy in relation to facilitating rural workspace and recognition of its wider benefits to sustainable rural communities
- Synergy across public sector policies with regard to the promotion of rural workspace, home working and live/work space
- Scope to improve the collation and monitoring of employment land take-up, which is better prepared to inform future planning policy and economic development rationale
- A need to draw up town centre boundaries for Clitheroe, Longridge and Whalley and associated town centre policies
- A need to differentiate between A1 retail uses. Vitality and viability tests assess the contribution of both comparison and convenience. Where there is an imbalance, planning policy requires a tool to be able to intervene – a balanced mix will lend itself more to sustainable rural communities.

**Table 84 – Action Plan**

Priority Rank	Project Name	Timescale	Delivery	Partners	Project Actions
<b>Clitheroe</b>					
1	Admiral Tavens land, extension to Barrow Brook Business Park	SHORT	Public sector led	RVBC, LCDL, Admiral Taverns	Review resources to buy site from Admiral Taverns. Masterplanning exercise to deliver freehold/long leasehold industrial units of moderate quality, of unit size up to 300sqm
1	Clitheroe town centre	SHORT	Public sector led	RVBC, LCDL	Commission masterplan to explore feasibility of mixed-use scheme (large modern retail floorplates and modern office premises) in Clitheroe town centre. Explore site assembly options. Consider pedestrianisation and traffic flow options. Initiate shop local campaign
3	Extension to Salthill Industrial Estate	LONG	Public sector led	RVBC, LCDL	Masterplanning exercise to explore feasibility and costs of bringing site forward as phased industrial development. Include land assembly options and potential off-site infrastructure improvements. Long term but begin process now
6	Johnson Matthey/Castle Cement site	LONG	Public/Private sector led	RVBC, LCDL, Matthey Ltd.	Explore feasibility of bringing forward site for modern B1/B2/B8 employment scheme in event of site(s) closure
<b>Longridge</b>					
2	Chapel Hill (south)	SHORT	Public sector led	RVBC, LCDL, United Utilities	Explore site assembly options to deliver a B1/B2/B8 scheme
<b>Whalley</b>					
3	Extension to The Sidings	MEDIUM	Private sector led	RVBC, Cooperative	Explore feasibility and costs of bringing site forward as phased industrial development, as part of wider mixed-use scheme. Include land assembly options and potential constraints
<b>Other</b>					
4	Land at Thurstons, Mellor Brook	MEDIUM	Private sector led	RVBC, private sector	RVBC to retain as employment site
4	Friendship Mill and land adjacent, Read	MEDIUM	Private sector led	RVBC, private sector	Retain Friendship Mill as employment allocation. RVBC to explore site's expansion with owners
6	Auction Mart, Gisburn	LONG	Private sector led	RVBC, Mart owners	Long term target of opportunity for mixed-use scheme (to include 1/3 employment) should mart close/relocate
5	Land at Petre roundabout, Langho	LONG	Private sector led	RVBC, landowners	Long term target of opportunity in event of LCC waste transfer site relocation/should the Sidings expansion not materialise