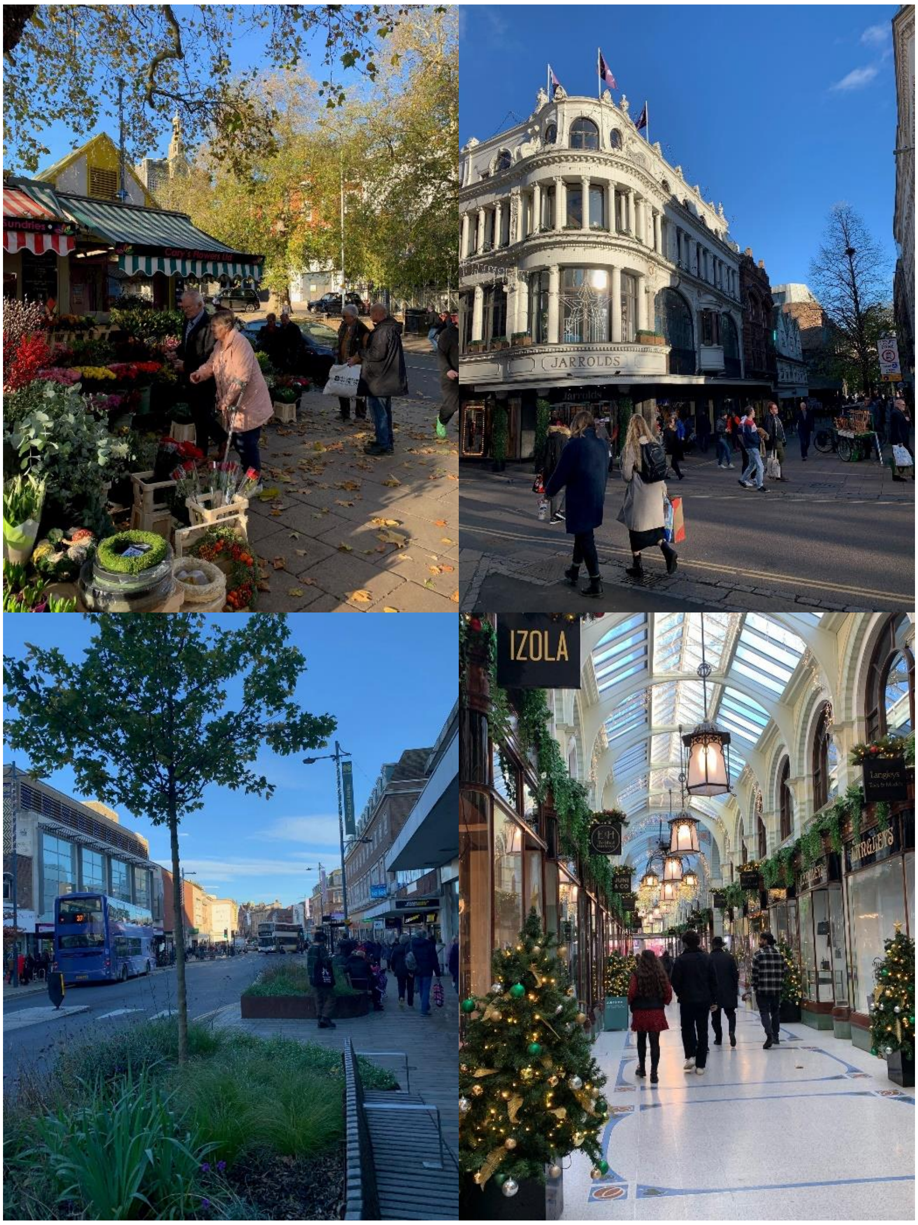
Norwich City Centre Shopping and Town Centre Floorspace Monitor & Local & District Centres Monitor



Survey at October 2023

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Introduction

1. Norwich city centre is the pre-eminent regional centre in the East of England, focused on a historic city centre with a wealth of heritage assets and an unrivalled historic and natural environment. It accommodates the majority of jobs, key services and economic, leisure and cultural facilities serving much of Norfolk and north Suffolk. It is within the top 15 retail destinations in the UK. The established approach to planning for Norwich city centre has been cited as an example of best practice by Government[1].
2. In order to get a picture of how our high street has changed over time and to help assess the performance of our planning policies and assist in their implementation, regular retail surveys are carried out of the city centre and Norwich's District and Local Centres. The last monitor was carried out in October 2022. A report was written entitled Norwich City Centre Floorspace Monitor & Local & District Centres[2] which reported how retail vacancy rates had reduced quite significantly since July 2021 with vacancies falling in all areas of the city centre except the secondary retail area where they had increased very slightly. Vacancy rates had also reduced in the District and Local Centres. This report was very encouraging and showed how well Norwich had bounced back from a very difficult period during the pandemic. In particular it was noted how resilient Norwich's independent retailers were.
3. The past year has brought about fresh challenges in terms of the cost of living crisis, rising interest rates, high energy costs and reduced consumer confidence. This report seeks to understand how Norwich's retail sector has coped with these economic pressures.
4. Since July 2021 the report also now looks at vacancy rates for all town centre uses (such as financial and professional services, restaurants and cafes, drinking establishments, hot food takeaways, offices, medical and health services, sport and leisure uses and betting shops). Prior to this the main purpose of the reports was only to measure vacancy rates for retail (formerly Use Class A1) and to provide data on the total amount of retail floorspace within the city centre. Particularly due to the changes in the Use Classes Order and the General Permitted Development Order a few years ago, it is considered important to include other town centre uses as there is a general acceptance, including in government policy, that high streets do need to evolve in order for them to thrive.
5. With the amount of total retail floorspace reducing year on year we now need to look at what contribution other town centre uses are making to the long-term vitality and viability of Norwich City Centre and it is hoped that this wider scope provides an improved understanding of the 'health' of the city centre overall and the impacts of current relaxations both on the city centre and more widely. Overtime we will be able to start to look at trends for all town centre uses as well as retail which should help assist with policy monitoring and help inform/ support initiatives such as a city centre strategy. This will enable us to look at our high street much more holistically.

[1] Greater Norwich Local Plan, Publication Draft Plan paragraph 309
[2] Shopping floorspace monitor October 2022 | Norwich City Council

Policy Context

Existing policy framework

6. The National Planning Policy Framework 2021 (NPPF 2021) states in paragraph 86 that planning policies and decisions should “support the role that town centres play at the heart of local communities, by taking a positive approach to their growth, management and adaptation”. “Planning policies should define a network and hierarchy of town centres and promote their long-term vitality and viability – by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters.” The revised NPPF no longer has the requirement for definition of primary and secondary frontages and instead it promotes flexibility and diversification. It recognises the changing face of the high street and the need to take a different approach to retail planning policy in order to reinvigorate and adapt the offering focused in primary centres/core areas to successfully prepare for future; this includes suitable provision of leisure uses and housing within town centres.
7. The Joint Core Strategy (JCS) was adopted in March 2011, with amendments adopted in January 2014 by the three local planning authorities in the Greater Norwich Development Partnership (GNDP).[3] The plan covers the period from 2008 to 2026 and will be superseded by the Greater Norwich Local Plan which is due to be adopted in early/mid 2024.
8. Policy 11 of the JCS for Norwich city centre states that its regional centre role will be strengthened and that the retail, cultural and leisure facilities offered in the city will be expanded and enhanced through intensification of retail uses in the primary retail area and its expansion if necessary. The policy also promotes the strengthening of specialist shopping areas in secondary areas of the city centre.
9. Policy 19 of the JCS promotes the strengthening of the Large District Centres (LDCs) at Anglia Square, Magdalen Street & St Augustine’s and at Riverside, which are at the second level of the retail hierarchy headed by the city centre. The essential role of District and Local Centres in meeting everyday shopping needs is also supported.
10. The adopted Development Management Policies Local Plan (the DM plan) provides the detail to enable the strategic policies above to be implemented and to protect the vitality and viability of centres. The existing DM policies seek to retain a certain threshold of retail units within defined centres; however given changes to the Use Classes Order, General Permitted Development Order and the NPPF we acknowledge that a more flexible approach is going to be needed both when implementing the policies and during any future review. Nonetheless it is important to still monitor our existing policies going forward.
11. In particular, policies DM20 and DM21 aim to protect retail function by managing the proportion of shops - as opposed to other services and facilities - in defined city centre shopping frontages (policy DM20) and suburban shopping areas (policy DM21). In both cases local policies seek to ensure that proposals for change of use will not result in the proportion of shops falling

[3] The GNDP is made up of Broadland District Council, Norwich City Council and South Norfolk Council, working in partnership with Norfolk County Council and the Broads Authority

below a specified minimum level.

12. For the city centre retail frontages the applicable minimum thresholds for policy DM20 are set out in a separate supplementary planning document (the Main town centre uses and retail frontages SPD, adopted in December 2014). For District and Local Centres the thresholds are set out in policy DM21.

The Use Class Order and permitted development rights

13. Changes to the Use Classes Order which took effect in 2020 and amendments to the General Permitted Development Order which came into force in 2021 have had an impact upon town centres all across the country.

14. Replacing a number of use classes with 'Class E' (Commercial, businesses and services) means that buildings used for any purposes within Class E can now change to any other use within Class E without the need for planning permission. This includes retail, financial and professional, café and restaurants, businesses, clinics, health centres and creches and leisure uses. The government's aim was to simplify the system and to allow greater flexibility to both landlords and tenants to adapt to changing needs and to reflects the diverse range of uses in town centres.

15. The government introduced Class MA which is a permitted development right to allow for the change of use from Class E (commercial, business and service use) to residential (class C3) in order to allow high streets to adapt and thrive; however the Council has concerns that this will mean that the Council has no ability to consider the impact that the loss of town centre uses will have upon the viability and vibrancy of our centres. The piecemeal loss of retail and town centre units could be a huge threat to the vitality and vibrancy of our high streets as once units are lost to residential they are unlikely to ever revert back to a town centre use.

Emerging policy

16. The Greater Norwich Local Plan is due to replace the Joint Core Strategy in early/mid 2024. The policies within the GNLP seek to provide flexibility and recognises the trend for changing uses and functions in city centres. The aim of the plan is to ensure the centre provides an attractive location in which people can experience a complementary range of different uses which support the retail function as well as promoting diversification of services and facilities to ensure that vitality and vibrancy can be maintained throughout the day and evening.

17. Policy 6 places the city centre retail area at the top of the retail hierarchy, with the Large District Centres of Riverside and Anglia Square, Magdalen Street and St. Augustines providing a complementary role and meeting more day-to-day needs. The extent of, and more detailed policies for, the city centre retail area, and the primary and secondary retail areas within it, along with the Large District Centres, will continue to be set out in the existing development management policies.

18. In light of the rapidly changing retail picture, and based on recent trends, no sites have been reserved for retail development and it is anticipated that any additional comparison retail floorspace will primarily be accommodated through the intensification of retail use on existing sites. The policy also prioritises vibrancy, activity and diversity of uses in defined retail areas outside of the

defined primary retail area, permitting the use of redundant floorspace for other uses, including the re-use of upper floors. The policy encourages the development of new leisure and cultural facilities, hotels and other visitor accommodation to support the delivery of a broader range of activities in the city centre and to strengthen Norwich City Centre's role as a visitor and cultural destination.

19. This flexible long-term approach seeks to continue to promote a vibrant city centre in the context of the decline of high street shopping and the growth of online retailing.

20. The Norwich City Centre Future Strategy[4] prepared by the Norwich Business Improvement District endorses this approach. It acknowledges that a vibrant, diverse and accessible offer providing a range of different experiences for the visitor, alongside promotion of a strong and distinctive sense of place and identity, will be key to the long-term economic success of Norwich city centre.

[4] Norwich City Centre Future Strategy, The Retail Group on behalf of Norwich BID, November 2020

National picture

Headline figures	Retail and leisure vacancy rate	Retail only vacancy rates	Leisure only vacancy rates
National figures Green = reduction in vacancy rates between H1 2022 and H1 2023 Red = increase in vacancy rates between H1 2022 and H1 2023	13.9%	15.3%	10.7%

21. The Local Data Company provides regular analysis of town centres across Great Britain and they have recently published the retail and leisure market analysis for the first half of 2023 (H1 2023 retail and leisure trends analysis, published September 2023). One of the most notable findings within the report is that independents have started to struggle, while the chains have held strong by comparison. Notwithstanding this the report notes that Wilko has recently collapsed and the Local Data Company anticipates that big brands are likely to feel the pressure in the second half of 2023 too. The key findings from their most recent publication are as follows:

    (1) Independents performed well in H1 2022; however there has been a net decline in H1 2023 which marks the worst recorded net change for the sector since records began. Rising energy prices, muted consumer spend, high borrowing costs, staffing challenges, the end of business rates relief schemes, mounting supply costs and making repayments on COVID-19 loans drove nearly 21,000 independents to close their doors for good in H1 2023. The net decline of independent retailers was -1,915 units.

    (2) Retail parks continue to do well and recorded a net increase in units in H1 2023.

    (3) The GB vacancy rate (all vacancies) rose from 13.8% at the end of 2022 to 13.9% in H1 2023, representing the first increase in overall vacancy since H2 2020. A 0.2% increase in vacancies in the leisure industry was the main driver of the increase. Retail provided more resilient with the retail vacancy rate seeing no change from H2 2022. The current retail vacancy rate of 15.3% represents a year-on-year decrease of -0.1% thanks to a relative lack of major retail casualties.

    (4) Redevelopment activity continues across the market. The number of demolished properties saw a year-on-year increase of 27%, reflecting efforts to repurpose long-term vacant space.

    (5) In line with the rise in vacancies, net change in units dropped from -923 in H1 2022 to -4,000 in H1 2023. Many of the closures have come from independent retail and leisure businesses, with various government-backed subsidies from the pandemic having been unwound in early 2022. National chains were more resilient as they were able to spread additional costs across their network and utilise other financial levers to support their businesses.

(6) Retail openings for H1 2023 reached their second-highest recorded level since H1 2014, with 23,504 units opened. Although this represents a decrease on H1 2022, it demonstrates that there are still occupiers who are growing their estates and identifying appealing leasing opportunities in the market.

(7) There was a net decline in multiples in H1 2023, a loss of -2,085 units, although this represents the best result for the sector since H1 2017.

(8) Vacancy rates in retail parks is 8.1%. Shopping centre vacancy has continued to fall from its H1 2021 peak of 19.4%, reaching 17.8% in H1 2023. Some of the larger vacant units are being repurposed into leisure uses or for existing tenants looking to upsize. High streets have struggled to reach the same levels of recovery. High street vacancy saw a year-on-year decrease of -0.1%, the smallest improvement of any location type in this period. Vacancy rates in high streets now stands at 13.9%.

(9) Barbers were the fastest-growing subcategory with health and beauty, cafes and fast food and grocery retail sectors all performing well. Hairdressers was the fastest declining sector with chemists also being hit hard. Pubs have also been affected by rising energy costs and due to tightening consumer spend, fashion shops saw a net decline in units.

(10) The effects of record-high inflation have been felt by businesses and consumers alike.

(11) The Local Data Company predicts that vacancy rates will rise in the second half of the year. However they feel that the worst is over for consumers and with interest rates hopefully settling at 5% at the end of the year they feel that vacancy rates may fall slightly and then remain relatively stable until 2025.

Main Findings for Norwich

City Centre Overview

Headline figures	Vacant floorspace	Vacant available floorspace (excluding refurbs)	Vacant units	Retail floorspace change (since Oct 22)
City Centre (Retail only) Green = reduction in vacancy rates between Oct 2022 and Oct 2023 Red = increase in vacancy rates between Oct 2022 and Oct 2023	16.9%	15.9%	12.3%	0.9% decrease

22. The retail monitor survey has traditionally measured vacancy rates in three different ways:

    a. Retail vacancy rate (Use Class A1) as a proportion of retail floorspace.

    b. Retail vacancy rate (Use Class A1) as a proportion of retail floorspace, excluding space being built or refitted.

    c. Retail vacancy rate (Use Class A1) as a proportion of retail units.

23. However due to changes to the Use Classes Order and to government policy and with our emerging polices identifying that there is a need for greater flexibility to allow our high streets to evolve in order for them to thrive, the report also now gives vacancy rates for all town centre uses too. This is measured in two ways, vacancies as a proportion of all floorspace and vacancy rates as a proportion of all units.

24. The vacant available retail *floorspace* in the city centre is 15.9% which is quite a significant increase from October 2022's figure of 12.2% but is comparable to March 2022's figure where 15.0% of available floorspace was vacant. Today's vacancy rates are however very high compared to a pre pandemic figure of only 5.5% and is the highest vacancy rate that we have seen in the plan period. Prior to the pandemic the highest figure was 12.4% in 2010 which compares to the lowest figure of 4.2% which was experienced in 2014.

25. City centre retail vacancy rates 'as a proportion of all retail floorspace' have also increased from 14.2% in October 2022 to 16.9% in October 2023. The pre pandemic level was 10.0%.

26. The percentage of vacant *units* has however continued to decrease year on year from 14.7% in October 2020 to 12.3% in October 2023. Over the past 12 months it has fallen from 12.6% to 12.3%. This fall of 0.3% is better than the decrease in vacancy rates that has taken place nationally. In H1 2022 national retail vacancy rates stood at 15.4% whereas in H1 2023 they had decreased by only

0.1% to 15.3% (Local Data Company, September 2023[5]). Norwich therefore still compares very favourably to the average GB retail vacancy rate. However, direct comparison with national rates is difficult due to methodological differences between surveys and due to the surveys covering different areas i.e. national figures include high streets, shopping centres, retail parks and standalones in local neighbourhood parades.

27. In terms of all town centre uses, vacant floorspace currently stands at 17.0% (up from 15.4% in October 2022 and 16.2% in July 2021) and vacant units remains unchanged at 13.0% (but down from 15.2% in July 2021). Compared to retail only this is now only 0.1% higher for floorspace (compared to 1.2% higher in 2022) but 0.7% higher for units (compared to 0.4% higher for units in 2022). This suggest that by adding leisure uses (including cafes, restaurants, bars and takeaways) as well as financial, professional and other services the percentage of vacant units and floorspace increases. Whilst it is very difficult to compare with national figures due to the difference in surveys and methodology, the national picture is that leisure vacancy rates are lower than retail vacancy rates which does not necessarily seem to be the case in Norwich.

28. Overall the amount of retail floorspace in the city centre continues to decrease although the rate by which it is decreasing has slowed since the previous monitoring period. Between October 2022 and October 2023 it reduced by 1,954 sqm which is a 0.9% decrease. This compares to a reduction of nearly 6,000 sqm between July 2021 and October 2022 (2.9%). The total number of retail units also reduced from 947 in October 2022 to 938 in October 2023 which is a 1% decrease. Between July 2021 and October 2022 the number of retail units decreased by 2.5%.

29. Between October 2022 and October 2023 the loss of retail floorspace can largely be attributed to the change of use of two former shops within Castle Quarter, one to a NHS wellbeing hub and the other to a virtual reality and gaming centre. Other changes across the city centre have also contributed to the loss of retail and these include the change of use of retail units to a takeaway, restaurant, café and events space. Generally over the past few years the loss of retail has largely been due to changes of use to other town centre uses rather than to residential or due to demolition.

30. In terms of refurbishment, there has been a significant reduction in under construction/refurbishment floorspace since the last monitoring report although at 1,991 sqm it is still relatively high which indicates that investment is still taking place within Norwich. Currently 11 retail units are under construction/ refurbishment which compares to 13 unit (4,108sqm) in 2022 and 5 units (514 sqm) in March 2022. Two schemes that has recently been finished are the conversion of Topshop to Mountain Warehouse and the conversion of a large unit in Castle Quarter to a virtual reality and gaming centre. It should also be noted that House of Fraser closed during the monitoring period but has been refurbished and has reopened as Fraser/Sports Direct. The redevelopment of Tesco at Guildhall to build a hotel above and behind it appears to have stalled due to the delay in being able to discharge conditions as a result of nutrient neutrality. There has also been quite a lot of redevelopment/refurbishment within premises where the last use was not retail which are not picked up within these figures. Yalm, an upmarket food hall, has now opened within the Arcade,

[5] Local Data Company, "H1 2023 retail and leisure trends analysis" (September 2023)

and there have been a few units at Riverside that have undergone refurbishments such as Mulligans. Five Guys are due to open another restaurant at Riverside soon and a new Turkish Cuisine restaurant is due to open in Tombland. There are also two significant former clubs/pubs which closed but are now being redeveloped for residential/mixed use. These are Mercy on Prince of Wales Road and The Ferry Boat on Kings Street.

31. Recent years have seen an increased diversification of uses within the city centre with a particular increase in the number of cafes and restaurants on offer, along with other ‘service’ type uses such as tattoo studios and beauty salons. Since 2018 there has also been a continued growth in leisure uses. Many of these leisure uses have been focused within the Castle Quarter with for example the opening of a bowling alley, gaming centres, indoor crazy golf and escape rooms but there have also been several hospitality and leisure uses opening in other places of the city centre such as Chantry Place and the Lanes. It is likely that this trend will continue especially with planning policies being more flexible and with the changes to the Use Classes Order which makes it much easier and quicker for landlords to offer their premises to a wider range of commercial businesses.

32. Change away from retail is clearly a trend that has been experienced nationally over the past few years. The national net loss in comparison retail in H1 2023 was - 2,322 units. Whilst this net decline is at a lower rate than it was in H1 2020 where it reached a low of – 4,975 it is more than it was in H1 2022 where the net loss was – 1,190 units (Local Data Company, 2023). In H1 2022 the Local Data Company reported that there had been a net increase in leisure uses by 643. However in H1 2023, nationally all sectors saw a year on year drop in net change in units with the net decline in leisure being – 446. The Local Data company has set out that this decrease was driven by closures across the bars, pubs and clubs, café and fast food and restaurant categories.

33. Since the October 2022 survey was carried out, some large national chains have been lost from the city centre. These have included Pure Electric, Property Ladder, Montezuma’s, Blakely clothing and Wilko. There are also some stores such Argos and Betfred that have rationalised the number of stores that they have but have kept a presence within the city. On a more positive note however there are a number of stores which nationally have rationalised over the past few years but have retained their presence in central Norwich which include New Look, Marks and Spencer and Fraser. This is a positive sign for the health and attractiveness of Norwich City.

34. Furthermore there are a number of national chains that have recently opened in Norwich. This includes Urban Outfitters, Tag Heuer, Breitling, Dune and Moda in Pelle. This is a positive sign and suggests that Norwich is seen as a good place for investment.

35. There has been an 9.2% decrease in retail floorspace since 2008 and 0.9% of this was in the past monitoring period (between October 2022 and October 2023). Although this runs counter to the aims of JCS policy 11 (to increase the amount of retailing in the city centre), it can be regarded as in support of the policy’s aim to increase other uses such as the early evening economy, employment and cultural and visitor functions to enhance vitality and viability and has ultimately prevented a substantial increase in vacancy rates. It also conforms to paragraph 85 of the NPPF which allows for diversification in order

to respond to changes in the retail and leisure industries and is in line with government thinking in terms of creating a single Use Class for most town centre uses and accords with the emerging policy approach set out in the GNLP. It has been shown in the past that an appropriate diversity of other town centre uses such as restaurants, cafes and leisure uses can help support the economic vitality and health of the city centre and as we move forward, this is likely to become ever more important.

36. The importance of creating good quality public space in the city centre to attract visitors and investment and boost active travel is recognised in the Transport for Norwich Strategy (December 2021)[6] and the City Centre Public Spaces Plan (July 2020)[7]. Since the last retail monitor update in October 2022 four schemes have been completed or are under construction to improve the experience of people walking, wheeling, cycling, sitting outside and socialising in the city centre. A new pedestrian wayfinding system across the city centre has been completed as has the installation of eight book benches. Major improvements to Hay Hill is currently underway and the creation of routes and spaces at the St James Quay development is also currently under construction.

37. Also of particular importance is the progress that has been made on Norwich's Town Deal projects over the past few years. Norwich City Council was awarded £25m of government investment and eight full business cases were developed to deliver skills, enterprise infrastructure and urban regeneration into Norwich which are shown in figure 1.

	Project	Summary	Funding	Timeline	Norwich 2040 Vision
Skills and Enterprise Infrastructure	Digital Hub	A new city centre workspace with **start-up & grow on space for digital businesses**	£2.5m	Refurbishment from **late 2020** to **summer 2022** with firms moving in thereafter	A Creative City A Fair City A Dynamic City
	Norwich Make Space at the Halls	**A state-of-the-art digital making space** for collaborative creative thinking and high value, cross-sector partnerships between culture, digital & tech	£3.65m	Procurement of new equipment during **2021** and final fit-out by **July 2022**.	A Creative City A Dynamic City
	Digi-Tech Factory	A **new skills facility** providing digital tech, engineering and design courses	£1.5m	Construction from **August 2020** to **autumn 2021** with training commencing in **autumn term of 2021**	A Creative City A Fair City A Dynamic City
	Advanced Construction & Engineering Centre	A **new technological advanced training facility** supporting construction & engineering	£3.1m	Planning to begin in **summer 2020** and construction from **May to December 2021** to open in **January 2022**	A Liveable City A Fair City A Dynamic City
Urban Regeneration	East Norwich Masterplan & Carrow House	A masterplan for a new **high-quality urban quarter** in East Norwich and repurposing **Carrow House** for professional services & knowledge industry office space	£5.1m	Completion of masterplan between **autumn 2020** & **late 2021** and acquisition of site in **autumn 2020** and delivery by **summer 2021**	A Creative City A Fair City A Connected City A Dynamic City
	Revolving Fund	**Unlocked brownfield sites** to deliver modern homes and workspaces for the growing economy	£6.1m	Acquisition & development of sites on an ongoing basis. First three revolutions of the fund anticipated **within 7 years**.	A Connected City A Fair City A Dynamic City
	Public Realm	Enhanced **city centre public & urban spaces** and improved **connectivity & navigation**	£4m	Improvements made between **2021 & 2023**	A Liveable City A Fair City A Connected City A Dynamic City
	Branding	A commercial proposition for Norwich as **'the place'** for business and a city to live, learn and invest in	£180k	Project complete by end of **2021**	A Dynamic City

Figure 1: Towns Deal projects

38. Over the past year good progress has been made on a number of the projects.

[6] Transport for Norwich Strategy - Norfolk County Council
[7] Norwich city centre public spaces plan | Norwich City Council

The East Norwich Masterplan was completed in 2022 and a Supplementary Planning Document is now in preparation. Work has started on the public realm improvements at Hay Hill which include planters, more seating, a water feature and increased space for cultural activities. The branding project was completed in October 2022 with the launch of the Work in Norwich (WiN) digital platform which acts as a gateway for new businesses and people to understand what the city offers.

39. Furthermore whilst a number of the other towns deal projects are not directly related to our retail and leisure provision, through supporting the office economy this also supports the balance and symbiosis that exists between the business, retail, hospitality, leisure and cultural sectors in the city centre. This city centre vitality is an essential part of the wider "Norwich offer" to residents, businesses, visitors, workers and students; driving investment and growth to support the city's future economic wellbeing.

40. In terms of future retail growth, the level of floorspace growth promoted by JCS policy 11 was based on assumptions in a 2007 study and the retail market has changed radically since then. An updated retail study to assess Norwich's current '*retail needs*' to inform retail policy in the emerging Greater Norwich Local Plan (GNLP) was produced in December 2017 by GVA[8] and a further update was produced in December 2020 by Avison Young[9] to take account of the impact of both the UK's exit from the European Union and the COVID-19 pandemic. The 2017 report advocates continued support and growth of the comparison goods retail offering, commercial, leisure and other 'main town centre uses' in Norwich City centre. The report recommends a need for an additional 11,000m² - 15,000m² comparison retail floor space to 2027. Further to the above, the report also supports continued improvement to the public realm in Norwich, following recent success of completed improvements. The report considers this approach appropriate to support and enhance its role as a centre of regional-scale shopping and leisure significance. The 2020 report sets out that there has not been a significant change in the convenience goods floorspace forecasts and it remains the case that there is no quantitative requirement to plan for net additional convenience goods floorspace, although there may be qualitative reasons why a modest amount of convenience goods floorspace should be placed in new local centres to support the day to day needs of new communities.

41. Where there are great differences between the 2017 and 2020 reports is around comparison goods floorspace. The 2020 report now sets out that there has been a material change in the level of retail expenditure available to support 'bricks and mortar' comparison goods floorspace and it now shows an oversupply in the Norwich urban area of circa -20,00sq m net. These levels of 'negative capacity' or over supply confirm the strategy for retailing in the GNLP which is not to allocate sites/locations for net additional comparison goods floorspace. Instead this would suggest that we should be concentrating on improving the quality of existing retail provision and it may actually be necessary to allow some units to be redeveloped for other uses which are appropriate within town centre environments.

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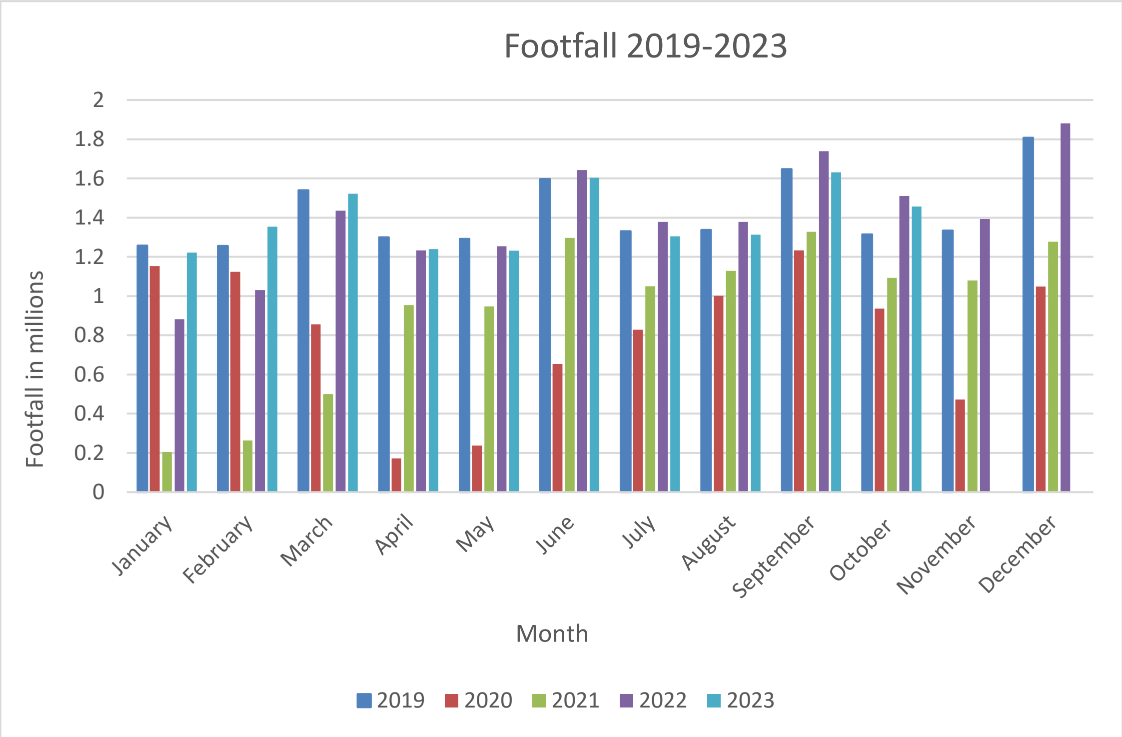
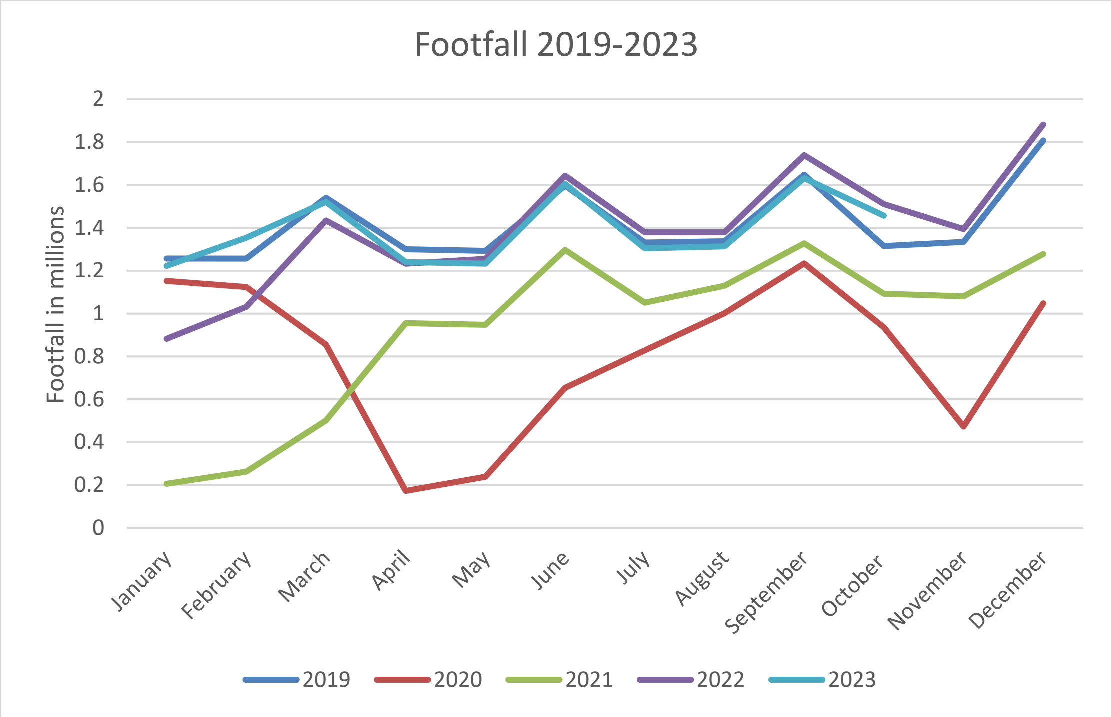
[8] GVA, "Greater Norwich Employment, Town Centre and Retail Study" (2017)
[9] Avison Young "Greater Norwich Town Centres & Retail Study Update" (December 2020)

42. Finally it is important to look at the footfall figures from the Norwich Business Improvement District (BID). The BID has supplied data for each month from January 2019 to October 2023 and as shown in the graphs below there have been significant fluctuations over the past few years which is unsurprising given the impact that the pandemic had on footfall within the city centre. However as can be seen from the graphs footfall has returned back to pre pandemic levels and it is really encouraging to see that people have returned and are continuing to shop and spend their leisure time in Norwich. It is however noticeable that at the start of 2023 footfall figures were higher than for the same month the previous year however from May 2023 they are slightly lower than in 2022. This may indicate that people are visiting the city centre less as a result of the current cost of living crisis.



Graph 1: Footfall in Norwich city centre 2019-2023



Graph 2: Footfall in Norwich city centre 2019-2023

43. **Summary:** The results of the survey for the city centre as a whole present a mixed picture. The October 2022 monitored showed how well Norwich had recovered from the pandemic with vacant retail units reducing from 14.1% to 12.6% and this has continued to decrease with vacant units now being at 12.3%. This compares very favourably to the average GB retail vacancy rate of 15.3% (down from 15.4% in 2022) (Local Data Company, September 2023[10]). However between October 2022 and October 2023 vacant floorspace has increased quite significantly from 14.2% to 16.9%. This can largely be attributed to the closure of Wilko which at 5,600sqm has a very significant impact upon floorspace vacancy rates and also the relocation of Sports Direct into Frasers which has left a 1,535sqm unit empty in Chantry Place, the closure of Jarrold Intersport on London Street (877sqm) and the closure of Argos at Riverside (949sqm). There are a number of other large retail spaces such as BHS, Debenhams and Toys R Us which remain vacant and explain why vacant floorspace is so much higher than vacancy rates for units.

44. Footfall levels have returned to pre pandemic levels in the city and there is clearly investment being made into Norwich. Whilst Norwich seemed to recover from the pandemic, this year presented different challenges in terms of the cost of living crisis. The next year or so will continue to be uncertain and challenging but so far Norwich has demonstrated that its retail and town centre offering is relatively robust and whilst in other part of the county independents have started to struggle, in Norwich on the whole they are still showing their strength although it will be interesting to see how they perform in the coming 12 months. Careful consideration does also needs to be given to what the survey is telling us about the long-term health of retailing in Norwich in the context of the challenges facing the British High Street/Town Centre retail sector, particularly in light of changes to the Use Classes Order, the NPPF and in terms of how we implement our current and future polices.

[10] Local Data Company, "H1 2023 retail and leisure trends analysis" (September 2023)

45. Table 1, provides city centre overview data on retail floorspace, enabling comparison over the time period of the plan. Table 2 provides an overview of vacancy rates for all town centre uses and Table 3 compares this to retail uses only.

Table 1: Norwich city centre – provision of A1 retail floorspace

Retail floorspace (use class A1)

	All	Trading	Vacant	Under construction/ refurbishment
October 2023	**208,146**	**173,069**	**33,086**	**1,991**
October 2022	210,100	180,303	25,689	4,108
March 2022	213,701	181,137	32,050	514
July 2021	216,005	183,211	31,409	1,385
October 2020	215,949	193,658	21,686*	605
October 2019	217,539	195,891	11,992	9,656
June 2018	223,770	198,519	16,265	8,986
June 2016	223,987	208,342	13,006	2,639
Sept 2015	223,762	210,509	11,028	2,225
April 2014	224,653	213,652	9,513	1,488
August 2013	224,109	208,779	11,849	3,481
January 2011	227,377	203,948	21,035	2,394
July 2010	227,949	198,379	28,315	1,255
January 2010	228,432	206,379	21,810	243
July 2009	229,509	208,674	20,579	256
July 2008	229,120	213,902	14.248	970

Retail units (use class A1)

	All	Trading	Vacant	Under construction/ refurbishment
October 2023	**938**	**823**	**104**	**11**
October 2022	947	828	106	13
March 2022	966	833	128	5
July 2021	971	834	130	7
October 2020	976	833	140**	3
October 2019	971	873	88	10
June 2018	992	885	98	9
June 2016	1023	906	110	7
Sept 2015	1020	908	103	10
April 2014	1048	930	107	11
August 2013	1054	936	97	21
January 2011	1067	949	108	10
July 2010	1070	938	121	11
January 2010	1079	948	126	5
July 2009	1086	955	128	3
July 2008	1084	967	109	8

Retail vacancy rate (use class A1)

	As a proportion of all retail floorspace $\frac{Vacant+Refurbishment}{All}$	As a proportion of retail floorspace excluding space being built or refitted $\frac{Vacant}{All}$	As a proportion of all retail units $\frac{Vacant+Refurbishment}{All}$
October 2023	**16.9%**	**15.9%**	**12.3%**
October 2022	14.2%	12.2%	12.6%
March 2022	15.2%	15.0%	13.8%
July 2021	15.2%	14.5%	14.1%
October 2020	10.3%	10.0%	14.7%
October 2019	10.0%	5.5%	10.1%
June 2018	11.3%	7.3%	10.8%
June 2016	7.0%	5.8%	11.4%
Sept 2015	5.9%	4.9%	11.1%
April 2014	4.9%	4.2%	11.3%
August 2013	6.8%	5.3%	11.2%
January 2011	10.3%	9.3%	10.1%
July 2010	13.0%	12.4%	11.3%
January 2010	9.7%	9.5%	11.7%
July 2009	9.1%	9.0%	11.8%
July 2008	6.2%	6.2%	10.0%

Overall retail floorspace change

Since October 2022	**Decreased by 1,954 sqm (0.9% decrease)**
Since July 2008	**Decreased by 20,974 sqm (9.2% decrease)**

Table 2: Summary of all town centre uses vacancy rates

	As a proportion of all floorspace $\frac{Vacant+Refurbishment}{All}$		As a proportion of all units $\frac{Vacant+Refurbishment}{All}$	
	October 2022	**October 2023**	**October 2022**	**October 2023**
Norwich City Centre	15.4%	17.0%	13.0%	13.0%
Primary retail area	14.7%	16.2%	12.9%	11.8%
Secondary Retail area	20.0%	21.3%	11.0%	10.3%
Large District Centre	8.0%	12.3%	14.0%	15.1%
Rest of Centre	19.3%	20.0%	14.1%	15.7%

Table 3: Summary of retail only vacancy rates

	As a proportion of all retail floorspace $\frac{Vacant+Refurbishment}{All}$		As a proportion of all retail units $\frac{Vacant+Refurbishment}{All}$	
	October 2022	**October 2023**	**October 2022**	**October 2023**
Norwich City Centre	14.2%	16.9%	12.6%	12.3%
Primary retail area	14.9%	17.8%	12.6%	11.3%
Secondary Retail area	23.3%	25.4%	10.7%	12.1%
Large District Centre	5.6%	8.7%	12.1%	13.1%
Rest of Centre	12.2%	11.6%	15.8%	15.6%

The Primary Area: Retail Vacancy

Headline figures	Vacant floorspace	Vacant available floorspace (excluding refurbs)	Vacant units	Retail floorspace change (since Oct 22)
Primary Retail Area (Retail only)	17.8%	16.8%	11.3%	1.1% decrease

46. The extent of the primary area, containing the shopping centres and main comparison goods stores, is shown on Map 1.

47. The vacant available *floorspace* rate is currently 16.8% in the primary retail area which is a 4.6% increase on 2022 rates where 12.2% of available floorspace was empty. This is also a significant increase in the percentage of vacant floorspace from before the pandemic when vacancy rates were at an extremely low rate of 4.1% in October 2019. Vacancy rates did improve between March 2022 and October 2022 (reduced from 15.0% to 12.2%) which indicated that the primary retail area had started to recover from the pandemic but unfortunately rates have gone up again which may be a result of the cost of living crisis but for Norwich can at least in part be attributed to the recent closure of Wilko, which at 5,600sqm has a very significant impact upon floorspace vacancy rates and also the relocation of Sports Direct into Frasers which has left a 1,535sqm unit empty in Chantry Place and the closure of Jarrold Intersport on London Street (877sqm).

48. Primary Area retail vacancy rates 'as a proportion of all retail floorspace' has also increased but the disparity between vacant +refurbishment is now only 1% (17.8% compared to 16.8% for vacant) whereas in 2022 the difference was 2.7% (14.9% compared with 12.2%). In 2022 the vacant Topshop store was being converted into a Morrisons and whilst Morrisons unfortunately pulled out the shop has since been occupied by Mountain Warehouse who have also retained their existing unit. The former Tesco unit on Guildhall Hill currently contributes most to the disparity. Work has been slow on the site and it is understood that the discharge of certain conditions has been delayed by nutrient neutrality as the wider redevelopment of the site include a hotel which constitutes overnight accommodation.

49. Whilst vacant floorspace has increased, the percentage of vacant retail *units* in the Primary Area has actually decreased from 12.6% in October 2022 to 11.3% in October 2023. Back in July 2021 vacancy rates for units reached 15.2% so this is a significant fall. In July 2021 there was concerned that our vacancy rates were getting close to the national average (15.8% in H1 2021) but with national vacancy rates in H1 2023 being at 15.3% (Local Data Company, published September 2023[11]), Norwich's primary area vacancy rate is now 4% below the national average.

50. The fall in vacant units suggest that whilst some of the larger units remain vacant or are being vacated, the smaller units within the primary retail area are performing better with some attracting new occupiers. This reduction in vacancy

[11] Local Data Company, "H1 2023 retail and leisure trends analysis" (September 2023)

rates is encouraging and has shown that the city and its key shopping area has bounced back well from the pandemic and on the whole is coping with other economic challenges.

51. The overall amount of floorspace in A1 retail use within the primary area has decreased by 1,627m² between October 2022 and October 2023, and has reduced by 3 units. Between 2014 and 2018 the amount of retail floorspace has remained relatively constant however there was a significant reduction in retail floor space (5,461 m²) between 2018 and 2019 when a number of units within Castle Quarter changed use from A1 to other uses including a bowling alley, soft play, retro gaming centre, gym and other community/leisure facilities. This trend has continued with for example a retail unit changing to an NHS wellbeing hub in Castle Quarter although the rate of change does appear to be slowing down.

52. The change of use of a number of units away from A1 did prevent a number of units in Castle Quarter sitting empty and has no doubt helped reduce vacancy rates as a few years ago over a quarter of floorspace was vacant. Currently 11.6% of retail floorspace sits empty (down from 15.9% in October 2022) but taking into account all town centre uses only 10.2% is unoccupied (down from 11.3% in October 2022). Several smaller units are however currently vacant as 13 out of 53 A1 shops are unoccupied (24.5%) (Compared to 15 out of 57 or 26.3% in 2022) and 18 out of 93 of all units are empty (19.4%) (compared to 21 out of 95 or 22.1% in 2022). Longterm vacancies in Castle Quarter are still of concern but generally it is considered that the leisure uses that now occupy the Castle Quarter are preventing a number of particularly large retail units sitting empty and that although certain sectors are declining, they can be replaced with other success town centre business uses which will ultimately increase footfall.

53. Chantry Place (formerly Chapelfield) on the whole remains well occupied and at the time of the survey only 7 retail units were vacant out of a total of 85 (8.2%) and for all town centre uses 11 are vacant out of a total of 103 (10.7%). In terms of floorspace this is 6.8% for A1 and 8.4% for all town centre uses. Whilst there has been an increase in vacant floorspace (up from 3.6%) this is still well below the average for the primary retail area. Within Chantry Place whilst several shops have closed over the past year, these are often replaced very quickly with new tenants and it is encouraging to see that Frasers/Sports Direct have now opened in the former House of Frasers store which is the key anchor unit for the shopping centre.

54. The 2019 retail report set out how the Royal Arcade has experienced a significant change with half of the units being vacant (8 out of 16 units). The Arcade was taken on by a new owner and this historic arcade has gone from strength to strength. Currently only one unit is vacant and since the last survey Yalm has open which is a new foodhall showcasing some of the best independent chefs and kitchens from the region. The Market is also performing very well with only a handful of vacant stalls.

55. If all town centre uses are taken into account the proportion of vacant floorspace (including refurbishments) is 16.2% (up from 14.7% in 2022 and compared to retail only of 17.8%) and the percentage of vacant units is 11.8% (down from 12.9% and compared to retail only of 11.3%).

56. Table 4, below, provides retail floorspace data for the primary area.

Table 4: Primary shopping area

Retail floorspace (use class A1)

	All	Trading	Vacant	Under construction/ refurbishment
October 2023	**144,235**	**118,591**	**24,217**	**1,427**
October 2022	145,862	124,146	17,838	3,878
March 2022	147,573	125,219	22,136	218
July 2021	148,263	126,098	21,564	601
October 2020	148,498	135,424	12,469*	605
October 2019	150,094	134,405	6,148	9,541
June 2018	155,555	139,261	8,265	8,029
June 2016	155,389	143,867	8,883	2,639
Sept 2015	155,139	145,445	7,711	2,017
April 2014	155,884	149,059	5,865	960
August 2013	152,497	141,705	9,382	1,410
January 2011	173,789	157,817	13,967	2,005
July 2010	174,252	153,199	20,448	605
January 2010	174,525	160,541	13,909	75
July 2009	175,256	162,962	12,294	0
July 2008	175,028	168,511	6,434	83

Retail units (use class A1)

	All	Trading	Vacant	Under construction/ refurbishment
October 2023	**505**	**448**	**51**	**6**
October 2022	508	444	54	10
March 2022	521	445	73	3
July 2021	521	442	76	3
October 2020	524	442	79**	3
October 2019	523	465	50	8
June 2018	530	479	48	3
June 2016	562	484	72	7
Sept 2015	559	481	72	7
April 2014	579	499	74	6
August 2013	567	490	72	5
January 2011	574	524	45	5
July 2010	576	513	58	5
January 2010	578	524	53	1
July 2009	581	524	57	0
July 2008	584	537	46	1

Retail vacancy rate (use class A1)

	As a proportion of all retail floorspace $\frac{Vacant+Refurbishment}{All}$	As a proportion of retail floorspace excluding space being built or refitted $\frac{Vacant}{All}$	As a proportion of all retail units $\frac{Vacant+Refurbishment}{All}$
October 2023	**17.8%**	**16.8%**	**11.3%**
October 2022	14.9%	12.2%	12.6%
March 2022	15.1%	15.0%	14.6%
July 2021	14.9%	14.5%	15.2%
October 2020	8.8%	8.4%	15.6%
October 2019	10.5%	4.1%	11.1%
June 2018	10.5%	5.3%	9.8%
June 2016	7.4%	5.7%	14.0%
Sept 2015	6.3%	5.0%	14.1%
April 2014	4.4%	3.8%	13.8%
August 2013	7.1%	6.2%	13.6%
January 2011	9.2%	8.0%	7.8%
July 2010	12.1%	11.7%	10.1%
January 2010	8.0%	8.0%	9.2%
July 2009	7.0%	7.0%	9.8%
July 2008	3.7%	3.7%	7.9%

The Primary Area: Retail Frontages

57. Policy DM20 divides the primary area into a number of smaller ‘frontage zones’ (as defined on the policies map and as identified in appendix 4 to the DM policies plan). The frontage zones are shown on Map 2. The retail threshold applicable in each of these areas is set within the Main Town Centre Uses and Retail Frontages Supplementary Planning Document (December 2014).

58. Table 5 provides data on the percentage of retail uses in the primary area retail frontage zones in October 2023. Since March 2022 the percentage of retail in Castle Quarter has been below the minimum thresholds but all other frontages have remained relatively stable and policy compliant.

59. There have been changes to the percentage of retail frontage in all zones over the past year other than in PR03 (St Stephens/Westlgate). There are now two frontage zones which are not policy compliant – Castle Quarter and Timberhill. Details of the changes to all frontage zones are set out below.

60. Within PC01 (Gentleman’s Walk/Haymarket/Brigg Street) the retail frontage has reduced from 87.3% to 85.0%. The increase in non retail has been due to a change of use at 31 Gentleman’s Walk from a retail premises to a noodle bar. This is a corner unit with a large frontage and is adjacent to the market.

61. Castle Quarter (PC02) has seen a significant shift away from retail and has become a leisure destination over the past few years. Back in 2018 only 38.3m (4.4%) of the frontage was non-retail but this increased to 246.1m (27.4%) in October 2022 which meant that over a quarter of the frontage was non retail. As well as leisure uses, the job centre moved into the centre which had a significant impact upon the frontage figures. Between October 2022 and October 2023 the retail frontage has reduced further from 72.6% to 68.0%. Two units with large frontages have changed away from retail and are now a NHS wellbeing hub and a virtual reality and gaming centre.

62. Within Chantry Place (PC03) there has actually been an increase in retail frontage from 95.8% to 96.9%. Over the past monitoring period Urban Outfitters have open within a unit previous occupied by Carluccio’s restaurant.

63. Retail frontage has reduced from 71.3% to 70.7% in PR01 (Back of the Inns/Castle Street) and from 72.6% to 71.0% in PR02 (The Lanes East). These changes have been a result of changes of use from retail to a coffee and pastries café and to an events space.

64. There has been a significant change in PR06 (Timberhill/Red Lion Street) with retail reducing from 65.1% to 59.0%. This has been a result of a former retail unit changing to a restaurant. This change however now means that the percentage of retail has dropped below the minimum threshold set out within the SPD.

65. Overall, with the exception of Chantry Place, the city centre is seeing a gradual increase in the percentage of non retail uses and two of the frontage zones now have a retail frontage below the minimum threshold set out within the SPD. This is not surprising given the changes that have occurred nationally and also the more flexible approach that the planning authority is adopting. It is encouraging that several of the retail frontages remain at relatively comfortable levels above their minimum thresholds but it will be important to continue to monitor these changes in the future.

Table 5: Primary Area Retail Frontage Zones - Retail frontages in October 2023

Primary retail area core frontage zones

Frontage zone	Total frontage (m)	Total non-retail frontage Oct 2023	% A1 retail Oct 2023 (frontage)	% A1 retail Oct 2022 (frontage)	Minimum threshold (from 2014 SPD)
PC01: Gentleman's Walk/ Haymarket/Brigg Street	856.4	128.5	**85.0%**	87.3%	80%
PC02: Castle Mall (Levels 1 & 2)	898.1	287.7	**68.0%**	72.6%	80%
PC03: Chapelfield, upper & lower Merchants Hall and St Stephens Arcade	641.0	20.0	**96.9%**	95.8%	80%

Frontage zones in the rest of the primary retail area

Frontage zone	Total frontage(m)	Total non-retail frontage Oct 2023	% A1 retail Oct 2023 (frontage)	% A1 retail Oct 2022 (frontage)	Minimum threshold (from 2014 SPD)
PR01: Back of the Inns/Castle Street area	666.8	195.5	**70.7%**	71.3%	65%
PR02: The Lanes east (Bedford Street/Bridewell Alley)	1116.3	323.2	**71.0%**	72.6%	70%
PR03: St Stephens Street/Westlegate	821.5	114.9	**86.0%**	86.0%	80%
PR04: Castle Meadow north		N/A[12]			
PR05: Chapelfield Plain		N/A[13]			
PR06: Timberhill/Red Lion Street	434.2	178.0	**59.0%**	65.1%	60%

Key:
Green denotes no change or increase in A1 retail since 2022
Red denotes decrease in A1 retail since 2022.
Blue denotes frontage is within minimum A1 threshold.
Orange denotes minimum A1 frontage threshold has been breached.

[12] There is no defined frontage in this zone
[13] There is no defined frontage in this zone

The Secondary Area: Retail Vacancy

Headline figures	Vacant floorspace	Vacant available floorspace (excluding refurbs)	Vacant units	Retail floorspace change (since October 22)
Secondary area (Retail only)	25.4%	23.4%	12.1%	0.6% decrease

66. Map 3 shows the extent of the secondary area.

67. The vacant available *floorspace* rate experienced a significant increase between 2016 and 2018 when it rose from 2.8% to 17.2%. Between 2018 and 2021 it rose further to 23.1% and over the past couple of years it has remained relatively stable and is now at 23.4%.

68. The percentage of vacant retail *units* in the Secondary Area also increased between 2016 and 2018 with a rise from 7.0% to 7.7%. This has continued to increase and over the past 12 months has risen from 10.7% to 12.1%.

69. The overall amount of floorspace in A1 retail use continues to decrease but this has only fallen by 118m² since the 2022 report although there has been a reduction in units in the Secondary Shopping area from 178 in 2022 to 174 in 2023.

70. The high vacancy rate in the secondary retail area is of some concern as the figure is at the highest level in this area since monitoring commenced in 2008. However the very high floorspace vacancy rate can be attributed to the closure and subsequent vacancy of Toys R Us in Cathedral Retail Park in April 2018 which has an individual floor area of 3,222m² and the closure of a further unit at the Retail Park which has a floorspace of 632m². Within the Cathedral Retail Park vacant floorspace currently stands at 72.2% and vacant units is 50%. If the Cathedral Retail Park is omitted from the secondary area altogether vacant floorspace would be 9.7%, vacant available floorspace would be 7.1% and vacant units would be 11.2%.

71. It is also worth noting that a planning application was approved on 18th October 2023 for the consolidation and refurbishment of both vacant units within the Cathedral Retail Park with the proposed occupier being Homes Bargains. If this permission is implemented, then this would have a dramatic impact upon vacancy rates within the secondary retail area. Subject to there being no other changes within the secondary retail area, this would mean that vacant floorspace would fall to 7.3% which would be well below the national average and the lowest in the city centre. Furthermore within the secondary retail area vacancy rates '*as a proportion of all retail units'* are one of the lower in the city centre and whilst they continue to creep up and have now reached 12.1% this is very competitive when compared to the GB national average retail vacancy rate of 15.3%[14].

72. Policy 11 of the Joint Core Strategy identifies that "other shopping areas within the centre will be strengthened to provide for retail diversity, with a particular focus on enhancing the character of specialist retailing areas and markets". The

[14] Local Data Company, "H1 2023 retail and leisure trends analysis" (September 2023)

secondary retail area includes some streets which provide a specialist mix of shops and excluding the Cathedral Retail Park, is performing very well in providing independent retail diversity and by adapting rapidly it appears that it remained resilient during the pandemic and continues to perform well within the current economic climate.

73. As reported in October 2022 the low vacancy rates in this area (excluding Cathedral Retail Park) has on the whole corresponded to the Local Data Companies findings that independents are more resilient than multiples with growth in independents largely being driven by the convenience (convenience stores, grocers, butchers and bakers) and leisure sector (restaurants, bars and fast food). Independents benefited from government support measures and business rates relief during the pandemic which enabled them to remain operational. However the Local Data Company have now reported that independents have started to struggle with the net decline in H1 2023 being the worst recorded net change for the sector since records began. In Norwich vacant units within the secondary retail area have increased from 10.7% to 12.1% which is a noticeable change. Whilst the vacancy rate is still relatively low compared to the national rate, there is some concern that Norwich's independent stores are being impacted by economic factors which may unfortunately mean that some are closing their doors for good. This will need to be monitored carefully within 12 months time.

74. If all town centre uses are taken into account the proportion of vacant floorspace (including refurbishments) is 21.3% (up from 20.0% in 2022 but compared to retail only of 25.4%) and the percentage of vacant units is 10.3% (down from 11.0% in 2022 and compared to retail only of 12.1%). This would suggest that other town centre uses such as restaurants, leisure uses and business premises are performing slightly better than the retail sector.

Table 6: Secondary area

Retail floorspace (use class A1)

	All	Trading	Vacant	Under construction/ refurbishment
October 2023	**21,325**	**15,915**	**4,991**	**419**
October 2022	21,443	16,454	4,989	0
March 2022	21,826	16,752	5,074	0
July 2021	21,859	16,775	5,060	24
October 2020	21,933	17,180	4,753*	0
October 2019	21,611	17,651	3,960	0
June 2018	21,772	17,921	3,741	110
June 2016	21,858	21,243	615	0
Sept 2015	21,793	21,148	594	51
April 2014	21,958	21,569	273	116
August 2013	21,926	21,083	715	131
January 2011	17,785	16,612	878	295
July 2010	17,980	16,709	1,107	164
January 2010	18,076	16,788	1,189	99
July 2009	18,262	17,008	1,207	47
July 2008	18,167	17,604	1,022	81

Retail units (use class A1)

	All	Trading	Vacant	Under construction/ refurbishment
October 2023	**174**	**153**	**19**	**2**
October 2022	178	159	19	0
March 2022	179	163	16	0
July 2021	183	165	17	1
October 2020	185	169	16**	0
October 2019	181	167	14	0
June 2018	182	168	12	2
June 2016	185	172	13	0
Sept 2015	184	173	10	1
April 2014	185	177	5	3
August 2013	187	176	9	2
January 2011	190	174	13	3
July 2010	192	173	16	3
January 2010	194	173	18	3
July 2009	196	173	22	1
July 2008	194	176	15	3

Retail vacancy rate (use class A1)

	As a proportion of all retail floorspace $\frac{Vacant+Refurbishment}{All}$	As a proportion of retail floorspace excluding space being built or refitted $\frac{Vacant}{All}$	As a proportion of all retail units $\frac{Vacant+Refurbishment}{All}$
October 2023	**25.4%**	**23.4%**	**12.1%**
October 2022	23.3%	23.3%	10.7%
March 2022	23.2%	23.2%	8.9%
July 2021	23.3%	23.1%	9.8%
October 2020	21.7%	21.7%	8.6%
October 2019	18.3%	18.3%	7.7%
June 2018	17.7%	17.2%	7.7%
June 2016	2.8%	2.8%	7.0%
Sept 2015	3.0%	2.7%	6.0%
April 2014	1.8%	1.2%	4.3%
August 2013	3.9%	3.3%	5.9%
January 2011	6.6%	4.9%	6.8%
January 2010	7.1%	6.6%	9.3%
July 2008	5.6%	5.7%	7.7%

The Secondary Area: Retail Frontages

75. Policy DM20 divides the secondary area into a number of smaller 'frontage zones' (as defined on the policies map and as identified in appendix 4 to the DM policies plan). The frontage zones are shown on Map 3. The retail threshold applicable in each of these areas is set within the Main Town Centre Uses and Retail Frontages Supplementary Planning Document (December 2014).

76. Table 7 provides data on the percentage of retail uses in the secondary area retail frontage zones. Out of the three secondary areas that have frontage zones, one (SR03: St Benedicts) is below the minimum threshold as set out in the SPD. During the monitoring period the proportion of retail has reduced slightly within one of the frontage zones (SR01: The Lanes West (Pottergate/Dove Street/Lower Goat Lane), it has not changed within one (SR02: Upper St Giles) and has actually increased ever so slightly in SR03: St Benedicts). Overall the retail frontages still appear relatively healthy and within two of the three retail frontages zones remain at relatively comfortable levels above their minimum thresholds.

Table 7: Secondary area retail frontage zones

Frontage zone	Total frontage (m)	Total non-retail frontage October 2023	% A1 retail October 2023 (frontage)	% A1 retail October 2022 (frontage)	Minimum threshold (from 2014 SPD)
Primary retail area core frontage zones					
SR01	391.3	109.6	**72.0%**	75.8%	70%
SR02	121.7	39.4	**67.6%**	67.6%	60%
SR03	638.0	270.3	**57.6%**	57.5%	60%
SR04	No defined frontage				
SR05	No defined frontage				
SR06	No defined frontage				

Large District Centres

Headline figures	Vacant floorspace	Vacant available floorspace (excluding refurbs)	Vacant units	Retail floorspace change (since October 22)
Large District Centres (Retail only)	8.7%	8.7%	13.1%	0.5% decrease

77. Map 4 shows the extent of the LDCs. Riverside was included in these statistics from August 2013 onwards, following the removal of it from the Primary Retail Area and its redesignation as part of the Large District Centre.

78. The vacant available floorspace in the LDCs is currently 8.7% which is higher than it was in October 2022 when it was 5.6% but lower than in 2021 when 9.1% of floorspace was vacant. Back in 2019 only 3.3% of available floorspace was unoccupied. It is however still low compared to both the city and national average and regarded as a low figure for a shopping area which does not form a central part of the city's retail offer.

79. The percentage of vacant retail *units* in the LDCs has increased since October 2022 (from 12.1% to 13.1%). The difference between vacant floorspace and vacant units would suggest that the larger units are faring well but that the smaller units are harder to find and retain retailers.

80. In terms of Riverside in October 2022 the vacancy rate was very low (4.9% for floorspace and 8.5% for units). Over the past 12 months one of the smaller vacant units has now been occupied by Greggs but a medium sized unit has been vacated by Argos. Mothercare closed in 2020/21 and has still not been occupied. This means that now 9.6% of retail floorspace is vacant and 11.8% of retail units are vacant. Riverside has largely been a car based destination but it is hoped that the routes established within the 'St Anne's Quarter' development will create a more attractive walking and cycling link between Riverside and the city centre.

81. The Magdalen Street, Anglia Square & St Augustine's LDC has also seen an increase in retail vacancies. Vacant floorspace has increased from 6.3% in October 2022 to 7.9% and the number of vacant units has increased from 12.1% to 13.1%. This is still relatively competitive when compared to the GB national average retail vacancy rate of 15.3%[15]. This centre has repositioned itself as a niche area of speciality/ethnic retailers and restaurants. The historic relatively low vacancy rates in this area also corresponded to the Local Data Companies findings last year that independents are more resilient than multiples with growth in independents being driven by the convenience (convenience stores, grocers, butchers and bakers) and leisure sector (restaurants, bars and fast food). Although the Local Data Company is now recording a record high net decline in independents nationally and with vacancy rates creeping up it may be that some of Norwich's independent stores are struggling in this challenging economic climate.

[15] Local Data Company, "H1 2023 retail and leisure trends analysis" (September 2023)

82. Anglia Square is subject to proposals for comprehensive re-development and planning permission was granted in July 2023 for up to 1,100 dwellings and up to 8,000 sqm (NIA) of flexible retail, commercial and other non-residential floorspace including a community hub. This area is likely therefore to experience significant levels of change and regeneration over the coming years.

83. The overall amount of floorspace in A1 retail use has remained stable since Riverside was included as part of the Large District Centre in August 2013.

84. If all town centre uses are taken into account the proportion of vacant floorspace (including refurbishments) has increased from 8.0% in October 2022 to 12.3% in October 2023 (and this compares to retail only of 8.7%) and the percentage of vacant units is 15.1% (up from 14.0% in October 2022) which compares to retail only of 12.1%.

Table 8: Large District Centres (Magdalen Street, St Augustine's Street, Anglia Square & Albion Way Riverside)

Retail floorspace (use class A1)

	All	Trading	Vacant	Under construction/ refurbishment
October 2023	**32,216**	**29,398**	**2,818**	**0**
October 2022	32,385	30,561	1,824	0
March 2022	32,695	29,623	3,051	21
July 2021	32,379	29,426	2,932	21
October 2020	32,015	29,974	2,041*	0
October 2019	32,164	31,043	1,071	50
June 2018	32,609	30,421	1,748	440
June 2016	32,353	30,534	1,750	69
Sept 2015	32,353	31,237	1,047	69
April 2014	32,647	31,594	784	269
August 2013	32,602	31,256	301	1,045
January 2011	18,314	14,934	3,311	69
July 2010	18,218	14,947	3,202	69
January 2010	18,239	14,811	3,359	69
July 2009	18,289	15,049	3,031	209
July 2008	18,139	15,017	3,031	91

Retail units (use class A1)

	All	Trading	Vacant	Under construction/ refurbishment
October 2023	**137**	**119**	**18**	**0**
October 2022	141	124	17	0
March 2022	142	124	18	1
July 2021	138	123	14	1
October 2020	138	120	18**	0
October 2019	137	123	13	1
June 2018	140	124	14	2
June 2016	139	125	13	1
Sept 2015	139	129	9	1
April 2014	140	130	8	2
August 2013	77	67	7	3
January 2011	135	107	27	1
July 2010	134	109	24	1
January 2010	135	106	28	1
July 2009	136	112	22	2
July 2008	135	111	22	2

Retail vacancy rate (use class A1)

	As a proportion of all retail floorspace $\frac{Vacant+Refurbishment}{All}$	As a proportion of retail floorspace excluding space being built or refitted $\frac{Vacant}{All}$	As a proportion of all retail units $\frac{Vacant+Refurbishment}{All}$
October 2023	**8.7%**	**8.7%**	**13.1%**
October 2022	5.6%	5.6%	12.1%
March 2022	9.4%	9.3%	12.7%
July 2021	9.1%	9.1%	10.9%
October 2020	6.4%	6.4%	13.0%
October 2019	3.5%	3.3%	10.2%
June 2018	6.7%	5.4%	11.4%
June 2016	5.6%	5.4%	10.0%
Sept 2015	3.4%	3.2%	7.2%
April 2014	3.2%	2.4%	7.1%
August 2013	4.1%	1.0%	13%
January 2011	18.5%	18.1%	20.0%
July 2010	18.0%	17.6%	17.9%
January 2010	18.8%	18.4%	20.7%
July 2009	17.7%	16.6%	16.2%
July 2008	16.7%	16.8%	16.0%

Rest of the City Centre

Headline figures	Vacant floorspace	Vacant available floorspace (excludingrefurbs)	Vacant units	Retail floorspace change (since October 22)
Rest of City Centre (Retail only)	11.6%	10.2%	15.6%	0.4% decrease

85. This area covers all shops within the city centre which are not included in the defined areas discussed above. There have been some boundary changes which were first reflected in the 2014 monitor. As such, the figures prior to 2014 are not directly comparable with current figures.

86. The vacant available *floorspace* in the rest of the city centre was at 15.4% in March 2022 and when including refurbishments the vacancy rate in 2021 reached a high of 19.2%. However since then a number of units have been occupied with the last survey in October 2022 showing vacancies of 10.0% and when including refurbishments 12.2%. These have remained relatively stable and are now at 10.2% for available floorspace and 11.6% when including refurbishments. This is around 5-6% lower than the city centre averages.

87. Historically available vacancy rates have been fairly high in the rest of the city centre with for example in 2014 vacancies being 18.3%; however in October 2019 the rate was exceptionally low at only 5.9% which was a bit of an anomaly. Increased vacancies during 2020 and 2021 suggested that a number of new businesses struggled to survive during the pandemic but it is encouraging to see vacancy rates return to relatively low levels which suggests that the rest of the city centre is actually performing quite well in terms of retail floorspace.

88. The number of vacant retail *units* in the rest of the city centre has remained the same as it was in October 2022 at 19 however the total number of retail units has actually increased by two which does mean as a percentage vacant units has reduced from 15.8% to 15.6%. A higher vacancy rate for units compared to floorspace would suggest that some of the smaller units remain vacant.

89. The overall amount of floorspace in A1 retail decreased significantly between March 2022 and October 2022 (by 10.3%). There has only been a very slight decreased during this monitoring period reducing by 29sqm (0.4%).

90. The statistics from the past few years suggest that there has been a lot of change and turnover in the 'rest of the city centre' area which is expected within the more peripheral city centre shopping streets. Although a number of businesses closed over the pandemic, the 'rest of the city centre' seemed to have bounced back in a similar way to some of the more central shopping areas. The loss in retail floorspace during previous monitoring periods would suggest that there has been quite a bit of diversification with a number of retail units changing to other town centre uses.

91. If all town centre uses are taken into account the proportion of vacant floorspace (including refurbishments) is 20.0% (up from 19.3% in 2022) which compares to retail only of 11.6% and the percentage of vacant units is 15.7% (up from 14.1% in 2022) which compares to retail only of 15.6%). Despite all town centre vacancy rates increasing, these are still noticeably lower than in 2021 where 22.0% of all town centre floorspace was vacant and 18.1% of all town centre

units were empty.

Table 9: Rest of city centre

Retail floorspace (use class A1)

	All	Trading	Vacant	Under construction/ refurbishment
October 2023	**10,371**	**9,165**	**1,061**	**145**
October 2022	10,410	9,142	1,038	230
March 2022	11,607	9,544	1,788	275
July 2021	13,503	10,912	1,852	739
October 2020	13,503	11,080	2,423	0
October 2019	13,670	12,792	813	65
June 2018	13,834	11,769	1,658	407
June 2016	14,387	12,629	1,758	0
Sept 2015	14,475	12,711	1,676	88
April 2014	14,164	11,430	2,591	143
August 2013	17,084	14,738	920	1,426
January 2011	17,400	14,495	2,880	25
July 2010	17,500	13,524	3,559	417
January 2010	17,593	14,240	3,353	0
July 2009	17,702	13,655	4,047	0
July 2008	17,786	13,310	3,761	765

Retail units (use class A1)

	All	Trading	Vacant	Under construction/ refurbishment
October 2023	**122**	**103**	**16**	**3**
October 2022	120	101	16	3
March 2022	124	101	22	1
July 2021	129	104	23	2
October 2020	129	104	25	0
October 2019	130	118	11	1
June 2018	135	110	23	2
June 2016	137	125	12	0
Sept 2015	138	125	12	1
April 2014	144	124	19	1
August 2013	157	137	12	8
January 2011	168	144	23	1
July 2010	192	167	23	2
January 2010	172	145	27	0
July 2009	173	146	27	0
July 2008	171	143	26	2

Retail vacancy rate (use class A1)

	As a proportion of all retail floorspace $\frac{Vacant+Refurbishment}{All}$	As a proportion of retail floorspace excluding space being built or refitted $\frac{Vacant}{All}$	As a proportion of all retail units $\frac{Vacant+Refurbishment}{All}$
October 2023	**11.6%**	**10.2%**	**15.6%**
October 2022	12.2%	10.0%	15.8%
March 2022	17.8%	15.4%	18.5%
July 2021	19.2%	13.7%	19.4%
October 2020	17.9%	17.9%	19.4%
October 2019	6.4%	5.9%	9.2%
June 2018	15%	12%	18.5%
June 2016	12.2%	12.2%	8.8%
Sept 2015	12.2%	11.6%	9.4%
April 2014	19.3%	18.3%	13.9%
August 2013	13.7%	5.4%	12.7%
January 2011	16.7%	16.6%	13.7%
July 2010	22.7%	20.3%	12.0%
January 2010	19.1%	19.1%	15.7%
July 2009	22.9%	22.9%	15.6%
July 2008	21.1%	22%	15.2%

District and Local Centres

92. Policy DM21 of the Development management policies plan establishes A1 retail use thresholds of 60% for District Centres and 50% for Local Centres.

93. Vacancy rates in District and Local Centres focus on units only. Between 2021 and 2022 there was a significantly reduction in vacancy rates and overall vacancies reduced from 11.6% in 2021 to 6.5% in 2022. Over the past 12 months there has been a very slight increase in vacancies with 6.9% of units now sitting empty however this is nearly half that of the 12.3% shop vacancy rate in the city centre which would indicate that despite the challenging circumstances Local and District Centres are faring extremely well. During the pandemic more people started to shop locally and this seems to be continuing.

94. Overall these figures would suggest that District and Local Centres are continuing to perform their function and to offer an appropriate range of local services and facilities and over the past few years Norwich's District and Local Centres have continued to who their strength and importance.

District Centres

Headline figures	Vacant units	Number of units change
District Centres	6.0%	1.5% increase

95. Whilst vacancy rates have increased from 5.6% to 6.0% between October 2022 and October 2023, vacancy rates are still significantly lower than pre pandemic times where 11.6% of units within District Centre stood vacant in 2018. The total number of vacant units in the 10 District Centres is currently only 12 which compares to 19 in 2021 and 23 in 2018.

96. In term of total number of units, there has been an increase in two District Centres. Within DC04 – Plumstead Road the total number of units has increased by 1 and within DC05: Aylsham Road/Mile Cross the total number of units has increased by 2. This was a result of units subdividing. There has not been a reduction in units in any of the District centres.

97. The percentage of non-retail units currently stands at 43.0% which is 0.4% lower than in 2022. Since 2019 there has been a trend of an increasing number of units in non-retail use so this is a bit surprising. In terms of units, the total number of non retail units is 86 out of 200. This number has actually stayed the same since 2022 but given the total number of units has increased, this has affected the percentage. There has only been an increase in non retail in one District Centres which is DC04: Plumstead Road but this already exceeded the 40% non-retail threshold. The percentage of non retail has actually decreased in one District Centre which is Aylsham Road/Mile Cross where it reduced from 50.0% to 48.5%. There has been no change since 2022 in the District Centres which exceed the 40% non-retail threshold set out in Development management policy DM21. This remains as follows:

    - DC03: Eaton Centre
    - DC04: Plumstead Road

- DC05: Aylsham Road/Mile Cross
- DC07: The Larkman
- DC08: Dereham Road/Distillery Square
- DC09: Hall Road

98. A few of these centres have non-retail percentages not too much above 40% and as shown in previous monitoring years it only takes one or two units changing to retail to satisfy the policy ambition and it is encouraging to see that within this monitoring year the total number of retail units has actually increased. However patterns both nationally and locally over recent years have shown that things are generally moving in the opposite direction with an increase in non-retail uses and this is very much encouraged by government changes to the use class order and permitted development rights which were introduced a couple of years ago. Whilst it is recognised that some non-retail units such as restaurants and cafes, along with community, service and leisure uses can add to the vitality and viability of a retail centre there is concern that the change of use to residential would have a significantly detrimental impact upon District Centres and their ability to meet local need. So far the impacts as a result of the changes to the Use Classes Order and Permitted Development Order have actually been quite minimal but this will need continual monitoring. Furthermore during the pandemic Norwich's District Centres seemed to thrive with more people shopping locally. The past monitoring period has continued to show the strength of the District Centre but it will be interested to see whether other economic facts such as the cost of living crisis impact upon the centres in the coming months and years.

99. In terms of the individual District Centres the following is of note:

100. The vacancy rate within Bowthorpe district centre DC01 has doubled during the monitoring period and has increased from two units (11.8%) to four units (23.5%). This is now the District Centre with the highest vacancy rate. The percentage of non retail units has stayed the same and at 35.3% sits below the 40% threshold.

101. Over the monitoring period, Lidl has closed within the Drayton Road District Centre (DC02). This has meant that the number of vacant units has increased from 1 to 2 and Drayton Road now has the second highest vacancy rates of all District Centres. The non-retail percentage rate has not changed and is only 26.7% which is well clear of the 40% recommended maximum guideline.

102. Vacancies in DC03: Eaton Centre have continued to reduce with now only one unit out of 17 being vacant (which is a unit within Waitrose). The number of non-retail units has not changed but with 58.8% of units being non retail this is the highest of all District Centres.

103. The total number of units within DC04: Plumstead Road has increased from 32 to 33 due to the subdivision and occupation of a vacant unit. With the occupation of another vacant unit the vacancy rate has reduced from 9.4% (3 units) to 3.0% (one unit). The percentage of non retail has increased from 43.8% to 48.5%.

104. DC05: Aylsham Road/Mile Cross has seen an increase in the number of units by two due to the subdivision of a unit. Vacancy rates have remained low at only 4.2% (1 units). As a result of the new units being retail the percentage of

non retail has reduced from 50.0% to 45.8%. A new Lidl opened adjacent to the District Centre several years ago which is just outside of the District Centre boundary (so not counted as a unit within this monitoring report). This appears to have strengthen the centre.

105. Earlham House district centre DC06 was previously recognised as one of the poorest performing district centres in terms of vacancy rates in 2016. However, since that time the centre has benefitted from some refurbishment. There has been no change in the monitoring period with it still only having one vacancy and the highest proportion of retail units of all District centres.

106. There are two district centres which have all of their units occupied which are The Larkman (DC07) and Hall Road (DC09) centres. Both of these fully occupied District Centres have over 40% non-retail and there have been no changes within the monitoring period.

107. In 2022 Dereham Road/Distillery Square (DC08) was fully occupied following a period in 2021 were it had four vacant units. Over the monitoring period there has only been one change within the district centre which was the closure of one takeaway which now gives a vacancy rate of 2.7%.

108. There has been no change in vacancy rates or the percentage of non retail within Sprowston Road/Shipfield (DC10). This centre only has one vacant unit and 36.8% non retail.

Table 10: District Centres defined in the adopted Norwich Local Plan 2014

Ref No	Centre name	Total units	Vacant units	% vacant/ annual change	Non retail units	% non-retail
DC01	Bowthorpe	17	4	23.5%	6	35.3%
DC02	Drayton Road	15	2	13.3%	4	26.7%
DC03	Eaton Centre	17	1	5.9%	10	58.8%
DC04	Plumstead Road	33	1	3.0%	16	48.5%
DC05	Aylsham Road/ Mile Cross	24	1	4.2%	11	45.8%
DC06	Earlham House	17	1	5.9%	5	29.4%
DC07	The Larkman	14	0	0.0%	7	50.0%
DC08	Dereham Road/ Distillery Square	37	1	2.7%	18	48.6%
DC09	Hall Road	7	0	0.0%	4	57.1%
DC10	Sprowston Road/ Shipfield	19	1	5.3%	7	36.8%
TOTAL		**200**	**12**	**6.0%**	**86**	**43.0%**

Key

Vacancy rate is **unchanged** since last survey
Vacancy rate is **up** since last survey
Vacancy rate is **down** since last survey

Proportion of A1 retail units is **ABOVE** 60**%** policy
Proportion of A1 retail units is **BELOW** 60**%** policy

Local centres

Headline figures	Vacant units	No of units change
Local Centres	7.4%	0.0% change

109. Table 11 shows vacancy rates and percentage of non-retail units for the 28 local centres.

110. Of the 325 units, the number of vacant units is 24. This is an increase of one unit from October 2022 which has increased the percentage from 7.1% to 7.4%. This is still significantly lower than the city centre vacancy rate. Over half of all local centres (15 out of 28) are now fully occupied which compares to 14 in 2022 and 10 in 2021.

111. Improvements in vacancies since 2021 have taken place in 5 local centres which are LC02 Hall Road/Queens Road, LC07 St Augustine's Gate, LC13 Catton Grove Road/Ring Road, LC14 Magdalen Road and LC29 Aylsham Road/Copenhagen Way. The local centres which have had increased vacancies during the monitoring period are LC03 Hall Road/ Southwell Road, LC06 Unthank Road, LC10 Aylsham Road/ Glenmore Gardens, LC11 Aylsham Road/ Boundary Road, LC18 Earlham West Centre, LC30 St Stephens Road. There is less of a disparity in vacancy rates than in 2021. Back in 2021 LC01 for example had a vacancy rate of 42.9% whilst other Local Centres were fully occupied. Now the worst performing local centre is LC10 with less than a quarter of units being empty.

112. The percentage of non-retail units across all of the centres is 51.1% up from 50.8% in 2022 and 46.0% in 2021. This means that the percentage of non retail has now exceed the 50% threshold. However there has been no change in the number of local centres which are not policy compliant and this remains at 12. There is now one centre which sits at the recommended 50% threshold and 15 which have more than 50% of units as retail. In 2022 2 units sat at the 50% threshold and 14 had a proportion of A1 retail units above the 50% target. Over the monitoring period there has been two centres where the proportion of non retail has reduced and only one where the proportion of non retail has increased.

113. The twelve local centres that have exceeded the DM21 policy threshold and have greater than 50% non-retail uses are listed below. LC20 has been added to this list and LC18 has been removed.

- LC02: Hall Road/Queens Road
- LC06: Unthank Road;
- LC07: St Augustine's Gate;
- LC10: Aylsham Road/Glenmore Gardens
- LC11: Aylsham Road/Glenmore Gardens
- LC14: Magdalen Road
- LC15: Sprowston Road/Silver Road
- LC17: Bishop Bridge Road

- LC18: Earlham West Centre REMOVE as now 50%
- LC20: Colman Road, The Parade (ADDDED)
- LC26: UEA; and
- LC28: Magdalen Road/Clarke Road
- LC29: Aylsham Road/Copenhagen Way.

114. LC18: Earlham West Centre has exactly 50% non- retail. Any changes of use of existing A1 units to non-retail uses will cause the DM21 policy threshold to be exceeded.

Table 11: Local Centres[16] defined in the adopted Norwich Local Plan 2014

Ref No	Centre name	Total units	Vacant units	% vacant/ annual change		Non retail units	% non-retail	
LC01	Hall Road/ Trafalgar St	8	0	0.0%		2	25.0%	
LC02	Hall Road/ Queens Road	29	4	14.0%		18	62.1%	
LC03	Hall Road/ Southwell Road	7	1	14.3%		3	42.9%	
LC04	Grove Road	14	0	0.0%		6	42.8%	
LC05	Suffolk Square	9	0	0.0%		4	44.4%	
LC06	Unthank Road	43	1	2.3%		24	55.8%	
LC07	St Augustine's Gate	8	1	12.5%		6	75.0%	
LC08	See footnote							
LC09	Aylsham Road/ Junction Road	8	1	12.5%		3	37.5%	
LC10	Aylsham Road/ Glenmore Gardens	13	3	23.1%		7	53.8%	
LC11	Aylsham Road/ Boundary Road	13	2	15.4%		9	69.2%	
LC12	Woodcock Road	7	0	0.0%		2	28.6%	
LC13	Catton Grove Road/Ring Road	12	0	0.0%		5	41.7%	

[16] Local centres at **Dereham Road/Distillery Square** (previously LC08) and **Sprowston Road/Shipfield** (previously LC16) were redesignated as district centres following the development of new anchor foodstores and renumbered as DC08 and DC10 respectively in the 2014 local plan. The local centre at **St Stephens Road** newly designated in that plan (LC30) falls partly within and partly outside the city centre. The retail floorspace within that part of the local centre is included within the floorspace and unit totals in Table 4.

LC14	Magdalen Road	14	0	0.0%		9	64.3%	
LC15	Sprowston Road/ Silver Road	8	0	0.0%		5	62.5%	
LC16	See footnote							
LC17	Bishop Bridge Road	8	0	0.0%		6	75.0%	
LC18	Earlham West Centre	22	3	13.6%		11	50.0%	
LC19	Colman Road/ The Avenues	16	3	18.8%		5	31.3%	
LC20	Colman Road, The Parade	10	1	10.0%		6	60.0%	
LC21	Woodgrove Parade	9	0	0.0%		2	22.2%	
LC22	St John's Close/ Hall Road	10	0	0.0%		4	40.0%	
LC23	Tuckswood centre	5	0	0.0%		1	20.0%	
LC24	Witard Road, Heartsease	9	0	0.0%		2	22.2%	
LC25	Clancy Road, Heartsease	5	0	0.0%		2	40.0%	
LC26	UEA	9	1	11.1%		7	77.8%	
LC27	Long John Hill	5	0	0.0%		2	40.0%	
LC28	Magdalen Road/ Clarke Road	8	1	12.5%		5	62.5%	
LC29	Aylsham Road/ Copenhagen Way	5	0	0.0%		4	80%	
LC30	St Stephens Road	11	2	18.2%		6	54.5%	
TOTAL		**325**	**24**	**7.4%**		**166**	**51.1%**	

Key

Vacancy rate is **unchanged** since last survey
Vacancy rate is **up** since last survey
Vacancy rate is **down** since last survey

Proportion of A1 retail units is **ABOVE** 50% policy target
Proportion of A1 retail units is **BELOW** 50% policy target
Proportion of A1 retail units is **AT** 50% policy target

Conclusions

115. Retail floorspace vacancy rates have increased in all areas of the city centre between October 2022 and October 2023; however as shown in figure 12 the total number of vacant units has continued to reduce. Vacancy rates have also risen slightly within the District and Local Centres.

116. High vacancy rates were experienced in July 2021 which was unsurprising given the challenging circumstances faced by retailers during the pandemic and as shown in the October 2022 report it was very encouraging to see how well Norwich recovered and bounced back from this very difficult period. Nationally retailers are now experiencing further economic challenges brought about by the cost of living crisis, and Norwich has unfortunately seen a number of closures as a result. Notwithstanding this Norwich has however continued to see investment and whilst some multiples and independent have ceased trading, others have opened within the past couple of years.

117. Norwich's independent retailers have historically been very resilient and have generally performed well and this can be shown by the low (albeit increasing) vacancy rates within both the secondary retail area (when excluding the Cathedral Retail Park) and the Magdalen Street, Anglia Square & St Augustine's LDC where vacant floorspace rates are 9.7% and 7.9% respectively. This is lower than the primary shopping area and low when compared to a national average retail vacancy rate of 15.3%. However one question often posed about the independent market is that of long-term sustainability. Many of these units have shorter average length of occupancy and a higher rate of churn across the market, due to a lack of infrastructure and financial backing so it will be interesting to see how these areas perform in the coming years, particularly as retailers facing increasing costs and consumers face a cost of living crisis. As reported by the Local Data Company, nationally independents have experienced the worst recorded net change for the sector since records began and it will be interesting to see how this sector performs within Norwich over the coming year.

118. This monitoring report now also looks at all town centre use vacancy rates as well as retail. Nationally leisure vacancy rates are lower than retail and whilst it is difficult to compare due to different methodologies of collecting and analysing data, the overall vacancy rate for the city centre does increase slightly when other town centre uses are taken into account although they are quite significant discrepancies between the primary and secondary retail areas and the large district centre and rest of centre.

119. In terms of the total amount of retail floorspace within the city centre, it is continuing to decrease although the rate at which it is decreasing has slowed. Within this monitoring period 1,943 sqm of retail floorspace was lost which is a 0.9% decrease. This now means that since 2008 Norwich city centre has lost around 9.2% of its retail provision. The retail however is generally not being lost to residential or being demolished; instead the city is experiencing diversification and the floorspace is generally changing to other town centre uses. Given the changes to the Use Classes Order and the General Permitted Development Order and the future change in policy approach that is likely to be

brought in through the GNLP it is anticipated that this trend will continue, but we just do not yet know at what rate.

120. This trend of diversification can particularly be seen within Castle Quarter where the retail frontages is no longer within the recommended minimum percentage of A1 use as set out in the 'Main Town Centre Uses and Retail Frontages' Supplementary Planning Document (2014). Furthermore PR06: Timberhill/Red Lion Street now becomes the second primary retail frontage which is not policy compliant. However the other retail frontages all remain relatively stable and comfortably within the recommended minimum percentage of A1 uses with the percentage of retail actually increasing in Chantry Place and staying the same in St Stephens Street/Westlegate. In terms of the secondary area retail frontage zones one out of three (SR03: St Benedicts) is below the minimum threshold and during the monitoring period the proportion of retail reduced slightly within one frontage, stayed the same within one and increased in one. Overall it would still appear that the retail frontages appear relatively healthy.

121. Vacancy rates in District and Local Centres have also increased slightly from 6.5% in 2022 to 6.9% in 2023. This is still significantly lower than it was in 2021 when 11.6% of units were vacant and significantly lower than the 12.3% shop vacancy rate in the city centre. This indicates that despite the challenging circumstances local and district centres are faring extremely well. The July 2021 report suggested that more people were shopping locally and it would appear that this may still be case, despite less people now working from home.

122. The retail sector both nationally and within Norwich has experienced a lot of challenges in recent years brought about by changing consumer behaviour driven by technology and prevailing economic conditions and as a result of the pandemic. Whilst it is likely that these challenges will have ongoing impacts for the viability of some retail businesses, the past couple of years has shown how resilient the majority of our businesses are. Vacant floorspace has increased over the past 12 months and whilst some multiples and independents have ceased trading within Norwich, there is clearly investment happening with new chains arriving.

123. It is also encouraging how footfall has returned to pre pandemic levels. Furthermore with so many improvements taking place to the public realm, this should enhance the shopping and leisure experience and make it easier for people to get around and enjoy their time within the city.

124. It is however important to acknowledge that Norwich, as with all cities, faces an extremely uncertain time ahead. Whilst Norwich largely recovered from the impacts of the pandemic, vacant floorspace rates have risen quite significantly over the past 12 months which may be a result of rising costs, inflation and interest rates which have impacted both retailers and consumers. The Local Data Company predicts that vacancy rates will rise in the second half of the year however they feel that the worst is over for consumers and with interest rates hopefully settling at the end of the year they feel that vacancy rates may fall slightly and then remain relatively stable until 2025. This seems fairly optimistic and with the challenges ahead, some shops and business will inevitable struggle and look to close stores so it would not be a surprise if vacancy rates do continue to rise over the next year.

125. It is also important to acknowledge that there are many changes that can now take place within retail centres without the direction of the council which include the change of use to other town centre uses but also the change of use to residential without the need for full planning permission. The added flexibility within retail centres could reduce vacancy rates and provide a wider range of amenities and services but the Council have also identified several risks associated with this. Whilst we acknowledge that retailing and town centres are currently in a state of flux, this reinforces the need to protect and promote town centres to allow them to recover and evolve in a planned manner and we are concerned that extending the use of permitted development rights to change to residential could be hugely detrimental to this. Without being able to consider the impact that the loss of town centres uses at ground floor level, we are concerned that there could be the piecemeal loss of town centre uses at ground floor level which will result in residential interspersed with town centre uses. This will not only affect the way that our high streets function but it could reduce rather than increase footfall. For this reason the Council has concern that the uncontrolled and piecemeal loss of town centre uses could be a threat to the vitality and vibrancy of our high street and it is going to be very important to continue to monitor change over the coming few years.

126. Notwithstanding the above, given the circumstances Norwich has demonstrated that it remains relatively robust and is a thriving retail centre in the East of England. Whilst retail floorspace has increased over the past 12 months, the number of vacant retail units continues to fall and footfall has returned to pre pandemic levels. To maintain a thriving city centre the council may need to identify other ways to influence and cultivate the retail offer of Norwich given the potential challenges faced ahead, including working closely with Norwich BID and other key stakeholders.

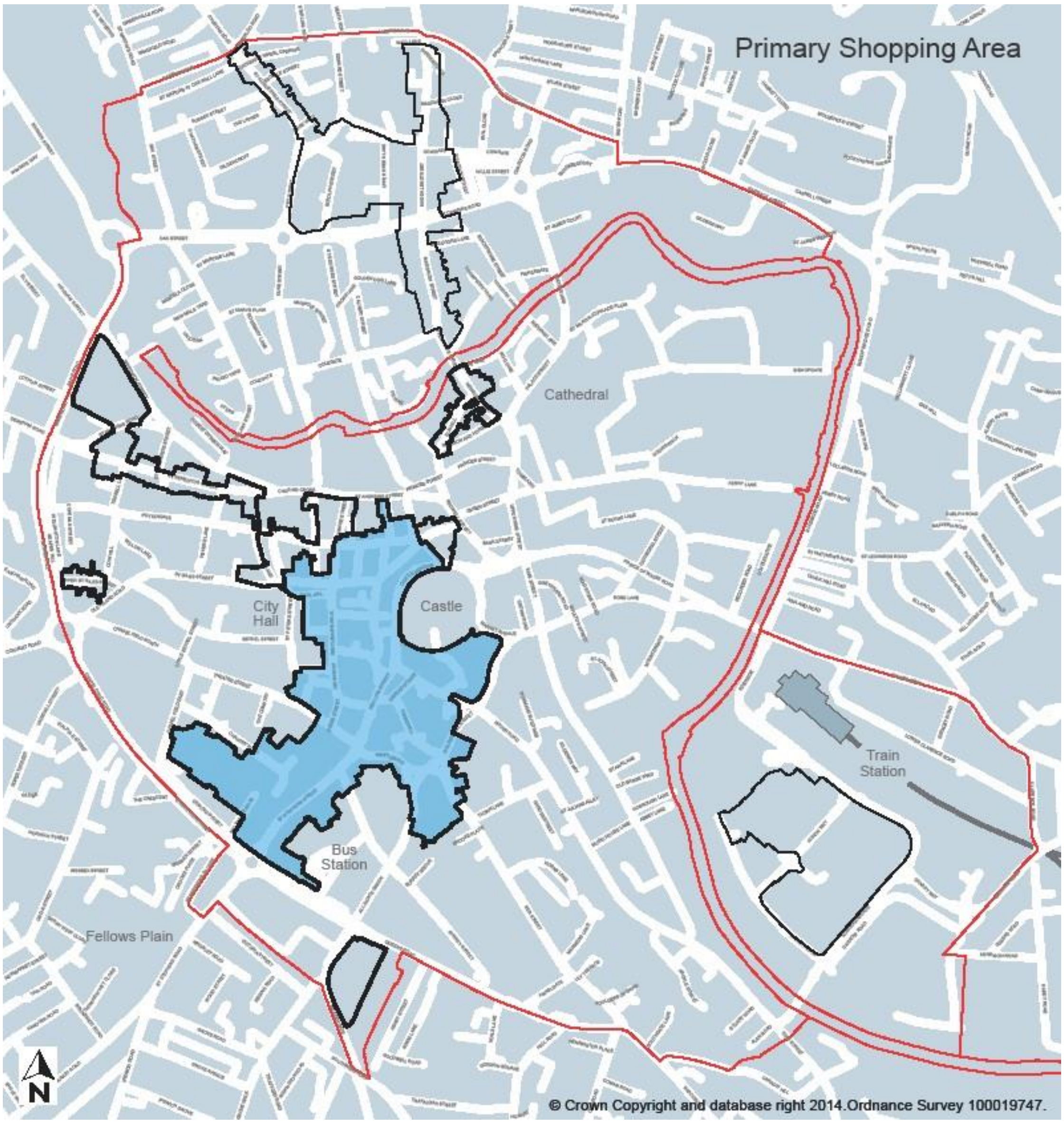
Table 12: 'At a Glance' The direction of travel of vacancy rates and retail floorspace in Norwich since October 2022

Area	Available vacant floor space	All vacant floor space including refurbishment	Number of vacant Units	Overall Floor Area	Overall units
City Centre	↑ (Red)	↑ (Red)	↓ (Green)	↓ (Red)	↓ (Red)
Primary Area	↑ (Red)	↑ (Red)	↓ (Green)	↓ (Red)	↓ (Red)
Secondary Area	↑ (Red)	↑ (Red)	↑ (Red)	↓ (Red)	↓ (Red)
Large District Centres	↑ (Red)	↑ (Red)	↑ (Red)	↓ (Red)	↓ (Red)
Rest of city centre	↑ (Red)	↓ (Green)	↓ (Green)	↓ (Red)	↑ (Green)
District Centres	N/A	N/A	↑ (Red)	N/A	↑ (Green)
Local Centres	N/A	N/A	↑ (Red)	N/A	(Grey)

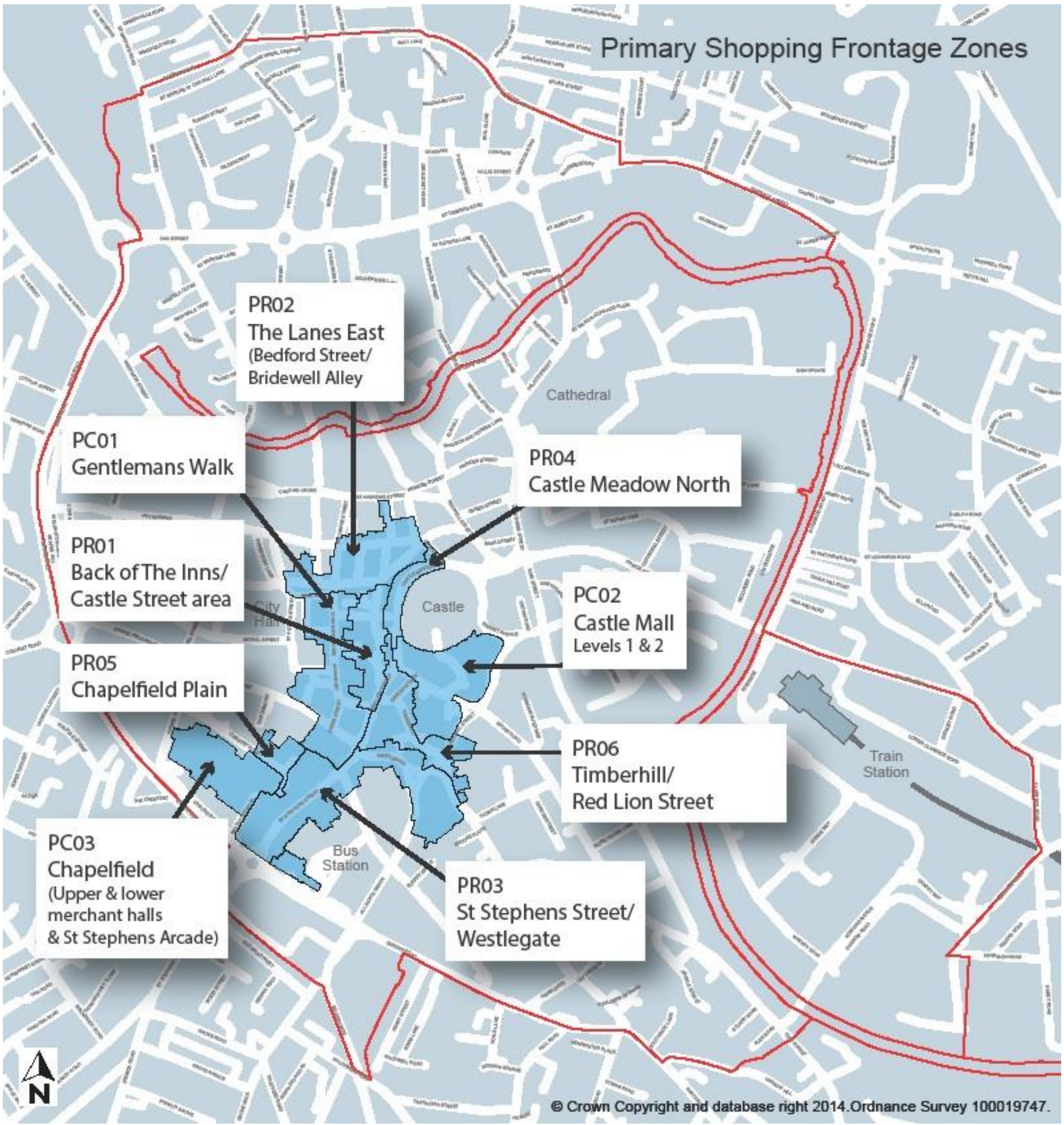
Key
↑ = increase
↓ = decrease
Red = Moving in a negative direction
Green = Moving in a positive direction
Grey = No change

Supporting Maps

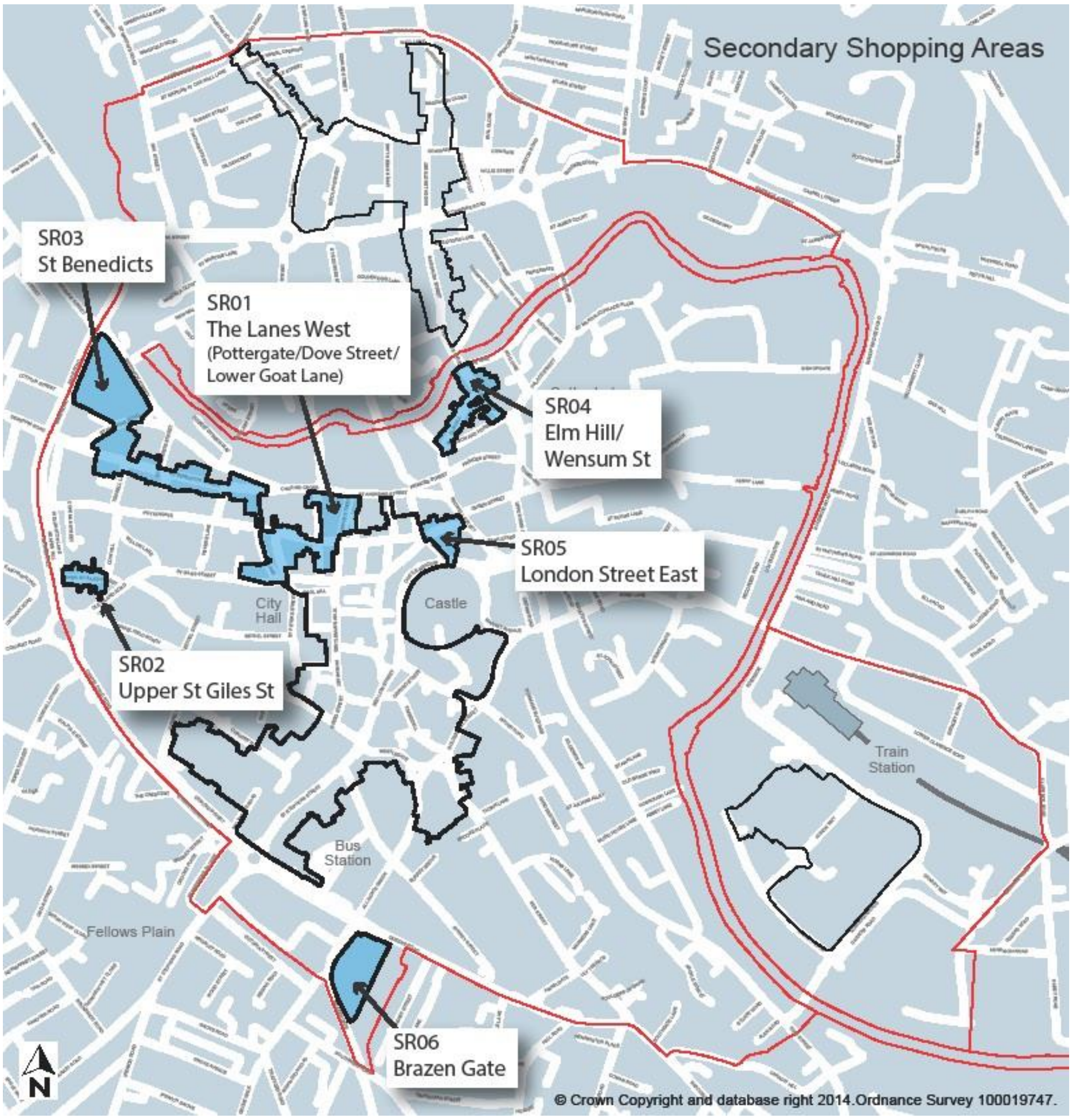
Map 1: Primary shopping area



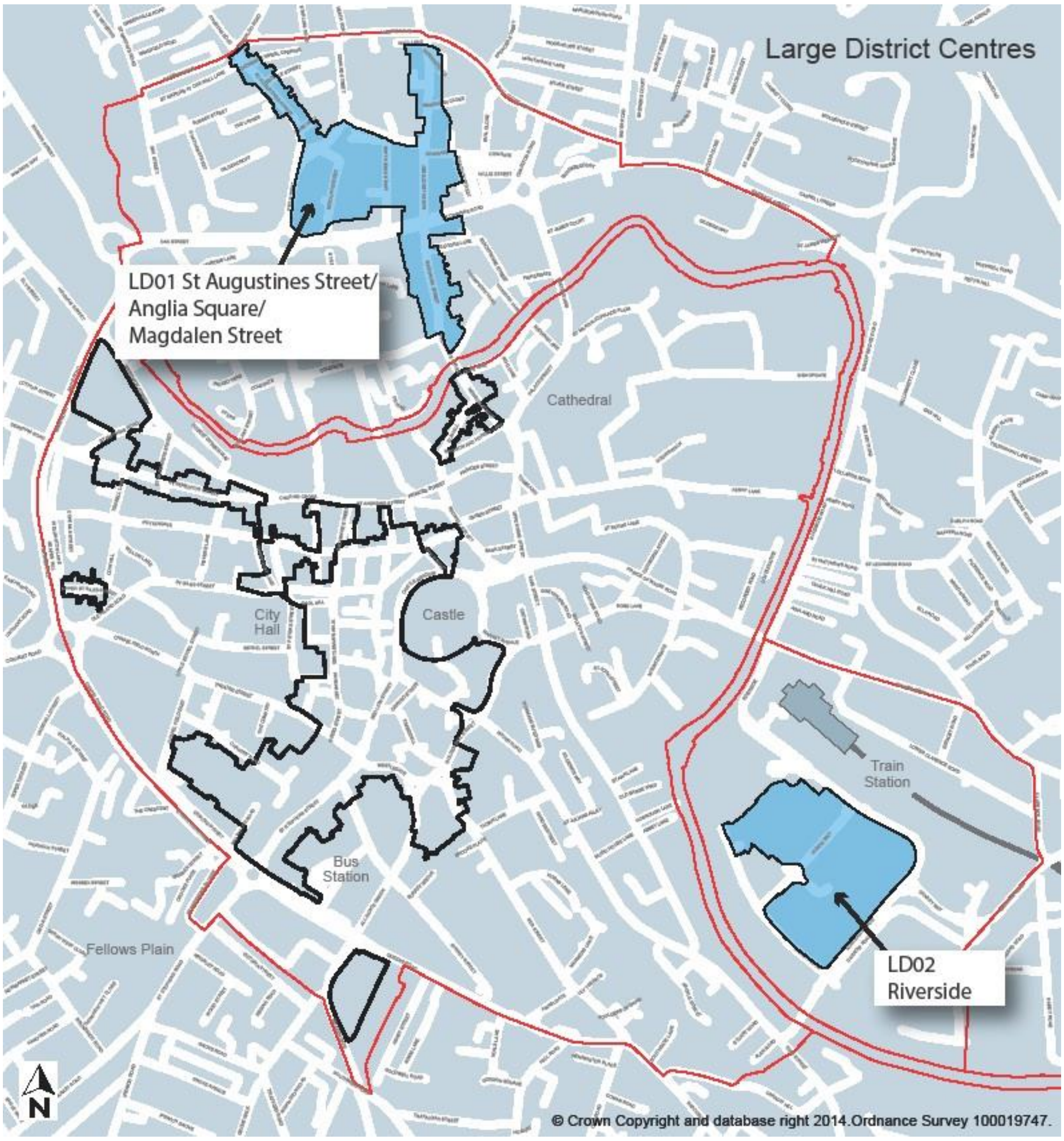
Map 2: Primary area frontage zones



Map 3: Secondary shopping areas



Map 4: Large district centres (Magdalen Street, Anglia Square, St Augustine’sStreet & Riverside)



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