
1 INTRODUCTION

STUDY OBJECTIVES

- 1.1 Scott Wilson Planning were commissioned by North Devon District Council to carry out a District wide assessment of retailing needs in June 2004. The purpose of the study is:
- To assist North Devon District Council prepare appropriate development plan policies and proposals for retail and major leisure uses to meet the needs of the district up to 2021.
 - To undertake a capacity study for both convenience and comparison retail development in the district.
 - To consider outstanding and likely future planning applications for retail development on the basis of up to date reliable information on need and impact.
 - To provide a baseline authoritative 'health-check' data for the commercial centres of the district.

BACKGROUND

- 1.2 North Devon district is primarily a rural district in northern Devon and has a population of around 87,500. Barnstaple is the main urban centre of North Devon and its role as a Sub-Regional Centre is recognised within current Regional Planning Guidance. As a Sub-Regional Centre, it is the role of Barnstaple to meet the wider development needs of the northern part of Devon. Braunton, Ilfracombe and South Molton are also located within North Devon District and are classified as Area Centres within the Devon Structure Plan and North Devon Local Plan. The role of these Area Centres is to provide local services to meet local needs and those of the rural hinterland, and only those needs. Bideford, located within neighbouring Torridge District, is classified as a Principal Area Centre. Therefore in terms of policy, Bideford should meet its own development needs and contribute towards meeting the wider needs of northern Devon. The respective roles of Barnstaple and Bideford within this hierarchy will be an issue considered by this study. A plan of the study area is attached in Appendix 1.

RETAIL OVERVIEW

- 1.3 The retail market is the most competitive and therefore the most dynamic. As may be expected, overall retail trade has mirrored the sustained growth in the UK economy over the past decade. This growth has largely been in comparison goods as the sales of convenience goods, primarily groceries, are less sensitive to changes in disposable income. Three factors in particular have influenced changes in the way that goods have been sold:
- The continuing volumes of trade accounted for by out-of-centre retail operations,
 - The expansion of supermarket operators into non-grocery goods and services, and
 - The growth of Internet shopping.
- 1.4 Whilst it is Government policy “not to restrict competition, preserve existing commercial interests or to prevent innovation” (PPS6, paragraph 1.7), as discussed in Section 2 of this report, it is clear that the overriding aim of policy is to safeguard and enhance the vitality and viability of town centres if not the profitability of individual businesses.
- 1.5 Supermarkets have continued to grow in floorspace and in the range of products and services sold. Supermarkets are increasingly dominating markets for products that once were incidental to the main grocery business. Newsagents, health and beauty products, books, games, CDs and DVDs, cookware, florists and increasingly clothes and small electrical products can be found in all but the smaller stores. Whilst these one-stop shops bring an increased level of convenience to their customers, the effects on town centres can be significant. This is not just a case of protecting the physical fabric of the centre as many less mobile members of the community are often reliant on the town centre for services.
- 1.6 At the other end of the scale, Tesco and Sainsbury in particular have developed small convenience stores that are mainly in town centre locations and both companies have recently acquired other convenience store operators giving coverage in suburban district centres. In addition, stores associated with petrol stations can also provide valuable facilities in underserved areas.

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- 1.7 The sale of goods in out of centre sites including retail parks, factory outlet centres and freestanding retailers has grown in recent years. Whilst there has been some consolidation in the DIY market new retailers that specialise in products such as tiles and flooring have entered the market. The sale of 'bulky goods' (primarily furnishing and electrical products) also remains buoyant with retailers such as DFS, SCS, Comet and Currys. There are retailers active in the market that operate from large format out-of-centre stores and sell a variety of non-bulky comparison goods, which traditionally have been sold from town centres including Matalan (clothing and houseware), Brantano (footwear) and Petsmart. In some areas well-known High Street names such as Boots and Next operate from retail parks.
- 1.8 Internet sales are regarded as a 'Special Form of Retailing' that has grown out of catalogue and other mail order sales. To date, the effect of the Internet has been patchy, affecting some businesses more than others depending on the proportion of the customer base with access to and ability to use the hardware and on the 'deliverability' of the product. It is the case that the Internet suits known standard products rather than those of a more individual nature or those that do not require special delivery. For these reasons, the Internet has affected particular service based businesses such as travel agents, banking and insurance, because of specialist retailers such as Amazon (who have made inroads into books and CD sales) and Dell (regarding computer products), rather than clothes and furnishings. In the case of groceries, growth will be dependent on the development of user-friendly technology and issues regarding the delivery of goods.
- 1.9 The current and, more importantly, projected effects of this form of retailing are difficult to assess because access to and quality of technology continue to improve, and issues such as product handling and distribution continue to evolve. However, all commentators agree that the Internet will account for an increasing proportion of retail spending over the coming years, which at best will restrict the growth of spending accounted for by established centres and at worst will bring about their decline. This underlines the dynamic nature of retailing and the need for centres to adapt to change.