

Basingstoke & Deane Borough Council

Retail Study Update

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1. INTRODUCTION

- 1.1 **Strategic Perspectives LLP** was instructed by Basingstoke and Deane Borough Council (hereafter referred to as 'BDBC') to update the Council's 2004 Retail Study. This study provides robust and sound baseline evidence to inform the preparation of the Council's Core Strategy as part of the forthcoming Local Development Framework (LDF). The updated retail study will primarily cover the period 2011 – 2026, but will also give consideration to the period up to 2031.
- 1.2 The study will also be used to assist in the delivery of the Council's '*Vision for Central Basingstoke*' and '*Destination Basingstoke*', as well as inform the appraisal of new retail development planning applications. It has been prepared in the context of the most current national, regional and local retail planning policy guidance, and particularly Planning Policy Statement 6 (PPS6): *Planning for Town Centres*.

Key Aims and Objectives

- 1.3 This strategic study identifies the attraction and performance of Basingstoke Town Centre as a major regional centre within its catchment area, as well as the relative importance and role of the smaller District and Local Centres in the Borough's retail hierarchy.
- 1.4 The key aims and objectives of this study include the need to:
- Update the information on the current supply of, and the future demand for retail floorspace as set out in the 2004 Retail Study, taking into account changing demographics and shopping behaviour
 - Identify gaps in the current supply of retail floorspace relative to demand.
 - Provide advice on the future direction of retail policy in the Borough, to assist in the preparation of the Borough's Core Strategy.
 - Identify retail centres within the Borough and define their future role to ensure vitality and viability through the LDF.
 - Advice on whether identification of the primary and secondary retail frontages in the town centre should be pursued and the risks associated to its vitality and viability if not.

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- 1.5 This study forms the baseline position and will underpin future work elements including policy formulation, town centre strategies and the identification of potential development opportunity sites¹.

Approach

- 1.6 This study comprises a detailed qualitative assessment of current provision and shopping patterns in the Borough and wider sub-region. This is then used to inform the quantitative (retail capacity) assessment of the potential for new retail floorspace (both comparison and convenience goods) over the forecast period (i.e. 2011, 2016, 2021, 2026 and 2031). However, it is important to state at the outset that in our experience forecasts beyond a five-year period should be interpreted with caution. We therefore recommend that the assessments be continuously monitored and updated to take account of changes in, for example, retail and property market trends; the production of up-to-date expenditure and population growth projections; the forecast growth in Internet shopping; and the impact of new retail development both within and outside the Borough area.
- 1.7 In accordance with good practice this study is underpinned by a household telephone interview survey specifically commissioned by the Council as part of this study. The survey was carried out in July 2008 by Research and Marketing Limited (hereafter referred to as 'R&M') and some 1,000 interviews were conducted in total. The survey was conducted across six zones as identified by Plan 1 in **Appendix 1**. These zones are broadly comparable to the study area identified by the Council's 2004 Retail Study, although there are differences due to changes in postcode sector boundaries since 2004. It is important to note at the outset that the spatial framework for our assessment is based on geographic areas (agreed with the client team) rather than local authority boundaries. This spatial framework best reflects the sub-region's shopping provision, shopping patterns and catchment areas. The methodology and results of the household survey are set out in **Appendix 2**.
- 1.8 The survey provides a robust and sound evidence base to help establish current shopping patterns, catchment areas and market shares for different types of retail trips and expenditure (i.e. for comparison and convenience goods). It is assumed that the household survey results broadly reflect 'average' year-round shopping patterns across the Borough area and wider sub-region. This is because the respondents to the household survey were asked where they do "most" of their shopping for different types of retail goods, rather than where they "last" shopped.

¹ Please note that we were not instructed to assess potential ("sequentially preferable") development opportunity sites in Basingstoke town centre and/or other centres that could potentially accommodate any forecast retail capacity.

Report Structure

1.9 This report draws together the results of our research, incorporating the findings of the detailed survey-based technical analysis, qualitative (health check) assessments and the quantitative need (capacity) assessment for comparison and convenience goods retailing. The report is structured as follows:

- **Section 2** summarises the national, regional and local retail planning policy framework which provides the context for this study, as well as any other relevant planning and regeneration policy.
- **Section 3** reviews the research evidence on some of the key trends that are driving the dynamic changes in the retail property market, as well as shaping the urban and retail landscape.
- **Section 4** sets out our qualitative assessment of Basingstoke town centre's overall vitality and viability. It is based on the key performance indicators (KPIs) set out in Chapter 4 of PPS6 and also draws on the findings of the household survey. Our assessment also describes, where possible, the changes in the town centre's KPIs since the 2004 Retail Study. This section provides a robust overview of the town's overall attraction, health and performance as a shopping location, as well as for wider town centre uses.
- **Sections 5 and 6** provide a more detailed analysis of the relative attraction and performance of the three main shopping areas ('quarters') in the town centre, namely Festival Place, The Malls and Top of the Town. We review the main strengths and weaknesses of these different shopping areas, the opportunities to improve their current attraction and viability, and the potential threats to their future health and vitality.
- **Section 7** summarises the findings of our qualitative assessment (healthchecks) of the smaller District Centres in the Borough (i.e. Chineham, Brighton Hill, Tadley, Whitchurch and Overton) and the Local Centre (namely Kingsclere). This section identifies the relative role, attraction and performance of each centre in the Borough's retail network and a qualitative view as to their current vitality and viability.
- **Section 8** identifies the main out-of-centre shopping locations in the Borough that currently compete with existing centres for comparison and convenience goods shopping trips and expenditure.
- **Section 9** sets out our quantitative (retail capacity) needs assessment of the potential for new (comparison and convenience goods) retail floorspace in the Borough's main centres over the forecast period. This economic assessment is informed by the findings of the trends analysis, household survey and qualitative healthchecks. The retail capacity forecasts take

account of known commitments for the Borough and wider sub-region (as identified by the Council).

- **Section 10** comprises a 'sensitivity' analysis of the Council's different population forecasts arising from the alternative housing completion trajectories identified by the emerging South East Plan.
- Finally, **Section 11** sets out our overall conclusions and recommendations.

1.10 The evidence base in support of the study is set out in the appendices contained in a separate volume.

2. RETAIL PLANNING POLICY CONTEXT

- 2.1 This section reviews the relevant national, regional and local retail planning policy relevant to this Retail Study.

National Planning Policy Context

- 2.2 The relevant national planning policy considered as part of our study includes Planning Policy Statement 1 (PPS1) *Delivering Sustainable Development*; Planning Policy Statement 6 (PPS6) *Planning for Town Centres* (March 2005); the recently revised Planning Policy Statement 12 (PPS12) *Local Spatial Planning*; and PPG13 *Transport* (March 2001). The following summarises and reviews some of the main issues and advice set out in these inter-related guidance notes.

PPS1: Delivering Sustainable Development

- 2.3 PPS1 comprises the Government's overarching planning policies on the delivery of sustainable development through the planning system. It is the core principle underpinning planning. At the heart of sustainable development is the simple idea of ensuring a better quality of life for everyone, for now and for future generations. The government is committed to promoting a strong, stable and productive economy that aims to bring jobs and prosperity for all. Planning authorities should therefore ensure that suitable locations are available for industrial, commercial, retail, public sector, tourism and leisure developments, so that the economy can prosper.
- 2.4 In preparing development plans, planning authorities should seek to bring forward sufficient land of a suitable quality in appropriate locations to meet the expected needs for retail and commercial development, taking into account issues such as accessibility and sustainable transport needs; the provision of essential infrastructure, including for sustainable waste management; and the need to avoid flood risk and other natural hazards. New developments should also be located such that they attract a large number of people. It specifically refers to new retail developments in existing town centres to promote their vitality and viability, social inclusion and more sustainable patterns of development.

PPS6: Planning for Town Centres

- 2.5 One of the central messages of PPS6 is the requirement for a more proactive approach to securing new investment in centres and achieving more sustainable patterns of development. The Government's key objective for town centres is to promote their vitality and viability by: (i) planning for the growth and development of existing centres; and (ii) promoting and enhancing

existing centres, by focusing development in such centres and encouraging a wide range of services in a good environment, accessible by all. The other key objectives include:

- enhancing consumer choice by making provision for a range of shopping, leisure and local services, which allow genuine choice to meet the needs of the entire community and particularly socially excluded groups;
- supporting efficient, competitive and innovative retail, leisure, tourism and other sectors, with improving productivity; and
- improving accessibility, ensuring that existing or new development is, or will be, accessible and well-served by a choice of means of transport.

2.6 PPS6 states that regional planning bodies and local planning authorities should plan positively for town centre growth and development by:

- developing a hierarchy and network of centres;
- assessing the need for further main town centre uses and ensuring that there is capacity to accommodate them;
- focusing development in, and planning for the expansion of, existing centres as appropriate;
- identifying at the local level appropriate sites for development in the development plan documents;
- promoting town centre management, creating partnerships to develop, improve and maintain the town centre, and managing the evening and night-time economy; and
- monitoring and reviewing the impact and effectiveness of policies for promoting vital and viable town centres.

2.7 Chapter 2 of PPS6 sets out the plan-led approach for promoting growth and managing change in town centres. It confirms that in order to deliver the Government's key objective of promoting vital and viable town centres, development should be "*...focussed in existing centres in order to strengthen and, where appropriate, regenerate them*" (paragraph 2.1). It states that, wherever possible, growth should be accommodated by the more efficient use of land and buildings within existing centres. Opportunities within existing centres should be identified for sites suitable for development or redevelopment or where conversions and change of use will be encouraged for specific buildings or areas. Subject to other planning considerations, residential or office development should be encouraged as appropriate uses above ground floor retail, leisure and other facilities within centres. Local planning authorities should also seek to ensure that the

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- number and size of sites identified for development or redevelopment are sufficient to meet the scale and type of need identified.
- 2.8 Where growth cannot be accommodated in identified existing centres, PPS6 states that local planning authorities should plan for the extension of the primary shopping area if there is a need for additional retail provision or, where appropriate, plan for the extension of the town centre. Such extensions may also be appropriate where a need for large developments has been identified and this cannot be accommodated within the centre. In such cases local planning authorities should seek to identify, designate and assemble larger sites adjoining the primary shopping area (i.e. in edge-of-centre locations). PPS6 also states at paragraph 2.6 that: *“Larger stores may deliver benefits for consumers and local planning authorities should seek to make provision for them in this context”*.
- 2.9 Paragraph 2.8 confirms that where existing centres are in decline, local planning authorities should assess the scope for consolidating and strengthening these centres by focusing a wider range of services there, promoting the diversification of uses and improving the environment. Where reversing decline is not possible, local planning authorities should recognise that these centres may need to be reclassified at a lower level within the hierarchy of centres, and reflect this revised status in the policies applied to the area.
- 2.10 Local planning authorities are also required, through the core strategy development plan document, to set out a spatial vision and strategy for their network of centres and identify how the role of different centres will contribute to the overall spatial vision for their area. Working in conjunction with stakeholders and the community, PPS6 (paragraph 2.16) states that local planning authorities should, amongst other issues:
- assess the need for new floorspace, taking account of both quantitative and qualitative considerations;
 - Identify deficiencies in provision;
 - Assess the capacity of existing centres to accommodate new development including, where appropriate, the scope for extending the primary shopping area and/or town centre boundary, and identify centres in decline where change needs to be managed;

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- Consider the need to distinguish between primary and secondary frontages in order to define the extent of the primary shopping area²; and
 - Identify and allocate sites for new town centre development;
- 2.11 Town centre strategies are also identified by PPS6 (paragraph 2.18) as providing an important and complementary role in ensuring the continued vitality and viability of centres. These may be part of the evidence base for development plan documents, including Area Action Plans (AAPs) and for supporting the use of compulsory purchase orders (CPO) for site assembly.
- 2.12 PPS6 states as paragraph 2.22 that different but complementary uses, during the day and in the evening can reinforce each other, making town centres more attractive to local residents, shoppers and visitors. Local planning authorities should therefore encourage diversification of town centre uses in the town centre as a whole, and ensure that tourism, leisure and cultural activities, which appeal to a wide range of age and social groups, are dispersed throughout the centre. This is particularly the case with regard to planning and managing diverse evening and night-time economies that appeal to a wide range of age and social groups.
- 2.13 PPS6 also identifies the “valuable contribution” that street and covered markets (including farmers’ markets) can make to local choice and diversity in shopping, as well as the vitality of town centres and to the rural economy. As an integral part of the vision for town centres, local authorities should therefore seek to retain and enhance existing markets and, where appropriate, reintroduce or create new ones.
- 2.14 In terms of selecting sites for development (and determining planning applications for all proposals relating to main town centre uses), then local planning authorities should focus primarily on:
- assessing the need for development;
 - identifying the appropriate scale of development;
 - applying the sequential approach to site selection;
 - assessing the impact of development on existing centres; and
 - ensuring that locations are accessible and well served by a choice of means of transport.

² Having regard to the need to encourage diversification of uses in town centres as a whole, primary frontages should contain a high proportion of retail uses, while secondary frontages provide greater opportunities for flexibility and a diversity of use.

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- 2.15 This study has been prepared in the context of PPS6 guidance. The quantitative and qualitative need assessment prepared as part of this study will provide sufficient information for the local planning authority to make strategic choices about where and when growth should be accommodated; how it can be used most effectively to strengthen or regenerate existing centres; how it can address deficiencies in the existing network of centres; and how it would provide for better consumer choice, particularly the needs of those living in deprived areas. However, it should be noted that this study does not go so far as to identify sites in centres, or edge-of-centres, that could accommodate any identified capacity and need for new floorspace.
- 2.16 During the course of preparing this retail study, the Department for Communities and Local Government (DCLG) published the consultation paper setting out the proposed changes to PPS6. Although it recognises the success of the “town centre first” policy over the last decade in focussing new development and investment in and around town centres, it proposes the replacement of existing PPS6 Chapter 3 (Development Control) relating to how planning applications are considered and tested. The proposals remove the requirement for an applicant to demonstrate ‘need’ for a proposal, which is in an edge-of-centre or out-of-centre location and which is not in accordance with an up-to-date development plan document. It also proposes to replace the ‘impact’ assessment with a new test that encompasses wider economic, social and environmental impact. Key features of the new test include assessments of:
- the impact on planned in-centre investment;
 - whether the proposal is of an appropriate scale (the previous ‘scale’ test);
 - impacts on in-centre trade/turnover, to take account of current and future expenditure capacity;
 - accessibility (the previous ‘accessibility’ test) and sustainable transport; and
 - design quality, including (for the first time) how the proposal will help mitigate the impacts of climate change.
- 2.17 The consultation paper also maintains the sequential assessment as a separate important consideration that requires developers to consider the availability, suitability and viability of town centre sites first, following by edge-of-centre sites.
- 2.18 The proposed changes also strengthen the references to competition considerations by listing the promotion of competition between retailers as one of the Government’s key objectives for town centres. The changes also include a requirement for proposals to be assessed on the extent to which they promote consumer choice and retail diversity.

2.19 Significantly for the scope and objectives of this study, the consultation paper proposes to strengthen the Government's policy on positive planning for town centres (Chapter 2). There are no proposed changes to the requirement for planning authorities to assess the need for new town centre development, or to take account of scale, impact and accessibility considerations or the sequential approach. For example, the proposed changes with regard to need assessments relates to the weight given to quantitative assessments. Rather than local planning authorities placing "greater weight" on quantitative need as set out in the current PPS6 (paragraph 2.33), the proposed change is for account to be taken of both quantitative and qualitative need considerations.

PPG13: Transport

2.20 PPG13 was published in March 2001 and sets out the Government's policies on transport. It states that the quality of life depends on transport and easy access to jobs, shopping, leisure facilities and services. In relation to retail development, the guidance reinforces the "town centres first" agenda that preference should be given to central sites, followed by edge-of-centre and then only out-of-centre sites in locations which are (or will be) well served by public transport. Where there is clearly an established need for such development and it cannot be accommodated in or on the edge of existing centres, it may be appropriate to combine the proposal with existing out-of-centre developments, provided that improvements to public transport can be negotiated.

PPS12: Local Spatial Planning

2.21 PPS12 sets out the Government's policy on the preparation of Development Plan Documents (DPDs) as part of the Local Development Framework (LDF) process, of which the Core Strategy is the principal DPD. The LDF, together with the Regional Spatial Strategy (RSS), provides the essential framework for planning in the local authority's area. The recently revised PPS12 (2008) and the *'Plan-making Manual'* replace PPS12 *Local Development Frameworks* and the companion guide *'Creating Local Development Frameworks'* (2004). In brief, PPS12 explains what local spatial planning is and how it benefits communities. It also sets out what the key ingredients of local spatial plans are and the key Government policies on how they should be prepared.

2.22 The new spatial planning system exists to deliver positive social, economic and environmental outcomes, and requires planners to collaborate with a wide range of stakeholders and agencies that help to shape local areas and deliver local services. The spatial planning objectives for local areas, as set out in the LDF, should therefore be aligned not only with national and regional plans, but also with the shared local priorities set out in Sustainable Communities Strategies where these are consistent with national and regional policy.

Regional Planning Policy Context

- 2.23 The draft South East Plan (*Regional Spatial Strategy for the South East of England*) was submitted to the Government in March 2006 and in July 2008 a public consultation was launched on its proposed changes, to run to October 2008. The South East Plan sets out a vision for the future of the South East region to 2026, to ensure that the region remains economically successful and an attractive place to live for future generations.
- 2.24 Section D9 of the South East Plan on 'Town Centres' focuses on positive planning to encourage the vitality and viability of the region's urban areas, in accordance with PPS6. The focus of the policies is to distribute growth to middle and lower order centres supporting a balanced network of centres not overly dominated by the larger centres. **Policy TC1** *Development of Town Centres* states that accessible, attractive and vibrant town centres are fundamental to the sustainable development of South East England and will continue to be the focal point for development of a mixture of uses including leisure, services, retail, residential and commercial uses.
- 2.25 **Policy TC2** summarises the strategic network of town centres based on a ranking of town centres using different retail and non-retail key performance indicators. Basingstoke is classified as one of 23 'Primary Regional Centres', along with Reading, Southampton, Guildford and Portsmouth. A further 26 'Secondary Regional Centres' are also identified as being of sub-regional importance, including Winchester, Newbury, Andover, Camberley and Farnborough. This network of primary and secondary centres will be the main focus for large scale developments, although growth will not be restricted to these centres. Thus, new development and redevelopment is deemed vital to the continuing health of town centres. In this context, retailing is recognised as important to this process, driving both the regional economy and the function of town centres. Nevertheless, all proposed development should be appropriate to the centre's role within the network sub-regional strategy areas.
- 2.26 **Policy TC3** *New Development and Redevelopment in Town Centre* states that the strategic network of town centres will be the main focus for large scale leisure, office and culture and retail developments to meet the identified needs. However it should take into account such issues as the need to support the town centre's functions, viability and capacity, where it would assist the regeneration of vulnerable centres and the potential impacts on the viability and vitality of nearby town centres.
- 2.27 The RSS supports the sequential approach set out in PPS6. **Policy CC8b** states that: "...*regional hubs should be developed by encouraging higher density land uses and/or mixed land uses that require a high level of accessibility so as to create 'living centres'*" (SEERA, 2006, 199). With regard to the sequential approach, the policy indicates that inadequate transport infrastructure in

town centres should not be a reason to promote development on an edge-of-centre or out-of-centre site.

- 2.28 SEERA's assessment of the region concludes that no need has been identified for the development of further out-of centre shopping centres or large-scale extensions to existing centres during the period to 2026. However, **Policy TC4** proposes that, in centres where no sequentially preferable sites are available, consideration may be given to existing out-of-centre sites. Under these circumstances high density and mixed-use development should be promoted.

Local Planning Policy and Regeneration Context

- 2.29 The following commentary briefly reviews the local development plan documents relevant to the preparation of this retail study, along with other regeneration and strategy reports recently prepared by the Council.

Basingstoke and Deane Borough - Adopted Local Plan (1996 – 2011)

- 2.30 The Local Plan was adopted in July 2006 and sets out the Council's vision for the future development of the Borough up to 2011. The Plan has been developed with a set of objectives and each policy is linked to the achievement of these seven objectives. These objectives include improving the economic, social and environmental well being of residents, workers and visitors to the Borough; promoting a strong and dynamic local economy; and maximising community involvement and engagement in the planning system.
- 2.31 **Policy EC9** of Chapter 3 (Economy) states that proposals for retail and commercial leisure will be determined in accordance with the current policy and advice in PPS6 and its associated documents. It reinforces the fact that certain key uses, such as retail, should be located in town centres first, in order to promote vitality and viability.
- 2.32 It reports on the findings of the Council's 2004 Retail Study, which identifies that forecast need up to 2011 should be met through the intensification of turnover of existing floorspace, particularly following the opening of Festival Place in 2002. However, it also indicates that there is evidence of a probable quantitative need for new DIY/hardware provision up to 2011 due to a reduction in the level of trade retention for DIY and hardware expenditure. The Plan states that the Council will investigate this further by considering specific proposals against PPS6 advice. Up to 2011 the study also identified a need for additional convenience floorspace, equivalent to a single large supermarket.
- 2.33 The Plan also states that future policy for the 'Top of the Town' area in the town centre will be developed through the approved Framework for the area, the aim of which is to develop a viable

mixed-use area. It comments that major changes in the town centre, such as the Festival Place, have raised awareness of the importance of maintaining and enhancing the special character of the 'Top of the Town'. This area is regarded as a major resource and attraction for the town as a whole, both for the businesses and services located in it and as a reminder of Basingstoke's heritage.

- 2.34 **Policy EC10** sets out the Council's policy for Use Classes A3, A4 and A5. The Council has adopted a flexible approach for new proposals, subject to environmental and safety concerns, and the need to maintain Class A1 uses in the Borough's main town and smaller centres (and neighbourhood shopping parades) to help promote their overall vitality and viability.

Local Development Framework (LDF)

- 2.35 The Council's Core Strategy is currently at the *Issues and Options* consultation stage. The Core Strategy recognises Basingstoke town centre's role as a Primary Retail Centre in the South East RSS and the main shopping destination in the Borough. Government guidance states that town centres should be the key areas to locate retail and should be located where they are most accessible. In line with this guidance the overall approach is to retain their vitality and viability by encouraging new development in town centres first.
- 2.36 There are a number of key retail issues raised by the Core Strategy with regard to the future vitality and viability of Basingstoke town centre that provide an important context to this study. For example, The Malls are identified as being dated in comparison with Festival Place and not representing an attractive and welcoming environment for visitors arriving in the town from the railway station. This area is identified as being in need of new investment to create a more welcoming feel and overcome the problem of rising vacancy levels. The 'Top of the Town' area is also identified as comprising some vacant shop units and a number of bars that can create anti-social behaviour problems during the evenings. We consider these shopping areas and the key issues and challenges they are facing in more detail throughout this study.
- 2.37 Another issue identified by the Core Strategy is the threat to the vitality and viability of the Borough's centres from out-of-centre shopping locations, such as large retail parks, as well as competition from other major centres in neighbouring local planning authorities, such as Reading, Southampton and Winchester. Some of the possible approaches identified to support the Borough's centres include:
- Continue with the current town centre boundary and concentrate new development and investment on those areas in need of regeneration.

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- Expand the town centre boundary (in a way that is consistent with the Central Area Masterplan) to incorporate land and uses that can support and link to Basing View.
 - Define those parts of the town centre which would be suitable for specific uses, such as retail.

A Vision for Central Basingstoke

2.38 The vision for central Basingstoke was adopted in December 2007 as Council policy but, like the town centre itself, it does not stand in isolation and must be viewed as part of a bigger picture. The main aims of the Council's Vision are to:

- Create a well-connected town centre, with easier and more convenient links between its different parts so that there can be greater synergy between the various activities, venues and attractions that are found across the central area;
- Enhance the vitality, accessibility and character and appearance of, public streets, spaces and areas in the town centre, in particular those found around the edges of Festival Place;
- Build on Basingstoke's successful shopping 'heart' by widening the appeal of the town centre to provide a 'day out experience'; and
- Ensure, through continued action set out in 'Basingstoke at Night', that enhanced vitality, accessibility and character and appearance is compatible with town centre living.

2.39 The areas of the town centre that provide both the greatest challenges and opportunities for actions that will implement this vision over the coming decades include:

- The Malls – “the place to arrive”
- Church Street – “the discovery route”
- Top of the Town – “the Old Town quarter”
- Town Parks – “the green fringe”
- Basing View – “21st Century business location”
- South View (proposed housing) – “living in town”
- Learning Campus – “the place for learning and skills”

2.40 In developing the Vision, there are a number of challenges in terms of the implementation of the key ideas, including the need to:

- Sustain the success of its shopping 'heart', through widening the appeal of central Basingstoke to provide a 'day-out' experience that encompasses more than shopping.
- 'Connect' the inner shopping core to its surroundings so that it is perceived as being part of a wider town centre that makes the most of all the social, educational, cultural, entertainment, leisure, and residential assets.
- Overcome the difficulties inherent in trying to get across or around the shopping 'box' and the reluctance of some visitors to leave it and discover the other parts of the town centre;
- Reduce the severance caused by the 1960s road system to pedestrian connections across the whole central area.
- Reduce the adverse impact of the 1960s shopping centres on the more historic neighbouring streets and spaces.
- Exploit the views of attractive buildings and features beyond the shopping centres so that the character and appearance of the central area better reflects the diversity of Basingstoke's past, present and future.

2008 Action Plan

2.41 The Action Plan accompanies the Basingstoke Vision 2007 in promoting projects and ideas relating to the eight nodes described above, as well as more strategic studies and policies that relate to the town centre as whole. Strategies include:

- **Town Access Plan** - To ensure that the highway and footway network contributes to a well-connected town centre, and its liveability.
- **Parking Strategy** – to ensure that public parking contributes to enhancing the vitality, accessibility and character and appearance, and liveability of the town centre.
- **Entrance Strategy** – to ensure that the entrances and approaches to the central area contribute to enhancing its accessibility and character and appearance.
- **Public Realm Strategy** – to ensure that the design, use and maintenance of public streets spaces and areas across the town centre contribute to its vitality, accessibility and character and appearance.

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- **Tall Buildings Policy** – to ensure that tall buildings, where proposed, contribute to enhancing the vitality, character and appearance, and liveability of the central area.
 - **Promotion Strategy** – to ensure that the aims of the Vision contribute to raising peoples' image and perceptions of what Basingstoke town centre has to offer.
 - **Lighting Strategy** – to ensure that new lighting where proposed, contributes to enhancing the vitality, character and appearance, and liveability of the central area.

Summary

2.42 National, regional and local planning policy reinforces the Government's "town centre first" agenda. Basingstoke town centre is identified as a 'Primary Regional Centre' by the South East Plan and a focus for major new development and investment. The Council's adopted plan, emerging LDF and Vision/Action Plan all identify the need to maintain and enhance the overall vitality and viability of the town centre, particularly those areas that have not benefitted from significant new investment and development for a number of years.

3. THE CHANGING RETAIL AND URBAN LANDSCAPE

3.1 This section provides a broad overview of some of the current and forecast trends in the retail sector. It assesses how these trends have shaped Britain's retail and urban landscape over a number of years and provides a high level description of how the continuation of these trends could drive changes in future shopping and leisure patterns. This is considered in the context of the potential impact on Britain's town centres and the future of the high street as an important location for the majority of the UK's population as a place to shop, live, work and visit for a variety of uses, activities and facilities. Our commentary is informed by a range of published data sources including research by Verdict, Mintel, the British Council of Shopping Centres (BCSC) and New Economics Foundation (NEF).

Economic Growth

3.2 The retail sector has experienced significant growth and change over the last 25 years. This has fundamentally altered the way we shop. One of the main drivers behind change has been the growth in incomes and expenditure. Consumer retail expenditure per head over the last 25-30 years has grown at an average compound rate of approximately 3% per annum in real terms. Over recent years growth has been even higher, largely fuelled by strong economic growth and the housing boom.

3.3 However, the economy is now entering a recessionary period due to the impact of the "credit-crunch" in 2008. This downturn has been caused by a number of factors, including a rapid decline in the housing sector, rising oil prices, increased debt and the instability of global financial markets. This has, in turn, impacted on business and consumer confidence, which is also impacting on the retail sector and the high street. In the second half of 2008, for example, high profile retailers such as Woolworths, Mark One, MFI and Dolcis have all disappeared from our town centres. The poor retail trading conditions experienced over the last 6-12 months are forecast to continue during 2009 and this will result in more casualties on the high street and in out-of-centre locations.

3.4 Most of the past growth in the retail sector has been fuelled by increased spend on comparison goods, with virtually no increase in convenience goods expenditure. Over the last 25-30 years comparison goods expenditure per head has experienced growth of nearly 5% per annum in real terms, (i.e. an overall increase of over 200% in real terms over the last 25 years). In contrast, average convenience goods expenditure has increased by less than 1% per annum in real terms. The stronger growth in comparison goods expenditure has implications for the retail floorspace capacity forecasts set out in Section 9.

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- 3.5 Strong income and expenditure growth has affected retailing in another important way, through the rise in car ownership and shopper mobility. Over the last 25 years the number of households owning one or more cars has increased nationally from approximately 55% to 72.5% in 2001. Households are now much more mobile than before and therefore have more shopping and leisure choices and are able to travel much greater distances to satisfy their needs. This is particularly the case for households in Basingstoke, where circa 84% of the Borough's population owned at least one car in 2001.

Centre and Retailer Polarisation

- 3.6 The Government's "town centres first" policy objectives, as first set out in 1996 by PPG6, has resulted in a sustained fall in the pipeline of out-of-centre shopping centre and retail warehouse parks over the last decade. There has also been a corresponding resurgence in development activity in dominant regional centres. It is estimated that the top seventy centres in the country now attract over 50% of the country's population for comparison goods shopping. This is being further reinforced by new development. Almost half of the shopping centre floorspace in the pipeline is destined for these same seventy centres, which will further reinforce their dominant market share. This concentration of retailing in larger centres, such as Basingstoke and Reading, represents a major challenge to the future vitality and viability of medium-sized and smaller towns, unless they are able to secure new development of sufficient scale and quality to retain expenditure, or to provide a niche retail offer.
- 3.7 Just as the larger centres have consolidated and strengthened their position in the national hierarchy, so the larger retailers who have stronger buying power are expanding their businesses through take-overs to achieve improved economies of scale. The outcome of this is that the larger and stronger department stores and multiples will continue to grow their market share at the expense of smaller retailers. Department stores in particular are helping to anchor and drive town centre retail growth, with John Lewis set to open five stores by 2011 and Debenhams committed to 25 new department stores by 2011. At the same time rising costs and price deflation are forcing town centre retailers to focus on profitability.
- 3.8 The retail and leisure sectors are also becoming increasingly segmented, as they target specific age and socio-economic groups. One of the "success" stories over recent years, against the backdrop of the economic downturn and fall in consumer spending, has been the rise of the so-called 'Value' retailers. Although there has always been a 'value' retail sector, as characterised by the "pile-it-high, sell-it-cheap" supermarkets, there has been a shift over recent years to a growth of the 'value' fashion sector, which includes retailers such as TK Maxx, Primark and TJ Hughes. The "bargain" clothing sector is 'squeezing' out the mid-market retailers by offering similar quality styles at discounted prices. This has been reinforced by a change in customer

perceptions of 'value retailing' and an increase in 'fashion conscious' shoppers who are happy to combine discount fashion with more "aspirational" (and in some cases designer) items.

Retailer Requirements

- 3.9 The growth of the national multiple retailers and increase in competition for market share across all retail sectors, has led to a "race for space" in prime shopping locations and streets. The retail sector is largely dominated by national and multi-national companies with requirements for larger, more modern shop units. Some of the key players looking to open new space in centres, or relocate to larger stores, include New Look, Primark, H&M and Zara.
- 3.10 As a result shopping centres and out-of-centre schemes that can accommodate the demand for larger sized units (typically up to 2,000 m² and larger) have become increasingly attractive locations for retailers. This has reinforced the trend towards higher order centres and out-of-centre retailing. The growth in the size of stores has also resulted in a reduction in the number of smaller shop units. This is particularly evident in the food sector, where there has been a marked decline in the number of smaller and more specialist food retailers (such as greengrocers, butchers, fishmongers, bakers etc), compared with a significant increase in larger food superstores.

Convenience Goods Retailing

- 3.11 The Government's "town centres first" policy has resulted in a marked reduction in planning applications and permissions for new large foodstores and retail warehouses in out-of-centre locations. This has driven new development and expansion trends in the grocery sector, such as the growth in applications to extend the non-food sales area of existing stores; the "return" of foodstores to high street locations; and the expansion of the top foodstore operators into the smaller convenience store sector to increase market share (such as the Tesco Express and Sainsbury's Local formats).
- 3.12 Discount retailers such as Aldi and Lidl are also dramatically increasing their store network and market shares across the UK, as characterised by a significant increase in planning applications and permissions. There has also been a growth in 'forecourt' retailing, operated either by the large supermarket chains, or the major oil companies (such as BP Connect).
- 3.13 In the past five years the top supermarket multiples have strengthened their hold on the UK grocery market, taking share from most other operators in the process. Independent and smaller chains of grocers and convenience stores have been the main losers and acquisition targets. All food specialists have come under pressure, while off-licences have suffered heavily from the growing 'beer, wine and spirits' offer of both major grocers and convenience stores. The

continuation of these trends, resulting in increased applications for foodstore extensions and discount retailing, could potentially represent a threat to smaller centres and comparison goods retailers.

- 3.14 Verdict forecast that the growth in convenience stores will be further fuelled by a continuation of the present trends of longer working hours and the decline of the nuclear family, so affecting when spending occurs and on what. Verdict predict that consumers will want stores located even nearer to where they live and work, providing longer opening hours to cater for longer working hours.

Retailer Productivity

- 3.15 Although quantitative evidence is limited, retailers have increased their turnover performance over time through improvements in the 'productivity' of existing floorspace. This growth is important as it represents the ability of retailers to absorb real increases in their costs (such as rents, rates and service charges). In the future growth rates of 1.5 - 2.5% per annum have been forecast for comparison goods, with minimal growth in sales densities for convenience goods, although this growth in floorspace "productivity" will vary across centres and between stores. This allowance is also recognised by PPS6 (paragraph 2.34) which requires that quantitative need/capacity assessments have regard to a realistic assessment of the "efficiency" of existing floorspace to increase its year-on-year turnover. We consider the "productivity" growth of existing floorspace in Basingstoke Borough in more detail in Section 9 of this study.

Shopping and Leisure

- 3.16 The increase in consumer affluence and mobility since the 1980s and the rise of the internet over recent years, means that shoppers no longer merely shop to satisfy needs, they increasingly shop to satisfy wants as well. Retailing in the higher order centres and the more attractive smaller centres is changing. Research indicates that shopping is now becoming more of a quasi-leisure experience.
- 3.17 Leisure spending growth is forecast to outstrip that of retail in the future. Quality restaurants, coffee shops, cafés and bars, as well as health and fitness centres and multiplexes, are now an increasingly important part of successful and diverse town centres. These uses complement the retail offer, often helping to differentiate some centres and shopping schemes from others, thereby attracting shoppers from wider catchment areas and generating longer dwell times and higher expenditure in centres. The Trocadero in London's West End is an example of this, with mainstream retailers such as HMV, Whittards, Sock Shop and Accessorize taking advantage of the high pedestrian flows created by the major leisure attractions such as Funland, the UGC multiplex and Planet Hollywood. Mixed-use retail and leisure development has therefore proved

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- to be a real growth area for town centres. Better integration of retail and leisure facilities mutually benefits both sectors, as exemplified by Festival Square in Basingstoke and The Oracle in Reading.
- 3.18 Since the mid-1990's, despite higher rents, there has been a steady trend, driven by central government policy, towards building new leisure schemes in town/edge of centre locations. A number of factors have helped drive the growth of leisure venue provision in town and city centres. These include the move back to urban living and the fact that town centres can offer consumers a much more vibrant atmosphere in which to eat and drink. For bars, restaurants and health & fitness clubs, the attraction of the town centre is 'daytime trade', and the ability to capitalise on proximity to businesses and shoppers.
- 3.19 Future demographic and socio-economic trends are forecast to reinforce the shopping/leisure trend. For example, over the next five years the over 60's age group is forecast to increase by 13m (+14.5%) and half of that growth will be in the 60-64 age group. In contrast, the under 60's age group is forecast to decline by 0.2m (or -0.5%). Older shoppers have a younger mindset than in the past, are more fashion aware and financially better off as a result of house price growth, as well as income growth (although failing pensions will be a concern).
- 3.20 The 'grey' shopper has more time to shop, will spend more on DIY and gardening and will expect good customer service. In contrast, research suggests that younger shoppers will have higher education/University fees to pay, will experience higher housing costs and debt, will spend more on entertainment/ leisure, in preference to retailing. These forecasts and trends will reinforce the trends towards shopping and town centres as providing more of a leisure/ entertainment experience, rather than just retail locations.
- 3.21 This trend is also leading to the growth of so-called 'experiential retailing', in which the experience of shopping is almost as important (if not more important in some cases) than the purchase of goods. Good examples of this include the 'Nike Store' and 'Apple Store' in London's West End. The 'Apple Store' in particular has a number of special events that help to capture and retain customers, including workshops, demonstrations and live performances. The flagship store has helped to extend Apple's reputation for innovation, design and flair to another level, bringing a totally new retail experience to Europe that other retailers are now looking to imitate.

Home Shopping

- 3.22 Home shopping comprises mail order and Internet shopping and is the main component of non-store retailing.

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- 3.23 Mail order shopping has a long history and, whilst it has suffered to some extent from the rise of the internet, it has evolved and new retailers have entered the market and expanded. Examples include Next, Marks & Spencer and more recently John Lewis. GUS has also bought Argos and Homebase and Littlewoods has purchased Index. These retailers expect home shopping to play an increasing, but supplementary, role to traditional store-based shopping.
- 3.24 E-retailing has experienced phenomenal growth over the last few years, albeit from a very small base. Growth rates of 70% per annum were not unusual two years ago. Although growth has slowed, it still represents approximately 30% per annum, which is significantly higher than for 'bricks and mortar' retailing. Research suggests that between 5% and 6% of retail expenditure is now conducted via the Internet. However an internet sale does not necessarily imply that items have not passed through a retail outlet. For example, a number of grocery retailers (including Tesco) operate home deliveries out of their existing stores. As a result there is a high degree of uncertainty in projecting the take-up of new technology. As Experian suggest, much speculation about the growth of e-commerce could be exaggerated, with the recent acceleration a one-off surge due to broadband.
- 3.25 The retail sectors that have been most affected by the growth of E-tailing include books, games, DVDs/videos and CDs, along with finance, insurance and travel services. Research has identified that a number of retail sectors could experience a 'squeeze' on their market share of retail spend in the future, including small electrical goods; computer hardware and software; white goods; toys and gifts; and some clothing and footwear.
- 3.26 Verdict Research indicates that Internet-based sales will continue to grow strongly, as broadband and computers become cheaper and more widely used by a broader demographic. Furthermore, as today's younger shoppers' income and spending power increases as they get older, so the amount spent online is likely to increase as the Internet is seen as a normal way to buy goods. However, they forecast that traditional catalogue mail order is likely to suffer most, and not the high street per se.
- 3.27 Research suggest that the retail warehouse sector could suffer proportionately more than town centres, due to the types of goods sold in them. However, we consider that all centres will be affected to a greater or lesser extent, depending on the type of goods they sell and the function they perform. Where town centres adapt, and become more leisure/event orientated, and retailers increasingly use their shops as showrooms running websites in parallel, conventional retailing should continue to prosper.

Summary

- 3.28 The strong growth in household income and expenditure over the last 15-20 years has fuelled the growth in the economy and the commercial property sector, particularly retailing and leisure. The growth in retail expenditure has been primarily focused on comparison goods, with a limited growth in convenience goods expenditure. This trend is set to continue. As a result the main food store operators are increasingly seeking to extend their comparison goods offer, transforming existing and new superstores into variety or mini-department stores.
- 3.29 Business confidence and consumer spending in the retail sector has been impacted recently by the global economic downturn, which is forecast to continue throughout 2009. This is placing increased pressure on those retailers and businesses with high levels of debt and trading at the margins of profitability. As a result a number of high profile retailers could go out of business and disappear from the high street in 2009, similar to the loss of Woolworths, Mark One, MFI, Dolcis and others in 2008. This will necessarily lead to a period of restructuring and consolidation on the high street.
- 3.30 The impact of the economic downturn on the high street also needs to be considered in the context of the significant growth in Internet shopping over the last five years. Although this growth is forecast to continue, it currently represents only a very small percentage of overall retail spending and is focussed on certain products and items, such as books, music, travel, etc. Research also suggests that that the retail warehouse sector could suffer proportionately more than town centres from the growth of Internet shopping, due to the types of goods sold in them. Nevertheless, it is clear that sound and robust visions and strategies are needed for town centres to address the increasing pressures they face from the impact of the economic downturn; the growth in Internet shopping; new and extended out-of-centre shopping facilities; and other trends.

4. BASINGSTOKE TOWN CENTRE – HEALTHCHECK

- 4.1 This section sets out our qualitative assessment of the vitality and viability of Basingstoke town centre as a shopping location based on the key performance indicators (KPIs) set out in Chapter 4 of PPS6.
- 4.2 This assessment highlights the main strengths and weaknesses of Basingstoke's retail offer, as well as its other wider town centre uses. As part of this assessment we also identify the main threats to Basingstoke's future role and attraction as a major shopping centre in the sub-region, particularly from new investment and development in competing centres and shopping facilities outside the Borough. Finally, we highlight any potential opportunities to improve the scale, range and quality of the town centre's overall offer and attraction as a place to live, work, shop and visit.
- 4.3 To help inform our assessment we have referred to published research and key datasets, including the Experian Goad Town Centre Report (**Appendix 5**); FOCUS 'Retailer Requirements' Report (**Appendix 6**); Pedestrian Flowcount Surveys (**Appendix 7**); and the findings of our own audit of the town centre conducted in July 2008 (**Appendices 8 and 9**). We have also held discussion with local agents and other key stakeholders.

Context

- 4.4 According to the most recent Experian Goad *Centre Report* for Basingstoke, the town centre comprises a total (Goad³) retail floorspace of 96,914 m² (**Appendix 5**). This comprises 58,914 m² of comparison goods floorspace and 5,379 m² for convenience goods.
- 4.5 Basingstoke's retail, leisure and service business offer is spread over a wide area. Although the adopted 2006 Local Plan does not identify a 'Primary Shopping Area' boundary⁴, the town centre essentially comprises three main inter-related shopping areas (or quarters), each of which has its own distinct character and offer:
- **Festival Place and the Walks:** The quantum and quality of the town centre's retail offer was substantially increased in October 2002 following the opening of Festival Place. This modern shopping centre has a total estimated floorspace of 43,710 m² gross and comprises a net

³ Please note that the floorspace figures are derived from the relevant Goad Plan, which only shows the ground floor footprint floorspace (although upper mall floors in shopping centres, such as Festival Place, are audited), and the site area without the building lines. They do not therefore represent the definitive floorspace of centres, although they do provide a useful means of comparison between centres, as all outlets are measured in a consistent manner.

⁴ PPS6 classifies the 'Primary Shopping Area' as a "...defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are contiguous and closely related to the primary shopping frontage)". The boundaries of the area should be defined where possible on the Local Plan or LDF proposals map.

retail sales area of some 23,560 m², as well as leisure facilities, a library and Class A3 Uses (i.e. cafes, restaurants, etc.). The shopping centre is also served by some 3,000 car parking spaces, which represents circa 61% of the total off-street parking provision in the town centre of some 4,891 spaces. We consider parking provision across the town centre as a whole in more detail later in this section. For the purpose of our assessment we have assumed that the boundary of this shopping area extends east (to include the Vue Cinema and properties around Festival Square) and is bounded to the north by the 'Malls Area'. Its western edge is defined by Church Street (including numbers 81-73 Church Street) and by Market Walk, Potters Way, Haymarket Yard and Clapham House to the south.

- **The Malls (aka Alencon Place):** This shopping area comprises the earlier shopping malls developed in the 1970s and early 1980s. This area comprises the railway station to the north and extends east to include the multi-storey car park, along with the Crown Heights located at Alencon Link. To the west this area also comprises the Anvil Entertainment Centre. This area has been re-branded as Alencon Place in the Council's 2007 '*Vision for Central Basingstoke*'.
- **'Top of the Town':** For the purpose of our assessment we have assumed that this area of the town is broadly comparable to the area defined in the Council's 2007 '*Vision for Central Basingstoke*'. It is bounded by New Road to the south and east; Festival Place, Cross Street, Market walk and Seal Road to the north; and extends as far west to include Winton Square and 17 Winchester Road. This boundary area definition is wider than that assumed in Council's 2004 Retail Study.

4.6 In addition to its retail offer, the town centre also has a good mix of entertainment, leisure and cultural facilities including a concert hall, sports centre, central public library, theatres and museum. It also has an extensive office sector and the town centre's workforce makes an important contribution to the overall vitality and viability of the centre.

Competition

4.7 There are a number of major centres in neighbouring authorities that are drawing shoppers and retail expenditure from the Borough and the wider catchment area. The major centres include Reading to the north, Winchester and Southampton to the south, and Guildford to the east.

4.8 The following provides a brief overview of some of the key retail characteristics of the major centres in the region. It also identified some of the proposals for new investment and development that could impact on shopping patterns in Basingstoke's wider catchment area.

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- **Reading** - is classified as a Primary Regional Centre by the South East Plan and is located some 30 kilometres to the north east of Basingstoke. It has a strong comparison goods, department store and fashion offer, including Boots, Marks and Spencer, Debenhams and John Lewis. Its retailing is anchored by The Oracle Shopping Centre, which opened in September 1999 and comprises circa 71,070 m² of retail floorspace, anchored by House of Fraser, Debenhams and Gap. Other major covered shopping centres in Reading are Broad Street Mall (43,199 m²) and the newly developed Chatham Place. Potential new investment in the scale and quality of the centre's retail offer over the medium to long term could include the redevelopment of Friars Walk (7,896 m²), which is now closed, along with the Station Interchange and Station Hill to the north by Sackville Developments. Following the withdrawal of the original outline planning application for a circa 130,000 m² mixed use development in 2008, we understand that a new planning application will be submitted in 2009 for this landmark site, which could comprise significant retail, leisure, office, residential and community floorspace. Reading's out-of-centre retail offer is also strong and comprises a number of retail parks including Brunel, Forbury, Reading Gate, Reading (Oxford Road), Reading Link and Vastern Court, comprising over circa 75,000 m² gross of retail floorspace.
 - **Guildford** - is also classified as a Primary Regional Centre and is located some 40 kilometres to the east of Basingstoke. The main shopping malls in centre include The Friary, Tunsgate Square and White Lion Walk. The major anchor retailers include Debenhams, Marks and Spencer, BhS, Next and a good range of other major national multiples. The Friary has outline planning permission (granted in March 2004) for a 24,923 m² redevelopment to comprise retail, commercial and residential uses, to be served by a new bus station. However, currently no development work has started and we understand that if the owners (Westfield) wanted to proceed with the scheme it would require a resubmission. Out of town the main retail facilities are located in the Ladymede Retail Park, which comprises a total retail floorspace of 16,000 m².
 - **Winchester** - is classified as a Secondary Regional Centre by the South East Plan. It is a historic market town located some 32 kilometres to the south west of Basingstoke. Its main retailing is concentrated in the relatively small Brooks Shopping Centre (10,225 m²), Kings Walk Precinct and along the High Street. There are significant constraints to any comprehensive development in the centre, but the Broadway/ Friarsgate site was first identified for major retail development in 2004 and the Council has subsequently entered into a development agreement and granted permission for circa 10,150 m² of comparison goods retailing, including a new replacement foodstore, a new bus station and a mix of leisure, residential and office space. We understand that construction is scheduled to begin on the Silver Hill scheme in Spring 2009, although a completion date is not yet available.

- **Southampton** - is classified as a Primary Regional Centre and is located some 50 kilometres to the south of Basingstoke Town Centre. The scale and quality of the city's primary shopping area was substantially extended by the opening of West Quay in September 2000. This shopping mall comprises some 74,320 m² of retail space and is anchored by John Lewis, Marks and Spencer and a number of major fashion retailers and multiples. Other major shopping centres in the city include The Bargate and Marlands, which opened in 1989 and 1991 respectively. The City Council is considering the potential to increase the centre's retail and wider offer, particularly towards the station area and the harbourside. Currently Phase 3 of West Quay is estimated to be completed by 2010 and will comprise some 10,220 m² of new floorspace. The city also has a strong out-of-centre foodstore and retail warehouse offer.

4.9 In addition to these major centres, there are a number of smaller town centres (such as Newbury, Andover and Camberley) that are competing with Basingstoke for shoppers and retail expenditure from within the defined catchment area. A number of these centres and others are also subject to applications and/or permissions for new retail development over the medium to long term that could impact on Basingstoke's attraction of shoppers and visitors from within its catchment. These new competing developments are briefly reviewed below:

- **Camberley** - is classified as a Secondary Regional Centre and is located some 32km to the east of Basingstoke. Its retail offer is concentrated in the Main Square Shopping Centre, which comprises a total gross floorspace of 33,500 m². The Atrium scheme comprising 23,040 m² of floorspace is currently under construction and Phase 1 is scheduled to open in November 2008. There is also a substantial 23,225 m² gross out-of-centre scheme at the Meadows, comprising large Tesco and Marks and Spencer stores served by 2,200 car parking spaces.
- **Newbury** - is classified as a Secondary Regional Centre and is located some 25km north west of Basingstoke. In 2006 plans were submitted and approved for the regeneration and redevelopment of the Park Way area. The planning permission is for 27,428m² gross of Class A1 retail, offices, 184 dwellings and associated underground parking, although we do not have details of estimated start and completion dates.
- **Bracknell** - is classified as a Secondary Regional Centre and is located some 34km to the north east of Basingstoke. It is to benefit from a circa £750 million regeneration programme to redevelop much of the town centre, including the bus station. Although work has not currently started on this redevelopment, we understand that it is still scheduled to begin in the Spring of next year. When opened it will inevitably have a major impact on the attraction, role and performance of Bracknell across the sub-region. It could also have some

implications for the market share and trade draw of Basingstoke, although Bracknell is located outside of the defined catchment area.

Retail Profile

- 4.10 Basingstoke town centre offers a wide range of shops, services and leisure facilities to both local residents in the Borough, as well as those living in the centre's wider catchment area. As explained above, the town's offer has substantially increased since 2002 following the opening of Festival Place. The table below shows Basingstoke's changing retail composition between 2004 and 2008 based on Experian Goad data (**Appendix 5**) and our 2008 audit of the centre (**Appendices 8 and 9**).

Table 4.1: Basingstoke Town Centre - Changes in Retail Profile (% of total outlets)

	2004		2008		2007
	Number of Outlets	% of total outlets	Number of Outlets	% of total outlets	UK Average (%)
A1 Convenience	16	4.6 %	10	2.4 %	9.1 %
A1 Comparison	177	51.5 %	177	43 %	45.0 %
A1 Services	28	8.1 %	34	8.3 %	9.9 %
A2 Services	43	12.5 %	52	12.7 %	9.0%
A3 Food and Drink	38	11.0 %	31	7.5 %	14.0 %
A4 Drinking			14	3.4 %	
A5 Take-away			13	3.2 %	
B1	5	1.5 %	11	2.7 %	N/A
D1	4	1.2 %	5	1.2 %	N/A
D2	5	1.5 %	4	1 %	N/A
Sui Generis	7	2.0 %	12	2.9 %	N/A
Vacant	23	6.7 %	48	11.7 %	11.3 %
TOTAL:	344	100%	411	100%	100%

Source: Rapleys 2004 Retail Study, Experian Goad (2007) and Strategic Perspectives Centre Audit (July 2008).

Please note that figures may not sum due to rounding.

- 4.11 Our 2008 audit has identified some 67 additional outlets in the town centre than recorded in 2004. This is explained by the differences in our definition of the town centre boundary compared with the Council's 2004 Retail Study, rather than due to the impact of new retail floorspace development in the centre. As explained above, our definition of the town centre boundary is broadly based on the Council's 2007 '*Vision for Central Basingstoke*' and covers a wider area than the 2004 audit.
- 4.12 Some of the key characteristics of Basingstoke town centre's retail and service business profile identified by the table include the following :

- It has an under-representation of convenience goods retailing (2.4% of total outlets) benchmarked against the national average (9.1%), which comprises all circa 1,500 centres and shopping locations audited by Experian Goad. Furthermore the table shows that Basingstoke's food and convenience goods offer has decreased since 2004.
- The town's comparison goods offer has remained unchanged at 177 outlets since 2004. Non-food retailing currently represents 43% of total outlets, which is slightly below the national average figure of 45%. However, comparison goods representation does differ significantly across the three shopping areas. We explore these differences in more detail in Sections 5 and 6 of this study.
- The number of vacant units in the centre has more than doubled since 2004, from 23 to 48 outlets. Vacancy levels currently represent 11.7% of total outlets which is slightly above the UK average of 11.1%. We examine the distribution of these vacant outlets and their potential impact on the overall vitality and viability of the town centre and specific shopping areas and streets in more detail later in this section.

Multiple Representation

- 4.13 According to the Experian Goad 'Centre Report' there are some 224 multiple retailers within Basingstoke town centre⁵. The presence of multiple retailers can greatly enhance the appeal and attraction of a centre for shoppers and will also influence the extent of its catchment area. The strong branding and comprehensive product mix of major national multiple retailers (such as Marks and Spencer, Boots, HMV, Next, Argos, etc.) makes an important contribution to the overall vitality and viability of centres and is an important generator of trips, footfall and expenditure.
- 4.14 Prior to the opening of Festival Place, Basingstoke had a reasonably good choice of national multiple retailers in most of the main retail categories. Festival Place has significantly increased the number of national multiples across all the main categories and also increased the average store size and range of goods offered by the larger national multiple retailers.
- 4.15 The table below lists the key anchor (or 'attractor') stores in the main retail categories.

⁵ A multiple retailer is defined as being part of a network of nine or more outlets.

Retail Category:	Retailer:
Department Stores:	Debenhams
Variety & Catalogue Showrooms:	Argos, Marks & Spencer and Bhs
Clothing & Footwear Stores:	H & M, Next, Top Shop, Gap, French Connection, USC, Schuh and Barratts
Electrical Goods Stores:	Virgin Media, Apple Store, Sony Centre
Foodstores:	Tesco Metro, Iceland and Marks & Spencer Simply Food

- 4.16 Experian Goad has identified approximately 30 national multiple retailers that they consider to be key attractors and are therefore most likely to improve the attraction of a centre and/or shopping location for consumers. Of these, only five were not represented in Basingstoke town centre at the time of Experian's May 2007 audit and they were John Lewis, House of Fraser, Waitrose and Currys. These "missing" retailers, particularly John Lewis and Waitrose, may represent operators who could potentially be targeted to anchor major new development and investment schemes planned for the town centre in the future.

Retailer Requirements

- 4.17 The table below sets out the changes in the number of retailers, leisure operators and service businesses with recorded requirements for representation in Basingstoke town centre since 2000, benchmarked against some of the main competitors in the sub-region.

Table 4.2: Retailer Requirements for Basingstoke Town Centre

	Basingstoke		Reading		Winchester		Guildford	
	No. of Requirements	Ranking	No. of Requirements	Ranking	No. of Requirements	Ranking	No. of Requirements	Ranking
2000	85	43 rd	122	14	62	76	144	8
2001	85	44 th	143	12	71	59	181	2
2002	113	33	172	10	97	45	194	4
2003	103	42	176	6	92	51	181	5
2004	105	42	163	11	96	59	186	4
2005	106	47	171	11	110	44	203	4
2006	83	62	158	13	100	40	161	10
2007	70	83	154	11	104	38	148	15
2008	51	N/A	118	N/A	82	N/A	131	N/A

Source: FOCUS 'Retailer Requirements Report' (June 2008)

- 4.18 The retailer requirements list is drawn from the national FOCUS Database, which provides a current record of the property requirements of commercial users at the national level. It is widely accepted as the most reliable and consistent source of information on market interest and potential demand for space in centres. However, this national list should be interpreted with

caution. For example, not all retailers are registered with FOCUS (such as John Lewis and Tesco), as they take the view that it could weaken their negotiating position when taking space in a centre if their interest is known. Furthermore, the list only provides a broad indication of market interest at a particular point in time. For example, it does not predict the significant uplift that can occur in market demand following the permission for new retail development schemes.

- 4.19 Nevertheless the table does show that there is currently a relatively strong demand for space in Basingstoke town centre. Some 70 operators registered their interest in the town centre in October 2007, placing Basingstoke 83rd in the national rankings out of some 1,500 shopping locations. Although the number of requirements has fallen from 113 since 2002 when Basingstoke was ranked 33rd, this is largely explained by the opening of Festival Place. This scheme helped to satisfy the demand from a number of operators at that time who were either looking for representation in the town centre for the first time, or were looking to relocate from smaller units in more secondary shopping locations to larger more modern stores in the new shopping centre.
- 4.20 The more detailed and up-to-date Retailer Requirements list for June 2008 is set out in **Appendix 6** and it shows that demand has fallen back to some 51 operators. This continues the downward trend in requirements since 2005, as well as a decrease in Basingstoke's overall ranking. Although a sustained decline in market demand would normally be a cause for concern, our assessment of multiple representation has indicated that most of the major national retailers are represented in the town centre and there are currently very few 'gaps' in its more mainstream retail offer.
- 4.21 Those operators who currently have requirements for Basingstoke town centre include four convenience goods retailers, 29 comparison goods retailers and 18 service businesses. Overall, these retailers and service businesses currently have requirements for between 20,851 m² and 53,116 m² gross of new retail floorspace.

Floorspace (m ²)	(MINIMUM)	(MAXIMUM)
Convenience	441	910
Comparison	11,319	33,435
Service	9,091	18,771
Total	20,851	53,116

- 4.22 There are a number of high profile retailers, leisure operators and service businesses with stated requirements for Basingstoke. These include TJ Hughes, Peacocks, Esporta Plc, Majestic Wine,

Quicksilver, Claire's Accessories, The Fragrance Shop, Cafe Rouge, Dominos Pizza and Frankie & Benny's⁶.

- 4.23 Despite the overall decline in numbers of retailers requiring representation in the town centre, demand amongst comparison goods retailers and service businesses is strong, which indicates that the town centre is still perceived as an attractive and viable location. However, there are a limited number of convenience goods retailers requiring floorspace in the centre. Given the existing under-representation of retailers in this category, this would appear to indicate a potential 'gap' in the town centres overall retail offer. We examine the quantitative need for new convenience floorspace in the Borough area and town centre in more detail in Section 9.

Vacancy Levels

- 4.24 Table 4.3 shows that the number of vacant units in the centre has more than doubled since 2004, from 23 to 48 outlets. Vacancy levels currently represent 11.7% of total outlets which is above the UK average of 11.1%. Whilst the increase in vacancies is a concern, the centre's vacancy rate is only slightly higher than the national average and overall Basingstoke remains a healthy and viable centre. However we recommend that the Council carefully monitor the changes in the number and distribution of vacancies across the town centre over time in order to identify and respond to the early signs of 'failing' shopping streets and areas.

Table 4.3 Basingstoke Town Centre: Changes in Vacancy Rates between 2004 & 2008

	2004		2008		2007
	Number of Outlets	% of total outlets	Number of Outlets	% of total outlets	UK Average (%)
Occupied Units	321	93.3%	363	88.3%	88.7%
Vacant Units	23	6.7%	48	11.7 %	11.3 %
Total Units	344		411		

Source: Rapleys 2004 Retail Study, Strategic Perspectives audit (July 2008) and Experian Goad (2007).

- 4.25 Our July 2008 town centre audit did not reveal any significant clusters of vacant units in Basingstoke Town Centre. There are also only a handful of large units vacant within the centre (see **Appendix 9**: Table 2).
- 4.26 **Appendix 9** (Table 3) also shows the recent new "entrants" into Basingstoke town centre. These include multiples such as Primark, Punk Fish and Phase 8. Other new entrants include the Apple Store and Costa Coffee, Starbucks and Subway have also opened a second town centre store in

⁶ B&Q is identified by FOCUS as having a requirement for a new store in the Borough. However, there is an outstanding permission for an out-of-centre B&Q store in Basingstoke and B&Q's requirement could therefore probably be removed from the list if the new store is developed as planned.

the Old Malls. The take-up of space by these major national multiples suggests that operator and investor confidence in the town centre is still strong and it is a viable shopping location.

Prime Zone A Rental Levels

- 4.27 Table 4.4 below sets out the Prime Zone A Rental Levels for Basingstoke Town Centre based on the FOCUS 'Centre Report'. The table shows that Basingstoke's Prime Zone A's are currently estimated to be circa £165 per sq.ft which is some 22% higher than the rental levels recorded in 2002 prior to the opening of Festival Place. Basingstoke's rental levels are currently higher than for Winchester, but are over 31% less than the levels achieved in Reading and Guildford.

Table 4.4: Prime Zone A Rental Levels in Basingstoke Town Centre (£ per sq.ft)

Date	Basingstoke	Reading	Winchester	Guildford
2000	135	220	120	200
2001	135	225	120	200
2002	135	225	130	205
2003	155	225	135	225
2004	155	230	135	230
2005	160	230	135	240
2006	165	230	150	240
2007	165	240	155	240

Source: FOCUS 'Centre Report' (June 2008).

Notes: Recorded in June of each year.

- 4.28 The latest property market reports sourced from the Valuations Office (2007) indicate that Basingstoke's rental levels are lower than recorded by FOCUS at circa £140 per sq.ft in primary locations. Average rental levels are estimated to be around £50 per sq.ft in secondary locations.

Commercial Yields

- 4.29 Yield is a measure of property value which has regard to the strength of a tenant's covenant and the long-term potential for rental and capital growth. Yield is derived by division of the open market rent of a property by its capital valuation. At a given rental, the lower the yield, the higher the capital value. Generally a centre with a lower yield is regarded by investors and developers as having greater potential for rental and capital growth.
- 4.30 Table 4.6 sets out the recorded changes in the retail property yield for Basingstoke town centre benchmarked against other centres in the sub-region since 1998.

Table 4.6: Basingstoke Town Centre – Changes in Retail Yields

Year	Basingstoke	Reading	Winchester	Guildford
October 2001	7.00%	6.50%	7.50%	5.00%
October 2002	6.50%	6.50%	6.75%	4.50%
April 2003	6.50%	6.50%	6.75%	4.50%
July 2004	6.50%	6.50%	6.75%	4.50%
July 2005	5.50%	5.50%	6.00%	4.50%
July 2006	5.0%	4.50%	5.00%	4.50%
July 2007	5.0%	4.25%	5.00%	4.25%

Source: Valuation Office Property Market Report (2008)

- 4.31 The table shows that following the opening of Festival Place yields fell back from a high of 7.0% in 2001 and currently stand at circa 5.0%. This improvement in yields is an indication of the centre's continued attraction and viability as a retail location. The table also shows that the centre is performing at a similar level to Winchester, albeit not as strongly as Reading and Guildford

Pedestrian Flows

- 4.32 **Appendix 7** sets out the methodology, location and full results of the most recent pedestrian flowcount surveys conducted by Property Market Research Services Limited (PMRS) in July 2008. This updates previous counts undertaken in the centre as part of the Council's previous Retail Studies in July 2004 and 2000. Table 1 of **Appendix 7** provides a summary of the key changes in the recorded footfall and ranking of the thirty different locations surveyed in 2004 and 2008.
- 4.33 The survey results broadly indicate that there has been a 4.6% decline in average weekly pedestrian flowcounts across Basingstoke town centre as a whole, from 49,300 in 2004 to 47,040 in 2008. However, in our judgement this is not a significant decline and could be explained by a number of factors, including the different weather conditions when the surveys were conducted. Overall we consider that trips and footfall have held up well over the last four years. Festival Place is consistently achieving the highest footfall levels and accounts for eight out of the top ten locations in the town centre with the highest footfall.
- 4.34 Some of the key findings of the 2008 survey and the main changes since 2004 are briefly highlighted below:
- The highest footfall in both 2004 and 2008 was recorded at 149 Festival Place (Chiswick House), outside Vision Express. The count has also increased by +5.9%, from 146,700 in 2004 to 155,400 in 2008.

- The Malls has two out of the top ten shopping locations measured by footfall. Counts outside the Sainsbury's store (1-2 Station Mall) and Thomas Cook (9-11 Old Basing Mall) were +4.7% and +8.0% higher than in 2004.
 - The Top of the Town Area is consistently achieving pedestrian footfall levels below Festival Place and The Malls.
 - Nevertheless, there are certain locations in Festival Place that are under-performing benchmarked against footfall levels in the rest of the shopping mall and the town centre as a whole. For example, flows recorded outside the Argos store (145 Festival Place) have consistently been below 8,000 in both the 2004 and 2008 surveys. As a result, this location is ranked 30th out of the 32 sites surveyed by PMRS.
- 4.35 In general terms pedestrian flowcounts across the town centre have held up well. Festival Place is the town's main shopping attraction and this is reflected by its strong and increasing footfall levels. Pedestrian flowcounts are weaker in more peripheral shopping streets outside Festival Place, as well as mall areas in the shopping centre, which have more limited visibility or are located outside of the town's main pedestrian retail circuit. We assess pedestrian flowcounts in The Malls and Top of the Town areas in more detail in Sections 5 and 6.

Accessibility and Car Parking

- 4.36 Basingstoke Town Centre is easily accessible from the M3 and benefits from good access by car and visitors to the centre can usually drive into, out of and around the town easily and quickly. It is readily accessible by a choice of means of transport – both public transport (bus and train) and also has reasonable accessibility by both bicycle and foot from nearby residential areas.
- 4.37 It is generally considered that the high number of car parking spaces available in Basingstoke Town Centre is a strong point. It consists of a good mix of both multi-storey and surface level car parks which provide good access to the main shopping frontages. Some car parks are integrated with the Festival Place mall and other shopping areas. The 'Top of the Town' area is also well served by surface level car parks, such as Jacobs Yard, Anchor Yard and Joices Yard located to the rear of the retail frontages.
- 4.38 In 2008 Basingstoke Town Centre benefited from sixteen central area car parks, comprising a total of 4,874 car parking spaces. The Council operates all the central area car parks, apart from Festival Place which comprises circa 3,000 spaces and is run by NCP. The table below compares the car parking provision in Basingstoke with some of the larger competing centres in the region in 2008.

Table 4.7: Car Parking Provision in Basingstoke Town Centre and Competing Centres

	Basingstoke	Southampton	Guildford	Winchester	Reading
Total Spaces:	4,874	9,454	5255	2,585	6,165

Notes: Some of the identified spaces may include "non retail" car parking.

Table 4.8: Car Parks in Basingstoke Town Centre

Location	Spaces	Location	Spaces
Festival Place	3000	Jacobs Yard	28
Vyne Meadow	375	Castons Car Park	126
Alencon Link	600	Southern Road	103
Churchill Way	100	Eastland (Sat only)	170
Churchill Way East	24	Feathers Yard	18
Joyces Yard	60	Central	138
Albert Yard	17	Sarum Hill	51
Castons Yard	60	Brinkletts	34

- 4.39 Table 4.8 also shows the breakdown of the town centre's car parking provision by location. The *'Central Basingstoke Vision Single Issues Panel Car Parking Survey'* (March 2007) indicated that the Central car park and Alencon Link car park were mainly used by shoppers (80% and 54% respectively). In comparison, Castons car park had an equal proportion of business (38%) and shopping use (38%).
- 4.40 The destinations of people using the different car parks varied by location. For example, 80% of those parking in Alencon Link visited Festival Place and 83% of those parking in Castons primarily went to 'Top of the Town' and/or Market Place. By contrast 59% of those parking in the Central Car Park visited Festival Place and 41% visited 'Top of the Town'. The location of these car parks and the number of spaces they provide clearly makes an important contribution to the overall vitality and viability of the town centre's different shopping areas ('quarters'), as they are important generators of linked trips and footfall.
- 4.41 The town centre also has good accessibility by alternative modes of travel to the car. The railway station is situated to the north of the Malls and is an important generator of trips and footfall through this important 'gateway' to the town centre. The station connects Basingstoke to nearby settlements and locations further afield, including London, Reading, the South Coast cities and the north. For example the estimated journey time to London Waterloo is 52 minutes.
- 4.42 The centre is also an important node for the local bus network, particularly following the development of a new bus station as part of the Festival Place scheme. The town centre has a

strong network of bus routes which provide the main form of public transport connection with other parts of Basingstoke and the Borough, as well as providing connections with surrounding higher order centres, such as Reading, Winchester and Camberley. In addition, inter-city routes also operate from the bus station, linking Basingstoke with London, Winchester and Portsmouth.

Customer Views and Perceptions

- 4.43 The household survey asked a number of specific questions about where people shop for 'main' and 'top-up' food shopping, as well as for different types of comparison goods purchases (such as fashion items and electrical products). In addition, the survey also asked people what they most liked about Basingstoke town centre as a place to visit for shopping, leisure and evening activities (question 23) Table 4.9 sets out the headline responses from households interviewed across the whole catchment area (i.e. Zones 1-6), as well as for Zones 1 and 2 which broadly comprises the Borough area. The full results are set out in **Appendix 2**.

Table 4.9: What do people most like about the town centre's shopping, leisure & evening activities.

	Total	Borough Area	
	Zones 1-6	Zone 1	Zone 2
Nothing / very little	41.2	33.4	52.5
Convenient to home / work	13.9	21.6	2.6
Has everything people need	10.4	14.2	7.5
Good non-food shops	10.4	9.2	10
Good cafe, restaurants & bars	5.9	8.0	3.8
Specific shops / services	5.8	5.4	3.8
Easy to park	4.6	4.1	1.3
Good food shops	3.7	3.2	5
Cinema	3.0	3.0	7.5
Good public transport	1.1	0.4	2.5
Theatre	0.7	0.4	-
Market	0.4	0.6	-

- 4.44 In summary, the table shows that on average some 41.2% of respondents could not name anything that they particularly liked about the town centre. Although this was lower in Zone 1 (the 'Basingstoke Zone') which covers the town's 'core' catchment area, over half of respondents in Zones 2, 3 and 6 could not identify anything they specifically liked about Basingstoke. Most of the other respondents liked the fact that the centre was convenient to get to; has a good provision of everything they need, including shops, bars and restaurants; and that it is easy to park.
- 4.45 Those interviewed were also asked what improvements, if any, would persuade them to visit the centre more often than they currently do (question 24). Table 4.10 below sets out the headline responses.

Table 4.10: What improvements to the town centre would make people visit more often

	Total	Borough Area	
	Zones 1-6	Zone 1	Zone 2
Nothing	65.3	56.5	81.3
More and better shops	5.5	8.6	2.5
A department store (John Lewis named by some)	5.1	8.2	-
Better facilities for elderly	2.4	4.1	1.3
Individual stores	2.3	3.4	-
General redevelopment / tidy up	1.8	2.4	1.3
More variety	1.7	3.0	-
Ladies clothes shops	0.8	1.7	-
More shops	0.8	1.5	-
Bigger food store	0.2	0.4	-

- 4.46 Almost two-thirds (65.3%) of respondents interviewed across the catchment area could not name any specific improvements to the centre that would make them visit more often than they currently do. Of those that did identify improvements, the main “wish” appears to be a need for more and better shops. Respondents also identified a need for a department store and a number of those interviewed (unprompted) specifically identified John Lewis. Other interesting responses include a call for better facilities for the elderly and the general redevelopment (“tidy up”) of the town, which we presume refers to the shopping streets and areas outside of the modern Festival Place scheme.

Quality of the Environment

- 4.47 As described in the introduction to this section, Basingstoke comprises a number of distinct shopping areas (‘quarters’). We examine the quality and characteristics of their environment in more detail in Sections 5 and 6. The following therefore provides only a brief overview of the state of the town centre environment.
- 4.48 Generally, the more modern purpose-built Festival Place comprises a high quality modern shopping environment. It has relatively clean and functional covered shopping malls, in a well managed and secure environment. Within this area, there is almost complete segregation of pedestrians from vehicles, maximising pedestrian safety and the efficiency of servicing of commercial premises. The combination of design, layout and management ensure a high standard of cleanliness and maintenance.
- 4.49 The ‘Top of Town’ area offers a contrasting, though complementary shopping and built environment. It has a more traditional historic street pattern and the different character and heritage of the buildings is reflected by the fact that large parts of this area are designated as a Conservation Area. It also comprises a number of Listed Buildings. The shopping streets centred on Market Place are pedestrianised, which contributes to its overall character and safety for

pedestrians. Nevertheless, investment in the buildings and environmental quality of this area is needed to create a more attractive and viable shopping area for businesses, shoppers and visitors.

- 4.50 In contrast to Festival Place and Top of the Town, The Malls is tired and dated. In our judgement it is in need of significant investment in its shopping and built environment. It is a major 'gateway' and 'link' to the town from the north and the station, but it currently presents a poor image of the town centre. Its environment rates poorly in comparison to the modern Festival Place scheme.
- 4.51 Overall, we conclude that the town centre has a well managed, accessible and generally clean environment for businesses, shoppers and visitors. The Festival Place development has significantly improved the overall environment, as well as the image and attraction of the centre as a place to shop and visit for a range of activities and uses.

Evening Economy

- 4.52 It is apparent from our assessment that there are some significant issues with regard to the town centre's evening economy. We explore the challenges and opportunities in more detail in Sections 5 and 6. In summary, it is our understanding that the Top of the Town's restaurants and bars are a popular evening destination, but these are primarily targeted at a younger demographic and there is a perception that safety levels in this part of the town are poor, which is potentially deterring visits from older age groups and families. The other main evening 'hotspots' are Festival Square, which comprises more mid-range restaurants and bars, along with Liquid nightclub in Festival Place and the Anvil Entertainment Centre.
- 4.53 Following a consultation exercise conducted by the Council in 2005, the report '*Basingstoke at Night – A Vision for the Future*' was published. This vision identified Basingstoke town centre as having a successful evening economy, which was welcoming, safe, accessible, clean, bright, attractive and sustainable for all. However a number of concerns were raised by the respondents to the vision, particularly with regard to;
- "*crime and fear of crime*" – safety is a key issue in trying to attract people to the town centre at night.
 - "*too much emphasis on drinking establishments*" - as a result there is not only a lack of choice of venues, but those who want to drink too much outnumber those who want to dine or visit the cinema for example.
 - "*environmental concerns*" – issues along the main 'walking routes' out of the centre.

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- *“lack of availability of taxis and public transport at night”* – a main barrier is the accessibility to the town centre in and evening through poor public transport provision, limited numbers of taxis and the availability and costs of car parking.
 - *“irresponsible drinking culture”* – should be managed rather than eradicated.
 - *“accessibility to premises”* – particularly for the disabled and those pushchairs.
- 4.54 Overall, the report identified the need to consider the future of the town centre generally, not just at night. This included a need for improvements to the town centre’s character and environment as a whole and particularly the Top of the Town area, which was identified as representing the ‘historic quarter’ of Basingstoke.

Crime and Safety Issues

- 4.55 The only issues identified by 2000 Retail Study related to shoplifting, alcohol-related use and car crime. However, these were considered relatively minor by the Community Safety Officer. By the time of the 2004 Retail Study various initiatives had been introduced across the town centre that had helped to reduce these types of crimes. These included, for example, the provision of closed circuit television (CCTV) cameras, environmental improvements, co-ordinated security arrangements between retailers and publicans, and the banning of on-street drinking.

Summary

- 4.56 Our detailed qualitative (healthcheck) assessment and audit of Basingstoke town centre has confirmed that it performs an important role and function, serving residents in the Borough area and across a wider catchment. It is also a highly accessible location by all modes and is served by important strategic bus and railway stations.
- 4.57 The opening of Festival Place in 2002 has significantly increased and improved the scale and quality of the town centre’s retail and commercial leisure offer. The scheme has successfully accommodated the strong demand that existed prior to its opening from multiple retailers for larger more modern store formats. As a result of this major new development there has been a marked shift in the town centre’s retail gravity and a re-adjustment in the offer, profile and character of the town’s other main shopping areas, namely The Malls and Top of the Town. The following sections assess the relative vitality and viability of these shopping areas in more detail.

5. THE MALLS & FESTIVAL PLACE - HEALTHCHECK

5.1 This section provides a more detailed analysis of the strengths and weaknesses of Festival Place, The Walks (Clifton Walk, Wesley Walk and Hollins Walk) and The Malls (otherwise known as Alencon Place). We also identify any potential threats to the future vitality and viability of these important shopping areas, as well as opportunities to improve their offer and environment.

Context

5.2 As described in Section 4, Festival Place is a modern shopping mall that has established itself as one of Hampshire's premier shopping destinations, comprising over 200 premium retailers, service businesses and leisure operators. In contrast The Malls opened in the early 1980s and is now looking tired and dated. It is characterised by an unattractive pedestrianised open-air shopping mall, which now sits 'uncomfortably' next to the modern Festival Place scheme. The buildings and shop fronts are architecturally dated and suffer from a lack of investment. Nevertheless, the area still performs an important function for the town centre as a whole and remains a viable shopping location.

5.3 The Malls comprises an estimated gross floorspace of circa 28,000 m² and acts as an important 'gateway' to the town centre from the north, linking the station to Festival Place, as well connecting to the northern ring road and the Anvil Entertainment Centre. The table below compares and contrasts the retail mix of Festival Place and the Malls based on our audit of the town centre in July 2008.

Table 5.1: Festival Place and The Malls - Retail Profile

	Festival Place		The Malls		National Average 2007
	Number of units	% of total outlets	Number of units	% of total outlets	
Convenience	4	2.0%	1	3.8%	9.1%
Comparison	124	61.4%	15	57.7%	45.0%
Service	52	25.8%	6	22.9%	33.3%
Vacant	22	10.9 %	4	15.4%	11.3%
Total Units	202	100%	26	100%	100%

Source: Strategic Perspectives audit of shopping area (July 2008). Please note that percentages may not sum due to rounding. (see Appendix 8 & 9).

5.4 The following provides a more detailed analysis of the profile and characteristics of these two distinct shopping areas (also see **Appendix 9**).

The Malls – Retail Profile

- 5.5 According to our 2008 audit The Malls has 26 outlets. The convenience goods offer comprises the refurbished Sainsbury's foodstore (1,944 m² net), which is located at the station entrance to the north. This is the largest foodstore in the town centre and is therefore an important anchor store and generator of trips to the town centre as a whole, and The Malls in particular.
- 5.6 The retail offer in this area mainly comprises 15 comparison goods outlets. This is equivalent to 57.7% of total units and is above the national average of 45.0%, but lower than the provision in Festival Place (61.4%). The retail offer is primarily dominated by more mid-market, 'value led' retailers such as Argos, Wilkinson's and WH Smith. Primark has also recently opened a store in the former large outlet occupied by Alders at 6 Castle Square (circa 8,825 m² gross).
- 5.7 Apart from the recent opening of the town centre's second Starbucks cafe in this area, there are no other cafes, bars or restaurants. As a result the area does not contribute to the town centre's overall evening economy offer.
- 5.8 We have included the Anvil Entertainment Centre within The Malls boundary for the purpose of our assessment. This comprises a theatre, performing arts centre and concert hall, along with a bar and cafe. It is one of three main entertainment venues in Basingstoke, along with The Haymarket (Wote Street) and The Forge (Churchill Way). However, it is 'isolated' from the shopping area and there is no evidence to suggest that it makes a significant contribution to the vitality and viability of the other shops and businesses in The Malls through linked trips and spin-off expenditure.

Festival Place – Retail Profile

- 5.9 In terms of its retail mix, Festival Place has a relatively limited convenience goods offer comprising four outlets. This is equivalent to 2.0% of total outlets and is considerably below the national average of 9.1%. The main food retailers identified in this category are Tesco Metro and Iceland. In addition, the centre's food offer is enhanced by the Marks & Spencer food hall, which comprises a total estimated convenience goods sales area of circa 930 m².
- 5.10 There are 124 retailers in the comparison goods category. This represents 61.4% of total outlets and is considerably higher than the national average of 45.0%. As described above, the centre's retail offer is anchored by a number of quality department and variety stores, including Debenhams, Marks and Spencer and BHS. The centre also has a number of premium fashion multiple retailers, including Gap, USC, French Connection, LK Bennett, Austin Reed and Esprit.

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- 5.11 Service businesses represent fewer than 11% (22 outlets) of the shopping centre's total retail offer. Of these, there are seven high street banks and building societies located across the centre including Abbey National, Alliance & Leicester, Barclays, HSBC, Lloyds TSB, Nationwide Building Society and Nat West. The other service businesses in Use Class A2 ('financial and professional services') include Mann & Co estate agents, Ladbrokes and Blue Arrow Employment Agency.
- 5.12 Festival Place also comprises 17 restaurant and cafes (Class A3) and three bars (Class A4). The majority of these are located outside the shopping mall on Festival Square. The offer primarily comprises national multiples, such as Gourmet Burger Kitchen ('GBK'), Wagamama, Nandos, Pizza Hut, Dexters Bar and Grill, La Tasca and Lloyds No 1. Festival Place is one of the main evening economy and leisure quarters in the town centre, although there are no independent, non-branded restaurants.
- 5.13 The centre's retail offer is also complemented by a multi-screen Vue cinema, sports centre, library and nightclub. The responses to the household survey (question 29d) indicate that, on average, over half of respondents in all six survey zones have never visited the cinema. This ranges from a 'low' of 47.3% in Zone 5 who have never been, to a 'high' of 71.1% and 80.5% in Zones 3 and 6. Of those that do visit the cinema, most respondents go once every three months, or less frequently. For example, 31.3% in Zone 1 (the 'Basingstoke Zone') visit 1-4 times a year, compared with 33.2% in Zone 5. A smaller proportion of respondents visit the cinema once a month or more, including 14.3% in Zone 16.2% in Zone 5.

Vacancy Levels

- 5.14 Our audit identified four vacant units in The Malls area, which is equivalent to a vacancy level of 15.4%. This is higher than the national average and higher than the recorded vacancy levels for Festival Place (10.9%) and the 'Top of the Town' area (12%).
- 5.15 In our judgement the higher vacancy level in The Malls is a result of a number of factors, including the impact of Festival Place on the take-up of space in this area, the poor environment, the lack of investment over a number of years and the more limited supply of larger modern shop units. The opening of Primark is a positive sign of confidence in the viability of this shopping area and has also helped to consolidate its 'evolution' as a more 'value-led', discount retail mix. Overall the higher vacancy level in The Malls could be a cause for concern if units remain unoccupied for a long period of time, as this will impact on business and investor confidence in the area and will also have an adverse impact on the overall shopping environment. We therefore recommend that the Council carefully monitors vacancy levels over time.
- 5.16 Festival Place had 22 vacant units at the time of our audit and the vacancy level was lower than for The Malls and Top of the Town. In general terms we found that there is a good take-up of

vacant units in the shopping centre and any longer term vacancies are mainly smaller units in secondary shopping malls. Furthermore, a number of the vacancies we identified were in the process of being fitted out for new occupiers. Significantly, there were no clusters of vacant units in either 'Festival Place' or 'The Malls'.

Rental Levels

- 5.17 The table below sets out the estimated retail rental levels for different shopping areas and streets in the town centre based on our discussions with local agents.

Table 5.2: Estimated Rental Levels across Basingstoke's Town Centre (July 2008)

Area	Rental Value (£/ ft ²)
Top of the Town (London St/Winchester St)	£50.00
Top of the Town (Market Place/top of Church St)	£60.00
Top of the Town Zone A (Wote St/Church St)	£70.00 / £75.00
Festival Place (upper level)	£100.00 / £110.00
Festival Place (lower level)	£150.00 / £160.00

Source: Local Agents

- 5.18 The table shows that rental levels are significantly higher in Festival Place in comparison to secondary shopping streets in the 'Top of the Town' area. This is to be expected, as Festival Place is clearly a strong and successful shopping location. The table also shows that those shopping streets outside Festival Place, but in close proximity to the shopping centre, have stronger Prime Zone A Rental Levels than streets in more peripheral locations.

Pedestrian Flowcounts

- 5.19 As described in Section 4, the relative success and attraction of Festival Place since it opened is reflected by the high levels of footfall recorded by PMRS in the shopping centre in 2004 and 2008. Festival Place has the three top ranked shopping locations in terms of footfall. The top three locations – outside Vision Express (149 Festival Place), Marks & Spencer (9-12 Festival Place) and Clinton Cards (Unit 4, Wesley Walk) - also experienced respective increases in footfall of +5.9%, +13.1% and +17.2% between 2004 and 2008 (**Appendix 7**). This growth has occurred against a backdrop of a -4.6% fall in Basingstoke town centre's overall footfall levels. Nevertheless, some shopping malls in Festival Place are not performing as well. For example, Argos (145 Festival Place) is ranked 30th out of all 32 shopping locations surveyed across the town centre and recorded a -4.5% fall in flowcounts between 2004 and 2008 to 7,620.
- 5.20 Despite the attraction and success of Festival Place, flowcounts in The Malls appear to be holding up well. The Malls clearly benefit from the fact that it is the main pedestrian link to Festival Place from the Station. The Sainsbury's store and new Primark are also strong anchors at the northern

end of The Malls, nearest to the station entrance. However, footfall in some of the peripheral shopping areas is significantly weaker, such as for example outside the Early Learning Centre on 1 Loddon Mall.

Environmental Quality

- 5.21 The modern Festival Place shopping scheme and adjoining walks is well managed and maintained. It is a relatively attractive shopping centre and compares favourably with other town centre shopping malls across the country. Although the architectural style and malls are similar in design to many shopping centres, Festival Square does provide something “different” in terms of its design and character. The water features and canopies in this area contribute significantly to the overall quality and character of the shopping environment. Other positive features of the shopping mall include good provision of public seating, toilets and a clean, litter-free environment.
- 5.22 In contrast, the poor environmental quality of The Malls is a result of the fact that it was developed in the 1970s and early 1980s and is looking dated and tired by modern standards. The poor perceptions of this area are further exacerbated by the fact that it is an important ‘gateway’ to the town centre from the north and the station, and therefore represents the “first impression” of the town centre for many visitors and shoppers. New investment and redevelopment of this area is clearly needed. These improvements will be important to the overall vision and ‘place marketing’ of Basingstoke, particularly if the centre’s image is to be rebranded in order to compete with towns such as Winchester and Reading.

Survey Responses

- 5.23 The household survey also asked some specific questions regarding The Malls to try and get a better understanding of how people currently perceive this area and how they use it for shopping and other activities. The detailed responses to questions 27 and 28 are set out in **Appendix 2**. Some of the key headline results are as follows:
- Some 25.5% of all respondents across the catchment area state that they never visit The Malls. This varies from a low of 10.3% in Zone 1 (the ‘Basingstoke Zone’) to a high of 57.1% in Zone 6.
 - The number and frequency of visits to The Malls is nevertheless better than recorded for the Top of the Town, where 38% of all respondents (to question 25) stated that they never visit this part of the town centre, ranging from 17.2% in Zone 1 to 68.4% in Zone 6 (see Section 6 for a more detailed commentary).

- Of the 89.7% in Zone 1 that do visit The Malls more frequently, some 41.6% visit at least once a week, 30.2% visit 1-3 times a month and 16.4% visit less often.
- When asked what improvements would encourage people to visit The Malls more often, some 75% of all those interviewed across the catchment area (i.e. Zones 1-6) identified “nothing”. This is higher than the 65.3% who identified “nothing” for the town centre as a whole (question 24).
- Of those that did identify improvements, the responses were wide ranging. Some of the key issues and initiatives include the need for more and better shops (circa 14%), including a department store (1.9%); more/better/cheaper car parking (4.4%); general improvements to the environment (circa 4.2%); and better shops/facilities for the elderly (1.5%).

Summary

- 5.24 Since Festival Place opened in 2002 it has made a significant contribution to the overall vitality and viability of Basingstoke town centre’s retail and leisure offer. It is clearly a successful shopping centre and has attracted a strong mix of multiple retailers to the town centre. Although it is very similar in design terms to other covered shopping centres in the UK, this is balanced by the design and character of Festival Square.
- 5.25 In contrast. The Malls has evolved as a location for mid-range, ‘value’ and discount retailers. This provides an important point of difference to the retail offer in the modern Festival Place scheme and the more independent and specialist retail offer in the historic Top of the Town area. The recent opening of Primark has further consolidated the ‘value-led’ offer in this area and The Malls clearly makes an important contribution to the town centre’s overall vitality and viability. Furthermore, there is a significant opportunity for the area to ‘tap’ into the proposals at Basing View for new office employment and other uses.
- 5.26 Although the Malls will remain a viable retail location in the future, primarily because it is the main ‘gateway’ and pedestrian link from the station to Festival Place, it is a poor shopping and urban environment that is in need of new investment and redevelopment. We consider the potential options for the revitalisation of this important shopping area in more detail in Section 10.

6. 'TOP OF THE TOWN' - HEALTHCHECK

- 6.1 The 'Top of the Town' area is located to the south of the town centre. Our definition of the boundary of this shopping area is based on the Council's 'Vision for Central Basingstoke' and is described in more detail in Section 4 of this study.
- 6.2 The shops and businesses in this area are primarily focussed around the pedestrianised Market Place. The historic part of the town centre has a distinct character in terms of its built form and offer compared with Festival Place and The Malls. Part of this area is also defined as a conservation area, which reflects its more traditional architecture, street pattern and urban form.
- 6.3 The area's key pedestrianised shopping streets include Church Street and Wote Street (which act as an important route from the Market to Festival Place) and the east-west aligned Winchester Street and London Street, centred on Market Place. There are also shops and businesses outside of the pedestrianised area to the west of New Street, along Winchester Road and Winton Square, that contribute to the area's character and diverse offer.

Retail Profile

- 6.4 The Council's 2004 Retail Study identified 114 units in this part of the town centre, whereas our July 2008 audit identified 183 outlets (see **Appendix 8**). The difference between our audit and the 2004 study is explained by the different boundary definitions, as described in Section 4⁷. Table 5.1 below shows the broad profile of the 'Top of the Town' area.

Table 5.1: 'Top of the Town' - Retail Composition

	Top of the Town 2008		National Average
	Number of units	% of total outlets	2007
Convenience	5	2.7%	9.1%
Comparison	38	20.8%	45.0%
Service	118	64.5%	33.3%
Vacant	22	12.0%	11.3%
Total Units	183	100%	100%

Source: Strategic Perspectives audit of shopping area (July 2008). Please note that percentages may not sum due to rounding. (see Appendices 8 and 9).

- 6.5 In terms of its retail mix, the number of convenience goods retailers has decreased from six to five outlets and currently represents only 2.7% of total outlets. This figure is considerably lower than the UK average of 9.1%. The convenience retailers currently trading in the area include two confectionary, tobacco and convenience (CTN's) stores; two sandwich shops and a Polish

⁷ Rapleys 2004 Retail Study defined the 'Top of the Town Area' based on the previous Local Plan's Primary Shopping Area.

delicatessen. These retailers predominantly cater for the day-to-day needs of those working and visiting the area.

- 6.6 Whilst the area has marginally more convenience goods retailers than 'Festival Place' and the 'Malls Area', the 'Top of the Town' does not have a large anchor foodstore to help underpin its overall vitality and viability. We recommend that the Council assess the potential for this area to accommodate a foodstore anchor, to help meet the identified qualitative 'gap' in the town centre's overall offer. However, we accept that there could be significant barriers to the provision of a new foodstore in this area. These include the lack of available sites in this historic part of the town centre that would be both suitable and viable for new development, as well as potential access problems (for both servicing and the public).
- 6.7 The table shows that there are some 38 comparison goods retailers in the Top of the Town. This is equivalent to some 20.8% of total outlets, which is considerably lower than the national average of 45%. Our audit found that none of the UK's top multiple retailers, as defined by Experian, are present in this area. The comparison goods offer differs significantly from the 'Malls Area' and 'Festival Place'. Nevertheless, the area's retail offer comprises a number of independent and specialist retailers, such as bicycle and antique shops, which add to its overall vitality and viability.

Vacancy Levels

- 6.8 The vacancy rate in the 'Top of the Town' is currently 12%, which is slightly above the national average of 11.3%. In comparison we estimate that vacancy levels are lower than for The Malls (15 %), but slightly higher than recorded in Festival Place (10.9%). A more detailed analysis of the units within the area show that there are no significant clusters of vacancies, although there are currently two relatively large units at 21-25 Wote Street (**see Appendix 9**). Overall therefore the 'Top of the Town' appears to be relatively healthy, with limited long term vacancies.

Service Businesses

- 6.9 One of the main issues and potential threats to the 'Top of the Town' as a shopping area appears to be that it has a high and increasing provision of service businesses. Our audit identified some 118 service businesses in the area in July 2008. This is the equivalent to some 64.5% of total outlets, which almost double the national average of 33.3%. The more detailed analysis in **Appendix 9** shows that the service business category comprises the following key uses:
- 18 (Class A1) service businesses. This is equivalent to 9.8 % of total units, which is similar to the national average of 9.9 %. Our audit shows that the majority of businesses in this category are hairdressers and beauticians.

- 41 businesses in the A2 Financial and Professional Services Use Class. This equates to 22.4% of total outlets and is substantially higher than the national average of 9%. Our audit found that the majority of the town's banks, financial services, building societies and estate agents are located in the area.
- 13 restaurants and cafes in the A3 Use Class. The majority of the restaurants specialise in Thai, Indian, Chinese or Italian food.
- 11 Class A4 drinking establishments. The offer is relatively similar, comprising mainly traditional public houses and bars.
- 8 hot food takeaway outlets.

Evening Economy

- 6.10 Although the drinking and eating offer in Top of the Town represents a point of difference to the more mainstream (national) restaurants in the rest of the town centre, the target market for many of these establishments (such as Tonic) is the younger age groups (i.e. thirty years or under). Consequently, as highlighted in our conclusions to Section 5, we question whether this area and the town centre as a whole is serving the needs of other important demographic groups, such as families and the older ('grey') customer. We consider that this represents a major challenge for the town centre, as there is clearly a need to broaden the evening economy offer to cater for the different needs and tastes of the town's wider catchment population.
- 6.11 In our judgement the key issues that need to be considered in the development of a successful and diverse evening economy are whether
- (i) the town centre's drinking and eating offer should be separated into distinct quarters aimed at the different youth and more family-orientated and older age profiles; or
 - (ii) the evening economy should be concentrated into one area.
- 6.12 Both options raise issues of management and policing, as well as tackling customer perceptions of crime and safety at night. Although option (b) would be easier to manage and police, it is unlikely that mixing together the town's evening offer in one area will appeal to the older, more mature visitor and families. If option (a) is preferred, then the Council need to carefully how they sub-divide the centre's evening economy into distinct leisure areas (or 'quarters') that can cater for the different needs of the youth, family and more mature age profiles.

Street Market

- 6.13 The 'Top of the Town' area also has a street market, which is located on Market Place and takes place on Wednesdays and Saturdays. However, this currently comprises a small number of stalls (normally between 10 and 15), selling a mixed range and quality of goods including groceries, clothing, confectionary and pets goods. A Farmers Market specialising in food and groceries also takes place every six weeks.
- 6.14 It is recognised that street markets can help to generate trips and 'spin-off' expenditure for other shops and stores in town centres and often can act as catalysts to revitalise 'failing' shopping areas. However, in the case of Basingstoke's street market it does not have the critical mass of stores or quality of offer to help underpin the vitality and viability of Top of the Town or the wider town centre as a whole. Opportunities to strengthen and extend the street market should therefore be considered as part of the overall strategy for this shopping area to help provide a point of difference ('unique selling proposition') to the other more mainstream shopping areas in the town centre.

Pedestrian Flowcounts

- 6.15 **Appendix 7** sets out the results of the pedestrian flowcounts conducted by PMRS across the town centre and specifically for Top of the Town. The survey shows that the highest footfall was recorded outside Connells Estate Agents at 1 Wote Street. Flowcounts in this location of 44,400 were +6.6% higher than recorded in 2004 and ranked it 12th out of the 32 town centre sites surveyed.
- 6.16 However, in general terms weekly pedestrian flowcounts in Top of the Town are significantly lower than in Festival Place and The Malls. The survey results show that eight out of the 10 locations with the lowest footfall were in Top of the Town. Footfall was lowest outside 37 Church Street and 1 Feathers Lane, with less than 6,000 counts recorded.
- 6.17 The Council's 2004 Retail Study also identified that footfall in Top of the Town was lower on Saturday than Friday. Although the 2008 survey highlighted a similar pattern for some of the locations in 2008, particularly along London Street, other shopping streets in Top of the Town appear to be attracting higher footfall counts on Saturday. For example, Market Place, Winchester Street and the southern ends of Wote Street and Church Street all achieved higher footfall levels on Saturday than Friday. This could be explained by the attraction of the Saturday market and by the increasing choice of eating and drinking establishments in this area. These attractions and others may therefore be helping to offset the potential fall in footfall levels at the weekend that could occur due to the loss of the trips to the area generated by office workers nearby, including from the Council's offices.

6.18 Although footfall levels in the Top of the Town are significantly below those achieved elsewhere in the town centre during the daytime, we consider that the Top of the Town is potentially achieving significantly higher level of footfall in the evenings due to its wide choice of cafes, restaurants and bars. In our view a flowcount survey conducted after 5.00pm would have demonstrated the relative strength, vitality and viability of Top of the Town's evening economy.

Survey Responses

6.19 The household survey asked some specific questions regarding Top of the Town to try and get a better understanding of how people currently perceive this area and how they use it for shopping and other activities. The detailed responses to questions 25 and 26 are set out in **Appendix 2**. Some of the key headline results are as follows:

- Some 38% of all respondents across the catchment area state that they never visit Top of the Town. This varies from a low of 17.2% in Zone 1 (the 'Basingstoke Zone') to a high of 68.4% in Zone 6 who never visit.
- Of the 82.7% in Zone 1 that do visit this area more frequently, some 25% visit at least once a week, 30.2% visit 1-3 times a month and 25.4% visit less often.
- The main reasons why people do visit Top of the Town from across the catchment area (i.e. Zones 1-6) are for non-food shopping (32.7%); visiting the bank, building society or other financial services (16.3%); eating and drinking (9.2%); visiting the Post Office (8.9%); food shopping (3.7%); going to the theatre (3.1%) and cinema (2.9%); visiting the market (2.1%); and visiting the museum (0.5%).
- When asked whether people agreed with the Council's vision to improve this area and for it to become the town centre's cultural focus, only 11% of all respondents disagreed with this broad proposal. The "approval rate" was particularly strong in Zone 1 (69%), but was also relatively strong in Zone 5 (58.2%) and Zone 3 (52.6%).

6.20 The survey also asked people how often they have visited the Haymarket Theatre (question 29c). In response, some 63% indicated that they have never been, ranging from a 'low' of 52.8% in Zone 1 to a 'high' of 80.5% in Zone 6. In general terms the majority of people that do visit the theatre go between 1-4 times a year (38% in Zone 1) and only a small proportion visit once a month or more (6.6% in Zone 1). A higher proportion of all respondents (78.1%) also indicated that they had never visited the town's museums and art galleries (question 29e). Of those that visit, the majority go once a year (12.1% in Zone 1).

Summary

- 6.21 The 'Top of the Town' is an important part of Basingstoke's overall retail offer and attraction, and helps to balance the more mainstream retail offer in Festival Place and The Malls. The area is characterised by a wide diversity of uses and low vacancy levels at ground floor level, which indicates strong viability and compares well with secondary shopping areas in other centres. The area has a relatively high quality townscape and traditional historic urban environment. It also provides an "affordable" location for smaller specialist independent retailers and businesses, as well as the town's twice weekly market. The area's evening economy has also been strengthened by the increased choice of cafes, bars and restaurants.
- 6.22 However, footfall levels in Top of the Town are significantly lower than for Festival Place and The Malls. The area has a limited convenience and comparison goods offer benchmarked against provision in the rest of the town centre and national averages. There is also no major anchor store to help underpin the retail offer and to draw shoppers from Festival Place and The Malls to the area. The high number of Class A2 businesses in this area also means that it could be vulnerable to a downturn in the economy, leading to increased vacancies as the financial and professional services sector contracts.
- 6.23 Overall Top of the Town is an attractive shopping area characterised by an attractive shopping environment with a diverse mix of businesses and attractions. However, in our view its long term vitality and viability will depend on good planning, management and marketing of the area to a wider "audience". We consider the potential options for this area in more detail in our concluding section.

7. DISTRICT & LOCAL CENTRES - HEALTHCHECKS

7.1 This section provides an overview of the relative vitality and viability of the main District and Local Centres in the Borough, which are:

- Chineham District Centre
- Brighton Hill District Centre
- Tadley District Centre
- Whitchurch District Centre
- Overton District Centre
- Kingsclere Local Centre.

7.2 Where possible we have drawn on the key performance indicators set out in PPS6, but inevitably the baseline evidence and level of detail is not as great as for the town centre. For example, there is limited or no information detailing rental levels and yields. As a result, our qualitative (healthcheck) assessment has been informed by updated audits of each centre conducted in July 2008 (the full results for each centre are set out in the tables in **Appendix 10**). In our judgement and experience it therefore provides a sound and robust assessment of the current health and attraction of each centre for shopping and other uses.

7.3 Our assessment has been carried out in the context of PPS6 (Annex A), which defines District Centres as usually comprising groups of shops containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities, such as a library. In contrast, Local Centres are identified as comprising a range of small shops of a local nature, serving a small catchment. PPS6 states that typically local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. Furthermore, in rural areas, large villages may perform the role of a local centre.

Chineham District Centre

7.4 Chineham is located within Basingstoke's urban area, approximately 5km to the north east of the town centre. The District Centre comprises purpose-built retail and service units, and is located adjacent to a hotel and health club. It is accessed from the Reading and Great Binfields Roads. Its wider context is largely residential, albeit a business park lies on the opposite side of the Great Binfields Road to the south.

- 7.5 Chineham was developed in two stages. The first phase opened in the mid-1980's and comprises a total floorspace of 6,797 m² net in a range of unit sizes, anchored by a Tesco superstore (of 4,238 m² net convenience). The second phase of development involved two large Open A1 retail units to the west of the courtyard, providing a total combined floorspace of 3,555 m² net. These units were originally occupied by Alders at Home and Boots Chemist, but Alders has since been replaced after the business was declared bankrupt in 2003/04. The former Alders outlet (Unit E) has since been sub-divided and is currently occupied by Next, Brantano and Matalan.
- 7.6 The centre's retail and service businesses are served (and surrounded) by three surface level car parks, which comprise some 860 car parking spaces. It is also served by the local bus network, with connections to Basingstoke, Tadley and beyond.
- 7.7 As Table 7.1 shows, Chineham comprises 29 retail units and is characterised by a mix of uses across the main retail categories.

Table 7.1: Chineham District Centre - Changes in Retail Profile (% of total outlets)

	2004		2008		
	Number of Outlets	% of total outlets	Number of Outlets	% of total outlets	UK Average (%)
Convenience	4	14.8 %	3	10.3 %	9.1 %
Comparison	15	55.6 %	17	58.6 %	45.2 %
Services	7	25.9 %	8	27.6 %	33.3 %
Vacant	1	3.7%	1	3.4 %	11.1%
Total Units	27		29		

Source: Appendix 10

- 7.8 In terms of the centre's retail mix, there are currently three retailers in the convenience goods category, which is the equivalent to 10.3% of total outlets in the centre. The convenience goods offer is anchored by Tesco (as described above) and is supplemented by an Iceland store and Martins Newsagent. The Tesco store also comprises a customer café, an in-store bakery, a provisions counter, a wet fish area, and a range of comparison goods items.
- 7.9 The 2008 household survey results indicate that Tesco is the most popular foodstore in the Borough (**Appendix 10**). It is achieving a 16.1% market share of all food shopping trips and purchases in Zone 1 (the 'Basingstoke Zone') and a 7.4% share across the whole of the catchment area (i.e. Zones 1-6). In comparison, Morrison's at Worting Road and Sainsbury's at Hatch Warren are achieving market shares of 14.9% and 14.2% from within Zone 1. The Tesco store's primary role is for main 'bulk' food shopping purchases. The survey shows that it has a

- market share of 20% in Zone 1 (**Appendix 4**), compared to 4.5% for 'top-up' shopping (**Appendix 4**).
- 7.10 The centre also has 17 comparison goods retailers, which is the equivalent to 58.6% of total outlets. The main national multiple retailers include Boots and Superdrug, along with fashion and footwear retailers Next, Brantano and Matalan. The other smaller non-food retailers are located around the pedestrianised courtyard area and sell a range of products, including clothing, footwear, photographic equipment, hardware and DIY, furniture/floor coverings and pharmacy products.
- 7.11 There are eight service businesses which is equivalent to 27.6% of total outlets and is marginally below the national average. The key services include a library, hairdresser, opticians, food takeaway, estate agent and a bank. There was also only one vacant unit in the centre at the time of our July 2008 audit, which confirms the overall health and viability of Chineham in the Borough's network of centres.
- 7.12 However, in our judgement the centre is looking tired and dated by modern standards. Its retail offer is largely inward-facing and is surrounded by three surface level car parks. As a result, the centre is not very inviting for car-borne visitors and the pedestrian linkages with surrounding residential areas are also poor in our opinion. The centre is owned by Legal and General and we understand that they have been considering the potential to redevelop the centre for a number of years, although to date no planning application has been submitted. We consider that there is significant potential to improve the centre's shopping environment, to create a high quality mixed use scheme that is more 'welcoming' to shoppers and visitors either travelling by car, bus or walking to the centre. As part of this redevelopment and modernisation it will therefore be important to provide better and safer pedestrian linkages with the surrounding residential areas. The potential for improving the shopping environment and offer could include the provision of a more modern anchor foodstore to better meet the day-to-day and main food shopping purchases of its local resident and catchment population.

Brighton Hill District Centre

- 7.13 Brighton Hill District Centre lies within the built-up area of Basingstoke and is approximately 3km to the south west of the town centre. The centre was built in the mid-1970's, but in 2000 it was failing due to the loss of Sainsbury's, which was its main anchor store. The vacant anchor store was subsequently redeveloped and occupied by Asda Wal-Mart, comprising a sales area of 2,850 m² net (3,716 m² gross). The store offers a full range of convenience goods and some 25% of its sales area is set aside for comparison goods retailing. The development also resulted in an increase in surface level public car parking from 248 to 377 spaces.

- 7.14 The table below shows the changes in the number of units within the designated centre since 2004, disaggregated by retail category.

Table 7.2: Brighton Hill District Centre - Changes in Retail Profile (% of total outlets)

	2004		2008		UK Average (%)
	Number of Outlets	% of total outlets	Number of Outlets	% of total outlets	
Convenience	4	30.8 %	1	6.3 %	9.1 %
Comparison	3	23.1 %	4	25.0%	45.0 %
Services	5	18.5 %	10	62.5 %	33.3 %
Vacant	1	7.7 %	1	6.3 %	11.3 %
Total Units	13		16		

Source: Appendix 10.

- 7.15 As highlighted above, the centre's convenience goods offer is anchored by Asda. The scale, range and depth of the stores' food (and non-food) offer is significantly greater than for most other smaller District Centres in the Borough
- 7.16 The household survey results confirm that the Asda store is a significant food shopping destination. It is achieving a 9.3% share of total convenience goods expenditure in Zone 1 and 7.4% across the catchment area (i.e. Zones 1-6). More detailed analysis of the survey results indicates that it is drawing 9.8% of 'main' food shopping trips and expenditure from Zone 1 and 7.7% of 'top-up' shopping. Overall the store is ranked fourth in the Borough behind the Tesco at Chineham, Morrison's at Worting Road and Sainsbury's at Hatch Warren in terms of its overall market share.
- 7.17 In addition to Asda, the centre comprises a smaller quantum of other retail floorspace (180 m² net) in unit shops offering a range of convenience, comparison goods and services. The centre has four retailers in the comparison goods category, which is the equivalent to 25% of total outlets. This is lower than the national average of 45.0%. These retailers include a pharmacist, a charity shop and two specialist stores selling fabrics and mobility equipment for the elderly. Although, the offer in the comparison goods category is limited, this is balanced by the fact that the Asda store has a good choice and depth of non-food products including 'George' Clothing, electrical items and other comparison goods.
- 7.18 There are ten service businesses in the centre, which equates to 62.5% of total outlets. This is considerably higher than the national average of 33.3%. These include three take-away outlets, a fitness centre (Girl Zone), a veterinary surgery, estate agent, post office, a hairdressers and a bookmakers. The centre's relatively strong service business offer reflects its role as serving the

day-to-day needs of its local resident population, as well as a wider catchment area. Its wider offer also includes Gillies Health Centre, a youth facility and church.

- 7.19 At the time of our audit the centre only had one vacant unit, which is equivalent to a 6.3 % vacancy level. The centre is therefore healthy and viable. It is clear that the development of Asda has been a success in revitalising and regenerating this once 'failing' centre.
- 7.20 In summary, the centre has benefitted from significant investment in the shopping environment and offer due to the development of the Asda store. It is a vital and viable centre and in our judgement is appropriately designated as a District Centre in PPS6 terms.

Whitchurch District Centre

- 7.21 This centre lies in the western part of the Borough, approximately 7km from Basingstoke. Its shops and other uses are focussed on a central junction. Church Street, Bell Street, Newbury Street, London Street and Winchester Street providing a range of shopping, service and community uses. The centre is served by two surface level car parks, located towards the western end of Bell Street and the northern end of Church Street, which each comprise approximately 50 parking spaces.
- 7.22 The table below shows the breakdown of the number of units in the centre by retail category and the changes in its provision since 2004. At the time of our audit in July 2008 we identified 32 retailers, service businesses and vacant units within the centre.

Table 7.3: Whitchurch District Centre - Changes in Retail Profile (% of total outlets)

	2004		2008		
	Number of Outlets	% of total outlets	Number of Outlets	% of total outlets	UK Average (%)
Convenience	6	18.2 %	4	12.5 %	9.1 %
Comparison	13	39.4%	7	21.9 %	45.0 %
Services	11	33.3%	20	62.5 %	33.3 %
Vacant	3	9.1 %	1	3.1 %	11.3 %
Total Units	33		32		

Source: Appendix 10.

- 7.23 In terms of its retail mix, there are four convenience goods retailers in the centre. This is equivalent to 12.5% of total outlets, which is higher than the UK average of 9.1%. Whitchurch's food and convenience goods offer is anchored by a small Somerfield supermarket comprising a total sales area of 200 m² net on Bell Street. This store provides a limited range of alcohol, food, tobacco and other convenience goods, particularly compared with the larger Tesco and Asda stores that anchor the Chineham and Brighton Hill District Centres. The store also has no

-
- dedicated car parking. There is also a Tesco Express (176 m² net) situated in an out-of-centre location at Kingsley Park.
- 7.24 The household survey results confirm that this store is mainly serving the day-to-day more frequent 'top-up' food shopping needs of the local resident population, as well as some passing car-borne trade. For example, it is achieving a 3.8% share of 'main' food trips and expenditure from Zone 2 (the zone in which it is located), but a significantly higher 17.9% market share of 'top-up' expenditure. The other convenience goods provision in the centre comprises smaller independently operated shops, including a butchers, newsagents and local grocery store.
- 7.25 The survey results also indicate that the majority of respondents in Zone 2 are carrying out their main food shopping in Andover town centre and its out-of-centre foodstores, which are achieving a market share of 29.1%, or in Newbury which is achieving a 54.4% market share from Zone 2. In contrast, only a small proportion of trips and expenditure from Zone 2 are going to Basingstoke's foodstores (i.e. 7.6% excluding Somerfield in Whitchurch). Although Andover and Newbury could be as convenient for residents in Zone 2 as Whitchurch, it nevertheless suggests at a high level that there could be potential to improve the scale and quality of this District Centre's food offer.
- 7.26 The centre had some thirteen comparison goods shops in 2004, but this had fallen to seven in 2008. Currently comparison goods retailing represents 21.9% of total outlets which is below the national average of 45%. The offer comprises mainly smaller independent businesses providing a range of goods, including pharmaceuticals, hardware and specialist glass products and wedding dresses.
- 7.27 There are also a number of service business uses in Classes A2 and A3/A4/A5 which help to generate regular trips and footfall throughout the centre, thereby contributing to its overall vitality and viability. These include business in the following categories - estate agency, bank/building societies, solicitors, public house and food takeaway. There are also a number of community uses in and around the centre that contribute to the attraction of the centre and help to promote linked trips with other shops, services and facilities in the centre.
- 7.28 In 2004 the vacancy rate in Whitchurch stood at 9.1%, however at the time of our audit in July 2008 this rate had fallen to 3.1% with only one identified vacant unit. In PPS6 terms this is a strong indicator of the centres attraction, health and viability.
- 7.29 The centre is reasonably attractive, although the fact that it is centred on a road junction does result in occasional traffic congestion, which can have an adverse impact on the attractiveness of the centre for shoppers.

7.30 Whitchurch functions as a small District Centre, catering for the day-to-day, predominantly convenience goods shopping needs of its local resident population, as well as some passing car-borne trade. The 2004 Retail Study concluded that the centre provides a reasonable choice of convenience and comparison goods with associated services, albeit that the range and choice is not extensive. The 2008 audit of the centre has indicated a fall in the number of convenience and comparison shops since 2004, and an increase in the number of service businesses. This trend will need to be monitored by the council to ensure that the trend towards service business users does not diminish in the centre's overall convenience and comparison offer. Nevertheless, that said, vacancy levels in the centre have fallen between 2004 and 2008, which is a positive indicator of a healthy and viable centre. Although we conclude that the centre is healthy and viable, we also consider that there could be potential to improve the scale and quality of its food offer to help achieve a stronger market share within its catchment and generate more sustainable shopping patterns.

Overton District Centre

7.31 Overton lies between Basingstoke and Whitchurch, approximately 12km to the west of Basingstoke Town Centre. The main commercial uses in this centre are focussed on the London Road and Winchester Street crossroads. As the table below shows, there are some 32 retail and service businesses in the centre, which is the same as recorded in 2004.

Table 7.4: Overton District Centre - Changes in Retail Profile (% of total outlets)

	2004		2008		UK Average (%)
	Number of Outlets	% of total outlets	Number of Outlets	% of total outlets	
Convenience	7	21.9 %	5	15.6 %	9.1 %
Comparison	10	31.3 %	10	31.3 %	45.0 %
Services	14	43.8 %	17	53.1 %	33.3 %
Vacant	1	3.1 %	0	-	11.3 %
Total Units	32		32		

Source: Appendix 10.

7.32 In terms of its retail mix, there are five convenience goods retailers in the centre, which is the equivalent to 15.6% of total outlets. The centre's food and convenience goods offer is anchored by a small Co-op supermarket on Winchester Street. This store comprises a limited range of food and other convenience goods, as well as a sub-post office. Other convenience goods outlets comprise a One Stop local convenience store, a baker, butcher and wine merchant.

- 7.33 The household survey results indicate that the centre is achieving a minimal market share of main food shops trips in Zone 1 (0.4%), but its share of 'top-up' trips and expenditure is higher at 4.0%, with the Co-Op achieving a 2.1% share.
- 7.34 The centre has ten comparison goods retailers, which is the same as in 2004 and represents 31.3% of total outlets. Although this figure is below the national average, the retailers are independent local businesses, specialising in giftware, hardware/DIY and picture framing.
- 7.35 The centre's retail offer is supported by some 17 service businesses. These include a hairdresser, beauty salon, dry cleaner, restaurant, a public house and a travel agent. There is also a library, church hall and veterinary practice.
- 7.36 Our audit and the survey results confirm that Overton functions as a small District Centre, primarily serving the day-to-day food and convenience goods shopping needs of its local residents. The 2004 Retail Study identified that there was scope for a qualitative enhancement of its shopping offer, particularly convenience goods offer. The Co-op is the main foodstore for the centre, but according to the household survey the majority of residents undertake their main food shopping in larger foodstores convenient to where they live, including Sainsbury's at Hatch Warren and Asda at Brighton Hill.

Tadley District Centre

- 7.37 Tadley is a rural settlement located approximately 11km to the north of Basingstoke Town Centre. The facilities in the centre primarily serve Tadley's residents and the nearby settlements of Baughurst and Pamber Heath. The table below shows the changes in the centre's retail profile between 2004 and 2008.

Table 7.5: Tadley District Centre - Changes in Retail Profile (% of total outlets)

	2004		2008		
	Number of Outlets	% of total outlets	Number of Outlets	% of total outlets	UK Average (%)
Convenience	5	22.7	2	9.5 %	9.1 %
Comparison	9	40.9	6	28.6 %	45.0 %
Services	8	36.4	12	57.1 %	33.3 %
Vacant	0	0	1	4.8 %	11.1%
Total Units	22		21		

Source: Appendix 10.

- 7.38 There are two convenience goods retailers in centre. This equates to 9.5% of the total outlets and is slightly above the national average of 9.1%. The centre is anchored by a Sainsbury's supermarket, which was developed on the site of a smaller supermarket (operated by Budgens)

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- and a 1980's retail precinct. The Sainsbury store opened in February 2004 and has a sales area of 2,000 m² net, served by an adjacent public car park comprising 200 spaces. Sainsbury's has permission for an extension that will increase the store's sales area to 3,270 m² net.
- 7.39 The survey results show that Sainsbury's is achieving a 8.7% share of total food shopping trips and expenditure in Zone 1 and 4.7% across the catchment area (i.e. Zones 1-6). This is similar to the market share of the Asda at Brighton Hill. More detailed analysis of the survey results indicates that the Sainsbury's market share of main food trips and expenditure in Zone 1 is 9.3% and its share of 'top-up' shopping is 6.9%. The store is also drawing shoppers and expenditure from Zone 3.
- 7.40 The number of comparison goods retailers has decreased from nine to six outlets between 2004 and 2008. The comparison goods retailers are independently operated and include a florists, hardware shop, a business selling musical instruments and motor vehicle parts. The centre also has a St Michaels Hospice Charity Shop.
- 7.41 Tadley's retail offer also comprises twelve service businesses. This is equivalent to 57.1% of total units and is considerably higher than the national average. These businesses include a hairdressers, a bookmaker, a travel agents, a dry cleaners and an estate agent. Tadley also has a number of other community and service uses available to its residents, including a library, post office, bank and public house. These uses are an important component of a successful District Centre's offer, role and function.
- 7.42 At the time of our audit in July 2008 the centre only had one vacant unit. This is equivalent to 4.8% of total outlets, which is below the national average of 11.1%. Tadley therefore appears to be a healthy and viable centre.
- 7.43 In addition to the retail and service businesses offer in the centre, there are three further local shopping parades at Heath End Lane, Bishops Wood Road and Franklin Avenue. The latter is anchored by a Co-Op convenience store, whilst a Tesco Express store is located 1.6 miles to the west of Tadley in Baughurst. The survey results confirm that these stores primarily serve 'top-up' food shopping needs. For example, the Tesco Express store has a 1.1% share of top-up shopping trips and expenditure in Zone 1 and the Co-Op at Giles Walk achieves a 2.9% market share.
- 7.44 The 2004 Retail Study identified a general perceived increase in visitors to the centre following the opening of the new foodstore. The survey results confirm that Tadley's role and attraction as a District Centre in the Borough's network of centres has been strengthened by the opening of the Sainsbury's store. The introduction of this supermarket has increase the retention of local consumers and expenditure in the centre, and reduced the frequency of trips to other out-of-town

stores located further away in Basingstoke, Reading and Newbury. The rest of the District Centre's businesses and facilities should have also benefitted through increased visits, linked trips, footfall and expenditure. In summary, Tadley is a vital and viable centre and is appropriately designated as a District Centre in PPS6 terms.

Kingsclere Local Centre

- 7.45 Kingsclere Local Centre is a village situated approximately 12km to the north west of the Basingstoke Town Centre. The centre is characterised by terraced and semi-detached 19th Century properties, some of which have been converted into retail and commercial uses. The centre's retail uses are interspersed with residential uses and there is not a continuous retail frontage.
- 7.46 Kingsclere's retail offer is centred around the junction of Swan Street and George Street with St Mary's Church providing the focal point of the village at this junction. The centre is served by a surface level car park to the rear of shops in Anchor Yard, with on-street parking available around the shopping area. As the table below shows, the centre comprises a total of 17 retail and service units, the majority of which are located in Swan Street.

Table 7.6: Kingsclere Local Centre - Changes in Retail Profile (% of total outlets)

	2004		2008		
	Number of Outlets	% of total outlets	Number of Outlets	% of total outlets	UK Average (%)
Convenience	4	23.5 %	4	23.5%	9.1%
Comparison	5	29.4 %	6	35.3%	45.0%
Services	8	47.1 %	7	41.2%	33.3%
Vacant	0	0 %	0	0%	11.1%
Total Units	17		17		

Source: Appendix 10.

- 7.47 In terms of retail mix, there are four convenience goods retailers, which is the equivalent to 23.5% of total outlets. Whilst this figure is nearly twice the national average, the centre is not anchored by a large foodstore, but by four smaller stores including a butchers, a Bakery and two small convenience stores (including Costcutter).
- 7.48 The range and depth of convenience goods offer in Kingsclere is more limited than larger District Centres in the Borough, such as Chineham, Brighton Hill and Tadley, which are anchored by a large foodstore. This is confirmed by the survey results which show that Kingsclere is not attracting shopping trips and expenditure for main food purchases. Its market share for 'top-up-shopping is 2.4% from Zone 1 (the 'Basingstoke Zone').

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- 7.49 The centre has six comparison goods outlets, which is equivalent to 35.3% of the total outlets. Whilst this figure is lower than the national average, its non-food offer adequately serves the day-to-day needs of its local residents and comprises a pharmacy, a florist, and book shop and a gift shop. Kingsclere also has seven outlets in the service business category, which include two public houses, a restaurant, a post office, a hairdressers, an estate agents and a Veterinary Surgery. There are no vacant units in the centre and this was also the case in 2004. This indicates that the centre is relatively healthy and viable.
- 7.50 Kingsclere is a small Local Centre offering a limited range of good and primarily meets the day-to-day convenience goods shopping and service needs of its local population, in accordance with the PPS6 definition of the main characteristics and uses of such centres. This is a role that should be maintained and, where possible, enhanced.

Local Shops

- 7.51 There are a number of local shopping parades in the Borough. These are broadly defined as small clusters of shops, generally comprising three or more Class A1 units. PPS6 (Annex A) defines small parades of shops as having a purely neighbourhood significance and they are not regarded as centres in the PPS6 typologies of centres. We have not carried out an analysis of the number and mix of retail and service businesses in these local centres as this was not part of the Council's Brief. Nevertheless, we understand that there have been limited changes in provision since the Council's previous retail study.
- 7.52 There are currently nine shopping parades in Basingstoke Urban Area comprising one or two larger shops that primarily serve the needs of a predominantly local walk-in resident population, as well as potentially serve a wider catchment and attract passing car-borne trade. Elsewhere in the Borough, local parades are concentrated in three settlements – Tadley, Old Basing and East Oakley. In addition, there are a number of small groupings and individual shops throughout the Borough.
- 7.53 These smaller shopping parades and clusters of shops have an important function and role in the Borough's network of shopping. They provide easily accessible convenience goods, food and services to meet the day-to-day needs of nearby residential areas. For most shoppers these complement the larger facilities available in the Borough's town, district and local centres, as well as the free-standing foodstores and retail warehouses. Nevertheless a proportion of the Borough's less mobile population are also dependent upon these more accessible shops and services for their wider shopping needs.
- 7.54 The survey results show that, in total, the other local supermarkets and convenience stores in the Borough are achieving a market share of 'top-up' food shopping trips and expenditure of circa

15.7% from Zone 1 (the 'Basingstoke Zone'). Of these, the Tesco Express stores at Kempshott, Lychpit Centre and Popley are achieving a combined market share of 6.1%, and the Co-Op store at Kings Road, South Ham, is achieving a share of 1.3%. The survey confirms that none of the smaller supermarkets and stores are key destinations for main food shopping, with only Tesco Express at Kempshott achieving a market share of 0.7%.

- 7.55 In the Borough's rural areas, the larger settlements are reasonably well provided with convenience goods shopping facilities and services, although the 2004 Retail Study did identify the potential for qualitative enhancement in some centres. Approximately half of the other smaller villages are served by individual local shops, but the remainder rely for all their shopping needs on facilities elsewhere, including shops outside the Borough.

Summary

- 7.56 Our qualitative (healthcheck) assessment has been carried out in the context of PPS6's typologies of centres and we conclude that overall the Borough's District and Local Centres, as well as the smaller shopping parades, are vital and viable.
- 7.57 In general terms the District Centres are characterised by a good mix of convenience, comparison and service businesses, along with a range of other health and communities facilities, including libraries, doctor surgeries, churches, youth centres, etc. The role, attraction and performance of Brighton Hill, Chineham and Tadley District Centres is largely underpinned by a major foodstore anchor. These centres and their anchor foodstores all appear to be performing well. However Chineham is looking tired and dated by modern standards and would benefit from an improvement and extension to its shopping environment, possibly to include a larger, more modern anchor foodstore that better meets the needs of local residents and the centre's wider catchment population, in a preferred location.
- 7.58 With regard to the other smaller District and Local Centres, our qualitative assessment has indicated that they are all performing well and have limited vacancies. We advise the Council that their offer and attraction should be maintained and enhanced, as they provide important shops and facilities for their local communities and catchment populations. We do consider, however, that there could be potential to strengthen the convenience and food offer in Whitchurch, if a development site can be identified in the centre.

8. OUT OF CENTRE SHOPPING PROVISION

- 8.1 This section identifies the main out-of-centre comparison and convenience shopping facilities in the Borough area.

Out-of-Centre Food Superstores

- 8.2 There are a number of out-of-centre food superstores in the Borough that are competing for main and 'top-up' food shopping trips and expenditure. These stores have a total convenience goods sales area of circa 9,859 m² net, which represents some 38.6% of the total convenience goods provision in the Borough of 25,529 m² net (see Table 1, **Appendix 11**). The main out-of-centre stores are WM Morrison at Worting Road, Sainsbury's at Hatch Warren and the smaller Somerfield store at Winklebury Way. The following describes these main stores in more detail below.

Morrison's (Ringway West / Worting Road)

- 8.3 This store is located approximately 1km to the west of the town centre and is accessed from both Ringway West and Worting Road. The unit was formerly occupied by Safeway and comprises a gross floorspace of 7,060 m² (3,716 m² net), served by approximately 700 surface level car parking spaces. The store provides a standard range of grocery and convenience items and we estimate that circa 10% of its net sales area is also devoted to comparison goods retailing. It also includes photograph processing and dry cleaners. The store has a separate but associated petrol filling station and car wash, along with ATM's.
- 8.4 The survey results show that it is achieving the second highest market share of convenience goods trips and expenditure in Zone 1 (14.9%), after Tesco at Chineham. More detailed analysis shows that its market share of main food shopping in Zone 1 is 17.1%, with a more limited draw from the other zones. Its market share of 'top-up' shopping in Zone 1 is lower, at 8.2%.

Sainsbury's (Hatch Warren)

- 8.5 This purpose-built food superstore is located on the edge of the built-up area. It is also contiguous with the Hatch Warren Retail Park and shares car parking with two of the non-food units. Based on information provided by Sainsbury's planning consultants, we understand that the store's net floorspace extends to 4,913 m² and it is served by an adjacent surface level 627-space car park. The store offers a full Sainsbury's range of goods, including a delicatessen, bakery and fresh meat, wet fish and cheese counters. It also comprises comparison goods floorspace and a

number of in-store concessionary units, including dry cleaning, shoe repairs and photographic processing. The store has a petrol filling station and ATMs.

- 8.6 The survey results indicate that Sainsbury's is achieving a market share of main food shopping trips and expenditure of 16.7% in Zone 1, 8.1% in Zone 3 and a more limited penetration on other zones. For 'top-up' shopping its market share is less, at 6.9% in Zone 1. Across the whole catchment area (i.e. Zones 1-6) the store's total market share is 7.3%, which is the same as for the Morrison's at Worthing Road.

Somerfield (Winklebury Way)

- 8.7 This smaller purpose-built free-standing supermarket is located some 2km to the north west of the town centre. It comprises a gross floor area of 1,616 m² (1,013 m² net) and its offer comprises a standard range of convenience goods for a store of its size. It does not benefit from any specialist counters within the store, although we understand that it does provide a home delivery service. The store is served by an 80-space adjoining surface level car parking and there are no time or charging restrictions.
- 8.8 The survey results show that this store mainly performs a 'top-up' shopping role in Zone 1, from where it draws 5.6% of all trips and expenditure. Its market share of main food trips and expenditure is less, at 1.3%, and its draw does not extend beyond Zone 1.

Out-of-Centre Retail Warehouses

- 8.9 There are two main retail parks (Brighton Hill and Hatch Warren Retail Parks) outside the Borough's main centres, along with a 'cluster' of retail warehouses along Winchester Road. Other free-standing retail warehouses include the MFI on Reading Road, B&Q at Lister Road, the new Wickes store at Churchill Way West and a number of other outlets occupied by national, regional and local operators (see Table 2, **Appendix 11** for more detail).
- 8.10 Overall we estimate that the Borough's retail warehouses have a total comparison goods sales area of circa 34,720 m². This represents approximately one-third of all comparison goods floorspace in the Borough. The Borough's main out-of-centre retail warehouse offer is described in more detail below.

Brighton Hill Retail Park

- 8.11 This purpose-built retail park opened in 1996 and has a total estimated floorspace of 8,875 m² gross (7,575 m² net). The six retailers trading in the retail park are Toy R Us; Currys; PC World; JJB Sports; Harveys and Carpetright. Its retail offer is supplemented by McDonalds and Pizza

Hut. The units are set out in a single block fronting the surface level car park for 480 cars and extending to Brighton Hill roundabout. The retail park therefore offers a relatively wide range of comparison goods, including goods that are bulky in nature.

- 8.12 The survey results show that it is achieving a 3.3% market share of all comparison goods trips and expenditure across the catchment area (i.e. Zones 1-6), although its share from Zone 1 (the 'Basingstoke Zone') is higher at 6.2% (see **Appendix 4**). In terms of its market share of trips and expenditure on the different categories of comparison goods in Zone 1 only, the survey results indicate that it is achieving a more significant draw for the following – 'furniture and carpets' (15.8%), 'household appliances' (27.5%) and 'audio-visual appliances' (23.0%). It is achieving a limited or no market share for the other categories.

Hatch Warren

- 8.13 This retail park comprises eight retail outlets and is located to the south of the Sainsbury foodstore. The non-food units comprise a total estimated gross floorspace of 5,847 m² (4,950 m² net). Two of the units in this area are more closely integrated with the Sainsbury's store, in terms of access and layout (namely Mothercare World and Tiles R Us). The other retail warehouses are separated from these operators by the main access road and a significant change in levels. The key operators trading from the retail park include Pets at Home, Argos Extra and Dreams.
- 8.14 The survey results (see **Appendix 4**) indicate that the comparison goods floorspace at Hatch Warren is achieving a relatively small market share of total comparison goods shopping trips and expenditure in the wider catchment area (0.9%) and from Zone 1 (1.4%). In terms of its market share of trips and expenditure on the different categories of comparison goods in Zone 1 only, the survey results indicate that it is achieving a more limited market share than Brighton Hill Retail Park. Its highest market shares are for the following categories - 'furniture and carpets' (2.9%), 'household appliances' (3.7%) and 'audio-visual appliances' (2.7%). It is achieving a limited or no market share for the other categories and is also not drawing significant trips and expenditure from outside Zone 1.

Winchester Road

- 8.15 The retail warehouses along this road are largely grouped to the south of Brighton Hill Retail Park. Although the five retail warehouses are in close proximity, they were developed at different times. Together they comprise a total estimated gross floorspace of 8,775 m² (7,459 m² net). The main retailers in this area include Homebase; Staples; Halfords; Comet; Allied Carpets; and Maplin.
- 8.16 The survey results show that the combined market share of these operators from across the catchment area (i.e. Zones 1-6) is 1.8%, with a 3.8% share of trips and expenditure in Zone 1. In

terms of their market share of trips and expenditure on the different categories of comparison goods in Zone 1 only, the highest market shares achieved by specific operators are in the following categories - 'furniture and carpets' (Allied Carpets - 2.6%), 'DIY, hardware and garden products' (Homebase - 23.1%) and 'audio-visual appliances' (Comet – 7.3%). The stores are achieving a limited or no market share for the other categories.

Other Retail Warehouses

- 8.17 Other major retail warehouses in the Borough include the B&Q at Lister Road (2,720 m² net); MFI at Reading Road (2,720 m² net); and the recently opened Wickes store at Churchill Way West (2,926 m² net), close to the Morrison's foodstore. According to the survey results the B&Q is achieving a 27.0% share of trips and expenditure on DIY, hardware and garden products from Zone 1, whereas the MFI and new Wickes store are achieving much smaller shares of trips and expenditure.
- 8.18 In January 2006 permission was granted, following an Appeal Inquiry, for both the Wickes store identified above and a B&Q Warehouse comprising a gross floorspace of 13,419 m² (7,959 m² net) to replace the smaller B&Q store at Lister Road. The application site is located off the A30 (Winchester Road) and Harrow Way. The detailed permission also includes a garden centre, builder's yard and a small cafe, to be served by some 476 car parking spaces. However, this permission has still not been implemented and, given the time that has lapsed, it is our understanding that the store may not now be developed.
- 8.19 Other retailers trading from free-standing retail warehouses and units in the Borough area include Bathstore, Brewers Paints, Howdens Kitchens and Reading Warehouse (see **Appendix 11**). The survey results show that these stores are achieving a more modest 0.6% market share of all comparison goods trips and expenditure in Zone 1, and have a minimal draw from outside Zone 1.

Out-of-Centre Retailing and the Impact on the Borough's Shopping Patterns

- 8.20 The survey results indicate that all the Borough's town centre and out-of-centre foodstores are achieving a total market share of convenience goods trips in Zone 1 (the 'Basingstoke Zone') of 84.2%. Of this total, the out-of-centre foodstores are achieving an estimated market share of 34.6%. The market share levels achieved by the Borough's stores are much lower in Zones 2 to 6 due to the influence of competing centres and foodstores. Total market share levels range from 5.4% (Zone 5) to 15.3% (Zone 3), with the Borough's out-of-centre foodstores achieving a relatively strong market share in Zone 3 of 11.6%.

- 8.21 The out-of-centre retail warehouse floorspace is achieving a total market share of comparison goods expenditure in the wider catchment area (i.e. Zones 1-6) of 8.3%. As Table 8.1 shows, the highest market share is achieved in Zone 1 of 15.5%. The table also provides a more detailed breakdown of the market share of trips and expenditure on the different categories of comparison goods.

Table 8.1: Basingstoke's Retail Warehouses – Market Share of Comparison Goods Categories (2008)

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6
ALL COMPARISON GOODS:	15.5%	0.8%	1.2%	2.6%	3.6%	1.4%
- Clothing & Footwear	-	-	-	-	-	-
- Furniture Carpets & Floorcoverings	25.0%	2.0%	-	7.4%	4.1%	-
- Household Textiles	7.7%	-	-	1.5%	1.5%	-
- Household Appliances	32.6%	1.6%	3.4%	4.4%	8.7%	1.0%
- Audio-Visual Equipment	34.8%	-	-	6.5%	7.6%	2.4%
- DIY, Hardware & Garden Products	55.0%	4.7%	9.4%	7.1%	13.5%	4.5%
- Chemists, Medical & Beauty Products	4.8%	-	-	-	-	-
- All Other Comparison Goods	3.1%	-	-	-	1.6%	2.2%

Source: Appendix 4 (Tables 1-9)

- 8.22 Based on the reasonable assumption that Zone 1 represents a realistic catchment area for the Borough's retail warehouses, then the table shows that Basingstoke's existing offer is achieving a relatively strong market share of trips and expenditure in the following categories – '*DIY, hardware and garden products*', '*household appliances*', '*audio-visual appliances*' and, to a lesser degree, '*furniture and carpets*'. The market share of other comparison goods categories is more limited, mainly because the other categories are traditionally sold on the 'High Street'.
- 8.23 Given the scale, quality and choice of competing centres and retail warehouses outside of Zone 1 and the wider Borough area, we do not consider that the Borough's retail warehouses will necessarily be able to 'claw back' significant expenditure from these zones.
- 8.24 Table 8.2 below provides a more detailed understanding of the current 'retention' of trips and expenditure in Zone 1 (the 'Basingstoke Zone') and the potential 'leakage' from Zone 1 to other shops and stores outside this area.
- 8.25 In our experience, a 'retention level' of all shopping trips and expenditure in a centre or store's catchment area of between 70-75% is a good benchmark. However, it is not possible to be prescriptive as to a specific 'threshold', as clearly the 'retention level' will depend on the location, scale, quality, choice and accessibility of competing centres and stores elsewhere. In simple

terms, the greater the provision of competing centres and stores outside the defined catchment area, the more likely it is that the 'leakage' of trips and expenditure will be higher.

Table 8.2: Basingstoke's Retail Warehouses – Market Share of Comparison Goods Categories (2008)

	ZONE 1 ONLY				Total Market Share
	Basingstoke's Centres & Stores:			Centres & Stores Outside Zone 1	
	Town Centre	Retail Warehouses	Other		
ALL COMPARISON GOODS:	54.3%	15.5%	8.4%	21.8%	100%
- Clothing & Footwear	76.5%	-	2.6%	20.9%	100%
- Furniture Carpets & Floorcoverings	36.8%	25.0%	3.3%	34.9%	100%
- Household Textiles	58.9%	7.7%	3.4%	30.0%	100%
- Household Appliances	30.2%	32.6%	4.4%	32.8%	100%
- Audio-Visual Equipment	33.0%	34.8%	8.4%	23.8%	100%
- DIY, Hardware & Garden Products	23.8%	55.0%	3.7%	17.5%	100%
- Chemists, Medical & Beauty Products	39.9%	4.8%	42.1%	13.2%	100%
- All Other Comparison Goods	75.6%	3.1%	1.9%	19.4%	100%

Source: Appendix 4 (Tables 1-9)

- 8.28 Nevertheless, assuming that Zone 1 does represent a reasonable 'primary' catchment area for the Borough's centres and stores, then the table does show that there could be potential to increase the scale and quality of provision in the following comparison goods categories in order to try and 'claw back' a proportion of the expenditure 'leaking' from Zone 1 to competing stores and centres – *'furniture and carpets'*, *'household appliances'* and *'household textiles'*.
- 8.29 If new retail developments are proposed specifically for some or all of the different categories of comparison goods retailing then they should be directed to 'town centres first' in accordance with national, regional and local planning policy guidance.

Summary

- 8.30 Overall Basingstoke has a good provision of out-of-centre foodstores and large format retail warehouse operators. In policy terms any identified need for new comparison and convenience goods floorspace should be directed to town centre and edge-of-centre sites in the first instance, unless it can be demonstrated that there are no sequential sites that suitable, viable and available to accommodate the development proposed and it will not have an adverse impact on the overall vitality and viability of existing centres.

9. 'BASELINE' QUANTITATIVE NEED ASSESSMENT

- 9.1 This section sets out the key assumptions and projections underpinning our assessment of the quantitative need (capacity) for new comparison and convenience goods retail floorspace in Basingstoke and Deane Borough over the forecast period.
- 9.2 The methodology and the evidence base are described in more detail in the appended *Explanatory Note (Appendix 12)* and should be read in conjunction with this section. The detailed tabulations for the 'baseline' comparison and convenience goods capacity forecasts are set out in **Appendix 13** and **Appendix 14** respectively.

Methodology

- 9.3 In developing our methodology we have drawn on the guidance set out in PPS6, along with established best practice and our extensive experience in this field (see **Appendix 12** for a more detailed explanation of the methodology and key baseline assumptions). Strategic Perspectives LLP has developed an Excel Spreadsheet Model to forecast retail capacity based on a traditional step-by-step approach.
- 9.4 The definition of the study (or catchment) area is the important first step in the capacity assessment. In this case we have defined a realistic and robust boundary for the catchment area using postcode districts and sectors as a framework for our analysis (see **Appendix 1**). We have sub-divided the catchment into six zones for the purpose of the household interview survey and subsequent forecasting, as described in **Appendix 12**. The Plan shows that Zones 1 and 2 broadly correspond to the Borough area.
- 9.5 The wider catchment area (i.e. Zones 3 – 6) broadly reflects the higher order shopping function of Basingstoke town centre's comparison goods shopping. However, this wider catchment area does not necessarily represent a realistic catchment for the smaller centres, free-standing foodstores and out-of-centre shopping facilities in the Borough. These centres and stores will typically have more tightly defined catchment areas due to the limited scale, quality, range and attraction of their retail offer compared with other alternative and more accessible shopping locations. When determining applications for new retail floorspace, particularly in out-of-centre locations, we therefore advise the Council to assess as a first principle whether the defined catchment area is realistic and well related to the size and function of the proposed development and takes account of competing centres and stores. This is an important consideration, as it will have implications for the impact and need assessments, as well as the 'search area' for the sequential test.

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- 9.6 Based on our catchment area definition the next step involved commissioning Research & Marketing Limited to carry out a (random) telephone interview survey of some 1,000 households across the catchment area, weighted by the population in each of the six zones. The questionnaire and results of this survey are set out in **Appendix 2** to this study. The survey results provide a broad picture of shopping patterns for both convenience and comparison goods, and specifically for the eight different categories of comparison goods shopping. For convenience goods, the survey included questions on 'main' (question 1) and 'top-up' (question 9) food shopping. For a more detailed description of the methodology please refer to **Appendix 12**.

Base Year Population Estimates and Forecasts

- 9.7 The 'Baseline' population estimates and forecasts provided by Experian Business Strategies (EBS) in the '*Retail Planner*' Reports identify a total population of 338,120 in 2007 (see Table 1, **Appendices 13 and 14**). The population in Zones 1 and 2 (equivalent to the 'Borough area') is 184,328.
- 9.8 The total catchment population is projected to increase to 342,703 in 2011 and 348,740 by 2016 based on EBS forecasts. This is equivalent to an overall growth of +2.9% between 2008 and 2016. Up to 2031 the total catchment area population is projected to increase to 368,937, which represents an 8.8% growth between 2008 and 2031.
- 9.9 Please note however that the EBS population forecasts for the Borough area do not take into account the plan-led housing growth trajectories identified by the emerging South East Plan. We have tested the 'sensitivity' of the capacity assessment based on these different housing growth trajectories in more detail in Section 10.

Base Year Expenditure Per Capita Estimates and Forecasts

- 9.10 The average (unadjusted) expenditure estimates for comparison and convenience goods in 2008 (at 2006 prices) are set out in Table 2 (**Appendices 13 and 14**). For most zones the average expenditure is above the UK average for comparison and convenience goods of £2,850 and £1,649 per capita respectively. This reflects the above average socio-economic profile of the resident population.
- 9.11 Based on the most recent EBS forecasts and projections we have assumed a mid-range growth rate of +0.8% per annum for convenience goods expenditure⁸ and +3.8% per annum for

⁸ The Council's 2004 Retail Study assumed a forecast growth in convenience goods expenditure of +0.2% per annum based on MapInfo's long term trend (Information Brief 04/02).

comparison goods retailing⁹. In our judgement these forecasts are both robust and realistic, as they take into account the impact of UK macroeconomic forecast variables on consumer spending and confidence (such as, for example, forecast changes in disposable incomes and inflation). We nevertheless recommend that the Council monitors the changes in expenditure growth forecasts over time and updates the retail capacity assessment as and when appropriate.

- 9.12 In carrying out our assessment we have necessarily made an allowance for non-store retail sales, or sales by '*special forms of trading*' (SFT) at the outset (see Appendix 12 for a more detailed explanation). Drawing on the recent research evidence published by both Experian and Verdict¹⁰, we assume that SFT's market share of average convenience goods expenditure will increase from 5.6% in 2008 to 7.3% by 2016. For comparison goods expenditure we assume that SFT's market share will increase from 12.1% to 14.4% between 2008 and 2016.
- 9.13 After 2016 we assume that the market shares for both comparison and convenience goods will 'flat line' at these levels (see Table 3, **Appendix 13 – 14**). However it is important to note that forecasts of the potential growth in SFT and specifically Internet shopping are subject to significant uncertainty and variations in projections. We therefore recommend that the Council monitors the research relating to the growth in e-tailing and adjusts the growth rates in accordance with the latest forecasts.

Total Available Expenditure and Growth

- 9.14 After making an allowance for SFT at the base year, we estimate that there is some £982 million (Table 4, **Appendix 13**) of available comparison goods expenditure in the catchment area in 2008 and £555 million of convenience goods expenditure (Table 4, **Appendix 14**).
- 9.15 The tables show that there is a +35.0% (+£344m) forecast growth in comparison goods expenditure between 2008 and 2016, with a further +84.0% (+£1,127m) increase between 2016 and 2031. For convenience goods there is a more modest forecast growth of +7.3% (+£41m) up to 2016, followed by a +19.2% (+£114m) increase between 2016 and 2031.
- 9.16 The forecast growth in total comparison goods expenditure is therefore significantly greater than for convenience goods. This effectively means that there will be greater potential residual expenditure growth available to support new non-food retailing than for convenience goods floorspace, after taking account of new commitments and the improved 'productivity' ('efficiency')

⁹ The Council's 2004 Retail Study assumed a forecast growth in comparison goods expenditure of +3.9% per annum between 2004 and 2011, and +3.5% per annum between 2004 and 2016 based on MapInfo's Information Brief 04/02.

¹⁰ Verdict Research Limited, 'e-Retail 2008'.

of existing floorspace, as advised by PPS6. We describe the results of our capacity assessment in more detail later in this section.

Catchment Area Shopping Patterns and Market Shares

- 9.17 The market shares derived from the household survey are a key input to the capacity model. Tables 1-3 (**Appendix 3**) set out the (weighted) market shares of total convenience goods expenditure in each of the six zones achieved by the main foodstores and other convenience goods floorspace. As explained above, this average is based on the combination of the results of the questions about main food and top-up food shopping.
- 9.18 For comparison goods, the tables in **Appendix 4** set out the weighted market shares of available expenditure for the main centres and out-of-centre stores from each zone based on the survey results for the eight categories of comparison goods expenditure, weighted by the expenditure per capita for each category (as identified by Experian's *'Retail Planner'* Report).
- 9.19 We have described the results of the household survey in some detail in previous sections, particularly in terms of the overall attraction, market shares and performance of Basingstoke town centre, the Borough's smaller District and Local Centres, and the main out-of-centre foodstores and retail warehouse.

Estimated Trade Draw from Outside Catchment Area

- 9.20 In order to provide a more realistic assessment of the turnover performance of the Borough's main centres and stores it is necessary to consider whether they currently draw shoppers and expenditure from beyond the defined catchment area. Such an assessment can usually be informed by in-centre and exit surveys to help establish where shoppers and visitors live. In this case it has not been possible to carry out surveys in all the main centres and stores in the Borough area. We have therefore necessarily made informed assumptions as to the trade draw of shoppers and retail expenditure from outside the catchment area (i.e. Zones 1-6).
- 9.21 Given the scale and quality of foodstore provision both within and outside the study area, it is our judgement that the Borough's stores do not draw any substantial trips or expenditure from outside the catchment area.
- 9.22 However, for comparison goods we have assumed that the Borough's shops and stores will draw some 15% of total expenditure from outside the catchment area. This additional expenditure will, in our view, primarily be drawn to the town centre and to the Festival Place shopping centre, which we consider has substantially increased the attraction of the town to shoppers living outside

the study area. The trade draw estimate also reflects the fact that a proportion of the Borough's workforce lives outside the catchment area, but will shop in the town centre.

Existing Floorspace

- 9.23 For convenience goods our estimates of the gross and net sales area of the main foodstores in the Borough's main centres and in out-of-centre locations are set out in Table 1 of **Appendix 11**. Our estimates are based on a number of different sources. As a starting point we have referred to the Council's 2004 Retail Study. We have then subsequently updated the floorspace figures based on the information published by the Institute of Grocery Distribution (IGD), which is usually sourced directly from the main grocery retailers. Where relevant, we have also updated the floorspace estimates based on information provided by the Council based on recent planning applications for new stores and/or extensions.
- 9.24 For comparison goods we have primarily used the floorspace estimates set out in the Council's 2004 Retail Study for the town centre and the Borough's smaller centres. As far as we are aware there has been no substantial new development in the Borough's existing centres since 2004. We therefore conclude that the comparison goods floorspace stock has not changed significantly up to 2008 (Table 2, **Appendix 11**). For out-of-centre retail warehouse and comparison goods floorspace we have also drawn on the 2004 Retail Study and updated the original estimates based on information provided by the Council and set out in recent planning applications.

'Benchmark' and 'Survey-Based' Turnover Estimates

- 9.25 Having established the total available spending in the catchment area (i.e. the demand side of the economic assessment), the next step in the economic assessment is to estimate the turnover of the existing comparison and convenience goods floorspace in the Borough's main centres and stores.
- 9.26 It is common practice to determine turnover levels using two approaches (also see **Appendix 12** for a more detailed explanation):
- The first approach determines the so-called '**potential**' turnover performance of centres and stores based on the allocation of expenditure to floorspace using the market share levels derived from the household survey. Table 5 (**Appendix 13**) and Table 5 (**Appendix 14**) set out the estimates of 'potential' comparison and convenience goods turnover in 2008.
 - The second approach estimates the '**benchmark**' turnover performance of stores and centres based on published national company average sales densities derived from Mintel or Verdict Research and other research evidence.

- 9.27 It is important to note that the 'benchmark' turnover levels do not necessarily represent the actual turnover of a store or centre. Nevertheless, comparisons between the 'potential' and 'benchmark' turnover levels can provide a sound evidence base for assessing current shopping patterns against the supply of retail floorspace in the defined catchment, as well as identifying the performance and potential quantitative need for new retailing.
- 9.28 Table 1 (**Appendix 11**) sets out the 'benchmark' turnover levels for convenience goods retailing based on the company averages for individual grocery retailers published by Mintel in the latest 'UK Retail Rankings'. Table 2 (**Appendix 11**) also sets out our estimates of the average sales densities of specific retailers in the Borough's out-of-centre retail warehouses and parks based on Mintel's research. In the case of the Borough's town centre and smaller centres, we have necessarily referred to the turnover levels assumed in the Council's 2004 Retail Study to inform our judgements. This approach is preferred as it ensures a degree of consistency between our assessment and the Council's earlier study.
- 9.29 The 'benchmark' turnover levels of all existing comparison and convenience goods floorspace is then projected forward to the design year (2031) assuming an allowance for some claim on spending growth by existing retailers and floorspace due to increased 'productivity' ('efficiency') in their trading performance. In this case we have assumed a 'productivity' growth rate of +1.5% per annum for comparison goods floorspace and +0.5% per annum for convenience goods retailing (also see **Appendix 12**).
- 9.30 Please note that our 'baseline' capacity scenario assumes that there will be no change in the market shares of available comparison and convenience goods expenditure allocated to existing centres and stores in the catchment area up to 2031. As a result, the growth in the 'potential' comparison and convenience goods turnover of existing centres and stores is determined by the forecast growth in total available expenditure. However, the commercial reality is that market shares of existing centres and stores will rise and/or fall over time depending on the location, scale and impact of new retail developments in the Borough area, the catchment and wider sub-region.

New Developments and Commitments

- 9.31 Table 6 (**Appendix 13**) identifies all the main comparison and convenience floorspace commitments within the Borough, as provided by the local planning authority. This new floorspace will have 'first call' on any forecast residual expenditure (capacity) over the short to medium term. The main commitments identified are:
- (i) the Sainsbury's extension at Mulfords Hill, Tadley. This will comprise a net additional convenience goods sales area of 1,270 m². We assume that it will trade at circa 50% of

Sainsbury's company average, which is an approach accepted by the Inspectorate and First Secretary of State at Inquiries;

- (ii) a modest 29 m² extension to the net convenience sales area of the existing WM Morrison store at Worting Road, which forms a part of the wider upgrade and reconfiguration of the store; and
- (iii) the outstanding permission granted at Appeal for a new B&Q Warehouse at Winchester Road to replace the existing smaller store at Lister Road¹¹.

9.32 Please note that the commitments modelled exclude the foodstore proposed as part of the North Popley / Merton Rise development on the northern edge of Basingstoke. We understand from the Council that this has outline consent and is included in the Section 106 for the site. However the phasing of the scheme has not been identified and we understand its delivery is uncertain at this stage.

9.33 Our comparison goods retail capacity assessment also excludes the retail warehouse scheme at 120-122 Worting Road which was granted permission in December 2008, after we had finalised the detailed modelling. This scheme will comprise 2,781 m² gross of Class A1 retail floorspace and is conditioned for DIY and building materials; hardware; furniture, carpets and floor covering; textiles, soft furnishing and homewares; electrical goods; and office supplies.

9.34 In addition, there are major new retail floorspace commitments and proposals in neighbouring local authority areas that could impact on shopping and expenditure patterns identified within the catchment area (i.e. Zones 1-6). These new commitments and proposals were described in some detail in Section 4. Amongst others, these include new developments in Winchester, Newbury and Camberley town centres, as well as the major regeneration and transformation of Bracknell town centre¹².

Baseline Capacity Assessment

9.35 Building on the baseline position discussed above, we have modelled the residual convenience and comparison goods expenditure available to support additional new retail floorspace in the Basingstoke and Deane Borough area, after taking account of all existing development and commitments.

¹¹ It is our understanding that the permitted store may not be developed as planned.

¹² Please note that for the purpose of the capacity assessment we have not modelled the potential impact of these other commitments and proposals on market shares over the forecast period.

9.36 This 'Baseline' capacity assessment is based on the population estimates and projections provided by Experian Business Strategies. Section 10 tests the sensitivity of the 'baseline' capacity forecast based on the alternative dwelling allocations identified for the emerging South East Plan and the Council's own preferred allocations. These assessments will enable the local planning authority to make informed policy choices about where growth and capacity should be met, depending on a range of other considerations including site availability.

Comparison Goods Capacity Assessment

9.37 Table 7 (**Appendix 13**) sets out the detailed results of our baseline capacity assessment for new comparison goods floorspace. This is based on the key assumptions described above and assumes constant market shares over the forecast period.

9.38 Step 10 identifies the residual expenditure (capacity) forecasts available to support new comparison goods retailing. We have then converted this residual expenditure to equivalent net comparison retail sales floorspace based on the policy assumption that this new floorspace should be directed to town centres "first" in accordance with the sequential approach. We have therefore assumed that this new floorspace will achieve a "typical" average sales level for a "high street" retailer of circa £6,000 per m². This is informed by the current trading performance of Basingstoke town centre and also our understanding of the average turnover levels assumed for centres of a similar size, attraction and role in their catchment areas.

9.39 Nevertheless, based on the company average sales densities of "large format" retailers published by Mintel and Verdict, it is clear that individual retailers trade at turnover levels significantly above and below this assumed average. For example, retailers in the DIY, carpet/floor coverings and furniture sectors generally achieve lower average sales levels of between £1,500 per m² and £4,000 per m², whereas electrical goods retailers such as PC World and Comet are achieving average sales of over £7,000 per m². These differences in sales levels will have implications for the assessment of the need for and impact of individual retailers. It will also be a key consideration for the local planning authority in assessing and determining future applications for "large format" retailing, particularly in the form of retail warehouses.

9.40 The table below sets out the headline results of the 'Baseline' capacity forecast.

Table 9.1: Basingstoke & Deane Borough - Comparison Goods Floorspace Capacity (m² net)

	2008	2011	2016	2021	2026	2031
WITH COMMITMENTS:						
Residual Expenditure (£ million):	-	£18.8	£104.3	£218.0	£365.4	£553.8
Net Floorspace Capacity (m²):	-	3,000	15,430	29,940	46,580	65,540
WITHOUT COMMITMENTS:						
Residual Expenditure (£ million):	-	£37.7	£123.7	£237.9	£385.7	£547.7
Net Floorspace Capacity (m²):	-	6,010	18,300	32,670	49,180	68,010

Source: Appendix 13 (Table 7)

Notes: The forecasts are cumulative (i.e. the forecasts for each year include the forecasts for the previous years and are not additional to the earlier forecasts) and have been rounded.

- 9.41 The forecasts show that there is capacity for 3,000 m² of new comparison goods floorspace by 2011, after allowing for the B&Q commitment. If this store is not developed as planned, then this will increase the capacity to 6,010 m² at 2011. By 2016 the potential capacity for new comparison goods sales area increases to between 15,430 m² and 18,300 m², with and without all new commitments. Over the longer term, up to 2031, there is forecast capacity for between 65,540 and 68,010 m² net of new comparison goods retailing.
- 9.42 For the reasons set out earlier in the section, medium to long term forecasts are inherently less certain. As a result, we advise the local planning authority that the identified floorspace capacity forecasts should only be considered as a broad indication of the potential for new retail development, rather than as a maximum or minimum threshold (or 'target') that should necessarily be met.
- 9.43 These forecasts are also based on constant market shares and do not, therefore, take account of changing shopping patterns that can arise from new development, either in Basingstoke town centre in the future or in competing centres in neighbouring local planning authorities. This will be one of a number of important considerations for the Council when assessing and determining future planning applications. For example, if an opportunity is identified for a large scheme in the town centre or a sequentially preferable edge-of-centre site, then this could increase the town centre's market share of comparison goods expenditure in the Borough and wider catchment area. Any uplift in market shares arising from new development would, therefore, generate additional residual expenditure and forecast capacity for new floorspace over and above the forecasts identified by this study.
- 9.44 Finally, Government advice in PPS6 (paragraph 2.34) is clear that quantitative need assessments should comprise a realistic assessment of the forecast expenditure for specific classes of goods

to be sold, within the broad categories of comparison and convenience goods. We have not therefore disaggregated these broad retail categories into 'finer' expenditure groups for our capacity assessment, as PPS6 is clear that these specific classes of goods and expenditure should be directed to town centres first in accordance with the sequential approach. Nevertheless, to help inform our assessment of the need for additional comparison goods retail floorspace in Basingstoke, Section 8 does include a high level analysis of the market shares of the Borough's main centres and out-of-centre stores on each of the eight main sub-categories of comparison goods expenditure within the catchment area.

Convenience Goods Capacity Assessment

9.45 Our assessment of the residual spend available to support new convenience goods retailing over the forecast period is based on the key assumptions and forecasts set out above.

9.46 Table 6 (**Appendix 14**) sets out the key steps in our retail capacity assessment. Step 10 identifies the residual expenditure (capacity) forecasts available to support new convenience goods retailing over the forecast period after allowing for known commitments. We have then converted this residual expenditure to equivalent net convenience retail sales floorspace using the following different average sales levels in order to provide a broad indication of the different formats of food retailing that could be supported:

- **Scenario 1: Major Food Retailers** – Based on the company averages of the 'top 6' grocery retailers (namely Tesco, Sainsbury's, WM Morrisons, Asda, Waitrose and M&S Simply Food) we estimate that a large format foodstore could achieve a 'benchmark' average sales density of between £9,500 per m² and £10,500 per m² at the base year. In order to convert the forecast residual expenditure into an equivalent net sales area we have therefore assumed a mid-range average sales density of £10,000 per m². However, it is important to note that some of the larger format foodstore operators trade above this average 'benchmark' turnover level (such as Tesco for example), whereas others currently trade below this level (such as Sainsbury's).
- **Scenario 2: 'Deep Discounter' / Supermarket Retailers** – For smaller supermarket formats (such as Somerfield, Budgens, Iceland and Co-Op) and discount foodstore operators (namely Aldi, Lidl and Netto), we estimate that they could achieve an overall 'benchmark' average sales density of between £4,000 per m² and £4,500 per m² at the base year. In order to convert the forecast residual expenditure into an equivalent net sales area we have therefore assumed a mid-range average sales density of £4,000 per m². As for large format retailers, some of the smaller supermarkets trade above this average 'benchmark' (such as Somerfield) and some retailers reportedly trade below this level (namely Lidl).

- 9.47 Table 9.2 below summarises the results of the capacity forecasts detailed in Table 6 (**Appendix 14**) for both 'large format' and 'discount' foodstore retailing in the Borough area.

Table 9.2: Convenience Goods Floorspace Capacity (m² net)

	2008	2011	2016	2021	2026	2031
Residual Expenditure (£ million):	£24.1	£25.3	£34.0	£44.2	£55.5	£67.7
Net Floorspace Capacity (m²):						
- <i>Large Format Foodstore</i>	2,410	2,500	3,270	4,150	5,070	6,030
- <i>Deep Discounter Foodstore</i>	4,830	4,990	6,540	8,290	10,150	12,070

Source: Appendix 14 (Table 6)

Notes: The forecasts are cumulative (i.e. the forecasts for each year include the forecasts for the previous years and are not additional to the earlier forecasts) and have been rounded.

- 9.48 The 'Baseline' capacity forecasts identify the potential capacity for a larger food superstore format of some 2,500 m² net in 2011, increasing to 4,150 m² net by 2021 and 6,030 m² net by 2031. Assuming a gross to net floorspace ratio of circa 65% and that approximately 25% of the net sales area of a larger foodstore would (on average) comprise non-food retailing, then this indicates the potential for a foodstore of circa 3,330 m² net (5,120 m² gross) by 2011.
- 9.49 For a smaller discount supermarket format, the forecasts indicate the potential for circa 4,990 m² net of new convenience goods retailing in 2011, rising to 10,150 m² net by 2026 and 12,070 m² net by 2031. Given that operators such as Aldi and Lidl generally require a net sales area of between 1,500 m² and 2,000 m² for new stores, then this suggests that there could be potential for up to two 'deep discounters' or smaller format supermarkets in the Borough over the short term (i.e. up to 2011). Please note that this assumes no permissions for new larger format stores over the same period, or redevelopment/extensions of existing foodstores (such as Tesco at Chineham), over and above the existing commitments identified.

Summary

- 9.50 This section has identified the 'Baseline' capacity for new convenience and comparison goods retail floorspace up to 2031 assuming the Experian population projections.
- 9.51 Forecasts over the medium to long term are inherently less certain. We therefore advise the local planning authority that the identified capacity should only be considered as a broad indication of the potential for new retail development, rather than as a maximum or minimum threshold (or 'target') that should necessarily be met.

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- 9.52 All forecast capacity should be directed to town centres in the first instance, in accordance with national, regional and local retail planning policy guidance. We have therefore not differentiated between town centre and out-of-centre locations in our capacity forecasts.
- 9.53 The forecasts are based on constant market shares and do not, therefore, take account of changing shopping patterns that can arise from new development. For example, any uplift in market shares arising from new development could generate additional residual expenditure and forecast capacity for new floorspace over and above the forecasts identified by this study. This will be one of a number of important considerations for the Council when assessing and determining future planning applications.

10. QUANTITATIVE NEED ASSESSMENT: 'SENSITIVITY' ANALYSIS

10.1 The 'Baseline' capacity forecasts set out in Section 9 are based on the population projections provided by Experian. Although these projections are widely used for retail studies, they do not necessarily take full account of plan-led housing allocations and population forecasts. As a result, we have carried out a 'sensitivity' analysis of the different plan-led population forecasts identified for the emerging South East Plan, in order to assess the overall impact on the retail capacity assessment.

Population Growth Scenarios

10.2 The strategic importance of Basingstoke is recognised through reference to a number of published documents, which identifies the town as a *Regional Hub* and a *Primary Centre* in the emerging South East Plan, a *'Diamond for Investment and Economic Growth'* in the Regional Economic Strategy, and as a *'Growth Point'* by the Government. Accordingly, the levels of growth that the Borough is expected to accommodate are high. The following scenarios for different housing completion rates have been identified by the Council up to 2026:

- **Scenario 1:** 945 dwellings per year - as set out in the recently published Modifications to the Plan.
- **Scenario 2:** 895 dwellings per year - as set out in the Panel Report on the South East Plan.
- **Scenario 3:** 740 dwellings per year - as preferred by the Borough Council and put forward at the examination.

10.3 In terms of the location of new development, the Proposed Changes to the draft South East Plan notes in policy WCBV1 that where it is not possible to identify appropriate sites in existing built-up areas, sustainable greenfield allocations should be focused on key settlements, including Basingstoke where other constraints do not prevent this.

10.4 The Panel Report into the examination of the draft South East Plan recognises that locations to the East and West have previously been considered through the review of the Local Plan and it recognises in paragraph 21.77 that *"...both areas were regarded as environmentally unconstrained and each had the capacity to accommodate 6 - 8,000 dwellings, the Local Plan inspector felt that neither area was needed until post 2016."* Given this guidance, the Borough Council has framed its Issues and Options document for the emerging Core Strategy around the potential allocation of land on the edge of Basingstoke to meet the Borough's needs. The areas being considered are shown on page 25 of the Issues and Options document.

10.5 In progressing to the next stage of the Core Strategy, the Borough Council will be looking to identify the most appropriate location(s) for growth, taking into account the advice provided by the Panel and in the Proposed Changes to the South East Plan, as well as the results of the Strategic Housing Land Availability Assessment. Given this, the key areas for consideration will include land to the east and west of Basingstoke, in addition to other locations to the north of the town. It is likely that the development will take the form of one Major Development Area, potentially two, depending on expected delivery rates, infrastructure etc.

Population Growth Forecasts – ‘Sensitivity’ Analysis

10.6 The ‘sensitivity’ analysis tests the impact of the different housing completion and population growth scenarios on the capacity for new comparison and convenience goods floorspace up to 2031.

10.7 For our revision to the ‘Baseline’ capacity assessment, we have only updated the population forecasts for Zone 1 based on the three different housing completion scenarios. This is because Zone 1 is the area where the majority of the new housing will be developed, possibly in the form of one or more Major Development Areas.

10.8 The table below summarises the differences between the ‘Baseline’ population growth forecasts (based on Experian’s figures) for Zone 1 only and the revised forecasts provided by the Council (based on the three different housing completion scenarios).

Table 10.1: Population Growth Forecasts for Zone 1 only – Sensitivity Assessment (2008 - 2031)

	2008	2011	2016	2021	2026	2031
‘Baseline’ Assessment:	157,937	160,373	164,328	168,136	172,091	176,194
Scenario 1: 945 dwellings per year	159,999	164,503	170,852	177,236	184,109	191,220
Scenario 2: 895 dwellings per year	159,752	163,885	169,647	175,475	181,692	188,234
Scenario 3: 740 dwellings per year	159,643	163,611	167,524	171,575	176,057	180,587

Source: Based on growth rates provided by Basingstoke & Deane Borough Council (see Appendix 15)

10.9 For the purpose of our assessment we have assumed that the average annualised population growth forecast between 2008 and 2026 continues for the five year forecast period to 2031. This results in the following different population growth forecasts between 2008 and 2031:

- ‘Baseline’: +11.6%
- Scenario 1: +19.5%
- Scenario 2: +17.8%
- Scenario 3: +13.1%

- 10.10 The following analysis 'tests' the impact of these different population growth forecasts for both the comparison and convenience retail capacity assessments.

Comparison Goods Capacity Assessment – 'Sensitivity' Analysis

- 10.11 The detailed results of the revised comparison goods capacity assessments for scenarios 1 – 3 are set out in Appendix 15 and summarised below.

Table 10.2: Comparison Goods Capacity Assessment (m² net) – Sensitivity Analysis

	2008	2011	2016	2021	2026	2031
'Baseline' Assessment:	-	3,000	15,430	29,940	46,580	65,540
Scenario 1: 945 dwellings per year	-	4,580	18,230	34,300	52,970	74,540
Scenario 2: 895 dwellings per year	-	4,350	17,710	33,460	51,720	72,750
Scenario 3: 740 dwellings per year	-	4,240	16,800	31,590	48,700	68,170

Source: Appendix 15

Notes: Capacity forecasts represent residual net floorspace after allowing for all commitments.

- 10.12 The 'sensitivity' analysis shows a capacity forecast range for the 'high' and 'low' housing completion rates of between 16,800 m² and 18,230 m² net up to 2016. This compares with the 'Baseline' capacity forecast of 15,430 m². By 2031 the forecasts range from 68,170 m² to 74,540 m² net, benchmarked against the 'Baseline' capacity of 65,540 m².

Convenience Goods Capacity Assessment – 'Sensitivity' Analysis

- 10.13 The detailed results of the revised convenience goods capacity assessments for scenarios 1 – 3 are set out in Appendix 15. The table below summarises the capacity forecasts for 'large format' retailers only.

Table 10.3: Convenience Goods Capacity Assessment (sq.m net) – Sensitivity Analysis

	2008	2011	2016	2021	2026	2031
'Baseline' Assessment:	2,410	2,500	3,270	4,150	5,070	6,030
Scenario 1: 945 dwellings per year	2,690	3,010	4,080	5,270	6,560	7,930
Scenario 2: 895 dwellings per year	2,660	2,940	3,930	5,060	6,270	7,560
Scenario 3: 740 dwellings per year	2,640	2,900	3,680	4,590	5,590	6,610

Source: Appendix 15

Notes: Capacity forecasts represent residual net floorspace after allowing for all commitments.

- 10.14 The capacity forecasts for convenience goods floorspace range from 3,680 m² to 4,080 m² net in 2016. This compares with the 'Baseline' capacity forecast of 3,270 m². By 2031 the range is from 6,610 m² to 7,930 m² net, benchmarked against the 'Baseline' capacity of 6,030 m².

Major Development Areas – ‘Sensitivity’ Analysis

- 10.15 As part of our ‘sensitivity’ analysis we have also tested the potential need for new comparison and convenience goods floorspace that could be required if circa 6,000 to 8,000 new dwellings are provided in the form of a Major Development Area (MDA).
- 10.16 For the purpose of our assessment we have assumed that 8,000 new dwellings will be developed in a location outside of the town centre after 2016 and that the average occupancy levels will be 1.5 persons per dwelling. This results in a total population of 12,000 people in 2016. However, we accept that this may under-estimate the size of the population if the new homes are primarily targeted at families and higher average dwelling occupancy levels are achieved.
- 10.17 The following sets out the headline results of our capacity assessment as to the new comparison and convenience goods retail floorspace that could potentially be provided as part of any significant MDA. The more detailed tabulations can be found in **Appendix 16**.

Convenience Goods Capacity

- 10.18 Table 1 (Appendix 16) sets out the key stages in our high level capacity assessment. Assuming an average expenditure level of £1,742 per capita in 2016 (at 2006 prices), we estimate that the MDA population of 12,000 could generate £20.9m of convenience goods expenditure.
- 10.19 If all of this expenditure (i.e. 100%) is retained within the MDA (i.e. assuming no ‘leakage’ of expenditure to other shops and stores elsewhere in the Borough), then this would generate capacity for a large superstore format of 2,010 m² net in 2016 trading at an average sales density of £10,400 per m², or a supermarket / ‘deep discounter’ format of 4,020 m² based on an average sales level of £5,200 per m².
- 10.20 However, the reality is that not all of the available convenience goods expenditure will be ‘retained’ by the MDA. Assuming that there will be a reasonable 25% ‘leakage’ of expenditure to other shops and stores outside the MDA, then Table 2 (Appendix 16) shows that there would be capacity for a superstore format of circa 1,510 m² in 2016, or a supermarket / ‘deep discounter’ format of 3,010 m² net.

Comparison Goods Capacity

- 10.21 For comparison goods retailing we have assumed an average expenditure level of £3,875 per m² in 2016 (at 2006 prices), which results in a total comparison goods expenditure of £46.5m generated by the MDA’s estimated population of 12,000 people.

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- 10.22 In Table 3 (Appendix 16) we have assumed that all this expenditure is available to support new comparison goods floorspace in the MDA. If this floorspace achieves an average sales density comparable to that assumed for new retail development in the town centre (i.e. £6,759 per m² in 2016), then we forecast capacity for 6,870 m² net of new comparison goods retailing in 2016.
- 10.23 The forecast capacity increases to 9,620 m² by 2031 assuming no change in the MDA's population. However, clearly there is potential for the MDA's population to change significantly up to 2031. The Council will need to take account of this, along with the impact of potentially higher average household sizes.
- 10.24 Table 4 (Appendix 16) tests a more realistic scenario which assumes that some two-thirds of the comparison goods expenditure generated by the population in the MDA will naturally 'flow' to other shops and stores outside the area. For example a significant proportion of the available retail expenditure will be spent in Basingstoke town centre, out-of-centre shopping locations and other competing centres and stores in the Borough and beyond.
- 10.25 If it is assumed that £15.5m of comparison goods expenditure is 'retained' within the MDA, then this will support 2,290 m² net of new retail floorspace in 2016, rising to 3,210 m² by 2031.

Summary

- 10.26 The 'sensitivity' analysis of the impact of the different housing completion levels on the capacity forecasts has identified a range for new comparison goods floorspace of between 16,800 m² and 18,230 m² in 2016, benchmarked against the 'baseline' capacity figure of 15,430 m². The capacity increases to between 68,170 m² and 74,540 m² by 2031, which is above the 'baseline' capacity figure of 65,540 m².
- 10.27 For convenience goods retailing the range is between 3,680 m² and 4,080 m² in 2016, benchmarked against the 'baseline' capacity figure of 3,270 m². By 2031 the capacity range increases to between 6,610 m² and 7,930 m², which is above the 'baseline' capacity figure of 6,030 m².
- 10.28 Overall the different housing completion rates identified for the emerging South East Plan do not appear to have a dramatic impact on the capacity forecasts for new retail floorspace, particularly over the short to medium term up to 2016. This confirms that significant variations in retail capacity forecasts generally arise from changes to expenditure growth inputs rather than to population forecasts.
- 10.29 With regard to the potential for up to 8,000 new dwellings to be provided as part of a Major Development Area (MDA), our high level capacity forecasts have identified the potential for a

population of circa 12,000 people to support either a large superstore format of 1,510 m² net in 2016, or a supermarket / “deep discounter” of 3,010 m². As part of a more comprehensive mixed use commercial development to meet the daily and weekly shopping needs of the MDA population, we also forecast the potential for circa 2,290 m² of new comparison goods floorspace in 2016.

11. CONCLUSIONS

- 11.1 This study provides a strategic borough-wide assessment needs assessment for new retail floorspace in Basingstoke to help inform the Council's development plan document. It provides a sound framework based on robust baseline evidence to guide the shopping needs of the Borough up to 2011, 2016, 2021 and beyond. The principal findings and recommendations of the analysis are set out in this concluding section.

The Context for Growth

- 11.2 The retail and urban landscape has changed dramatically over the last two decades. Increased car ownership has resulted in greater household mobility and therefore the choices of shopping locations and the distances that can be travelled are much greater. The so-called 'three waves' of retail decentralisation has resulted in substantial new comparison and convenience goods retail floorspace being developed in out-of-centre locations. Over the last five years the growth of Internet shopping has taken an increasing market share of retail sales and this is set to continue as the availability of the Internet and computers increases.
- 11.3 There has also been a long-term polarisation of new retail development and investment in the country's top 50-100 larger centres, such as Basingstoke. In some cases this has further weakened the vitality and viability of those smaller and medium-sized centres that are also competing with out-of-centre shopping locations. Where smaller centres have been unable to diversify their offer or create niche markets they have generally suffered. The focus on urban renewal has increased demand for town centre sites for a wider range of land uses. At the same time, the national multiple retailer and leisure operators have become increasingly "space hungry". The requirement for larger stores and buildings to accommodate the wider product offer of the national operators has intensified over the last five years. For example, Next opened a 4-storey 13,935 m² anchor store in Manchester 2005 as part of the redevelopment of the Arndale Centre which comprises Next's full retail offer. In turn, this is placing increased pressure on local planning authorities to identify and allocate larger sites in town centres for comprehensive retail and mixed use developments. These trends present significant opportunities and challenges to the Borough's centres.
- 11.4 Retailers have also continued to evolve their formats and offer, particularly in the grocery sector. The tighter policy controls on out-of-centre retailing over the last decade, along with changing demographic and socio-economic trends, has resulted in the main foodstore operators and larger format retailers "returning to the high street". In order to maintain and increase their market share of the grocery sector, retailers such as Tesco and Sainsbury's have "moved" into the convenience goods sector through the rapid expansion of their respective Express and Local stores. The

major foodstore operators are also developing major mixed use schemes in town centre locations, generally comprising a superstore as anchor along with a mix of other complementary uses, including residential, offices and leisure. At the same time, the foodstore operators are increasing the comparison goods offer in their existing stores through extensions and as part of the wider offer of new store proposals. Some of the larger superstores are emerging as typical variety or department stores. This trend could represent a threat to smaller centres, where the larger out-of-centre stores evolve into one-stop shopping destinations.

- 11.5 National retail trends and recent forecasts by Experian Business Strategies (EBS) indicate a continued long-term growth in incomes and expenditure, albeit not at such strong levels as experienced in the last 15-20 years. The growth in expenditure will primarily be focused on comparison goods, with a limited growth in convenience goods expenditure. Over the short term (i.e. the next 2-3 years) the impact of the “credit-crunch” and global economic downturn could result in growth rates below the average growth trend forecast by Experian Business Strategies.

The Economic Capacity for Growth

- 11.6 The ‘Baseline’ quantitative need assessment forecasts a potential capacity for 3,000 m² of new comparison goods floorspace by 2011, assuming that the B&Q commitment is developed as planned (see Table 11.1 below). If the B&Q store is not developed, then the increase in residual expenditure results in a potential capacity for 6,010 m² of comparison goods retailing.
- 11.7 By 2016 the potential capacity for new comparison goods sales area increases to between 15,430 m² and 18,300 m², with and without all new commitments. Over the longer term, up to 2031, there is forecast capacity for between 65,540 m² and 68,010 m² net of new comparison goods retailing.

Table 11.1: Basingstoke & Deane Borough - Comparison Goods Floorspace Capacity (m² net)

	2008	2011	2016	2021	2026	2031
WITH COMMITMENTS:						
Residual Expenditure (£ million):	-	£18.8	£104.3	£218.0	£365.4	£553.8
Net Floorspace Capacity (m²):	-	3,000	15,430	29,940	46,580	65,540
WITHOUT COMMITMENTS:						
Residual Expenditure (£ million):	-	£37.7	£123.7	£237.9	£385.7	£547.7
Net Floorspace Capacity (m²):	-	6,010	18,300	32,670	49,180	68,010

Source: Appendix 13

Notes: The forecasts are cumulative (i.e. the forecasts for each year include the forecasts for the previous years and are not additional to the earlier forecasts).

The commitments do not include the permission for 2,781 m² gross of conditioned comparison goods floorspace granted in December 2008

- 11.8 We have also carried out a 'sensitivity' analysis for the Council of the impact of the different annual housing completion rates identified for the emerging South East Plan on the 'Baseline' retail capacity assessment. As Table 11.2 shows, we forecast a higher potential capacity for between 4,240 m² and 4,580 m² net of new comparison goods floorspace in 2011, rising to between 68,170 m² and 74,540 m² by 2031.

Table 11.2: Comparison Goods Capacity Assessment (m² net) – Sensitivity Analysis

	2008	2011	2016	2021	2026	2031
'Baseline' Assessment:	-	3,000	15,430	29,940	46,580	65,540
Scenario 1: 945 dwellings per year	-	4,580	18,230	34,300	52,970	74,540
Scenario 2: 895 dwellings per year	-	4,350	17,710	33,460	51,720	72,750
Scenario 3: 740 dwellings per year	-	4,240	16,800	31,590	48,700	68,170

Source: Appendix 15

Notes: Capacity forecasts represent residual net floorspace after allowing for all commitments.

The commitments do not include the permission for 2,781 m² gross of conditioned comparison goods floorspace granted in December 2008

- 11.9 For convenience goods retailing, the 'Baseline' capacity forecasts identify the potential capacity for a larger food superstore format of some 2,500 m² net in 2011, increasing to 4,150 m² net by 2021 and 6,030 m² net by 2031 (see Table 11.3 below). Assuming a gross to net floorspace ratio of circa 65% and that approximately 25% of the net sales area of a larger foodstore would (on average) comprise non-food retailing, then this indicates the potential for a food store of circa 3,330 m² net (5,120 m² gross) by 2011.

Table 11.3: Convenience Goods Floorspace Capacity (m² net)

	2008	2011	2016	2021	2026	2031
Residual Expenditure (£ million):	£24.1	£25.3	£34.0	£44.2	£55.5	£67.7
Net Floorspace Capacity (m²):						
- <i>Large Format Foodstore</i>	2,410	2,500	3,270	4,150	5,070	6,030
- <i>Deep Discounter Foodstore</i>	4,830	4,990	6,540	8,290	10,150	12,070

Source: Appendix 14

Notes: The forecasts are cumulative (i.e. the forecasts for each year include the forecasts for the previous years and are not additional to the earlier forecasts).

The commitments do not include the outline consent for a foodstore as part of the North Popley / Merton Rise development on the northern edge of Basingstoke.

- 11.10 For a smaller 'deep discounter' / supermarket format, the forecasts indicate the potential for circa 4,990 m² net in 2011, rising to 10,150 m² net by 2026 and 12,070 m² net by 2031. Given that operators such as Aldi and Lidl generally require a minimum net sales area of between 1,500 m²

and 2,000 m² for new stores, then this suggests that there could be potential for up to two 'deep discounters' or smaller format supermarkets in the Borough over the short term (i.e. up to 2011). Please note that this assumes no permissions for new larger format stores over the same period, or redevelopment/extensions of existing food stores (such as Tesco at Chineham), over and above the existing commitments identified.

- 11.11 The detailed results of our 'sensitivity' analysis for convenience goods retailing are summarised in the table below for 'large format' retailers only.

Table 11.4: Convenience Goods Capacity Assessment (m² net) – Sensitivity Analysis

	2008	2011	2016	2021	2026	2031
'Baseline' Assessment:	2,410	2,500	3,270	4,150	5,070	6,030
Scenario 1: 945 dwellings per year	2,690	3,010	4,080	5,270	6,560	7,930
Scenario 2: 895 dwellings per year	2,660	2,940	3,930	5,060	6,270	7,560
Scenario 3: 740 dwellings per year	2,640	2,900	3,680	4,590	5,590	6,610

Source: Appendix 15

Notes: Capacity forecasts represent residual net floorspace after allowing for all commitments, except for the outline consent for a foodstore as part of the North Popley / Merton Rise development on the northern edge of Basingstoke.

- 11.12 The table shows an increase in the capacity for new convenience goods floorspace to between 2,900 m² and 3,010 m² net in 2011. This compares with the 'Baseline' capacity forecast of 2,500 m². By 2031 the range is from 6,610 m² to 7,930 m² net, benchmarked against the 'Baseline' capacity of 6,030 m².
- 11.13 However the Council should be aware that forecasts over the medium to long term are inherently less certain. As a result, we advise the local planning authority that the floorspace capacity forecasts should be treated as a broad indication of the potential for new retail development, rather than as a maximum or minimum threshold (or 'target') that should necessarily be met.
- 11.14 The capacity forecasts are also based on constant market shares and do not, therefore, take account of changing shopping patterns that can arise from new development, either in Basingstoke town centre in the future or in competing centres in neighbouring local planning authorities. This will be one of a number of important considerations for the Council when assessing and determining future planning applications. For example, if an opportunity is identified for a large scheme in the town centre or a sequentially preferable edge-of-centre site, then this could increase the town centre's market share of comparison goods expenditure in the Borough and wider catchment area. Any uplift in market shares arising from new development would, therefore, generate additional residual expenditure and forecast capacity for new floorspace over and above the forecasts identified by this study.

Basingstoke Town Centre

- 11.15 National, regional and local planning policy reinforces the Government's "town centre first" approach to new development and investment. Basingstoke town centre is identified as a 'Primary Regional Centre' by the South East Plan and a focus for major new development and investment. The Council's adopted plan, emerging LDF and Vision/Action Plan all identify the need to maintain and enhance the overall vitality and viability of the town centre, particularly those areas that have not benefitted from significant new investment and development for a number of years.
- 11.16 Our detailed qualitative (healthcheck) assessment and audit of Basingstoke town centre has confirmed that it performs an important role and function, serving residents in the Borough area and across a wider catchment. It is also a highly accessible location by all modes and is served by important strategic bus and railway stations.
- 11.17 The opening of Festival Place in 2002 has significantly increased and improved the scale and quality of the town centre's retail and commercial leisure offer. The scheme has successfully accommodated the strong demand that existed prior to its opening from multiple retailers for larger more modern store formats, and its offer is anchored by Debenhams and Marks and Spencer. The shopping centre has consistently achieved the highest Prime Zone A rental levels and pedestrian footfall since it opened, and it is characterised by limited long term vacancies and strong market interest from new retailers looking to take space in the town centre.
- 11.18 As a result of this major new shopping centre development there has been a marked shift in the centre's retail gravity and a re-adjustment in the offer, profile and character of the town's other main shopping areas, namely The Malls and Top of the Town. We consider the vitality and viability of these distinct shopping areas in more detail below, as well as the potential options to revitalise their offer and shopping environments.

The Malls

- 11.19 The Malls has evolved as a location for mid-range, 'value' and discount retailers. This provides an important point of difference to the retail offer in the modern Festival Place scheme and the more independent and specialist retail offer in the historic Top of the Town area. The recent opening of Primark has further consolidated the 'value-led' offer in this area and The Malls clearly makes an important contribution to the town centre's overall vitality and viability. Furthermore, there is a significant opportunity for the area to 'tap' into the proposals at Basing View for new office employment and other uses.

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- 11.20 Although the Malls will remain a viable retail location in the future, primarily because it is the main 'gateway' and pedestrian link from the station to Festival Place, it is a poor shopping and urban environment that is in desperate need of new investment and redevelopment. In our judgement the options for this important part of the town centre include:
- (i) 'cosmetic' improvements to the malls and shopping environment; or
 - (ii) radical 'surgery' involving comprehensive redevelopment.
- 11.21 The first option would involve the refurbishment of shop frontages, canopies, walkways and improvements to the public realm. These modest improvements to the shopping environment would help to improve confidence in the area amongst businesses and shoppers. However, in our judgement the 'cosmetic' improvements would only serve to "paper over the cracks" in the short to medium term. It would not address the more fundamental problems identified above.
- 11.22 The second development option is preferred and would involve the complete or part demolition of the existing malls and the development of a high quality streetscape and enhanced public realm to provide an improved 'gateway' to the town centre. However, we understand that the Council has considered this option in the past and it may not be viable at the present time for a number of reasons, including land assembly constraints, complex ownership agreements and the overall costs and returns from redevelopment. Nevertheless, the "problem" and "challenge" of the Malls is clearly an issue that will need to be addressed over the short to medium term to help strengthen the town centre's overall image and marketability to a wider customer base.
- 11.23 Another future potential opportunity for this area could be as the town centre's main location for more mainstream pubs, clubs and restaurants targeted at the 'youth market'. This would, in turn, provide the opportunity for Top of the Town to develop its cultural offer and for Festival Square to consolidate its more mid-range drinking and eating offer. We consider that this 'zoning' of different leisure uses in specific parts of the centre and aimed at different demographic profiles would help in the promotion of a more diverse and attractive evening economy and "spread" the benefits across the town centre as a whole. In our judgement, clustering different leisure uses in the same areas and streets can often create conflicts between users at different times of the evening.

Top of the Town

- 11.24 The 'Top of the Town' area is an important part of the town centre's overall retail offer and attraction, and helps to balance the more mainstream retail offer in Festival Place and The Malls. The area is characterised by a wide diversity of uses and low vacancy levels at ground floor level,

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- which indicates strong viability and compares well with secondary shopping areas in other centres.
- 11.25 The area performs an important supporting function in the town centre as a whole and its role should be maintained and enhanced. The area provides the only “affordable” location in the town centre for smaller specialist independent retailers and businesses. This is an important component of the Top of the Town’s overall viability as a shopping location and should be promoted and strengthened, as it balances the national multiple offer elsewhere in the town centre. Every opportunity should therefore be given for existing and new retailers and businesses to flourish in this part of the town. We also consider that a larger thriving street market selling quality products represents a further opportunity to promote the overall vitality of this area and establish its unique offer relative to the rest of the town centre’s more mainstream retailers and businesses.
- 11.26 The area is characterised by a relatively high quality townscape and traditional historic urban environment. This is highlighted by the fact that large parts of Top of the Town are identified as a Conservation Area and it also comprises many of the town’s Listed Buildings. The buildings and heritage of this area represent a unique resource in the town centre compared with the modern Festival Place scheme and the unattractive Malls areas. We recommend that this “uniqueness” should be built upon by promoting specific type of uses and activities in this area. For example, we consider that there is significant potential to develop the heritage and cultural offer in the area, as well as target a quality eating and drinking offer aimed at families and a more ‘mature’ customer profile.
- 11.27 The history and “uniqueness” of this area also means that there is limited potential for major new redevelopment. This was also identified by the Council’s 2004 Retail Study. Nevertheless, there are clearly opportunities for the intensification of uses in existing properties, particularly the provision of residential and office uses above ground floor level. There may also be opportunities for the redevelopment of under-used car parks and service areas. However, the loss or reduction of existing car parks will need to be carefully assessed against the need for shoppers and visitors to this area to continue to have good and easy access to the shops and facilities by car. It is vitally important that any additional development or the conversion of existing properties is sympathetic to the environmental quality of the area and does not undermine the area’s important contribution to the overall vitality and viability of the town centre.
- 11.28 In our view, this area represents an important and exciting opportunity to enhance the attraction of the town centre as a whole. It provides significant opportunities to offer uses and activities which cannot be achieved within the purpose-built malls in the rest of the centre. This was identified by Council’s previous retail studies, the 2002 *‘Top of the Town – Framework for Action’* and the

recent Vision. The heritage and “uniqueness” of this area, along with the wider contribution it makes (and can make further) to the town centre’s overall vitality and viability, means that the area should be carefully planned, managed and monitored to ensure that its evolving uses and activities do not result in the loss of its smaller independent retailers and businesses.

District Centres

- 11.29 PPS6 (Annex A, Table 1) defines District Centres as usually comprising groups of shops often containing at least one supermarket or superstore and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library.
- 11.30 Our audit of the Borough’s District Centres has confirmed that they generally have a good mix of convenience, comparison and service businesses, along with a range of other health and communities facilities, including libraries, doctor surgeries, churches, youth centres, etc.
- 11.31 The Borough’s main District Centres are Brighton Hill, Tadley and Chineham District Centres. Their role, attraction and performance are to varying degrees largely underpinned by a major superstore as anchor. For example, the Asda store at Brighton Hill District Centre was fundamental to the regeneration of this once ‘failing’ centre. This store is successfully meeting the needs of its local residents, as well as a wider catchment population for both main and ‘top-up’ food purchases, as well as for non-food retailing. The opening of the Sainsbury’s store in Tadley District Centre has also helped to anchor the centre’s retail mix and offer and ‘claw back’ a proportion of main and ‘top-up’ (basket) food shopping trips to the centre that previously went to large foodstores elsewhere. The positive impact of this has been to reduce the length of food shopping trips and to help generate more linked trips and spend in other shops and businesses in the centre.
- 11.32 The survey has also identified that the Tesco at Chineham District Centre is the most successful foodstore in the Borough, based on its share of food shopping trips and expenditure. Chineham is not typical of other District Centres in the Borough (and elsewhere in the UK) in that its offer is also supplemented by more mainstream non-food retailers (including Boots, Next, Brantano and Matalan). Nevertheless, despite its apparent vitality and viability, we consider that the District Centre is looking tired and dated by modern standards. We believe that it would benefit from modernisation and redevelopment to provide a higher quality mixed use scheme that is better integrated with the surrounding uses and residential areas. As part of any redevelopment, we also consider that there is potential to provide a larger, more modern anchor foodstore that better meets the needs of local residents and the centre’s wider catchment population, in a preferred location.

- 11.33 The other smaller District Centres of Overton and Whitchurch are anchored by smaller supermarkets and convenience stores. Our qualitative assessment has indicated that they are all performing well and have limited vacancies. We therefore advise the Council that their offer and attraction should be maintained and enhanced in accordance with PPS6, as they provide important shops and facilities for their local communities and catchment populations. We do however consider that there could be the potential to strengthen the convenience and food offer in Whitchurch, if a suitable and viable sequential site can be identified. The survey evidence indicates that a large proportion of shoppers and convenience goods expenditure from within Zone 2 (the 'Whitchurch Zone') is going to town centre and out-of-centre foodstores in Newbury and Andover. In our judgement the provision of a new foodstore of an appropriate scale would have a similar positive impact as the anchor stores in Tadley and Brighton Hill District Centres respectively. For example, it would help to retain more food shopping trips and expenditure in the centre, as well as promote greater linked trips to other existing shops and businesses.
- 11.34 Although we consider that the existing provision and distribution of District Centres in the Borough is adequate at the present time, there could also be scope for the Council to identify and allocate new District Centres over time to accommodate the forecast growth in retail expenditure and retail capacity. There are three potential options that could be available to the Council. First, the redevelopment and upgrade of existing smaller local centres and parades to meet growing demand in specific geographic areas. Second, the provision of a new district centre to serve a major new residential development. Third, the 'transformation' of an existing out-of-centre shopping location to provide a wider mix of retail, leisure, service business and community uses to meet the needs of the local residential catchment population in a more sustainable manner. However, we consider that over the short to medium term the need to improve and enhance the town centre and existing district centres should be a priority for the Council.

Local Centres and Parades

- 11.35 PPS6 (Annex A, Table 1) identifies Local Centres as including a range of small shops of a local nature, serving a small catchment. Typically local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, PPS6 states that large villages may perform the role of a local centre. Kingsclere is a village located some 12km to the north west of Basingstoke Town Centre and is classified as the only Local Centre in the Borough. We advise that its role should be maintained and enhanced in accordance with PPS6.
- 11.36 There are a number of local shopping parades in the Borough. These are broadly defined as small clusters of shops, generally comprising three or more Class A1 units. PPS6 (Annex A)

defines small parades of shops as having a purely neighbourhood significance and they are not regarded as centres for the purposes of the policy statement.

- 11.37 Nevertheless, the smaller shopping parades and clusters of shops have an important function and role in the Borough's network of shopping. They provide easily accessible core facilities, such as smaller convenience stores, newsagents, pharmacy, post office and other services to meet the day-to-day needs of nearby residential areas. For most shoppers these complement the larger facilities available in the Borough's town, district and local centres, as well as the free-standing foodstores and retail warehouses. Nevertheless a proportion of the Borough's less mobile population are also dependent upon these more accessible shops and services within easy walking distance of their homes.
- 11.38 It was not part of our brief to carry out an analysis of these smaller local parades and shops. Nevertheless, we understand that there have been limited changes in provision since the Council's previous retail study. We therefore advise the Council that the vitality and viability of these smaller local shopping parades should be monitored over time and that their important retail and service function for the local community should be maintained and enhanced. In certain cases where local shopping parades are clearly failing, leading to significant long term vacancies and the lack of investment in the shops and environment, then the Council should consider the reoccupation of the outlets by other uses, including the potential conversion to residential and/or office uses.

Out-of-Centre Shopping Provision

- 11.39 Overall Basingstoke has a good provision of out-of-centre food stores and large format retail warehouse operators. In policy terms any identified need for new comparison and convenience goods floorspace should be directed to town centre and edge-of-centre sites in the first instance, unless it can be demonstrated that there are no sequential sites that suitable, viable and available to accommodate the development proposed and it will not have an adverse impact on the overall vitality and viability of existing centres.

Conclusion

- 11.40 PPS6 indicates that local planning authorities should adopt a positive and proactive approach to planning for the future of the centres within their areas, whether planning for growth, consolidation or decline.
- 11.41 PPS6 is clear that local planning authorities should adopt policies that enable town, district and local centres to meet the needs of residents in their catchment areas. The sequential approach indicates that the first preference for new developments should be within centres "first", followed

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- by edge-of-centre sites in town and district locations. Out-of-centre sites are therefore last in the order of preference.
- 11.42 Development within all centres should also be appropriate in terms of nature and scale to the role of the centre. Thus developments which are likely to attract customers from a significantly wider area than the centre's intended catchment area may be considered out-of-scale with the role of the centre. Such developments may be better located within larger centres, if there are suitable, viable and available sequential sites to meet the identified need. Each proposal will need to be considered on its individual merits and the hierarchy of centres identified in the Local Plan will continue to help inform what scale of development may be appropriate in each centre.
- 11.43 New retail development should therefore be directed to Basingstoke Town Centre first in accordance with its important role as a *Regional Hub* and *Primary Centre* identified by the emerging South East Plan.
- 11.44 Overall our assessment has identified that Basingstoke is a vital and viable town centre that has benefitted significantly from the opening of Festival Place. Nevertheless we have identified weaknesses in the range and depth of its retail, leisure and wider town centre offer. For example, it has a limited provision of high quality "aspirational" fashion retailers at one end of the retail spectrum and more specialist independent retailers at the other end. A more diverse retail offer would help the centre as a whole to attract a more diverse customer profile. The town's evening economy is also one-dimensional and does not attract significant numbers of families and/or more 'mature' visitors during the early evening period. Furthermore, we consider that both The Malls and 'Top of the Town' could be vulnerable to decline over time without careful planning, investment and management in their offer and environments.
- 11.45 Although we have not been commissioned to carry out an appraisal of potential town centre development sites as part of this study, we conclude that there is limited potential for the comprehensive redevelopment of The Malls over the short to medium term. The historic character of 'Top of the Town' area should also be maintained and enhanced as it makes an important contribution to the diversity of the town centre's overall offer. As a result, there are limited opportunities for new development in 'Top of the Town'. Against this background, we advise the Council that they will need to identify and allocate sites on edge of the town centre for new retail-led mixed use development. Those sites identified will need to be fully integrated with the town centre and help to reinforce the existing retail circuit through strong pedestrian linkages with the Primary Shopping Area (PSA).
- 11.46 In the context of PPS6 (Annex A, Table 2) the PSA is defined as the area where retail development is concentrated and should be defined on the proposals map. The PSA generally comprises the primary frontages and those secondary frontages which are contiguous and closely

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- related to the primary shopping frontage. PPS6 identifies that the primary frontages include a high proportion of retail uses and secondary frontages provide greater opportunities for a diversity of uses.
- 11.47 In the case of Basingstoke Town Centre we therefore consider that the primary frontages should comprise all of Festival Place and The Malls. In terms of secondary frontages it is our view that this should comprise the Top of the Town area (covering the pedestrianised areas of Wote Street, Church Street, Cross Street, London Street and Winchester Street). In our judgement this will provide greater flexibility for 'Top of the Town' to maintain and enhance its more diverse retail and town centre offer. However, it is important that the designation of secondary frontages in this area does not result in a further reduction in its specialist retail offer, as this would have an adverse impact on its overall vitality and viability.
- 11.48 This study is intended to help the Council to prepare its development plan policies as part of the LDF and to assist development control decisions over the plan period. The quantitative assessment provides a broad overview of the potential need for new convenience and comparison goods floorspace over the short term (up to 2011) and medium term (up to 2016), with longer term forecasts up to 2026 and 2031.
- 11.49 However, as stated previously, projections over the long and even medium term are subject to uncertainty. We therefore advise the Council that they may need to update the quantitative assessment in circa 2-4 years time to determine the impact of new assumptions on the capacity forecasts, such as changes in population and expenditure growth forecasts and the potential impact of Internet shopping. We also recommend that the household survey is updated in 3-4 years time to assess the impact of new retail developments on shopping patterns.
- 11.50 Finally, in the context of PPS6 advice, the centre healthchecks should be updated on an annual basis in order to monitor the changing vitality and viability of the Borough's centres and the potential impact of the Council's policies and vision on its centres.