Lambert Smith Hampton

RETAIL AND MAIN TOWN CENTRE USES STUDY:

FINAL REPORT

for:

BASINGSTOKE & DEANE BOROUGH COUNCIL

Volume 1: Main Report

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Prepared by: 

Reviewed by: 

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Signed:

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For and on behalf of Lambert Smith Hampton

Volume 1: Main Report

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Executive Summary

INTRODUCTION

1. Basingstoke & Deane Borough Council ('the Council') commissioned Lambert Smith Hampton (LSH) in November 2019 to prepare their 2020 Retail and Main Town Centre Uses Study ('the Study') to help inform both plan-making and development management decisions for the Borough.

2. It is important to note that this Study was commissioned prior to the outbreak of the COVID19 pandemic. Therefore, the baseline information and the future forecasts that have been presented in this Study are based on data that has been gathered prior to the outbreak of the pandemic. Clearly, the impact of the pandemic has, and will continue to have, a number of long-term implications for both the retail and leisure sectors. However, at this stage the full impacts are unknown along with any measures that the Government will put in place in order to respond to these challenges.

3. Against this background, we advise the Council that it may need to review and refresh this study at an appropriate time within the next two years to better understand the impacts on the Borough's economy, its town centres and household shopping and leisure patterns. In general terms, when considering and assessing the findings of this retail and leisure assessment, it is important to understand at the outset that capacity forecasts beyond a five-year (short-term) time period should be interpreted with caution as they are subject to increasing margins of error.

4. This study has been informed by desktop research, supplemented by new market research and data gathering including:
   a) A telephone interview survey of some 1,103 households conducted by NEMS Market Research (NEMS) across the Borough.
   b) A face-to-face street interview with some 487 people survey conducted in Basingstoke Town Centre.
   c) A pedestrian count survey conducted across six locations across the town centre.

PLANNING POLICY OVERVIEW

5. The underlying objective of both the National Planning Policy Framework (NPPF) and Local Plan policy is to maintain and enhance the vitality and viability of town centres, and to promote new sustainable development and economic growth in town centre locations 'first'. This policy objective is crucial as town centres are facing increasing economic challenges accelerated by the COVID19 pandemic including alternative forms of retailing; in particular online shopping and increased operational and fiscal constraints

RETAIL & LEISURE MARKET TRENDS

6. There is increasingly a need to move away from high streets and town centres as solely retail-led locations to those that offer a wider range of retail, leisure, cultural, heritage, employment, tourist and other amenities/attractions. This transition to more diverse uses that go “beyond retail” will need to be supported by a mix of new homes and apartments on the edge of and/or ‘on top of’ centres to help boost their ‘captive’ resident and working catchment populations in the most sustainable and commercially effective way.

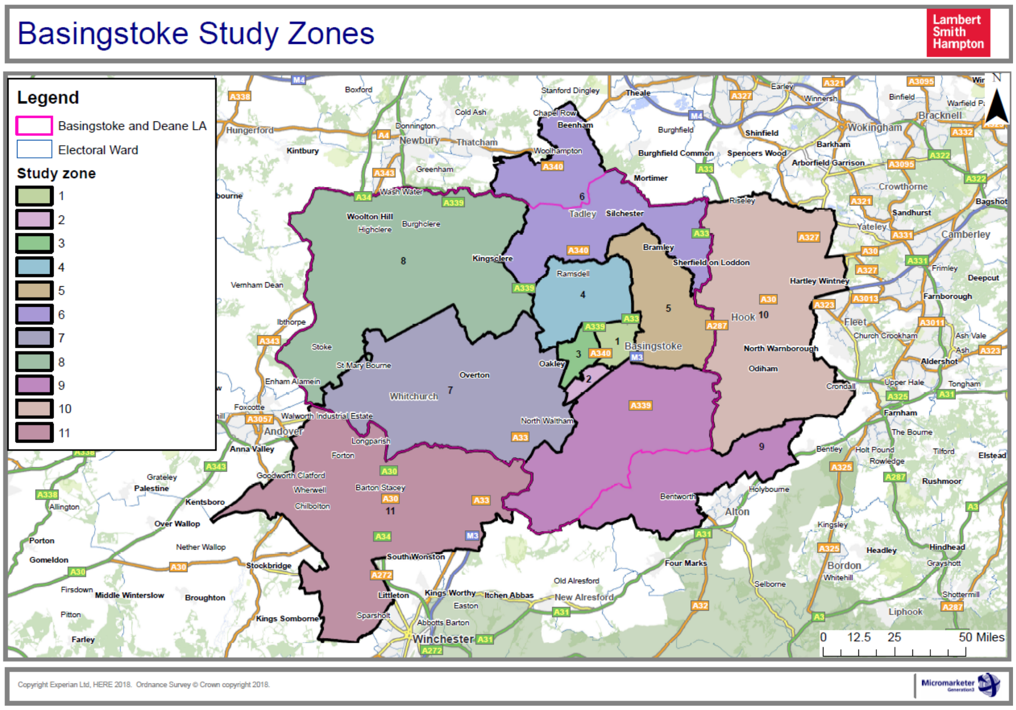
7. The future trends and forecasts clearly point to the need for the consolidation, reduction and repurposing of physical retail space, rather than any significant expansion. Many high streets and smaller shopping centres will struggle to find the investment needed to survive. Retailers, local authorities, developers and landlords will therefore need to work together to develop sustainable visions and strategies that consider ways of reconfiguring and potentially redeveloping redundant space for alternative uses other than retail over the short, medium and long term.

8. The retail and commercial leisure markets are expected to be severely impacted during and after the lock own associated with the COVID19 pandemic. It is expected that many business that have closed will not reopen once the Government allows the full reopening of all businesses. This will particularly be the case within the comparison goods retail and food and beverage sectors where many operators were already struggling.

CATCHMENT, COMPETITION & MARKET SHARES

9. The Study was underpinned by a household telephone interview survey of 1,103 households within a defined study area. The Study Area (illustrated below) comprised eleven zones, to allow for a “finer grain” analysis of shopping patterns, leisure preferences and expenditure flows.

Study Area and Zones



Convenience Goods Shopping Market Shares (including Special Forms of Trading[1])

10. The headlines from the survey are as follows:

   a) **Special Forms of Trading** (SFT), which largely represents online shopping accounts for 7.2% of total study area convenience expenditure, which is lower than the UK average (14.9%).

   b) **Basingstoke town centre** is achieving a market share of 8.9% from the Study Area (Zones 1-11). The key stores with a significant market from across the Study Area share include Waitrose, Basing View (2.5%); Sainsbury's Superstore, Station Mall (2.4%); Tesco Metro, Festival Place (1.8%). The town centre stores achieve their highest market share of 27.8% from Zone 1 in which the town centre is located.

   c) **District Centre: Brighton Hill:** Achieves a market share of 7.1% from the Study Area.

   d) **District Centre: Chineham:** Achieves a market share of 9.6% from the Study Area.

   e) **District Centre: Overton**: Achieves a low market share of 0.3% from the Study Area.

   f) **District Centre: Tadley**: Attains a market share of 6.4% from the Study Area.

   g) **District Centre: Whitchurch**: Achieves a low market share of 1% from the Study Area.

   h) **Local Centre: Kingsclere**: Also achieves a low market share of 0.5% from the Study Area.

   i) **Other Local Shops and Neighbourhood Parades**: the Borough's smaller centres have a combined market share of 7.5% in the Study Area

[1] Special Forms of Trading (SFT) comprises all non-store retail sales made via the internet, mail order, stalls and markets, door-to-door and telephone sales. On-line sales by supermarkets, department stores and catalogue companies are also included in the data collected by the Office for National Statistics (ONS)

j) **Out-of-Centre Stores** are achieving a total combined market share of 26% from within the wider Study Area. Of these out-of-centre stores, Sainsbury's Superstore, Wallop Drive is achieving the highest market share of 8.5% in the Study Area followed by Morrisons, Worting Road achieving the second highest market share of 7.9% from the Study Area.

k) In terms of '**leakage'** to other competing centres and stores outside the Borough area, this stood at 25.5%. The main competing centres for food shopping from across the Study Area are: Newbury (5.7%), Hook (4.1%); and Andover (3%).

Comparison Goods Shopping Market Shares (including Special Forms of Trading)

11. The headlines from the survey are as follows:

a) **SFT** is 23.6% compared with an Experian average of 24.5% for 2020.

b) The overall comparison goods market share **retention** from the Study Area (Zones 1-11) is 54.9%. Of the retained market share 54.9%, **Basingstoke town centre** contributes a large proportion of this at 31.6%. This is reflective of its role as the Borough's main centre.

c) The **district and local centres** are collectively achieving a low level of market share retention of 7.1%. This is reflective of their lower level of comparison goods provision.

d) The market share of **out of-centre** floorspace achieves retention of 16.2%. Brighton Hill Retail Park achieves the highest market share of 6% from the Study Area.

e) The key **competitor** locations for comparison goods are Newbury and Reading with market shares of 5.1% and 4.2% respectively.

BASINGSTOKE TOWN CENTRE – STREET SURVEY

12. The key findings from the 487 people street survey conducted in Basingstoke Town Centre were:

a) The majority of respondents their main reason for visiting the Town Centre was for non-food shopping (35.9%), followed by food/grocery shopping (22.7%). The responses confirm that shopping remains vital to the Town Centre's attraction, as it helps to generate regular trips, footfall and expenditure.

b) Over half (52.2%) of those interviewed indicated that they were mainly visiting clothing and fashion stores on the day of their visit to the Town Centre and over one-third (37.8%) visited one of Basingstoke Town Centre's foodstores and supermarkets on the day of their trip. Popular shops include Primark (38.2%), Sainsbury's (27.1%), Wilko (19.7%), and Boots (9.2%).

c) The main competing locations in terms of clothing and footwear and other non-food goods are Reading (29.8%) and Camberley (23.8%).

d) Respondents liked the 'range of shops in general' (33.1%) as well as 'indoor shopping malls/arcades' (18.7%); Whilst in terms of dislikes, over two thirds identified there was "nothing"/"very little or they "didn't know" indicating a broad level of satisfaction.

e) On average, 55% of respondents spent up to one hour in the Town Centre and over two-thirds of respondents spending over one hour in the Town Centre.

f) There was a higher frequency of trips to the Town Centre during the day compared with evening visits. An overwhelming 73.1% of respondents stated that they never visit the Town Centre in the evening. The findings of the evening visitation suggests that there could be potential to attract more people into the Town Centre during evenings and night-time, if the range of evening attractions can be developed to meet the needs of the centre's existing daytime catchment population.

g) In terms of improvements, over half of the respondents said that there was nothing particular that needed improvement (48%). The main improvements identified included: A better choice of shops (16%), more specialist / independent stores (3.5%), better quality shops (3.1%), fill empty shops (2.7%) and more/better seating/toilets (2.5%).

h) In terms of specific areas within the town centre, the responses were:

- **Festival Place**: respondents mainly "liked" this centre because it has a 'good range of shops in general' (33.7%) as well as 'indoor shopping malls/arcades' (23.4%). In terms of 'dislikes' the majority stated 'Nothing or very little' (70.6%).
- **Top-of-the-Town**: respondents liked 'nothing or very little' (41.9%) or 'didn't know' (17%). The respondents mainly "liked" the Top-of-the-Town because it has a 'street market' (7.2%). In terms of dislikes almost two thirds stated 'Nothing or very little' (61.8%) or 'don't know' (4.7%). The key identified dislike focussed on safety and security: 'Unsafe / poor security / dangerous' (8.2%); 'vandals / hooligans' (3.7%).
- **The Malls**: Respondents mainly "liked" the centre because it has a 'good range of shops in general' (31%) as well as 'close to where they live (15.8%). On "dislikes", the majority stated 'Nothing or very little' (73.9%) with the identified dislikes being 'not enough choice of shops' (5.7%) and the area is 'windy' (4.7%).

HEALTH CHECK: BASINGSTOKE TOWN CENTRE

13. The outputs of the healthcheck for Basingstoke Town Centre show:

a) The Town Centre remains the main focus for high-level retail, cultural and service activity for the Borough. However, the role of retail is likely to be diminished in the future.

b) There were some 55 vacant units in Basingstoke Town Centre in 2019. This is equivalent to a vacancy level of 13% and is above the national average figure of 11.9%.

c) Almost even mix of multiple and independent retailers, serving the centre and its catchment population.

d) Long-standing and thriving bi-weekly Street Market brings vibrancy to the centre and the Top of Town area in particular.

e) The centre benefits from a number of cultural facilities; Anvil Arts is the largest performing arts organisation in Hampshire and runs The Anvil (concert hall), The Haymarket (theatre) and The Forge (studio).

f) The Town Centre is part of the Purple Flag initiative that aims to raise the standard and broaden the appeal of the centre in the evenings and at night. There is potential opportunity to encourage shoppers and visitors to stay longer in centre, particularly on a Saturday through later shop opening hours and early evening events.

g) Common themes across in terms of 'likes' about Basingstoke Town Centre from the household and street survey(s) are:

- Good range of shops / Good range of independent stores
- Proximity to home

- Covered / Indoor Shopping
- Easy to walk around / compact / good layout
- Good / cheap parking
- Cleanliness

h) In relation to improvements the common themes from both the household and street survey(s) are:
- Nothing in particular
- More specialist / independent stores
- Less empty shops fill empty shops
- Better choice of shops / more non-food stores
- More / free parking
- More department stores

i) There is declining footfall after 4pm the centre appears to have a low visitation in the evenings that has an implication on the evening economy.

j) The centre benefits from future plans to on transport that seek to improve accessibility and transport as set out in the Basingstoke Transport Strategy.

k) The centre is well positioned in terms of Wi-Fi and digital facilities provision.

RETAIL CAPACITY

14. The quantitative retail need ('capacity') assessment details the potential to support new retail (comparison and convenience goods) floorspace in the Borough over the period from 2020 to 2038 (the period covered by the emerging new Local Plan).

15. After allowing for all committed convenience and comparison goods floorspace there is no identified economic capacity for new convenience or comparison goods floorspace in the Borough over the forecast period to 2038.

16. Capacity forecasts beyond five years should be interpreted with caution. This is because they are based on various layers of assumptions and forecasts with regard to changes in the national and local economy; the trading performance of existing centres and stores; the growth in population and retail spending; etc.

COMMERCIAL LEISURE NEEDS ASSESSMENT

17. The commercial leisure industry is a dynamic and evolving sector, but like the retail sector, it is facing significant challenges and pressures from changes in the economy, policy and consumer trends and accelerated the impacts of the COVID19 pandemic. It is clear, for example, that consumers are becoming increasingly selective in terms of where and how they spend their disposable income on discretionary leisure. The growth in "at-home" entertainment and activities, particularly screen-based entertainment, and the growing share of home deliveries represents a further challenge for town centres and leisure operators to attract customers and particular younger generations away from their homes and screens.

18. Our review of the Borough's commercial leisure sector and offer, and the results of the household survey, has highlighted that Basingstoke Town Centre and the provision at Basingstoke Leisure Park provides a strong leisure offer, principally focussed around the cafés, restaurants, gyms cinema, tenpin bowling, gym, trampolining and ice skating.

19. These activities are complemented by good participation in cultural activities at the Anvil Arts and The Haymarket Theatre. Notwithstanding this, there is potential to review, refresh and expand the leisure offer over the plan period dependent on market demand and changing consumer tastes and trends. It is important to stress that as we emerge from the current COVID19 crisis both consumer demand and the real world market demand from operators will play a key part in the future need for leisure floorspace and as such should be monitored on a regular basis.

20. In the current climate the Borough area generally benefits from diverse cultural activities need to be maintained and promoted in order to attract further visitors to the area and to help attract all-year trips.

21. In terms of addressing future needs, we also consider that the Borough could benefit from additional family venues and activities.

22. In broad terms, demand for leisure operators should be directed to the Borough's town centres first, and principally Basingstoke, to help increase competition and consumer choice, and to underpin both daytime/evening economies.

POLICY RECOMMENDATIONS

23. A review of Policy recommendations for managing town centres included an evaluation of the Town Centre Boundaries (TCBs) and Primary Shipping Area (PSA) (in the case of Basingstoke Town Centre).

24. No changes are recommended to the town centre boundaries of Basingstoke Town Centre or any of the Borough's other defined District and Local centre(s). However, in relation to the proposed redevelopment of Chineham a review of the TCB is recommended, once completed.

25. The PSA for Basingstoke town centre is adequately defined. District Centres do not have such a definition and it is recommended that this be defined based on the predominant retail area to guard against proposals for edge and out of centre development.

26. It is advised that any proposal for edge and out of centre town centre uses, particularly for retail floorspace, are required to demonstrate impact. It is recommended that the extant impact threshold of up to 250 sqm net for new retail floorspace be retained.

27. We do not consider that any changes are required to the current hierarchy, with the exception of allowing for the provision of new local centres that will form part of any emerging housing allocations.

FUTURE STRATEGY

28. The following summarises the key findings and high-level advice on how the local planning authority can effectively plan for, manage and promote the vitality and viability of the main centres over the plan period to 2038.

COVID19 Implications

29. While some well-known retailers will disappear as a result of the current crisis, the high street itself will not 'die'. The UK retail sector may be profoundly changed, but the hastening of trends such as migration to town centres and demand for new retail experiences may ultimately breathe new life into high streets. LSH anticipates that the trends that are likely to emerge include:
    a) **Further relaxation of permitted development rights (PDR)** - the government has relaxed some PDR during the COVID19 crisis but these are time limited and consideration may be given to allow for more expanded PDR to reboot town centres,
    b) **Survival of the fittest retailers** - Retailers that survive the crisis may find that their market positions are strengthened, as some of their competition disappears. Local independent and artisan retailers may also be able to prosper by tapping into consumer demand for new retail experiences.
    c) **Accelerated retail to residential conversions** - With new housing delivery high on the UK government's agenda, and significant construction delays already caused by COVID19.
    d) **From goods provision to services provision** - With town centre populations increasing due to retail-to-residential conversions, demand will grow for a wider range of high street amenities to serve local communities.
    e) **Enhanced retail experiences** - Post the lockdown, and for the future, the onus will be on physical retailers to attract consumers back to the high street with unique experiences that cannot be replicated online or at home.
    f) **Growing need for local retail provision** - With the COVID19 lockdown potentially accelerating the trend towards working from home, commuter numbers could fall, leading to reduced footfall in major business districts.
    g) **Technology** - Centres will have to become 'smart' make use of technology so that they are aligned with how customers shop and engage with brands.

30. The onus will therefore be on local planning authorities to take a more agile, pragmatic and sympathetic approach to new development in the post-lockdown world.

Town Centre: Basingstoke

31. A review of the town centre confirms that the centre has a good range of retail and leisure provision. The town centre's retail offer is performing, but is largely focused on prime shopping area in Festival Place and the Malls.

32. There were some 55 vacant units in Basingstoke Town Centre in 2019. This is equivalent to a vacancy level of 13% and is above the national average figure of 11.9%. The vacancy levels are barometer on wider retail trends with a particular focus in the post-lockdown period. It is recommended that this indicator be monitored on a regular basis.

33. It is evident from the market share analysis, that the town centre retains the highest market share across the Borough for comparison goods and significant retention rate for convenience goods.

34. Basingstoke is highly accessible and connected with a good and diverse provision of retail and commercial offer. It has distinct areas of retail and leisure activity that contribute to the vibrancy of the centre. These elements represent strengths. However, in the post-Covid19 world, and to maintain these strengths, will require proactive Council intervention. The immediate aftermath will be to support the recovery and existing businesses that have survived through initiatives such as business rates relief. However, the challenge will be over the longer term where there will be a greater urgency in the need to diversify town centre offer and promote flexibility uses in particular.

35. As a direct consequence of the COVID19 related shut-down, there is likely to be a further increase in the level of town centre vacancies. The Council should not rely on market demand. It may wish to consider a place shaping agenda and take ownership through investment in vacant space. The potential benefit of this approach is to provide more control of the planning, regeneration and management of the town centre and to ensure that it is fit for purpose meeting evolving consumer behaviour.

36. Any future strategy for the town centre should focus the following inter-related themes:
    - **Monitoring Vacancies:** A regular monitoring exercise together with proactive engagement with landlords, investors and developers where vacancies occur.
    - **Business Rate Initiatives:** Council may want to consider business rate discounts.
    - **Diversification and Repurposing:** this is to help mitigate against future impacts on the retail sector especially as we emerge from the pandemic crisis.
    - **Residential Growth:** This is likely to become dominant as the densification of towns becomes a key feature.
    - **Digital Resilience:** The lockdown during the pandemic has highlighted the reliance of workers and residents on the use of online services. The centre needs to capitalise especially on the emerging findings of the 5G technology tested at Basing View. This technology represents the next generation of connectivity. The adoption of this type of technology can be a 'game changer' and any resulting output will aid town centre matters such as in the area of 'smart' and 'interconnected' city / town development and

associated services in the future. This is potentially an area that the Council may seek to explore further especially in terms of investment in 5G wireless communication infrastructure and associated benefits.

District Centre: Brighton Hill

37. Brighton Hill has a typical range of uses expected for the role and function of a District Centre. It is a compact centre dominated by the large floorplate of the Asda superstore together with independent retailers and businesses trading from smaller units. The centre is highly accessible by all transport modes and predominantly by car due to the presence of large car park.

38. In terms of a strategy for the centre, the main objective should be to support existing uses rather than seek to expand physical floorspace. The centre offers the potential for the refurbishment of existing frontages and improvements to the public realm by way of additional greenery and street furniture.

District Centre: Chineham

39. Chineham has evolved over the years with a strong convenience anchor (Tesco) together with a large number of comparison goods outlets. The market share assessment has shown that it had the highest convenience goods retention level in the Borough. The strong convenience goods offer and the presence of high street retail brands ensures that Chineham will remain an attractive location to operators.

40. The centre is currently subject to a potential application that includes, inter alia, new shops, restaurants, healthcare facility, landscaping. Any improvements to current provision will enhance its offer and attraction. In the current climate this will guided by market demand. Any improvement to the inward facing nature of the centre will also enhance the centre.

41. The future strategy for Chineham would be to broaden the range of town centre uses / provision especially family oriented evening activity that appeal to the local community. However, the Council should note that any new provision would be led by market demand.

District Centre: Overton

42. Overton functions as a small District Centre that serves the needs of its local population. The centre is not reliant on national multiples and supports a good range and mix of independent retailers and leisure businesses. This is further reflected in the markets shares for both comparison and convenience goods indicating low levels of retention.

43. Any future strategy should aim to encourage and support independent businesses across the centre. The Council may want to consider the potential to allow flexible commercial uses should the centre be impacted from changes in the retail and leisure market. In addition, a further aim would be to enhance the environment quality particularly additional greenery, street furniture and improvements to the public realm.

District Centre: Tadley

44. The main retail provision is found along Mulfords Hill and centred on the large Sainsbury's store. The remainder of the provision is independent retailers and businesses. The centre also attains a good convenience market share retention.

45. Any future strategy should aim to encourage and support independent businesses across the centre including encouraging refurbishment of shop frontages. Additional measures could take the form of maintaining or enhancing the attractiveness of the centre.

District Centre: Whitchurch

46. Whitchurch is a historic centre with a large part located in a conservation area with listed buildings. The commercial focus is around a central junction of Church Street, Bell Street, Newbury Street and Winchester Street.

47. It is a healthy centre with good convenience goods provision in the form of a Tesco Express and Co-op foodstore(s). It is also primarily a centre led by independent businesses and outlets.

48. Any future strategy for Whitchurch will centre around supporting independent businesses and other initiatives such as improvements to the public realm.

Local Centre: Kingsclere

49. Kingsclere is small local centre very much serving the serving the needs of its local catchment population. The offer consists of small-scale convenience provision with community provision including a library and health centre. The centre is in a pleasant rural setting and any future strategy should seek to maintain and enhance its environmental quality through improvements on additional greenery, street furniture and public realm.

1. INTRODUCTION

1.1 Basingstoke & Deane Borough Council ('the Council') commissioned Lambert Smith Hampton (LSH) in November 2019 to prepare their 2020 *Retail and Main Town Centre Uses Study* ('the Study').

1.2 The study provides the robust evidence base and strategy needed to inform the preparation of the retail and leisure planning policies as part of the Local Plan Update and the Basingstoke Town Centre strategy work. The key findings of this study supersede previous evidence-based studies prepared for the Council.

1.3 It should be stated at the outset of this study that it has been prepared during the outbreak of the coronavirus (COVID19) pandemic in the UK and across the world. This was having an unprecedented impact on the way the nation lives, shops, works and carries out a range of activities at the time. The impact on politics, policy, the economy and businesses, including the UK's town centres and high streets, was changing on a day-to-day basis during the peak of the pandemic. The full impacts on the UK's economy, business/investor confidence, commercial property and our town centres will not be realised until after the pandemic has passed and the country returns to more "normal" conditions. Against this background, we advise the Council that it may need to review and refresh this study at an appropriate time within the next two years to better understand the impacts on the Borough's economy, its town centres and household shopping and leisure patterns.

1.4 Notwithstanding the caveat with regard to the impact of the coronavirus impact, this study does provide the robust evidence base and key findings to help to inform and guide both plan-making and decision-taking across the Borough and its main centres up to 2038.

1.5 The study has been prepared in the context of current and emerging national and development plan policy guidance, as well as other key material considerations; principally the National Planning Policy Framework (NPPF) published in February 2019. Where relevant the study also draws on advice set out in the National Planning Practice Guidance (PPG), updated in July 2019. Both the Framework and PPG place significant weight on the development of positive plan-led visions and strategies to help ensure the vitality of town centres.

SCOPE OF WORK

1.6 The key inter-related aims and objectives of this study are to:

- analyse the factors (technological, social and economic etc.) that will impact on the Borough's town centres over the plan period to 2038 and the key local planning policy and development opportunities that can help support sustainable retail and leisure provision;

- assess the demand for retail and leisure space in the Borough and provide an overview of the need for the main town centre uses in accordance with the NPPF;
- audit the viability and vitality, market share, and effectiveness of planning policy and strategy, for Basingstoke town centre (including the distinct composing areas of the Festival Place Shopping Centre; The Malls and the traditional 'Top-of-the-Town'); District Centres (Brighton Hill, Chineham, Overton, Tadley and Whitchurch) and a Local Centre (Kingsclere) to inform future strategy;
- evaluate the capability of the Borough's evolving network of centres to function effectively and to meet future local needs;
- formulate a positive development approach for Basingstoke Town Centre as a part of wider town centre strategy.

1.7 This study has been informed by desktop research, supplemented by new market research and data gathering. The new market research includes:

- A telephone interview survey of some 1,103 households conducted by NEMS Market Research (NEMS) across the Borough and wider geographic area in January 2020. This updates the previous household survey in 2012 and provides robust evidence on current shopping patterns, expenditure flows and market shares within a defined study area.
- A street interview survey conducted in Basingstoke Town Centre between Thursday 20th February 2020 and Thursday 19th March 2020. This involved face-to-face interviews with some 487 people.
- A pedestrian count survey conducted over six days between 25 February 2020 and 6th March 2020 across six locations across the town centre.

REPORT STRUCTURE

1.8 For ease of reference, this report is structured as follows:

- **Section 2**: sets out Basingstoke and Deane Borough Council's adopted and emerging Development Plans and policies that are relevant to this study, along with other material considerations: including the National Planning Policy Framework (NPPF), the Planning Practice Guidance (PPG) and Horizon 2050 'A vision for the future of Basingstoke and Deane'.
- **Section 3**: highlights some of the key trends that are driving the dynamic changes in the retail sector and town centres at the national and local level, and how this has shaped (and is likely to shape) the UK's urban and retail landscape.
- **Section 4**: defines the Study Area (**Appendix 1**) and sub-zones that provides the framework for the household telephone interview survey conducted by NEMS. The section then summarises the headline results of the survey-derived market share

analysis, including (including Special Forms of Trading[2] (**SFT**)), which provides the most up-to-date profile of current shopping patterns for the different types of convenience and comparison goods purchases. **Appendix 19** describes the survey methodology in more detail and provides the detailed tabulations.

- **Section 5**: sets out the results of the street interview survey conducted in Basingstoke to further inform the assessment of the town centre's strength and weaknesses as a shopping and leisure destination, the opportunities and any potential significant threats to its future growth and development. **Appendix 20** describes the methodology in more detail and provides the detailed tabulations.
- **Section 6**: sets out the health check methodology.
- **Section 7** sets out an updated healthcheck of Basingstoke Town Centre based on a range of key performance indicators (KPIs) and carried out in compliance with the advice set out in the PPG.
- **Section 8**: identifies the key characteristics and offer of the Borough's five main District Centres, as defined by the adopted Core Strategy, namely, Brighton Hill, Chineham, Overton, Tadley and Whitchurch. The analysis also reviews the provision in Kingsclere (a defined Local Centre).
- **Section 9**: sets out the key inputs/outputs of LSH's CREATe economic capacity model. The detailed economic tabulations are provided in **Appendices 3 to 10.** This assessment covers:
  - the forecast population and expenditure available in the Study Area (**Appendix 3 and 7**);
  - the survey-derived market shares (including SFT) for convenience (**Appendix 4**) and comparison (**Appendix 8**) goods;
  - the recalibrated market shares (excluding SFT) and derived convenience (**Appendix 5**) and comparison (**Appendix 9)** turnovers of all existing centres/stores;
  - all known retail floorspace commitments at the time of preparing this study for convenience (**Appendix 6**) and comparison (**Appendix 10**) goods;
  - the detailed Borough-wide and centre capacity forecasts for both convenience (**Appendix 6**) and comparison goods (**Appendix 10**).
- **Section 10**: sets out the findings of the commercial leisure and other town centre uses 'gap' assessment. This looks at current leisure provision and the potential need over the plan period for new food and beverage uses, cinema, gyms, etc

[2] Special Forms of Trading (SFT) comprises all non-store retail sales made via the internet, mail order, stalls and markets, door-to-door and telephone sales. On-line sales by supermarkets, department stores and catalogue companies are also included in the data collected by the Office for National Statistics (ONS)

- **Section 11:** provides high level advice on how Council can effectively plan for, manage and promote the vitality and viability of the main centres over the plan period to 2038.

1.9 It is important to understand at the outset that capacity forecasts beyond a five year (short-term) time period should be interpreted with caution as they are subject to increasing margins of error. We therefore advise that although this updated study provides the robust evidence base required by the Council to help inform plan-making, site allocations and the determination of planning applications at the local level, the forecasts should be updated regularly to take into account, inter alia:

- any significant new retail development at the local level;
- changes in the retail expenditure and population growth forecasts over time; and/or
- any potential impacts arising from other key trends in the retail and leisure sectors (such as, the growth in internet shopping) and commercial leisure sectors.

1.10 For example, a significant growth in the market share of on-line internet shopping above current forecasts will substantially reduce the capacity for new 'physical' retail floorspace over the plan period, as well as the market demand from retailers for representation in town centres.

2. PLANNING POLICY CONTEXT

2.1 This section provides a high-level overview of the Borough's relevant local development plan planning policies pertaining to retail and town centre uses, along with other material considerations; principally the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG).

NATIONAL PLANNING & REGENERATION CONTEXT

2.2 Before reviewing the Council's local development plan policies, the following provides a summary of the relevant national planning policy and guidance pertaining to retail, commercial leisure and town centres.

National Planning Policy Framework (NPPF) (2019)

2.3 Local Planning Authorities ('LPAs') must take the NPPF into account in the preparation of Local Plans and Neighbourhood Plans. The presumption in favour of sustainable development is a key objective for both plan-making and decision-taking (paragraph 10), and the Framework (paragraph 11) sets out the Government's view of what sustainable development means in practice. For plan-making the Framework states that: *"…plans should positively seek opportunities to meet the development needs of their area, and be sufficiently flexible to adapt to rapid change*" (paragraph 11a). For decision-taking the onus is on local authorities to approve development proposals without delay where they accord with an up-to-date development plan. Where development plan policy is silent, or policies are out-of-date, permission should be granted unless there is a clear reason for refusal.

2.4 Chapter 3 (***'Plan-Making'***) of the Framework provides guidance to local authorities on preparing local plans. Paragraph 20 states that policies should set out an overall strategy for the location, scale and quality of development. To achieve this they should make sufficient provision for: housing, employment, retail, leisure and other commercial development, alongside the provision of infrastructure and community facilities. The Framework requires that LPAs plan for and allocate sufficient sites to meet needs over the plan period (paragraph 23), <u>but applies a shorter ten-year time horizon to meeting the needs for new retail, leisure, office and other main town centre uses</u>. In preparing development plans, the Framework confirms that *"policies should be underpinned by relevant and up-to-date evidence*" (paragraph 31). To ensure the local plans and spatial strategies are relevant they should be reviewed at least once every five years and updated as necessary (paragraph 33).

2.5 Chapter 7 ***'Ensuring the vitality of town centres'*** provides guidance on plan-making and decision-taking for retail and other town centre uses that are most relevant to the preparation of this study. Paragraph 85 specifically sets out criteria that LPAs should consider when preparing planning policies. The Framework states that LPAs should:

- define a network and hierarchy of town centres, and promote their long term vitality and viability;
- define the extent of town centre boundaries and Primary Shopping Areas (PSAs);
- retain and enhance existing markets, and explore the potential to create new markets;
- meet anticipated needs for town centre uses over a ten year period and focus new development/investment in town centres first; and
- promote residential living in town centres on appropriate sites.

2.6 Paragraphs 86-90 specifically set out the revised policy wording with regard to the sequential and impact tests for determining applications for new retail, leisure and main town centres that are neither in an existing centre, nor in accordance with an up-to-date development plan:

- **Sequential test**: requires applications for main town centre uses to be located in town centres first, then in edge-of-centre locations and only consider out-of-centre locations if suitable sequentially more preferable sites are not available within a reasonable period (paragraph 86). When considering edge and out of centre proposals, '…*preference should be given to accessible sites that are well connected to the town centre*' (paragraph 87). Applicants and LPAs should demonstrate flexibility on issues such as format and scale (paragraph 88); and
- **Impact test**: applies to all applications over a proportionate, locally-set floorspace threshold (if there is no locally set threshold, the default threshold is 2,500 sqm). This should include assessment of the impact on: (i) existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and (ii) on town centre vitality and viability, including local consumer choice and trade in the town centre and wider retail catchment area.

2.7 The NPPF (paragraph 90) states that "…*where an application fails to satisfy the sequential test or is likely to have significant adverse impact on one or more of the above factors, it should be refused*".

Planning Practice Guidance (PPG) (2019)

2.8 This study also draws on advice set out in the latest version of the PPG on '*Town Centres and Retail*' that should be read alongside the policies and advice in the NPPF. The PPG also places significant weight on the development of positive plan-led visions and strategies for town centres. They key guidance in the PPG is summarised below.

2.9 Firstly, the PPG (paragraph 004) states that the assessment of the potential for centres to accommodate new development and different types of development should cover a five year period to take account of uncertainties in forecasting long-term retail trends, but should *'also take the lifetime of the Local Plan into account and be regularly reviewed'*.

2.10 The PPG provides advice to local authorities on the preparation of development plans and town centre strategies. In terms of what a town centre strategy should contain, the PPG advises that local authorities should consider a range of issues, including[3]: :

- the realistic role, function and hierarchy of town centres over the plan period;
- the vision for the future of each town centre, including the most appropriate mix of uses, and the role that different stakeholders can play in delivering the vision;
- the potential for centres to accommodate the scale of assessed need for main town centre uses, and how existing land can be used more effectively;
- opportunities for improvements to the accessibility and wider quality of town centre locations;
- what complementary strategies are necessary or appropriate to enhance the town centre; and
- appropriate policies to address environmental issues facing town centres.

2.11 In those cases where development cannot be accommodated in town centres, the PPG requires planning authorities to plan positively to identify the most appropriate alternative strategy for meeting the identified need, having regard to the sequential and impact tests[4]. In applying the sequential test for plan-making local authorities are expected to consider the following checklist[5]: (i) has the need for main town centre uses been assessed?; (ii) can the identified need for main town centre uses be accommodated on town centre sites?; and (iii) if the additional main town centre uses required cannot be accommodated on town centre sites, where are the next sequentially preferable sites they can be accommodated on?

2.12 The PPG also sets out a number of Key Performance Indicators (KPIs) that "*may be relevant in assessing the health of town centres, and planning for their future*"[6]. These include a number of additional KPIs for consideration including: (i) how accessibility for people with mobility impairments or health conditions are catered for; (ii) understanding the balance between independent and multiple stores; (iii) evidence of barriers to new businesses opening or existing businesses expanding; and (iv) the extent to which an evening/ night time economy is supported.

[3] Paragraph 004. Reference ID: 2b-004-20190722

[4] Paragraph: 005 Reference ID: 2b-005-20190722

[5] Paragraph: 010 Reference ID: 2b-010-20190722.

[6] Paragraph: 006 Reference ID: 2b-006-20190722

2.13 Guidance is also provided on Permitted Development Rights (PDR) and determining change of use applications in town centres[7]. Aside from allowing changes of use without any application process (e.g. from a restaurant or café or a takeaway, to a shop or financial/professional services), the PDR process allows for a change of use subject to prior approval by the local planning authority on specific planning matters. PDRs include change of use from shops, financial and professional services, betting shops, launderettes, hot food takeaways and offices to residential use. This has proved controversial for many authorities due to the loss of potentially viable employment and commercial uses in centres to residential uses that are often of poor quality, size and design. Some authorities have addressed this issue through Article 4 directions[8].

DEVELOPMENT PLAN DOCUMENTS

2.14 The 'Development Plan'[9] forms the starting point for most decisions on planning applications. The development plan for the Borough is the **Basingstoke and Deane Local Plan** (2011 to 2029) adopted 2016. Other documents that constitute material considerations are:

- **Horizon 2050** not a strategy or policy, but provides a framework and road map setting out a high-level vision for the future of the Borough and in which the town centre area is stated as an essential part of its identity;
- **Top of the Town Basingstoke: Concept Masterplan Vision for the Future (2014)** - A concept masterplan to provide a vision for the future of the area with the aim of repositioning the Top of the Town as a destination in Basingstoke;
- **A Vision for Central Basingstoke (2007)** - whilst a dated document, this document sought to define aspirational vision for the future of Basingstoke over 20 years.

2.15 The main policies and provisions relevant to this study from these documents are summarised below.

Basingstoke and Deane Local Plan (2011 to 2029) (2016)

2.16 On 26 May 2016, Basingstoke and Deane Borough Council adopted the Local Plan 2011-2029. The adopted Local Plan forms part of the statutory development plan for the Borough. It sets out the council's vision and strategy for the area until 2029 and provides the basis for decisions on planning applications. The key policies and provisions most relevant to this study include:

[7] Paragraph: 007 Reference ID: 2b-007-20190722. Also refer to: *Town and Country Planning (General Permitted Development) (England) Order 2015, as amended*.
[8] For example, see RICS Research (May 2018) entitled '*Assessing the impacts of extending permitted development rights to office-to-residential change of use in England*'.
[9] Section 38(6) of the Planning and Compulsory Purchase Act

2.17 **Policy EP3** - Town, District and Local Centre: Focuses on main town centre uses (retail, office, entertainment and leisure) which will be permitted within the defined town, district and local centres provided that they are designed at a scale and character which reflects the role, function and distinctive qualities of the centre. Any development that would harm the vitality and viability of a defined centre will not be permitted. The hierarchy of the centres is defined as follows:

Town Centre	District Centres	Local Centres
Basingstoke	Brighton Hill Chineham Overton Tadley Whitchurch	Kingsclere

2.18 The policy also defines a threshold for development for main town centre uses stating that development with *'a net floorspace exceeding 250sqm, in edge or out of centre locations will be permitted if, following an impact assessment, it would not have a significant adverse impact on existing centres'*.

2.19 In Basingstoke Town Centre, development will be expected to create a more accessible, well connected and well designed centre. Proposals for the loss of retail uses (A1-A5) to non-retail uses in the defined Primary Shopping Frontage will not be permitted. Within the defined Secondary Shopping Frontage, proposals for other town centre uses will be permitted where the above criteria are met and the cultural and historic offer of the Frontage is supported.

2.20 Supporting paragraph 7.24 provides that Basingstoke Town Centre is the principal centre in the Borough. The District centres at Brighton Hill, Chineham, Overton, Tadley and Whitchurch have a significant role in maintaining and enhancing prosperity, serving the day-to-day needs of their local populations but also providing access to services for neighbouring areas across and beyond the Borough. The local centre at Kingsclere also plays an important role for its village community. A number of local shopping parades across the Borough serve the day-to day needs of local communities.

2.21 Additionally, paragraph 7.26 refers to the 2015 Retail Capacity Refresh Report that estimated that the retail capacity for new (convenience and comparison goods) retail floorspace in the Borough over the plan period would be approximately 28,000 square metres, the majority of capacity being in comparison goods. The growth in convenience goods floorspace was estimated to be low, at less than 3,000 square metres. Additionally, that in order to provide flexibility to accommodate this level of growth, and also provide the opportunity for the centre to improve in the future, the Basingstoke Town Centre boundary, as defined on the Policies Map, has been extended.

2.22 Paragraph 7.27 supporting the policy comments on the Primary and Secondary Shopping Frontages (PSF and SSF). It provides that for Basingstoke Town Centre the Primary Shopping Frontage defines Festival Place and The Malls as the retail core of the town centre. This Primary Shopping Frontage is characterised by the highest proportion of Use Class A1 shop uses in the town centre. In order to protect the vitality and viability of the town centre as a whole, it is considered necessary to protect the retail uses in this Frontage, particularly A1 uses. The policy also enables an element of complementary non A1 retail uses (A2 (financial and Professional Services), A3 (Restaurants and cafes), A4 (Drinking establishments) and A5 (Hot food Takeaways) in order to enhance the offer and strengths of the shopping frontage. A greater variety of retail uses are found in the defined SSF which mainly comprise the Top of the Town area. Reference is made to adopting a more flexible approach to town centre uses in this SSF, in line with the *'Top of the Town, Basingstoke: Concept Masterplan - a Vision for the future'* (March 2014), but that these should not result in an imbalance of retail uses, where this affects the vitality, viability or character of the area, particularly in terms of its specialist retail offer.

2.23 **Policy SS8 -** On **Basing View** which is defined as a 21st century business location and will be protected as a high quality strategic employment site for employment use (B1 class). It will support the role of Basingstoke town by encouraging economic prosperity and inward investment. Development across all three defined areas Area A (Downtown), Area B (Midtown) and Area C (Uptown) will be for mixed uses including retail and leisure uses.

2.24 **Policy SS9 - Basingstoke Leisure Park**: Provides that new and improved leisure facilities will be permitted at Basingstoke Leisure Park where there is no significant adverse impact on existing town or district centres within Basingstoke. Retail development on the Leisure Park will only be supported where it remains ancillary to the new or existing leisure uses and is required to make the new provision economically viable, without detriment to the borough's defined retail centres.

2.25 **Policy EP1 - Economic Growth and Investment:** Within the period 2011-2029, the Local plan will aim to support the creation of between 450-700 jobs per annum (8,100-12,600 during the plan period).

Basingstoke and Deane Local Plan Update (2019)

2.26 The Council agreed on 16 May 2019 to launch the preparation of an updated Local Plan. According to the Local Development Scheme (LDS) which sets out the draft timeline shows that at the time of writing this report, it is in early stages of this process with Potential Issues and Options consultation in Summer 2020 and formal adoption in Summer 2023.

Horizon 2050 (2019[10])

2.27 Horizon 2050 is a long-term community and place-focused vision for the future of Basingstoke and Deane. Whilst it is not a strategy or policy, it provides a framework and road map to inform policymaking and to plan for the future development of the Borough. The vision is based on eight key themes including:

- **Homes & housing**: That homes that will be built will cover the full spectrum of housing types and ownership. They will meet changing demographic patterns and provide quality, sustainable, accessible and affordable homes for all.
- **Transport**: An efficient and rapid public transport network together with safe and quality walking and cycling routes will provide an alternative to the car to link all communities around Basingstoke to the town centre and essential services.
- **Healthy, safe and inclusive communities**: residents will have access to strengthened local health and social care services as well as a major hospital facility to support them to be and live well.
- **Education**: access to a range of local learning options through a well-planned, adaptable and resilient education provision.
- **Natural environment:** will be preserved, nurtured and valued with priority habitats protected and better connected.
- **Economy and entrepreneurship:** New or regenerated business areas will provide high-quality accommodation for new and small businesses to grow and larger businesses to relocate.
- **Sustainability:** The borough will have a future that is more sustainable and resource-efficient.
- A borough with **heritage** and **distinction**: The importance of conserving and enriching the borough's history and culture will be recognised and embraced to promote its unique heritage and develop its reputation nationally.

Top of the Town Basingstoke: Concept Masterplan - a Vision for the Future (2014)

2.28 The concept masterplan was prepared to provide a vision for the future of the area with the aim of repositioning the Top of the Town as a destination in Basingstoke.

2.29 It was recognised that the any change in Top of the Town would not happen overnight but an incremental process that could lift values and make the prospect of further development to enhance the centre to make it more viable.

[10] Adopted by Basingstoke and Deane Borough Council in February 2019 and Basingstoke Area Strategic Partnership in March 2019

2.30 Early wins included a range of themes covering physical improvements, better promotion and marketing, movement and connectivity strategy and facilitating and managing available spaces.

2.31 In relation to suggested physical improvements these included:

- Street improvements on London Street, Winchester Street and Market Place;
- Introduction of specialist markets within Top of the Town;
- Closing of the underpass on New Road and the creation of a new short stay car park at Castons Yard;
- Enhancement of the connection from New Road to Market Place at Castons Walk;
- Creation of a new connection and entrance to War Memorial Park; and
- Offering shopfront improvement grants.

2.32 The Masterplan also identifies potential development sites that could enhance the vitality and viability of the town centre at:

- Southern Edge of Festival Place;
- Cross Street North;
- Central car park;
- Albert Yard;
- Castons Yard;
- New Road car park; and
- Jacobs Yard.

A Vision for Central Basingstoke (2007)

2.33 Whilst a dated document, Basingstoke's central area sought to produce an aspirational vision for the future of Basingstoke over the next 15 - 20 years.

2.34 A key recommendation is that central Basingstoke must be more than its shopping offer; and that the continued success of Basingstoke's central area will be achieved by developing its potential as a social, cultural, educational, business and living environment. The Council's Vision aims to:

- **create a well-connected town centre** - with easier and more convenient links between its different parts to create 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';

- ensure, through continued action as set out in the **'Basingstoke at Night'** initiative enhanced vitality, accessibility, character and appearance compatible with town centre living.

Summary

2.35 The underlying objective of both the NPPF and Local Plan policy is to maintain and enhance the vitality and viability of town centres, and to promote new sustainable development and economic growth in town centre locations ‘first’. This policy objective is crucial as town centres are facing increasing economic challenges associated with alternative forms of retailing; in particular online shopping and increased operational and fiscal constraints.

2.36 Notwithstanding the town centre first policy, this does not rule out edge-of-centre development where identified needs cannot be met in existing PSAs. Indeed the NPPF (paragraph 85 (d) and (e)) encourages LPAs to allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary. Additionally, if sufficient edge-of-centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre. Furthermore, it reinforces that main town centre uses should be located in town centres, then in edge-of-centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out-of-centre sites be considered (paragraph 86).

3. RETAIL AND TOWN CENTRE TRENDS

3.1 This section summarises some of the key economic, consumer and property market trends that have driven the changes in the retail and leisure sectors over the last 10-15 years, and will continue to shape change in the future. It also briefly examines whether and how town centres can respond to these dynamic trends, and specifically the rise in internet sales, to remain competitive and enhance their overall vitality and viability in the future.

ECONOMIC OUTLOOK

3.2 The UK economy has been characterised by a low growth trajectory over the last 18-24 months. Figures provided by the Office for National Statistics (ONS) show that the economy stagnated in the fourth quarter (Q4) of 2019. On a year-on-year basis, GDP growth slowed to 1.1% in 2019 (Q4) and 1.4% for 2019 overall. These figures confirm that the position of the economy prior to the economic shock inflicted by COVID19 was a weak one. The gradual reopening of businesses should see the economy return to growth, but the pace and sustainability of any 'rebound' remains very uncertain.

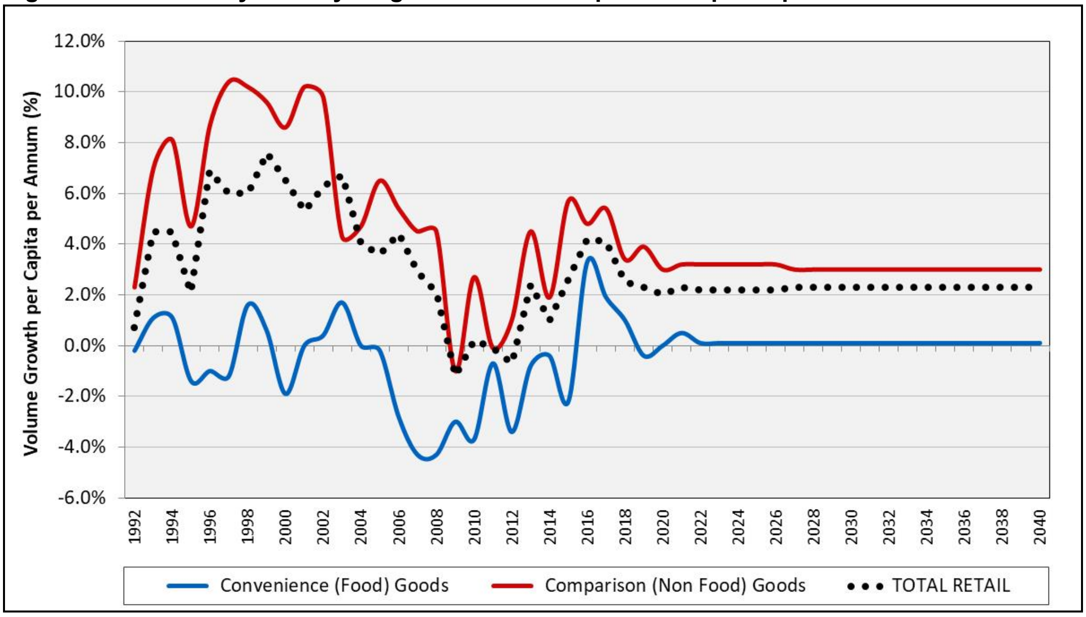
3.3 Forecasts (pre the coronavirus pandemic) at the start of the year indicated that the UK economy would remain on a low growth path in 2020 due to the uncertainty created by the Brexit transition period (which ends in December 2020) and the sluggish global economy. The forecasts provided by Experian Business Strategies (Experian) as set out in their latest *Retail Planner Briefing Note 17* ('RPBN') published in February 2020 do not take account of the potential impact of coronavirus on the economy, but they nevertheless predict low GDP growth of between +1% to +1.5% in 2020 and 2021 respectively. This compares with average annual GDP growth of around 2% over the period 2010 to 2018. Experian forecast higher average growth of circa 1.8% per annum over the medium term, between 2022 and 2026, but this is still below previous trends.

3.4 Consumer spending has been a key driver of economic growth since the EU referendum in June 2016, although there have been increasing signs that growth is starting to "soften". Figures show that household spending slowed to an eight year low (+1.2%) in 2019 due principally to the impact of Brexit on consumer confidence. Notwithstanding robust labour market conditions in 2019 (including the creation of 300,000 jobs), incomes growth averaged just 1%. Forecasts show that real incomes growth will to average +1.3% in 2020 and consumer spending growth will remain below +1.5% on average. Over the medium term (between 2022 and 2026) Experian forecast consumer spending growth will average around +1.8% per annum.

3.5 Retail sales volumes grew by +3% in 2019, which was the weakest performance since 2014. There was a marked slowdown in growth during the year, which reflected low consumer confidence and sluggish incomes. The most significant impact on retail sales has been on department store operators and household goods retailers. Demand for household goods has suffered as the housing market remained in the doldrums for a second year. In contrast, sales from predominantly online retailers picked up momentum with a +15% growth for 2019, up from +10% in 2018. Overall the prospects for retail sales growth remain subdued, as the economic recovery is not yet assured and any increase in household incomes will be modest in 2020 (for the reasons mentioned above). As a result, Experian forecast that retail sales growth will continue at a sluggish rate of around +2.5% in 2020 and 2021. Any short term growth will be further impacted by the "fall out" from the coronavirus pandemic. Over the medium term (2022 to 2026) Experian forecast slightly higher average annual growth of +2.7% per annum.

3.6 As the figure below shows, these economic trends are reflected by the year-on-year actual growth in retail (convenience and comparison goods) spending per head between 1992 and 2019, and the forecast growth for the period 2020 to 2040.

Figure 3.1: Forecast year-on-year growth in retail expenditure per capita



Source: Experian Retail Planner Briefing Note 17 (February 2020). Figures 1a and 1b

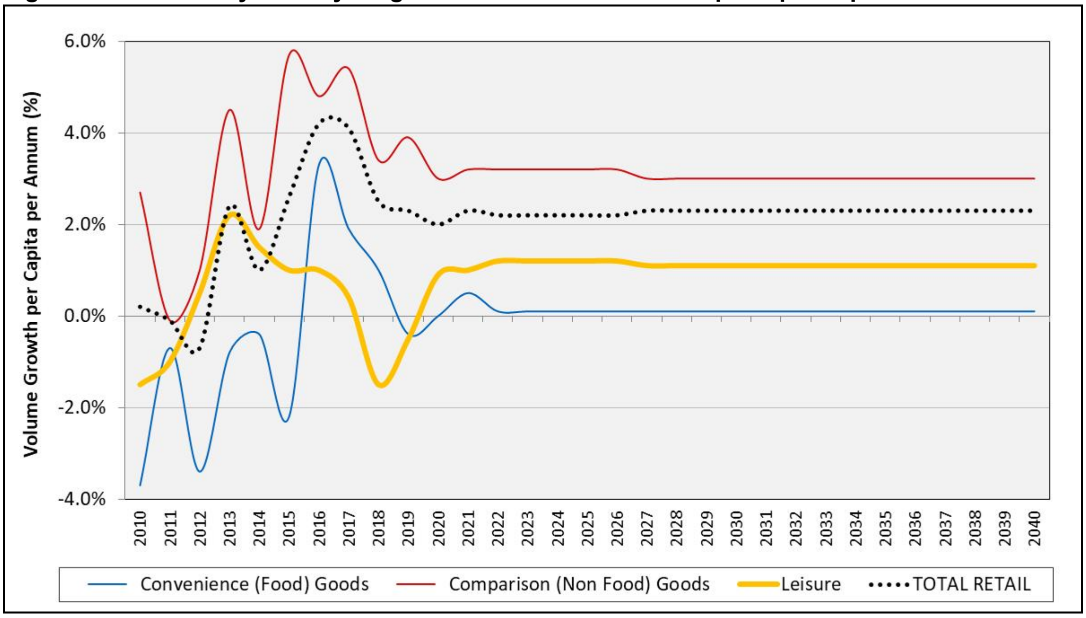
3.7 The dramatic impact of the 2007/2008 economic downturn and recession on retail spending growth is clearly illustrated. The latest forecasts by Experian show **total retail spend** growth per capita of +2% in 2020 and +2.3% in 2021. This is significantly below the historic average annual growth of +5.4% for the period 1997 and 2007, and +3.5% between 1997 and 2018. Experian predict that growth over the medium term, between 2022-2026 will average around +2.2%, with longer term growth forecast at +2.3% for the period 2027-2040.

3.8 For **convenience goods** there was negative average spending growth over the ten year period from 2005 to 2015. Following a period of growth between 2016 and 2018, Experian's figures show a return to negative growth in 2019 (-0.4%) and no growth in 2020. Growth over the medium to long term is predicted to 'flatline' at around +0.1%. As we describe below, the negative growth in convenience goods spending has had a significant impact on the grocery sector and on retailer business models over the last 10-15 years.

3.9 For **comparison goods** the figure shows year-on-year growth rates recovering from a low of -1.0% in 2009, to a high of +5.7% in 2015. However, Experian predict that growth will be relatively muted in 2020/2021 at around +3%, and this could now be lower than forecast due to the impact of the coronavirus pandemic on consumer confidence and spending. Over the medium term between 2022-2026 Experian forecast average growth of +3.2%, with a slight fall in growth to +3% per annum over the long term (i.e. 2027-2040). It should also be noted that the medium to long term growth forecast is significantly below the historic long term trend of +8.5% per annum for the period 1997 to 2007. It is this consistently high growth rate that largely fuelled the growth in new retail floorspace development and retailer expansion over this period.

3.10 The figure below compares the actual and forecast annual growth in leisure spend per capita with retail over the period 2010 to 2040 based on Experian's latest RPBN17.

Figure 3.2: Forecast year-on-year growth in retail and leisure spend per capita



Source: Experian Retail Planner Briefing Note 17 (February 2020). Figures 1a and 1b

3.11 The figure shows that leisure spend is forecast to grow at between +1% and +1.2% over the period 2020 to 2040. This is higher than the average growth forecast for convenience goods (+0.1% per annum), but lower than for comparison goods (+3% to +3.2% per annum). The forecast average growth in leisure spend is consistent with the historic average growth of +1.1% recorded between 2012 and 2018, and significantly higher than long term trends of -0.6% between 1997 and 2018.

3.12 Any further dampening of growth rates over the medium to long term will have implications for the viability of existing retail and leisure businesses and the take-up of new space, as well as the potential to support new businesses over the forecast period. These expenditure growth trends and forecasts are key drivers of the assessments of retail capacity (**Section 9**) and leisure needs (**Section 10**).

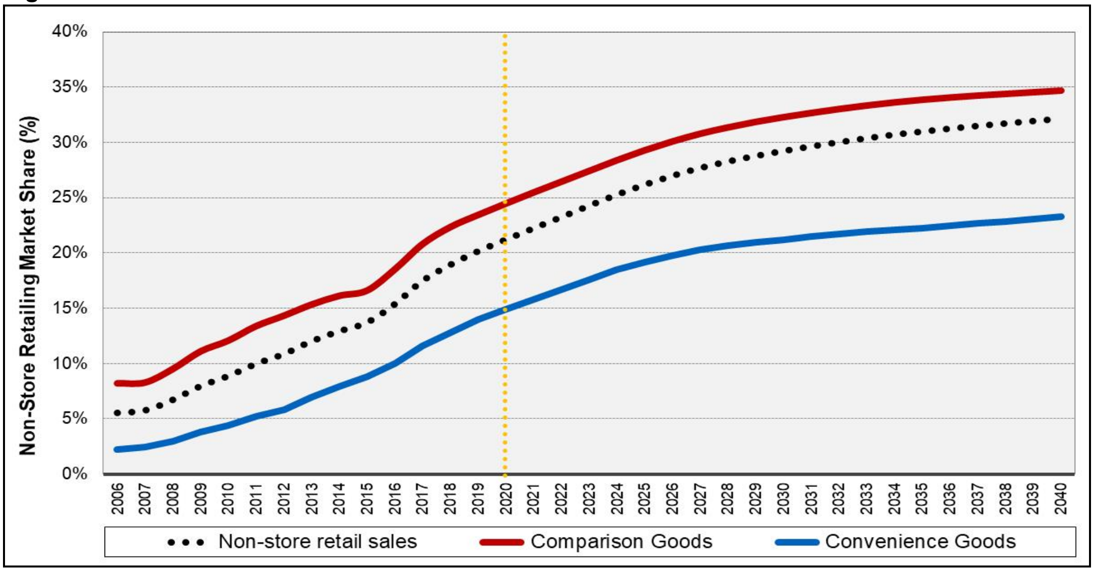
THE RISE OF ONLINE SHOPPING

3.13 The growth in non-store retail sales has undoubtedly had the most significant impact on consumer spend and behaviour, and the retail sector over the last decade. Non-store retailing, which principally comprises internet shopping, is commonly referred to as *Special Forms of Trading* (SFT)[11],

3.14 The latest ONS figures estimate that the value of non-store retail sales (including the internet) stood at £84.1bn in 2019 (in 2016 prices). Total non-store sales have increased significantly from £17.1bn in 2006, and from £29bn in 2010. As the table below shows, SFT's overall market share, as a proportion of total UK retail sales, has increased from 5.5% in 2006 to 21.2% in 2019. In other words online now accounts for more than one in every five pounds spent on retail goods.

[11] **Special Forms of Trading** (SFT) comprises all non-store retail sales made via the internet, mail order, stalls and markets, door-to-door and telephone sales. On-line sales by supermarkets, department stores and catalogue companies are also included in the data collected by the Office for National Statistics (ONS).

Figure 3.3: SFT's Market Share of Total Retail Sales



Source: Experian Retail Planner Briefing Note 17 (February 2020). Appendix 3, Figure 5.

3.15 Experian forecast total SFT market shares will increase to 26.2% by 2025, 29.2% by 2030 and 32.1% by 2040 (i.e. one in every three pounds spent on retail in 20 years' time will be online as set out in RPBN17) This is forecasting faster growth than their previous forecasts in 2019 (RPBN16) that showed lower growth by 24.1% by 2025; 25.6% by 2030 and 26.7% by 2037. Other research[12] suggests that the growth could be even faster than forecast by Experian, with online sales predicted to overtake store-based sales within the next 8-10 years, accounting for a substantial 53% of total retail sales by 2028. This higher growth is predicated on three primary factors: the changing demographic of the UK adult population, the development of faster, cheaper, in-home deliveries and fewer physical stores. This has come to more prominence in the lockdown associated with the COVID-19 pandemic where consumers were reliant on online shopping. Potentially, this may result in a structural shift.

3.16 This growth will be driven by the significant improvements in the convenience and choice of online purchasing through further advances in smartphones, mobile/wearable technology and Artificial Intelligence (AI), alongside improved web-based platforms and social media. The expansion of 5G and fibre networks, cheaper and faster deliveries (including the potential for drone deliveries, autonomous delivery vehicles, etc.), more 'click-and-collect' options and easier return processes will also provide the platform for increasing online purchases.

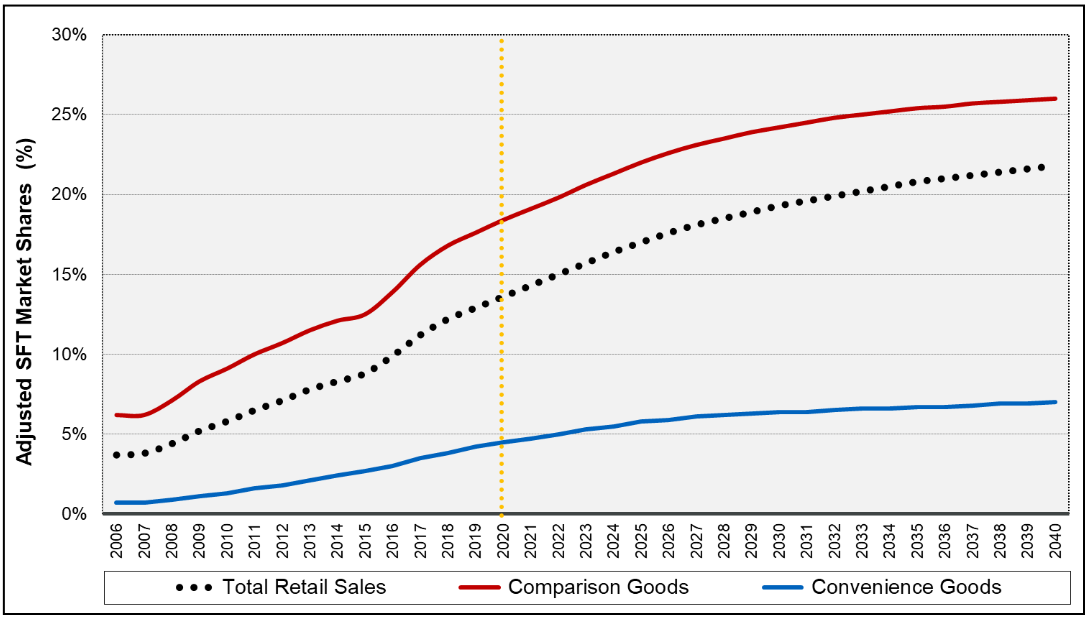
3.17 Notwithstanding the strong medium term growth, Experian forecast that the pace of e-commerce growth will slow over the long term. This is because internet use is now very

[12] 'The Digital Tipping Point – 2019 Retail Report' (Retail Economics and Womble Bond Dickinson)

extensive at 91% of all UK adults and virtually 100% for those aged between 16 and 44 years in 2018 according to ONS statistics. Hence, growth of the internet user base will be less of a driver than it has been in the past decade. Instead, generational differences in internet use will increasingly drive growth. For example, the 'Millennials' (defined as anyone born between 1981 and 1996) and 'Generation Z' (anyone born between 1997 and 2010) generations have been born into digital environments and use technology more intensively. These groups will account for half of the adult population by the end of the 2020s (compared to 39% in 2019) and the bulk of retail spending. Their preference for online shopping could well represent the "*tipping point*" for the retail industry as a whole[13]. As a result high streets, town centres and physical retailers will need to work even harder to attract and retain these generational groups as customers.

3.18 When it comes to forecasting the potential capacity for new physical retail floorspace, is should be noted that Experian identify that approximately 25% of all SFT sales for comparison goods and some 70% for convenience goods are still sourced through traditional ('*bricks-and-mortar*') retail space, rather than through '*virtual'* stores and/or *'dot com'* distribution warehouses. On this basis, Experian has adjusted their SFT market shares downwards to reflect their estimates of the proportion of internet sales sourced from existing stores. As a result the SFT market share of total retail sales is reduced to 13.6% in 2020, 17% by 2025, 19.3% by 2030 and 21.8% by 2040. In line with standard approaches these adjusted/recalibrated market share figures are used as a benchmark for the retail capacity assessment in **Section 9** to this report.

Figure 3.4: Adjusted SFT Market Shares (%)



[13] 'The Digital Tipping Point – 2019 Retail Report' (Retail Economics and Womble Bond Dickinson)

Source: Experian Retail Planner Briefing Note 17 (February 2020). Appendix 3, Figure 5.

3.19 Notwithstanding this, it is clear that the "*digital revolution*" and growth of online retailing has had a significant impact and is having a significant impact on Britain's retailers, sales and high streets. Up to now, the impact of Internet shopping has been mainly concentrated on certain retail products and services (such as, for example, electrical goods, books, music and travel). In turn, this has resulted in a reduction in the number of retailers selling these types of products and services on the high street (examples being the rationalisation of HMV and GAME stores across the UK). However, this does not mean that other comparison goods categories are immune to the impact of the internet. For example, there has been an increase in online fashion 'stores' and purchases over the last decade. These trends are clearly illustrated by the survey-derived SFT/internet market shares for different categories of comparison goods expenditure described in **Section 4**.

3.20 The impact of the "*digital revolution*" is also impacting on how and where people choose to spend their leisure time. For example, instead of visiting the cinema or theatre, consumers can digitally stream to their televisions a vast library of filmed entertainment on demand through say Netflix or Amazon Prime. Social media, Skype, email and instant messaging are also displacing face-to-face interactions. The innovation and development of these alternative digital customer experiences is accelerating, and in the process exacerbating a *'digital divide'* between, on the one hand, those well-resourced companies investing and competing in the digital arena, and on the other hand the small independent merchants that serve the day-to-day needs of their local (high street) communities. Yet the success of businesses at both ends of the 'divide' is mutually dependent, and is essential to a successful high street.

3.21 In summary, although there is uncertainty about the precise future impact of online shopping, both retailers and high streets will need to compete for shoppers and expenditure through a variety of means including creating experiences that will attract the interest and attention of potential consumers across all age and socio-economic groupings. We comment later in this section on the emerging trend in convergence between physical and online retailing.

RETAILER BUSINESS MODELS AND REQUIREMENTS

3.22 As described above, the challenging economic conditions and growth in online sales have had a significant and permanent impact on consumer shopping and spending behaviour. In turn, this has created significant challenges for traditional "*bricks-and-mortar*" retailing and the high street. As a consequence, national multiple retailers are having to constantly review and rapidly adapt their business strategies, requirements and store formats to keep pace with the dynamic changes in the sector and consumer demand.

3.23 These dynamic trends are best illustrated by the changes in the grocery sector over the last decade. Following a sustained period of growth over circa 25 years up to 2010, principally driven by new larger format store openings in predominantly edge and out of centre locations, the business models for the top-5 main grocery operators (i.e. Tesco, Sainsbury's, Asda, Waitrose and Morrisons) have shifted dramatically. Today their focus is on growing market share through online sales and new smaller convenience store formats (including Tesco Express, Sainsbury's Local and Little Waitrose). As a consequence applications for large store formats have slowed to a virtual standstill over the last decade and extant permissions have not been implemented. Outside of the so-called top-5 grocers, the 'deep discount'[14] food operators (namely Aldi and Lidl) have significantly increased their respective market shares through new store openings.

3.24 The non-food retail sector has also experienced a significant impact from the rise of online shopping, and the challenging economic and property market environment. Many well-known retailers have either closed over the last decade, or have significantly reduced their store portfolios. The table below shows some of the higher profile retailer "*casualties*" since 2008:

[14] Also referred to as 'Limited Assortment Discounter' ('LADs') by the Competition Commission Report.

Table 3.1: The Largest Retailers that have gone in Administration since 2008

Year	Retailers / Brands	Stores	Employees	Sector
2019	Select	180	2,000	clothing
2019	Debenhams	165	25,000	department
2018	HMV	133	2,200	music, DVD, games
2018	House of Fraser	59	17,500	department
2018	Poundworld	350	5,300	discount
2018	Wine Rack / Bargain Booze	760	4,000	off licences
2018	Maplin	200	2,500	IT
2018	Toys 'R' Us	105	3,200	toys & games
2017	Palmer & Harvey	-	4,000	wholesaler
2017	Store Twenty One	76	1,080	clothing/variety chain
2016	BHS	164	11,000	clothing/variety chain
2016	Brantano	200	2,000	footwear
2014	Phones4U	550	5,600	mobile phones
2013	HMV	238	4,350	music
2013	Blockbuster	528	4,190	DVD rental
2012	Comet	236	7,000	electricals
2012	Clinton Cards / Birthdays	767	8,500	cards, gifts
2012	Game	600	6,000	video games
2012	Peacocks	550	9,600	clothing
2012	JJB Sports	250	6,300	sportswear
2012	Alexon	990	2,700	clothing
2011	Focus DIY	170	3,919	DIY
2009	Wine Rack / Threshers / Bottoms Up / Victoria Wine	1,300	6,500	off licences
2009	Zavvi	150	3,500	music
2008	Ethel Austin	300	3,100	clothing
2008	Adams	271	3,200	children's clothing
2008	Woolworths	820	30,000	variety chain
2008	Stead & Simpson (Shoe Express / Lilley & Skinner / Peter Briggs)	375	3,000	footwear
2008	Faith Shoes	284	2,000	footwear
2008	Roseby's	280	2,000	furnishings
2008	Motor World	284	2,235	car accessories
2008	MFI (Hygena / Schreiber)	173	1,100	furniture
2008	Stylo Shoes / Baratts / Priceless	1,067	5,400	footwear
2008	Allied Carpets	273	2,300	floor coverings
2008	Blacks Leisure	400	2,640	outdoorwear
	TOTAL:	**13,248**	**204,914**	

Source: Centre for Retail Research (2020)

Notes: The figures relate to retail corporations that went into legal adminstration in the year shown. CRR state that the test for inclusion is: (a) administration; and (b) national significance. The table does not indicate or purport to show whether the company has disappeared, such as Woolworths, or still survives in a robust manner, such as HMV or Peacocks. Appearance in the table does not imply that the brand is no longer used or does not trade. Where a retailer has suffered several failures the date used is normally the one where most assets or staff were involved. Retailers that have shrunk their businesses without going through administration are not included.

3.25 The latest high profile retail failures include Mothercare, whose UK business was placed into administration in November 2019. At the start of 2020 the department store chain Beales also collapsed into administration, resulting in the closure of its 23 stores and the loss of some 1,300 jobs. Other operators that have entered into administration in early 2020 include Hawkins Bazaar and Oddbins. Edinburgh Woollen Mills has also acquired 200 Bonmarche stores, but this still leaves 70 stores in administration and under the threat of closure. Further to these administrations, there is another wave of retailers who have had to restructure and reduce their store portfolios over the last 5-10 years, including:

- **New Look**: entered into a Company Voluntary Agreement (CVA)15 in 2018 and closed 60 out of its 593 stores, resulting in the loss of circa 1,000 jobs. These include flagship stores in London's West End and further closures are anticipated.
- **Ikea**: reported a near -40% fall in profits in 2017 and pulled out of opening a new store in Preston in 2018. The retailer blamed higher wages and the cost of investments in its stores and website. It subsequently announced that it is to close its Coventry City Centre store in Summer 2020, as it has made consistent losses since it opened in 2007.
- **Boots**: announced in June 2019 that it will close 200 stores out of its total 2,500 store portfolio in an attempt to cut costs. On the positive side, it has opened a new format 2,787 sqm store in London's Covent Garden branded as "Beauty and Wellness Halls".
- **Marks & Spencer**: has closed some 53 of its 1,036 stores since 2016 in secondary cities and towns across the UK[16]. In addition, it announced in Summer 2019 that it had earmarked an additional 110 poorly performing stores for closure or change.

3.26 It is apparent that national retailers with extensive high street store portfolios are struggling to maintain market shares and remain profitable in the increasingly competitive environment. The higher costs of trading from high streets compared with online and out-of-centre retailing, also means that it is not a "*level playing field*". This is a further contributing factor to the significant number of store closures that have occurred over recent years.

3.27 Research shows that in total there was a net closure of some 7,550 retail units across Great Britain in 2019 and vacancy levels rose to almost 13% (expressed as a proportion of total outlets), compared with 7% in 2006[17]. Some analysts suggest that there is as much as 30% too much physical space in the retail sector. The increase in long-term vacancies and concentrations of vacant properties in centres can lead to a '*spiral of decline*', engender feelings of neglect and lack of investment confidence in town centres, which in turn "pushes" more people to shop online.

3.28 Notwithstanding the negative news headlines, there are still success stories within the retail sector. For example, Primark opened its largest store (14,957 sqm) in Birmingham in

[15] A Company Voluntary Arrangement (CVA) allows a company to enter into a legally binding agreement with its creditors, which could include suppliers or landlords, to reach a compromise agreement and avoid an administration or liquidation. A CVA can therefore provide a company with some 'breathing space' to allow it to reorganise or restructure its funding and/or its operations with as little disruption as possible. However, the CVA process has been controversial as some landlords believe some retailers are using it as a tool to push down rents without any hard evidence of business failure.

[16] M&S stores that have closed since 2016 include outlets in Andover, Basildon, Birkenhead, Bournemouth, Bridlington, London Covent Garden, Dover, Durham, Fareham, Fforestfach, Keighley, Portsmouth, London Putney, Redditch, Slough, Stockport, Warrington and Wokingham). Clacton-on-Sea; Darlington; East Kilbride; Falkirk; Fleetwood (outlet), Lancashire; Holloway Road, North London; Kettering; Newton Abbot (outlet); Newmarket; New Mersey Speke, Merseyside; Northampton; Stockton; Walsall; Antrim (the Junction); Ashford; Barrow; Bedford; Boston; Buxton; Cwmbran; Deal; Felixstowe; Huddersfield; Hull; Luton Arndale; Newark-on-Trent; Northwich; Rotherham; Sutton Coldfield and Weston-super-Mare

April 2019, which is comparable to the floorspace and layout of a more traditional department store operator. Greggs has also been one of the high street's recent star performers with a significant increase in sales in 2019. A number of retailers are responding to the competitive challenges in the retail sector by launching new formats aimed at providing consumers with enhanced retail experiences. For example, Pets at Home launched its interactive '*Store of the Future'* format in May 2019.

3.29 In summary, although some retailers are better positioned to cope with the growth in online shopping and the shifts in consumer behaviour and preferences, many are struggling to position themselves quickly enough to absorb rising costs and engineer the vital transition to a more technology-focussed business model.

RISING OCCUPANCY COSTS

3.30 As described above, physical retailers are having to absorb higher than inflation increases in occupancy costs year-on-year due to rises in, for example, rents, business rates, service charges, staff costs, etc. Research shows that, on average, retailers' operating costs increased by +3.5% in 2018, which outpaced sales growth for many retailers, eroding profitability and resulting in more store closures.

3.31 As described above it is not a "level playing field" between high street and online retailing, and between high street and out-of-centre retailing. In response to the budgetary challenges from rising costs and tight margins, retailers will need to drive up efficiencies and productivity from existing floorspace to remain viable.

3.32 It is standard practice for retail planning assessments to make a reasonable and robust allowance for the year-on-year growth in the average sales densities of existing and new (comparison and convenience) retail floorspace for it to remain vital and viable. However, there is limited evidence detailing actual changes in the turnover and profitability of retailers over time. In their latest *Retail Planner Briefing Note* (RPBN) Experian provide forecasts of annual floorspace productivity growth rates based on two different scenarios:

(i) the '**constant floorspace scenario'** - based on limited potential for new retail development, resulting in greater efficiency of existing floorspace; and

(ii) the '**changing floorspace scenario'** – as above but which also takes account of the impact of new retail floorspace.

3.33 The table below sets out the differences between the two scenarios, informed by Experian's predictions of changes in retail floorspace over time and after making an allowance for 'non-store' (SFT/internet) retailing.

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[17] Source: Experian Goad

Table 3.2: Floorspace Productivity Growth Rates (year-on-year growth %)

	2018	2019	2020	2021	2022-2026	2027-2040
CONSTANT FLOORSPACE:						
Convenience Goods	-0.2%	-1.4%	0.3%	0.7%	0.3%	0.4%
Comparison Goods	3.0%	3.6%	2.6%	2.8%	2.8%	3.1%
CHANGING FLOORSPACE:						
Convenience Goods	-0.2%	-1.4%	0.3%	0.5%	0.0%	0.0%
Comparison Goods	3.0%	3.6%	3.6%	3.6%	3.2%	2.7%

Source: Experian Retail Planner Briefing Note 17 (February 2020). Figures 3b/3c/4a/4b.

3.34 As Experian explain, ongoing budgetary pressures mean that retailers are having to increase efficiencies from current floorspace: including through redevelopment/repurposing of existing floorspace, adoption of new technology and innovations, more effective marketing strategies and using internet sales to increase the sales performance of physical shops. This is against a backdrop of weak demand for retail property, high vacancy levels and a significant fall in new retail-led development in centres across the UK. Experian conclude that these trends confirm the limited prospects for new retail floorspace development. For these reasons the national 'productivity' growth rates based on the *'constant floorspace scenario'* are preferred as they better reflect national trends and the need for existing retailers to increase their sales potential to remain viable.

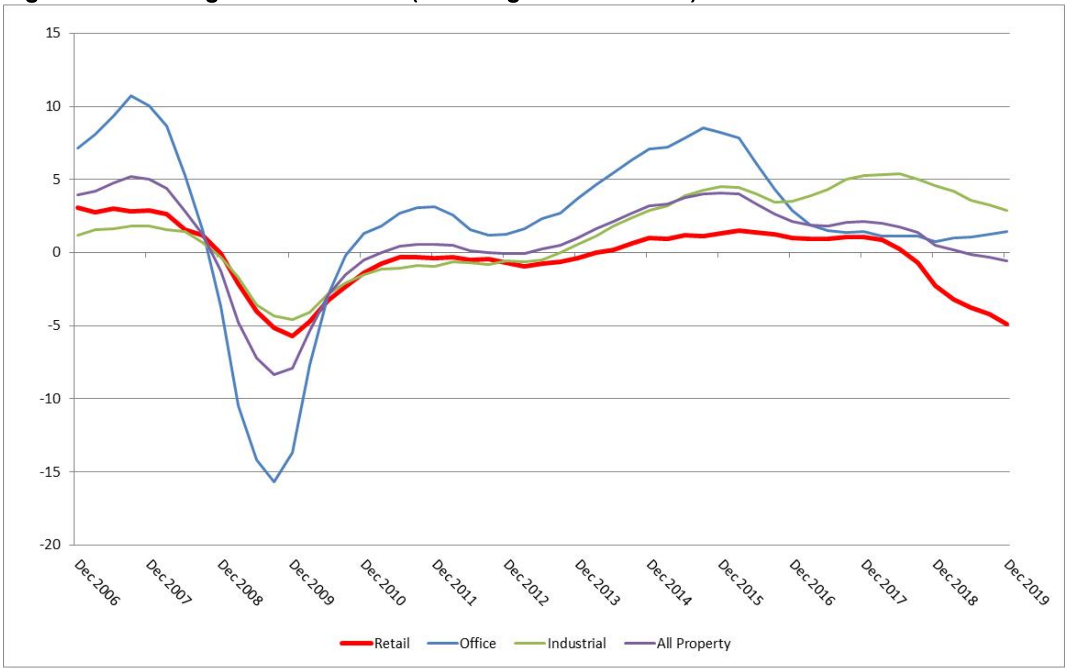
RETAIL & SHOPPING CENTRE INVESTMENT

3.35 The rise in the number of retailer "*casualties*" and vacancy levels has created a challenging environment for existing retailers and investments in towns and shopping centres across the UK. The current investment climate is becoming increasingly polarised. The top 50 shopping locations generally have the best prospects for attracting new investment and development. This is because they benefit from strong catchments and the necessary critical mass of shops, leisure facilities and other uses to remain commercially viable and attractive investment propositions. Outside of the top 50 it is the more secondary towns and shopping locations, such as Basingstoke, that remain vulnerable to further reductions in their existing retail and commercial offer. This is against the backdrop of limited and falling demand for new shops and commercial space.

3.36 Demand for retail space in centres across the UK has fallen dramatically since 2007 and is currently at an all-time low. In turn, this fall in demand is affecting property values and rents. For example, recent LSH research shows that the retail sector recorded a +4.9% year-on-year fall in rents in May 2019[18]. As the figure below shows, retail has performed poorly compared with the other property sectors since the economic crisis in 2007/08.

[18] LSH research using MSCI data

Figure 3.5: Average Rental Growth (% Change Year-on-Year)



Source: MSCI

3.37 It is apparent that many centres and shopping locations across the UK are "*over shopped*"; meaning that the supply of retail floorspace significantly outstrips market demand. Many centres simply have too much retail floorspace stock, or they have the "*wrong type*" of retail floorspace in secondary and prime pitches in centres across the UK that do not meet the needs of modern national retailers for larger format shop units. This over-supply of retail floorspace and limited market demand is placing further pressures on the viability of existing stores and shopping centres. In turn, this makes it difficult for landlords, investors and retailers to justify additional capital expenditure.

3.38 In many centres across the UK landlords are also struggling to retain existing tenants, let alone attract new retailers into vacant shops. In the current climate occupiers are negotiating shorter lease terms and greater incentives from landlords to continue trading in the face of increasing online competition and economic uncertainty. This will also force down rents and profits across more marginal, secondary shopping locations.

3.39 Due to the underlying crises in the retail sector mainstream financial investors have increasingly exited the sector citing rising vacancy rates, the growth of online shopping and increased costs.

3.40 Notwithstanding this trend, low-cost funding available from the Public Works Loan Board ('PWLB') and other funding options has resulted in local authorities purchasing different property assets for both income-generation and re-generation purposes. Recent joint research between LSH and Revo entitled '*Fixing Our Broken Town Centres'* has identified that Councils have spent a record £775m buying shopping centres over the past three years, and are expected to outlay a further circa £200m in 2020. The investment and business rationale for the purchase of many of these shopping centres assets is to provide local authorities with more control of the planning, regeneration and management of their town centres. By way of example, Surrey Heath Borough Council's purchase of The Square in 2016 and its ongoing investment in the shopping centre is a good example of where the local authority is taking a proactive role in maintaining and enhancing the vitality and viability of its town centre. There are other examples across the UK of Councils "*taking back control*" of their town centres.

OUT-OF-CENTRE RETAILING

3.41 The development and take-up of food and non-food out-of-centre space has also slowed over recent years, in line with the trends impacting on high streets and town centres. As described above, the main grocery retailers have pulled back from new larger format superstore openings in edge and out of centre locations to focus on maintaining and increasing market shares through online sales and opening smaller convenience outlets. The exception to this is the deep discounters, Aldi and Lidl, who continue to seek new sites in mainly edge and out of centre locations.

3.42 Vacancy levels in out-of-centre retail warehouses and parks have also increased over the last decade following the closure of major operators (such as, for example, Toys R Us Poundworld, Office Outlet, etc.), and a reduction in the store portfolios of other major out-of-centre retailers (such as, for example, B&Q and Homebase). There are likely to be further increases in closures, particularly in the poorly performing *"first generation"* and secondary shopping locations, as leases come up for renewal and more retailers go into administration. As a result a number of out-of-centre foodstore and retail warehouse sites are being repurposed and/or redeveloped for alternative uses, including new residential uses.

3.43 Notwithstanding this, most out-of-centre shopping locations retain their significant competitive advantages over town centres and high streets in terms of their supply of larger format modern outlets, their lower occupancy costs, extensive free parking and convenient access to the road network. This is still an attractive proposition for those retailers that are still seeking space in the current market. For example, as part of its revised business model Marks & Spencer has closed a number of its traditional high street stores and *"replaced"* these with 'Simply Food' branded stores in out-of-centre locations (for example in Great Yarmouth, Harlow, Wakefield and Rugby). As a result, retailers who previously anchored the vitality and viability of town centres, are now competing directly with high streets for shoppers, spend and sales.

COMPETITIVE RESPONSES TO THE RETAIL 'CRISIS'

3.44 Falling market demand, rising costs and increasing competition from online and out-of-centre shopping is resulting in more vacant retail space due to retailers either downsizing their portfolios (e.g. Marks & Spencer), launching CVAs (Debenhams) or entering into administration (Maplin / Toys-R-Us). The current and future challenges for many high streets and shopping locations will be how to retain existing businesses, fill/replace the voids and attract new investment.

3.45 In those cases where retail vacancies are long-term and more often than not concentrated in secondary shopping streets/pitches, it will be necessary to plan for alternative uses and/or consider options for redevelopment. This may include temporary uses that ensure town centres and frontages remain active, with the potential to accommodate alternative uses such as business start-ups, art studios and galleries, community/youth centres, etc. Another option is for *'pop-up'* and '*meanwhile uses/leases'*, which can facilitate temporary occupation of empty buildings while a permanent solution is being found. Other options include the conversion or redevelopment of former retail units to residential.

3.46 Although the multiples/brands will remain important anchors for shopping locations, helping to generate trips, footfall and spend, the successful town centres of the future will be characterised by a more diverse mix of independent businesses. Street markets[19] and market halls can also provide the platform for new businesses to grow and flourish, and make significant contributions to the overall vitality and viability of centres, and local economies. This is recognised by the NPPF (see paragraph 85). The *Portas Review*[20] also identified markets as an important contributor to the future of successful town centres. The successful and thriving markets of the future will be those that are able to respond to the changing needs of a town's catchment population. At the same time successful markets can appeal to a wider customer profile, attracting visitors from outside a town's "normal" catchment area and helping to increase footfall and linked trips to the benefit of other shops and businesses.

3.47 The convergence of online and physical space also represents a further competitive response to the challenges facing our town centres and high streets. For example, both 'Amazon' and 'eBay' are trialling the use of physical space to showcase their services and goods. Amazon's *"Clicks and Mortar*" stores have been trialled in Manchester, Cardiff, Edinburgh and Sheffield, and offer more than 50 local and national ecommerce businesses the opportunity to explore customer-facing trade for the first time to help drive growth, with

[19] The Rhodes Survey (2005) first reported on the economic value of street markets. Also see '*A Policy & Research Review of UK Retail and Wholesale Markets in the 21st Century*', by the Retail Markets Alliance (2009)

[20] The Portas Review: An independent review into the future of our high streets (2011)

the benefit of in-store business advisers and workshops to help build their skills in selling both in-store and online. In Wolverhampton, eBay opened its first concept store in April 2019. Branded as '*Home Grown'*, it provided a temporary physical space to showcase eBay's initiatives to help local businesses evolve for the 21st Century through physical and online retail sales. eBay's partnership with City of Wolverhampton was on the back of research that showed that many small-scale retailers and independent business in the UK do not necessarily have an online presence aimed at generating sales through a defined website, social media channel or presence on an online marketplace. Other purely online retailers are also considering this crossover into physical space including Boohoo (fashion retailer), Sonos (speaker systems) and Birchbox (cosmetics). Although their requirements are limited at present, it nevertheless illustrates that there is interest and an appetite for physical space from online retailers as part of their wider multi-channel business strategies. This omni-channel approach to retail could help to drive market demand as more traditional physical retailers close on the High Street.

3.48 There are also wider digital technological changes that together will impact on the future of town centres and the way the nation lives, shops, works, plays and carries out a wide range of activities. Smart Cities, Artificial Intelligence (AI) and 5G will continue to redefine the infrastructure and interactions between consumers, commercial businesses, public services and other uses and activities. At this stage we can only speculate about outcomes, but examples exist of how technology is currently being used to increase trips and footfall in centres. For example:

- In Bristol the 'Gromit Unleashed' sculpture trails were first established in 2013. They positioned 80 artist-designed 'Gromit' sculptures across the city. Visitors were then invited to go on a smartphone-guided sculpture hunt, allowing them to find and record the various 'Gromits' dotted throughout Bristol. An understanding of place together with public interest provided the necessary first step in getting people interested.
- Dorchester's free public Wi-Fi was funded[21] on the back of research that showed that consumers stay longer in a town centre if there is free Wi-Fi available. It has enabled retailers to connect with their customers through social media and mobile technology with the aim of encouraging more footfall.
- Lichfield sought to increase the publicity for its High Street shops through social media. Businesses around the city have played their part by simply taking photos of their products and services and posting them to social media feeds. This has generated a wide interest.

[21] Funded by Dorchester BID, Dorset County Council, West Dorset District Council, Dorchester Town Council and Brewery Square (leisure scheme)

3.49 Whilst the long term implications for the high street of the convergence between online and physical retailing and increased digital connectivity remain unclear, what is certain is that they are unlikely to take up the same level of space as conventional retailers in the past. The space they do take will form part of a wider set of channels through which sales are generated.

Summary

3.50 In summary, that retailers and businesses in the UK's towns and high streets are facing a myriad of challenges. In many cases our traditional high street retailers are "*burdened*" with too many stores, unsuitable space and/or inflexible lease structures. This will either result in further retail "*casualties"* on the high street and/or inhibit any critical investment that may be needed to repurpose floorspace that is not "*fit-for-purpose*" and/or investment in the IT infrastructure and logistics capabilities need to key pace with pure online competitors.

3.51 These challenges and threats to the high street will continue to grow over the short, medium and long term. As for other centres across the UK, Basingstoke Town Centre and other centres in the Borough will need to embrace the new dynamics and trends, and build in resilience to adapt to future changes. This will be based, in part, on identifying and building on their unique attractions and competitive positioning where possible, and embracing the digital transformation of centres.

3.52 Traditional high street retailers will continue to face significant competition from online and out-of-centre shopping over the medium to long term. It is clear that our town centres and high streets are under pressure to simply retain retail businesses, let alone attract new investment and development. Tackling business rates and occupancy costs to create a more 'level playing field' with online and out-of-centre shopping will therefore be a key challenge at the national, regional and local level. If store closures continue to increase in centres alongside longer term vacancies, then this could "push" even more households to shop online, resulting in a "spiral of decline" that will be difficult to stop once started.

3.53 It is against this backdrop that public sector intervention will become increasingly important. Aside from their planning function, it is clear that local authorities will have to take a more proactive role in maintaining and enhancing the vitality and viability of town centres as landlords, developers, investors and managers. Recent Government-backed initiatives such as the Future High Streets Fund and the Town Deals Fund will provide almost £5bn of funding to be distributed to those local authorities that put together successful bids. This will help to kick-start some critical regeneration and infrastructure projects, and help grow local economies and create new jobs. A number of Councils are also taking a more proactive role in the regeneration of town centres through the purchase of property assets, including shopping centres.

3.54 Against this backdrop, the Council will need to build in resilience and, where possible, *"future-proof"* its centres to the changes in shopping and leisure habits. This will inevitably result in a move away from high streets as solely retail-led locations to those that offer a wider range of retail, leisure, cultural, heritage, employment, tourist and other amenities/attractions. This transition to more diverse uses that go "beyond retail" will need to be supported by a mix of new homes and apartments on the edge of and/or 'on top of' centres to help boost their 'captive' resident and working catchment populations in the most sustainable and commercially effective way. This, in turn, will increase the attraction of centres, encourage more frequent trips and spend, and ultimately help to strengthen the overall vitality and viability of town centres as high quality places where people choose to live, work, shop, play and use for a wide range of activities.

3.55 The future trends and forecasts clearly point to the need for the consolidation, reduction and repurposing of physical retail space, rather than any significant expansion. Many high streets and smaller shopping centres will struggle to find the investment needed to survive. Retailers, local authorities, developers and landlords will therefore need to work together to develop sustainable visions and strategies that consider ways of reconfiguring and potentially redeveloping redundant space for alternative uses other than retail over the short, medium and long term.

4. CATCHMENT, COMPETITION & MARKET SHARES

4.1 This section defines the Study Area that has been adopted for the basis of the quantitative needs assessments set out in **Section 9**. It describes the household telephone interview survey (**HTIS**) methodology and summarises the key headline findings of the market share analysis for convenience and comparison goods.

4.2 This section first sets out the extent of the defined catchment study area/zones that provide the framework for the household telephone interview survey and analysis, including the catchment population. It then describes the main competing centres within the defined catchment area, and the extent to which Basingstoke Town Centre and the Borough's other main centres are drawing shoppers and spend for different types.

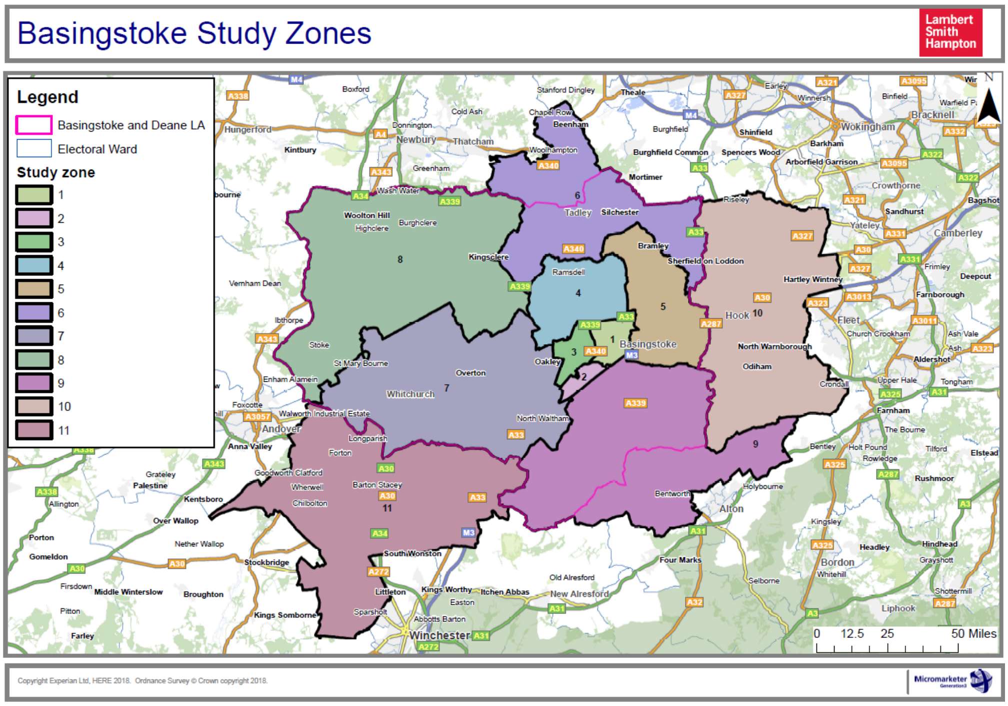
4.3 The commissioning of original market research enables in-depth analysis of shopping and leisure patterns to be considered at both local and strategic level. This allows the trade draw evaluation of the Borough's centres to be ascertained. The timing of the new research also allows the authorities to record any strategic changes in shopping leisure patterns that may have occurred since the last study. These changes may be as a result of new development that has been delivered in, or outside, the Borough through town centre regeneration projects or through other edge or out of centre schemes. Alternatively, changes may have occurred due to structural changes (technology, travel and pastime) that have been affecting the wider retail and leisure sector over the last decade.

CATCHMENT PROFILE

Catchment (Study) Area Definition

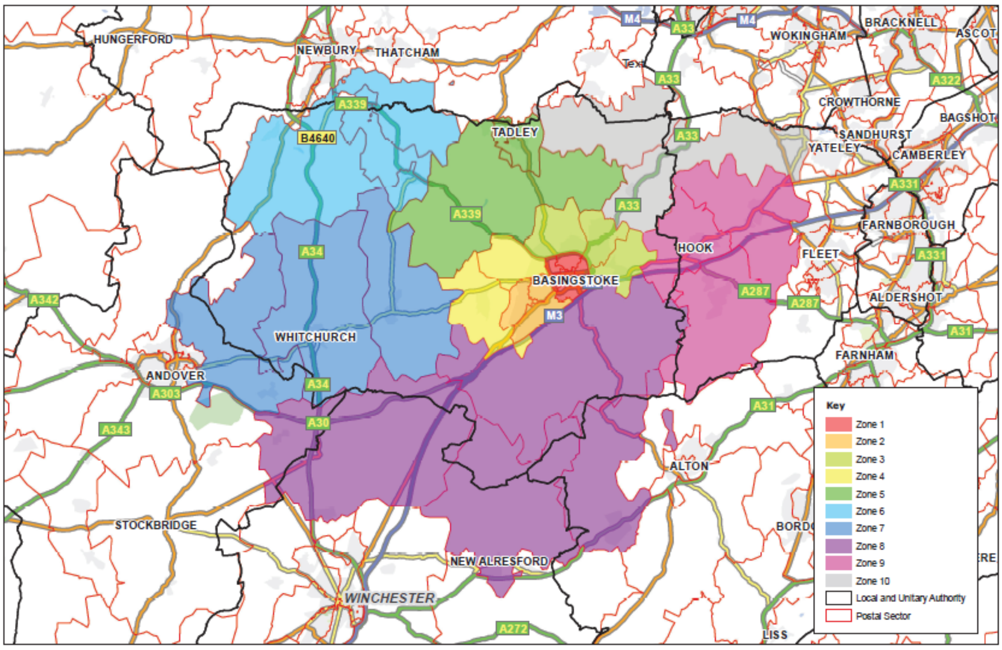
4.4 The definition of an appropriate Study Area (or catchment) is an important starting point for any retail and town centre assessment. The Study Area has been defined using ward geography, which covers the Council area in full as well as extending into neighbouring authorities. **Figure 4.1** (also shown in **Appendix 1**) shows the full extent of the Study Area and Zones.

Figure 4.1: Study Area and Zones



4.5 To note that in defining the study area reference was made to the Council's previous HTIS in 2012. The new study area is broadly the same as that defined in the 2012 study (shown below). The key difference being that the previous study area was based on postcode sector geography whilst the new study area is based on ward geography. Therefore, the extent of the individual zones between the two surveys cannot inevitably be identical.

Figure 4.2: Study Area: Basingstoke and Deane Retail Study 2012



4.6 In terms of the new HTIS, the Study Area was disaggregated into 11 zones for the purpose of this assessment to allow for a "finer grain" analysis of shopping patterns, leisure preferences and expenditure flows. To gain an un understanding of Borough-wide market shares, zones 1, 2, 3, 4, 5, 7 and 8 are defined as being representative 'Core Zones' for the Council area as their boundaries fall in full within the Borough boundary area.

4.7 The ward names and number of interviews per zone are set out in the table below:

Table 4.1: Study Area Wards Postcode Zones

Zone	Wards	Number of Interviews
1	Brookvale & Kings Furlong, Eastrop, Grove, Norden	101
2	Brighton Hill North, Brighton Hill South, Hatch Warren & Beggarwood	100
3	Buckskin, Kempshott, South Ham, Winklebury	100
4	Popley East, Popley West, Rooksdown, Sherborne St. John	100
5	Basing, Bramley & Sherfield, Chineham, Aldermaston	100
6	Baughurst & Tadley North, Pamber & Silchester, Tadley Central, Tadley South	101
7	Oakley & North Waltham, Overton Laverstoke & Steventon, Whitchurch	101
8	Burghclere Highclere & St. Mary Bourne, Kingsclere, East Woodhay	100
9	Bentworth & Froyle, Upton Grey & The Candovers	100
10	Hartley Wintney, Hook, Odiham	100
11	Harewood, Wonston & Micheldever	100
	Total	**1103**

4.8 A total of 1,103 telephone interviews were conducted by NEMS between 6th January 2020 and 30th January 2020. The NEMS method statement is explained in full in **Appendix 19** to this study. In summary, NEMS conducted the interviews during the day and evenings using their in-house CATI (Computer Assisted Telephone Interviewing) Unit. As part of their standard approach NEMS also put a number of measures in place to ensure the sample is representative of the profile of the person responsible for most of the household's shopping. In order to correct any small differences between the sample profile and population profile, the data was weighted by NEMS as explained in their appended method statement.

4.9 These zones provide the sampling framework for the HTIS. This zone-by-zone approach also enables more detailed analysis of shopping patterns, market shares and expenditure flows both within and outside the Study Area for the purpose of the retail capacity assessment, in accordance with good practice. The key findings are used to inform the baseline market share analysis and the centre/store turnover estimates that underpin both the quantitative and qualitative needs ('gap') assessment[22].

[22] For the capacity assessment it is common practice in retail assessments to deduct special forms of trading (i.e. purchases over the internet, mail order shopping and market stalls) from average expenditure per capita figures at the outset according to national forecasts derived from Experian Business Strategies. Internet shopping and special forms of trading have therefore been filtered out from the survey results before undertaking the market share assessment.

Convenience Goods – Market Share Analysis

4.10 Convenience goods retailing is generally defined as comprising everyday essential items (including food, drinks, newspapers/magazines and confectionery), as well as an element of non-durable housing goods (such as washing up liquid, kitchen roll, bin bags, etc.).

4.11 The survey-derived market share (%) analysis for all convenience goods shopping is set out in Table 1 of **Appendix 4**. It should be noted that for this stage of the analysis the market shares for both convenience and comparison goods retailing **include** expenditure on SFT (which comprises internet sales, mail order shopping, etc.), but exclude 'null' responses (such as 'don't knows', etc.) in accordance with good retail planning practice.

4.12 The overall market shares in Table 1 of **Appendix 4** has been derived from the analysis of the responses as to where people normally shop for their main ('bulk') and 'top up' grocery purchases. The market shares for these different types of food shopping are set out in detail in Tables 2 and 4 of **Appendix 4**.

4.13 In order to avoid the market share analysis of food shopping patterns being 'skewed' by larger superstores and foodstores in the Study Area, the survey also asked respondents where else they normally shop (if anywhere) for their 'main' and 'top up' purchases in addition to the first store identified. The market shares for this 'other' shopping are set out in Table 3 ('other' main food shopping) and Table 5 ('other' top up food purchases') of **Appendix 4**.

4.14 The 'primary' and 'secondary' responses for the different types of food shopping have then been merged through the application of a weighting based on judgements as to the proportion of household expenditure normally accounted for by each type of convenience goods shopping. In this case we have applied the following reasonable weightings informed by the survey findings and other studies conducted by LSH over a number of years:

- 60% for main 'bulk' shopping;
- 10% for secondary main 'bulk' shopping
- 20% for primary 'top-up' shopping;
- 10% for secondary 'top-up' shopping

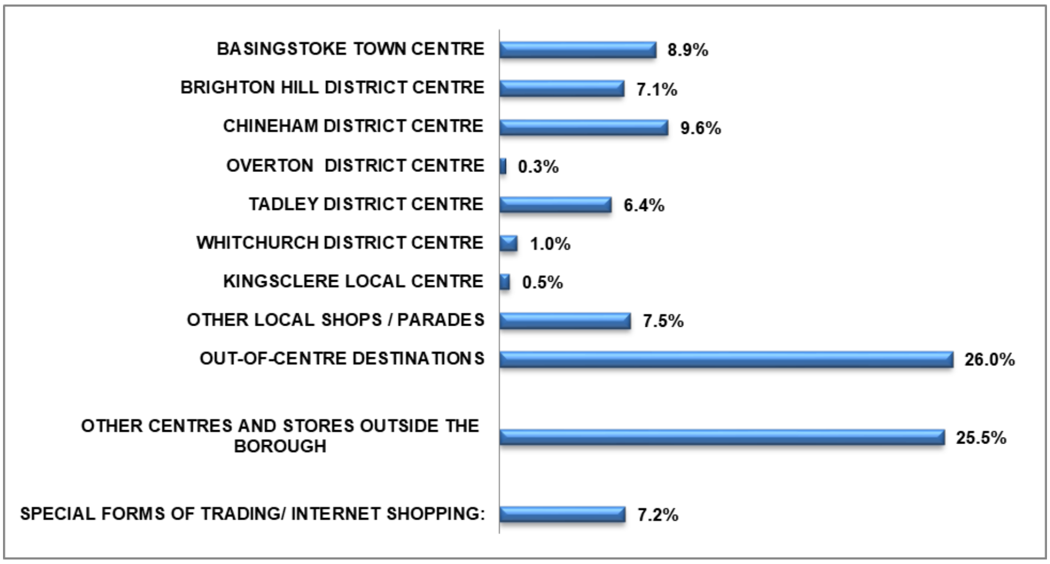
4.15 The key findings of the market share analysis are briefly described below.

4.16 In terms of the market share of SFT and principally internet shopping, Table 1 (**Appendix 4**) shows that the share of all food shopping across the Study Area (i.e. Zones 1-11) is **7.2%.** SFT's share varies across the Study Area from a low of 3.1% in Zone 4 to a high of 12.8% in Zone 5.

4.17 As detailed previously, Experian's latest (RPBN17) (February 2020) shows that the 2020 unadjusted national average market share for non-store (SFT) convenience goods retail sales is **14.9%.** This is higher than the market share of **7.2%** for the wider Study Area. A number of factors may influence this lower than average market share; such as, for example, good access to foodstores at the local level and the extent/quality of the existing internet infrastructure (such as, for example, the logistics for delivery). This highlights the potential for SFT market penetration to increase in the future as online grocery shopping becomes more popular and convenient. If this were to occur, then it would potentially reduce the expenditure available to support the need ('capacity') for new ('physical') retail floorspace over the forecast period to 2038.

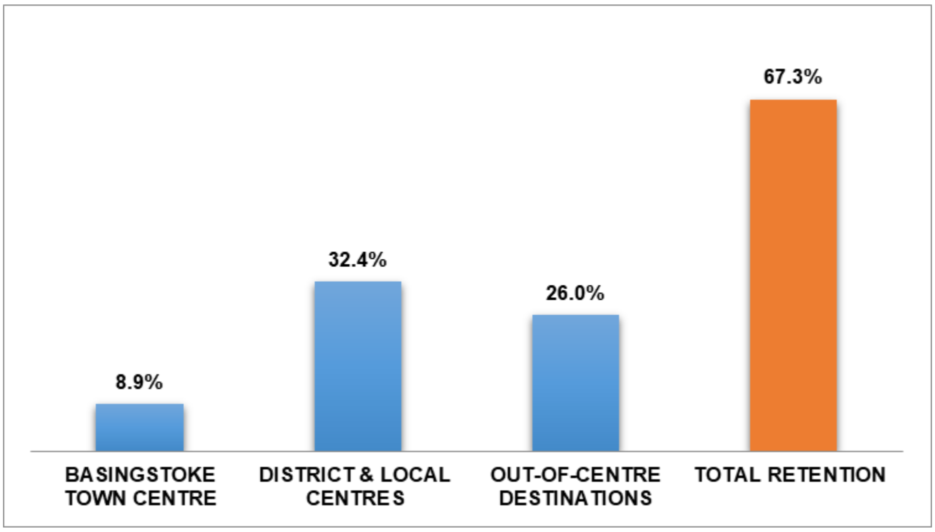
4.18 Turning to the market share analysis for the main centres and stores, Table 1 (**Appendix 4**) shows that they are achieving an overall convenience goods market share ('retention level') of **67.3%** from within the Study Area (Zones 1-11). This represents a good level of retention and is reflective of the convenience floorspace provision across the Borough.

Figure 4.3: 2020 Convenience Goods Market Shares



4.19 **Figure 4.3** can also be summarised by location category below. This shows the dominance of the district and local centres as well as out-of-centre category for convenience goods. The potential to increase the Borough's food and convenience goods offer will be subject to market demand. Any need and market demand generated should be provided in the Town Centre and District and Local Centres as a priority to help maintain and strengthen their vitality and viability, in compliance with national and local plan policy objectives.

Figure 4.4: Convenience Goods: 2020 Market Shares (%) by Location Category

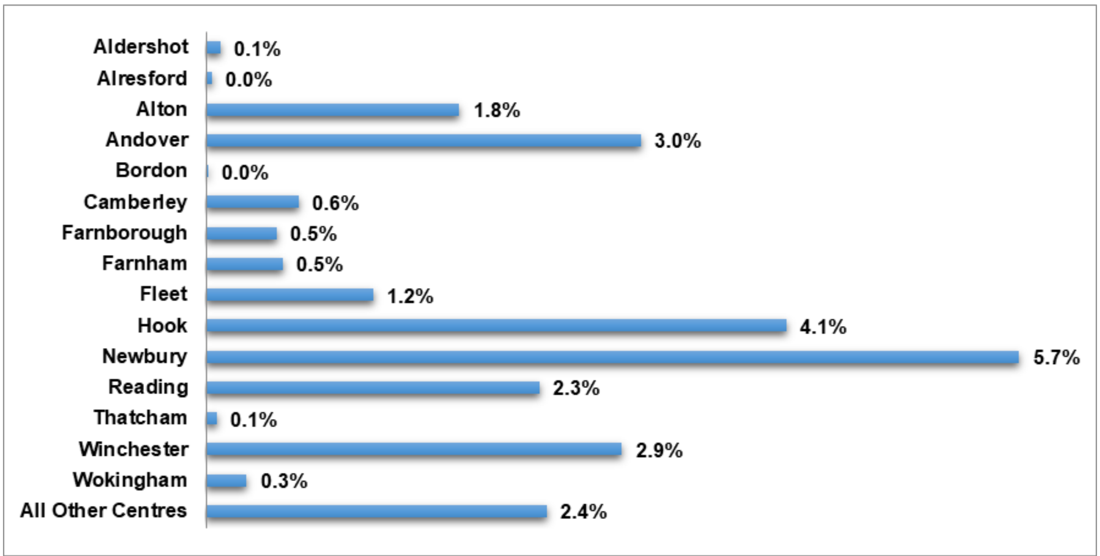


4.20 The main headlines from the survey are as follows:

- **Basingstoke town centre** is achieving a market share of 8.9% from the Study Area (Zones 1-11). The key stores with a significant market from across the Study Area share include Waitrose, Basing View (2.5%); Sainsbury's Superstore, Station Mall (2.4%); Tesco Metro, Festival Place (1.8%). The town centre stores achieve their highest market share of 27.8% from Zone 1 in which the town centre is located.
- **District Centre: Brighton Hill:** Achieves a market share of 7.1% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 2 (34%) – the Zone in which the centre is located.
- **District Centre: Chineham:** Achieves a market share of 9.6% from the Study Area (Zones 1-11). The highest market share is achieved in Zones 4 (30.8%).
- **District Centre: Overton**: Achieves a low market share of 0.3% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 7 (3.8%) in which the centre is located.
- **District Centre: Tadley**: Attains a market share of 6.4% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 6 (47.5%) in which the centre is located. The Sainsbury's store (Mulfords Hill) is the key convenience anchor with a market share of 39.2% in Zone 6.
- **District Centre: Whitchurch**: Achieves a low market share of 1% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 7 (11%) in which the centre is located.
- **Local Centre: Kingsclere**: Also achieves a low market share of 0.5% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 8 (7.4%) in which the centre is located.

- **Other Local Shops and Neighbourhood Parades**: the Borough's smaller centres have a combined market share of 7.5% in the Study Area. The highest market shares are achieved in Zone 5 (encompassing Old Basing 12.4%) and Zone 1 (Town Centre 11.2%, but beyond the town centre boundary).
- **Out-of-Centre Stores** are achieving a total combined market share of 26% from within the wider Study Area. Their market share increases to 33% in the Core Zones. Of these out-of-centre stores, Sainsbury's Superstore, Wallop Drive is achieving the highest market share of 8.5% in the Study Area followed by Morrisons, Worting Road achieving the second highest market share of 7.9% in the Study Area. Furthermore, Sainsbury's Superstore, Wallop Drive achieves the highest single market share in this category of 24.4% from Zone 2.
- Finally, in terms of '**leakage'** to other competing centres and stores outside the Borough area, this stood at 25.5%. The main competing centres for food shopping from across the Study Area (Zones 1-11) are:
  - Newbury (5.7%) – greatest penetration in Zone 8 (63.3%) which is its closest zone;
  - Hook (4.1%) – greatest penetration in Zone 8 (29.4%) the zone in which the centre is located; and
  - Andover (3%) – greatest penetration in Zone 11 (23.8%) which is the closest zone.

Figure 4.5: 2020 Convenience Goods Market Shares: Leakage (%)



Comparison Goods – Market Share Analysis

4.21 Comparison goods[23] are generally defined as items not obtained on a frequent basis and include clothing, footwear, household and recreational goods. The household survey

[23] Please note that comparison goods and non-food shopping have the same meanings.

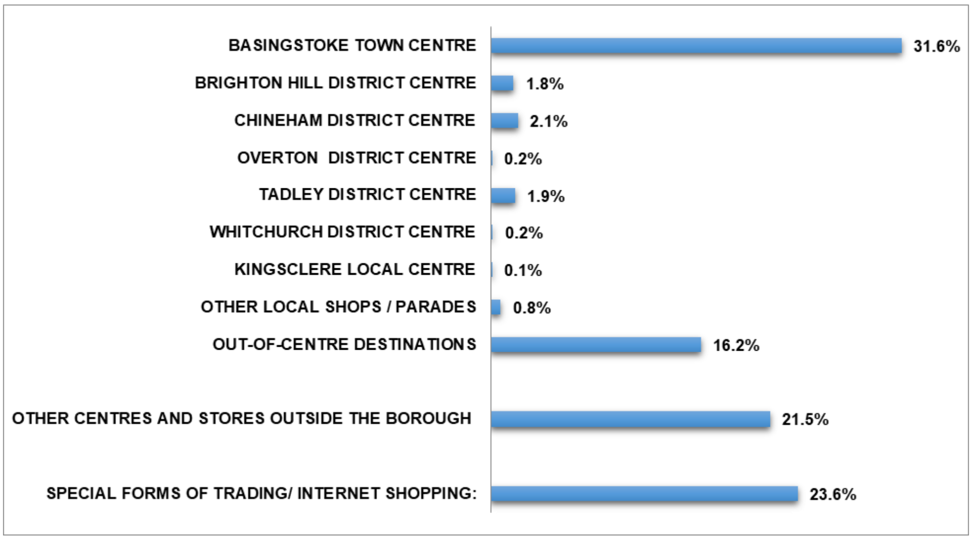
comprised questions on the main groupings of non-food expenditure, as defined by Experian in the latest Retail Planning Briefing Note 17, including: clothing and footwear, recording media, electrical goods, books, furniture and carpets, DIY and garden products, medical goods and other non-food goods.

4.22 Table 1 (**Appendix 8**) shows the market shares (%) for all comparison goods shopping purchases made both within and outside the Study Area. These total market shares have been informed by the shopping patterns for the different types of comparison goods expenditure set out in Tables 2-10 (**Appendix 8**). The market share analysis (%) takes account of the distribution and weight of spend (£) by households on the different comparison goods categories. This ensures that that the resultant shares are not 'skewed' by any particular comparison goods expenditure category. This is a standard approach for retail assessments. As for the analysis of convenience goods, the market shares <u>include</u> expenditure on special forms of trading (SFT) but <u>exclude</u> all 'null' responses.

4.23 Table 1 (**Appendix 8**) shows that SFT's market share of all non-food shopping across the total Study Area is **23.6%.** This is marginally below Experian's latest Retail Planner Briefing Note 17 shows that the national average market share for non-store (SFT) comparison goods retail sales is **24.5%** in 2020 (see **Section 3**).This indicates that there is the potential for SFT to increase its market share penetration further in the future; for example, Experian forecast average SFT non-food market shares will increase to 29.3% by 2025 and 34.4% by 2038. If the SFT market share for the Study Area was to increase by the same rate (proportionally) as forecast by Experian, then it will reduce the residual expenditure available to support the need ('capacity') for new ('physical') retail floorspace over the forecast period to 2038.

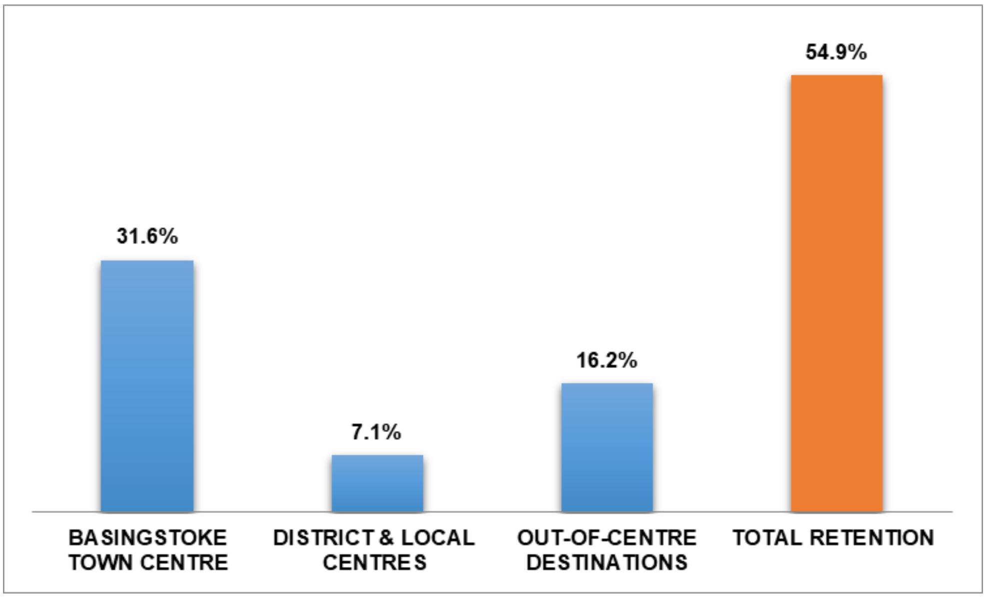
4.24 Turning to the market shares for the main centres and out-of-centre stores and shopping facilities, Table 1 (**Appendix 8**) shows that floorspace in the Borough is achieving an overall 'retention level' of **54.9%** from across the whole Study Area. Within the Core Zones this increases to 61.9%. The highest levels of retention are in Zone 4 (76.5%); Zone 2 (74.1%); Zone 3 (71.3%) and Zone 1 (70.9%).

Figure 4.6: Comparison Goods Market Shares: 2020 Market Shares (%) by Location Category



4.25 **Figure 4.6** can also be summarised by location category below. This shows the dominance of the Basingstoke town centre and out-of-centre category. As with convenience goods, the potential to increase the Borough's comparison goods offer will be subject to market demand. Any need and market demand generated should be provided in the Town Centre and smaller District and Local Centres as a priority to help maintain and strengthen their vitality and viability, in compliance with national and local plan policy objectives.

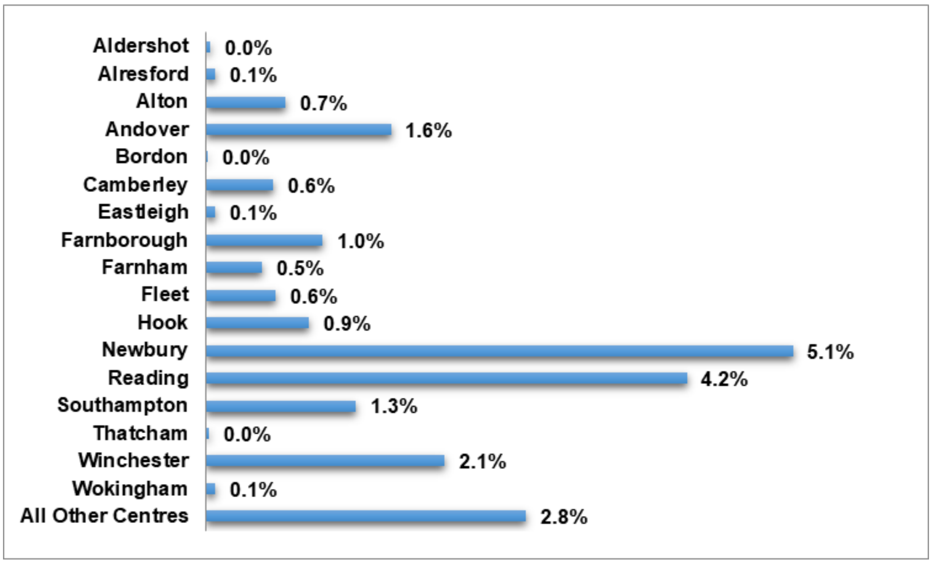
Figure 4.7: Comparison Goods: 2020 Market Shares (%) by Location Category



4.26 Looking at comparison goods expenditure retention for the main centres, the following key market shares have been identified:

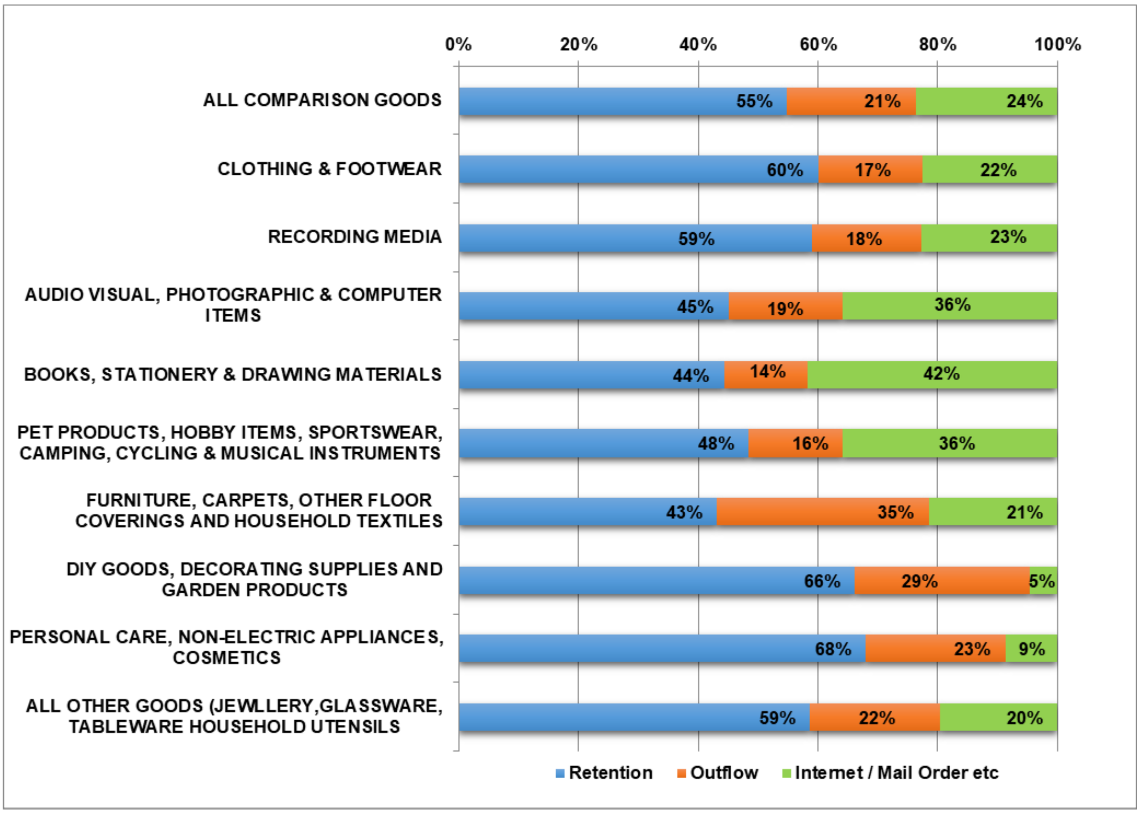
- **Basingstoke town centre** is achieving a market share of 31.6% from across the Study Area. Significant market shares are achieved in Zones 1 (48.6%); 4 (42.5%); 3 (39.9%) and 2 (37%). These are zones immediately surrounding the centre's core zone (Zone 1).
- **District Centre: Brighton Hill:** Achieves a lower market share of 1.8% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 2 (7.4%) – the Zone in which the centre is located.
- **District Centre: Chineham:** Achieves a low market share of 2.1% from the Study Area (Zones 1-11). The highest market share is achieved in Zone(s) 5 (7.8%) and 4 (5.7%).
- **District Centre: Overton**: Achieves a low market share of 0.2% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 7 (1.7%) in which the centre is located.
- **District Centre: Tadley**: Attains a low market share of 1.9% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 6 (14.7%) in which the centre is located.
- **District Centre: Whitchurch**: Achieves a low market share of 0.2% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 7 (1.9%) in which the centre is located.
- **Local Centre: Kingsclere**: Also achieves a low market share of 0.1% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 8 (1.7%).
- **Other Local Shops and Neighbourhood Parades**: the Borough's smaller centres have a combined market share of 0.8% from the Study Area. The highest market share is achieved in Zone 7 (2.4%).
- **Out-of-Centre destinations** are achieving a total combined market share of 16.2% from within the wider Study Area. Their market share increases to 19.2% in the Core Zones. The highest market share is achieved in Zone 2 (28.6%). Of the out-of-centre destinations, Brighton Hill Retail Park (Bensons for Beds, Carpetright, Currys PC World, DFS, Harveys) is achieving the highest market share of 6% in the Study Area.
- In terms of '**leakage'** to other competing centres and stores outside the Borough area, this stood at 21.5%. The main competing centres for food shopping from across the Study Area (Zones 1-11) are Newbury (5.1%) and Reading (4.2%).

Figure 4.8: 2020 Market Shares: Leakage (%)



4.27 **Figure 4.9** below shows the 'retention' by type of comparison goods expenditure in the Study Area (all 11 Zones), the market share of SFT and the 'leakage' ('outflow') of expenditure to competing centres, stores and shopping facilities located outside the Borough area.

Figure 4.9: Study Area Comparison Goods Market Shares (Zones 1-11)



4.28 **Figure 4.9** shows that the highest proportions of expenditure 'outflow' and 'retention' are in the categories of 'DIY/gardening' (66% retention and 34% outflow), 'personal care' (68% retention and 32% outflow), 'clothing & footwear' (60% retention and 40% outflow) and in the categories of 'recording media' and 'all other goods' (both with a 59% retention and 41% outflow respectively)

4.29 Online shopping mainly dominates the categories of books and stationery' (42%); 'audio-visual, photographic and computing' (36%) and pet product, hobby items, sportswear, camping, cycling & musical instruments (36%).

Summary

4.30 In summary the key market share headlines are as follows:

Convenience Goods

- Study Area (Zones 1-11), SFT is 7.2% compared with an Experian average of 14.9% for 2020.
- The overall convenience goods market share retention by the Borough from the Study Area (Zones 1-11) is 67.3% which represents a good level of retention.
- Basingstoke town centre is achieving a market share of 8.9% from the Study Area (Zones 1-11)
- The district and local centres are collectively achieving a market share of 32.4% from the Study Area. Of this, the higher market shares are achieved in Chineham (9.6%); Brighton Hill (7.1%) and Tadley 6.4%). In contrast the following attain a market share of 1% or less: Overton (0.3%); Whitchurch (1%) and Kingsclere (0.5%).
- Across the Study Area the market share of out of-centre floorspace achieves a retention of 26%. Sainsbury's Superstore, Wallop Drive is achieving the highest market share of 8.5% in the Study Area followed by Morrisons, Worting Road achieving the second highest market share of 7.9% in the Study Area.
- The key competitor locations are Newbury (5.7%); Hook (4.1%) and Andover (3%).

Comparison Goods

- Study Area (Zones 1-11), SFT is 23.6% compared with an Experian average of 24.5% for 2020.
- The overall comparison goods market share retention from the Study Area (Zones 1-11) is 54.9%.
- Of the retained market share 54.9%, Basingstoke town centre contributes a large proportion of this at 31.6%. This is reflective of its role as the Borough's main centre.

- The district and local centres are collectively achieving a low level of market share retention of 7.1%. This is reflective of their lower level of comparison goods provision.
- The market share of out of-centre floorspace achieves a retention of 16.2%. Brighton Hill Retail Park achieves the highest market share of 6% from the Study Area.
- The key competitor locations for comparison goods are Newbury and Reading with market shares of 5.1% and 4.2% respectively.

5. BASINGSTOKE TOWN CENTRE – STREET SURVEY

5.1 This section briefly sets out the key headline findings of the face-to-face street interview surveys conducted Basingstoke Town Centre only between Thursday 20th February 2020 and Thursday 19th March 2020. This involved face-to-face interviews with some 487 people.

5.2 These survey results provide further robust evidence as to the relative attraction, performance, vitality and viability of Basingstoke for those people who live, work, shop and use the town centre for a wide range of activities.

SURVEY METHOD

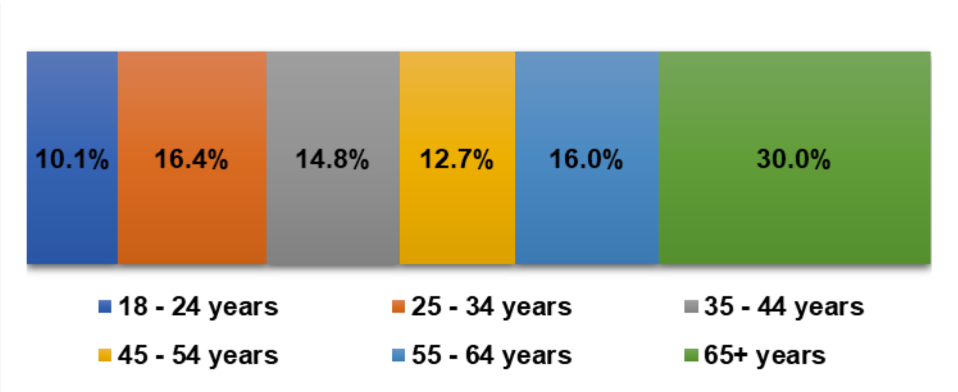
5.3 NEMS Market Research was commissioned in February 2020 to conduct an independent face-to-face survey amongst a sample of visitors to Basingstoke Town Centre to help inform the findings of the health check assessment. The interviews were conducted between Thursday 20th February 2020 and Thursday 19th March 2020 by trained professional interviewers. In total, some 487 face-to-face interviews were carried out at different pre-determined locations across the Town Centre, as agreed with the Council and around The Malls Shopping Centre (58.5% of responses) and Market Place area (41.5% of responses).

5.4 The main aims and objectives of the survey were wide-ranging and included identifying: respondents' main purpose for visiting the town centre on the day of their interview; what they "liked" most about the centre; what they "disliked"; and what improvements, if any, would make them visit the centre more often. The research method, survey questionnaire and detailed tabulations are set out in **Appendix 20** to this report. The results have been cross-tabulated by each gender and age profile.

RESPONDENT DEMOGRAPHIC PROFILE

5.5 Of the 487 people interviewed, 149 (69.4%) were female and 149 (30.6%) were male. As shown below there was a good distribution across the different age groups. Some 30% of respondents were aged 65 years or more, 10.1% were aged between 18-24 years and 16.4% were between 25-34 years.

Figure 5.1: Age Profile of Respondents

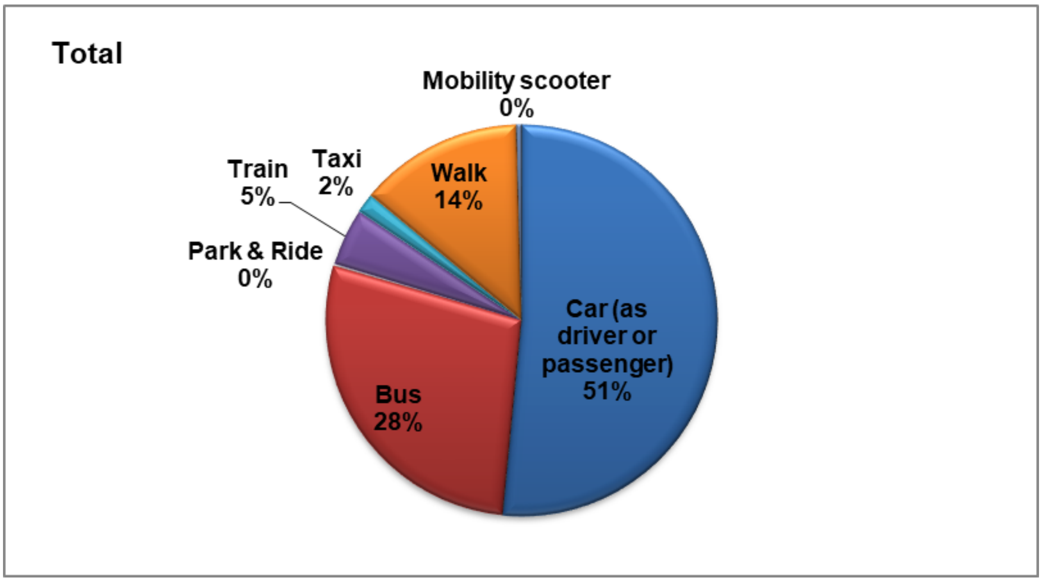


5.6 Car ownership levels amongst respondents were also high. Of those interviewed, some 46.6% owned one car, 11.9% had two cars and 3.7% owned three or more cars. Over a third (37.8%) stated that they did not own a car.

MODE OF TRAVEL

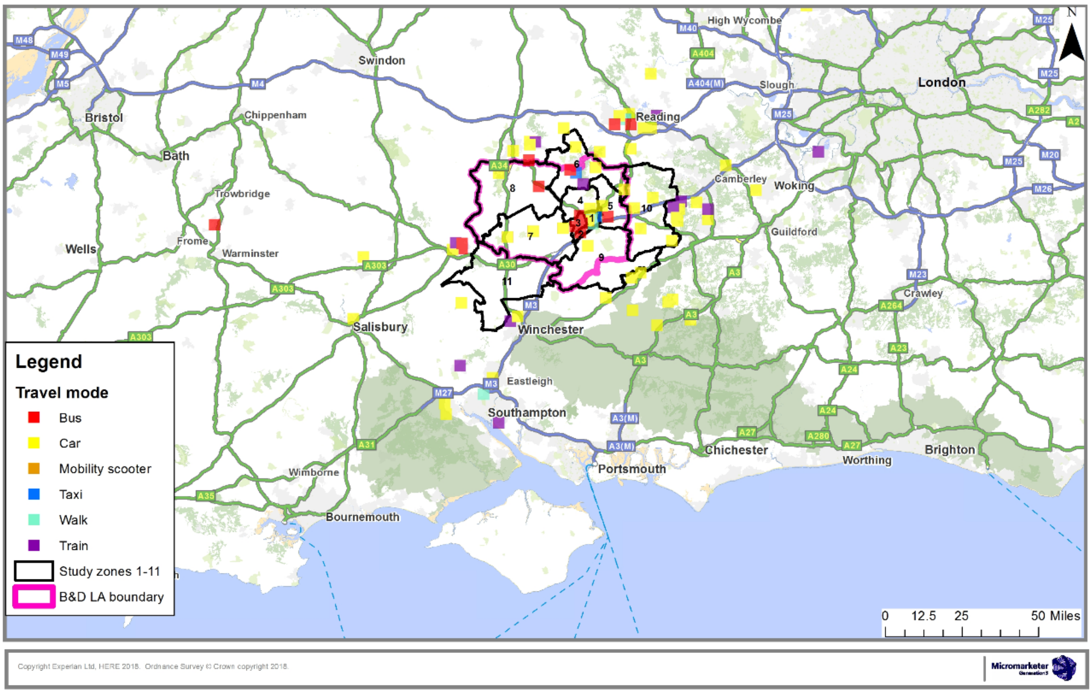
5.7 Not surprisingly, given the relatively high levels of car ownership, overall some 51% travelled to the Town Centre by car. A further 28% travelled by bus and 14% walked to the centre. Only 1.5% arrived by train.

Figure 5.2: Mode of Travel: All Locations (%)



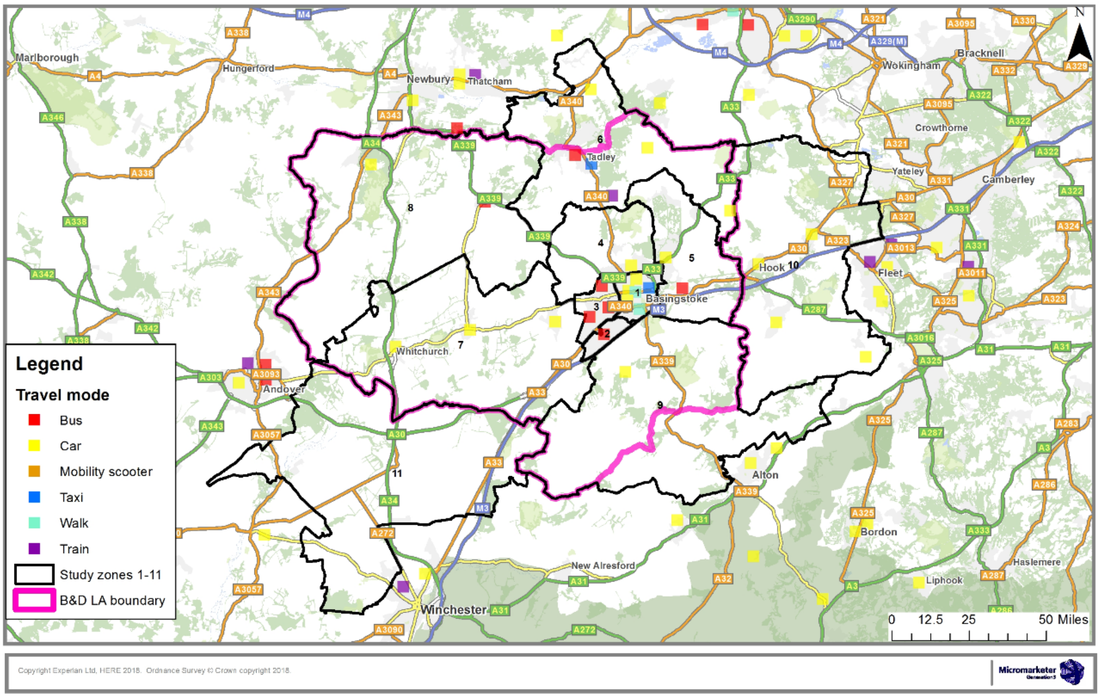
5.8 A further analysis of mode of travel by point of origin indicates that the majority of travel was by car from a wide area as shown below:

Figure 5.3: Mode of Travel by Point of Origin



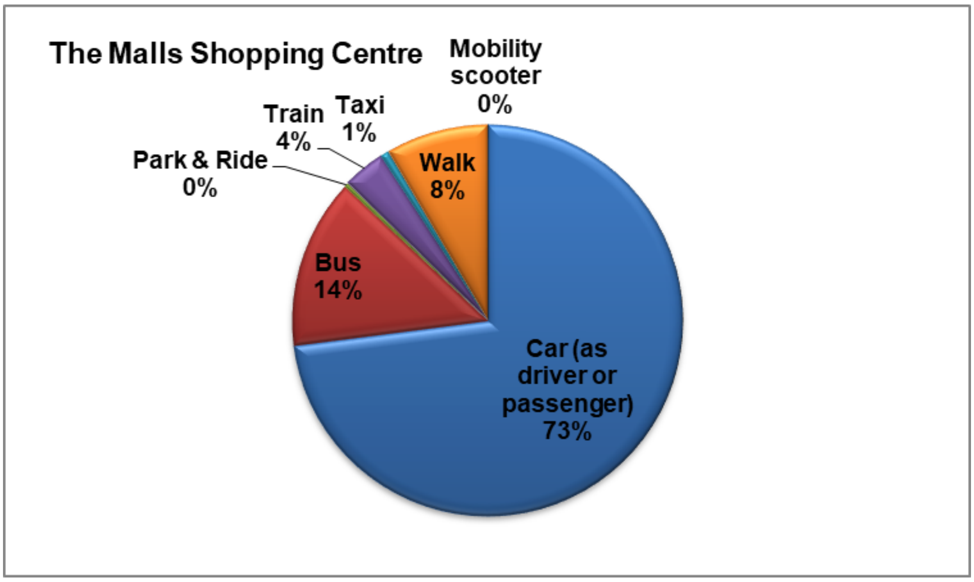
5.9 Furthermore, a 'zoomed-in' version highlights that travel by walking is confined to close proximity to the town centre.

Figure 5.4: Mode of Travel by Point of Origin 'Zoomed-In'



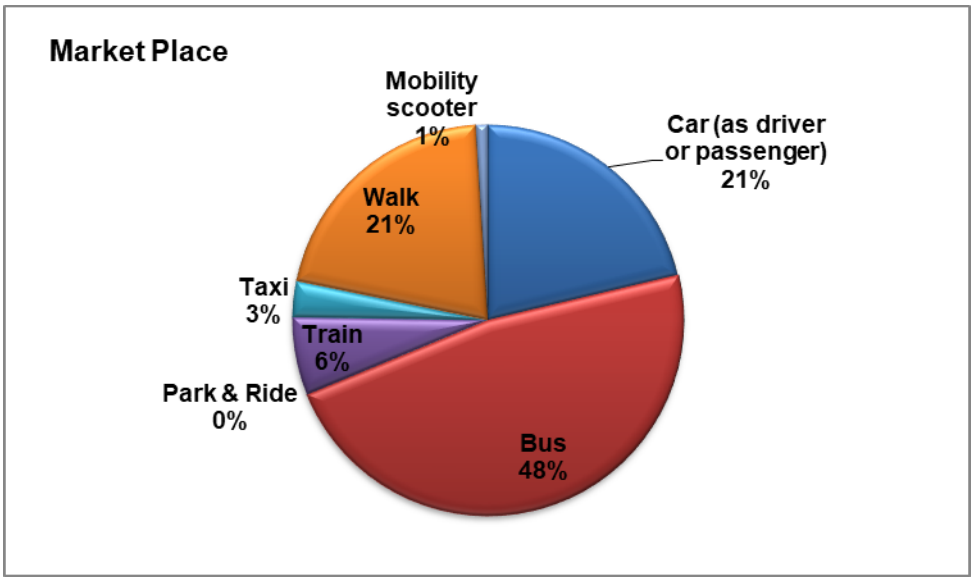
5.10 Respondents at the Malls overwhelmingly travelled by car (73%).

Figure 5.5: Mode of Travel: Location - The Malls Shopping Centre (%)



5.11 In contrast, respondents at Market Place primarily travelled by bus (48%) or walked (21%).

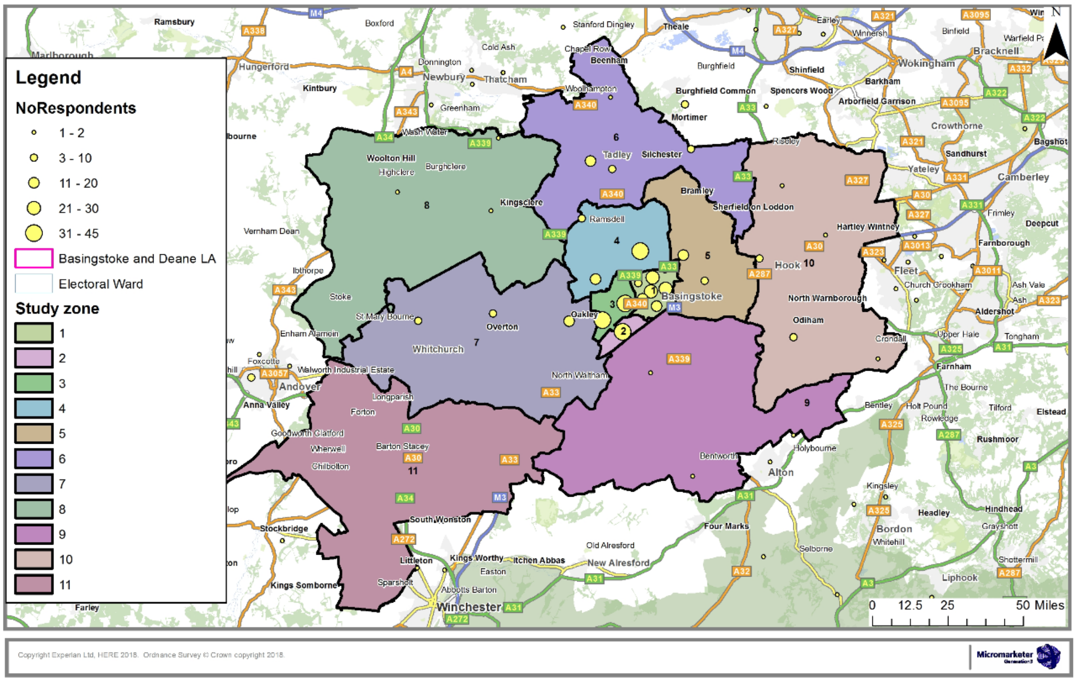
Figure 5.6: Mode of Travel: Location – Market Place (%)



CATCHMENT & JOURNEY TIMES

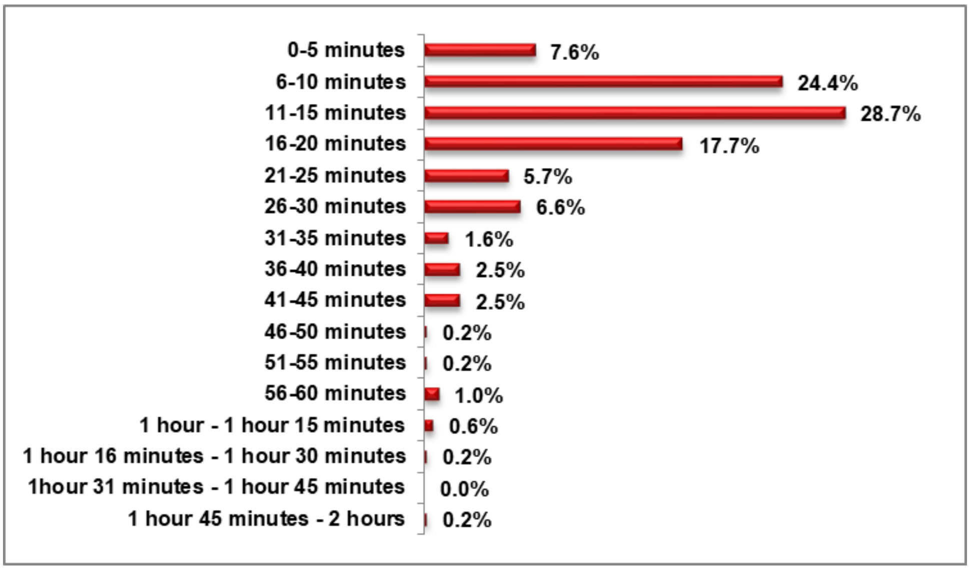
5.12 The location of the respondents to the survey, based on postcodes, shows that Basingstoke Town Centre has a relatively localised catchment area around zones 1 to 4.

Figure 5.7: Location of Respondents



5.13 This is further confirmed by the short average journey times to the Town Centre. As the figure below shows, over two-thirds (78.4%) of respondents travelled 20 minutes or less on the day they were interviewed. For almost a third (32%) of respondents the journey time was ten minutes or less.

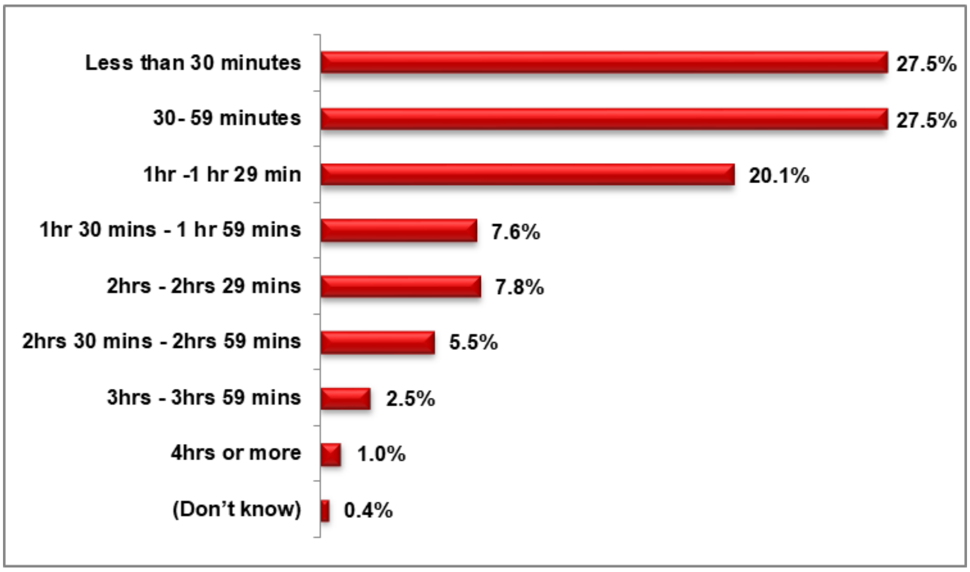
Figure 5.8: Journey Times (%)



DWELL TIMES

5.14 The length of time that people stay in a town or shopping centre is commonly referred to as "*dwell time*". It provides a good indication of the relative attraction and strength of the centre's shopping, leisure and wider offer. It is generally the case that the larger cities, towns and shopping centres with a diverse choice and mix of shops, leisure, workspace and other uses will generate longer dwell times than smaller centres. It also follows that if people spend a longer time in a centre then they will generally spend more money. The figure below shows the average dwell time of respondents to the street interview survey.

Figure 5.9: Dwell Times (%)



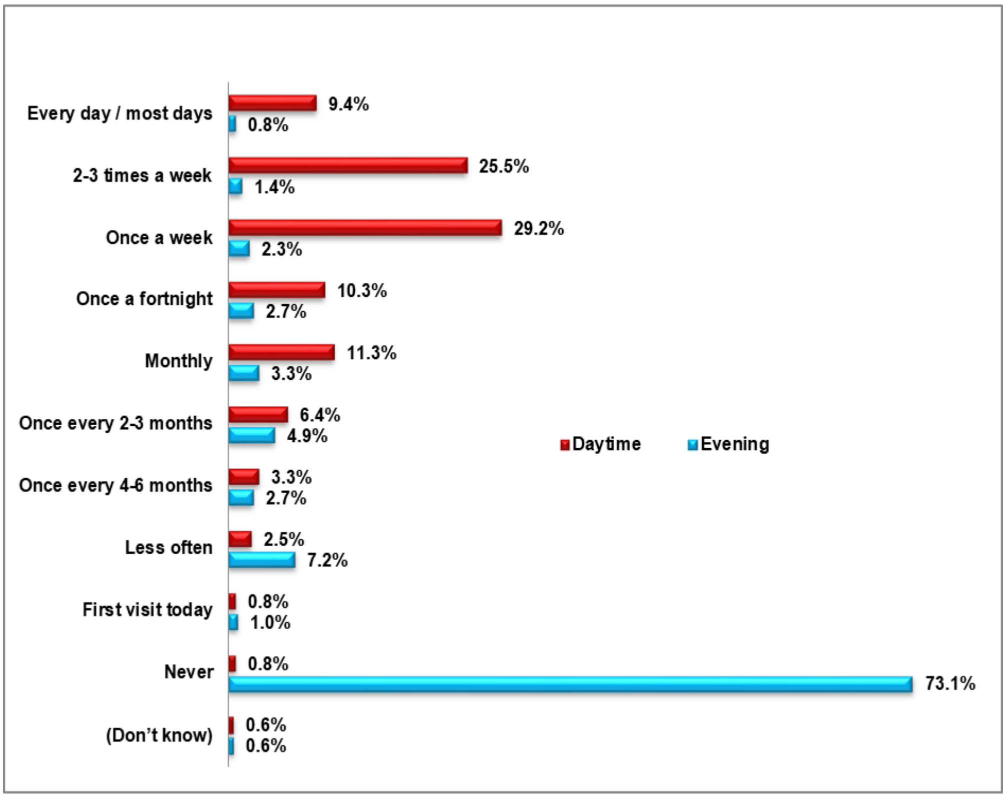
5.15 On average, 55% of respondents spent up to one hour in the Town Centre, 27.7% spent 1-2 hours, 13.4% spent 2-3 hours and the remaining 3.5% spent over three hours. These dwell times show that 55% of respondents spending under an hour with the remainder (45%) over one hour in the Town Centre which is a good level. The higher the dwell time the greater the propensity to spend.

5.16 In our experience the value in this key performance indicator – as for others – will be to carry out the street interview survey on a regular basis (i.e. annually or biennial) to help monitor change in the Town Centre's catchment, journey and dwell times, etc.

FREQUENCY OF TRIPS

5.17 Respondents were asked how often they visited the Town Centre during the daytime and evenings/night-time. The figure below summarise the responses.

Figure 5.10: Frequency of Trips to Basingstoke Town Centre - Daytime and Evenings

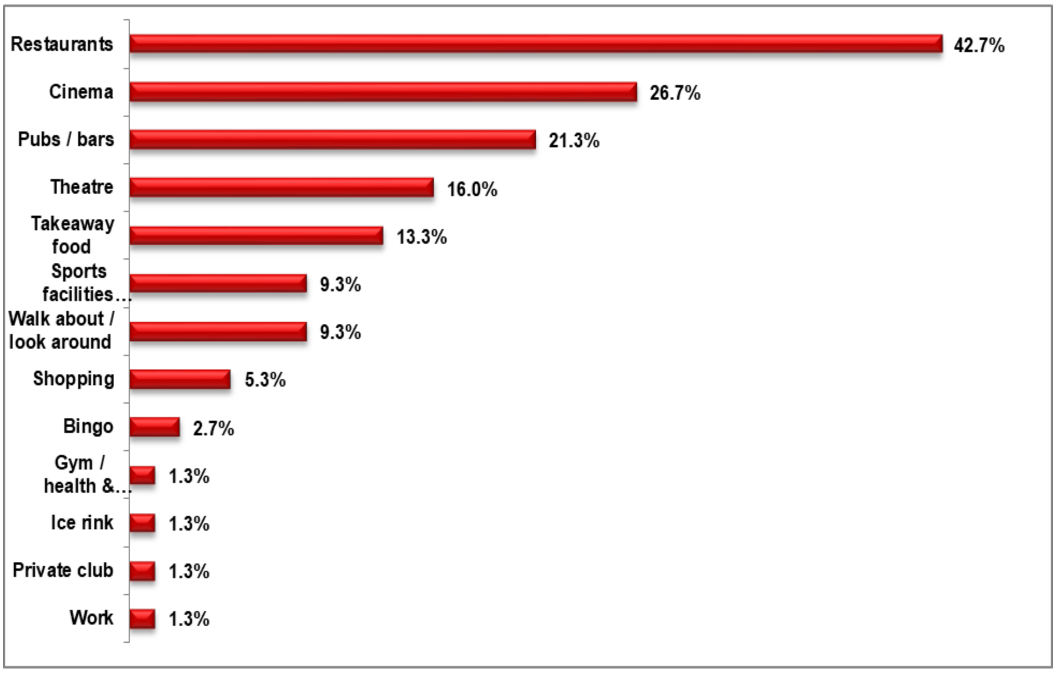


5.18 The figure confirms the higher frequency of trips to the Town Centre during the day compared with evening visits. Overall nearly two-thirds (64%) of those interviewed visit Basingstoke at least once a week during the daytime, with some 25.5% visiting up to three times a week.

5.19 However, an overwhelming 73.1% of respondents stated that they never visit the Town Centre in the evening. The infrequency of visits is further highlighted by those that visit the centre in the evening. The combined total of those who visited either monthly, once every 2-3 months, once every 4-6 months or less often was 18%. The findings of the evening visitation suggests that there could be potential to attract more people into the Town Centre during evenings and night-time, if the range of evening attractions can be developed to meet the needs of the centre's existing daytime catchment population.

5.20 In terms of those who visit Basingstoke every 2 to 3 months during the evening the key venues were restaurants (42.7%) followed by Cinema (26.7%), Pubs / Bars (21.3% and Theatres (16%).

Figure 5.11: Evening Venues Visited Respondents Visiting Every 2-3 Months



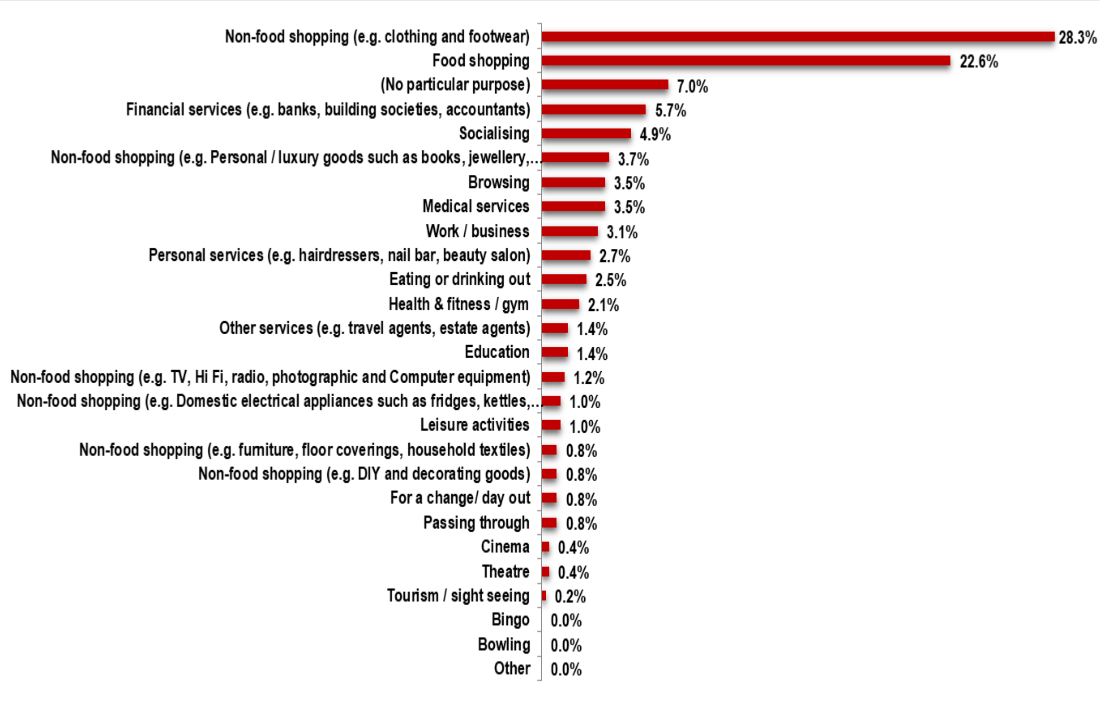
MAIN PURPOSE OF VISIT

5.21 For the majority of respondents their main reason for visiting the Town Centre was for non-food shopping (35.9%)[24], followed by food/grocery shopping (22.7%). The responses confirm that shopping remains vital to the Town Centre's attraction, as it helps to generate regular trips, footfall and expenditure.

5.22 Some 5.7% of those interviewed were using financial services in the centre. In contrast, leisure based activities showed low visitation: eating or drinking out (2.5%), leisure activities 1%. Notwithstanding this, 4.9% also stated that they were in the Town Centre 'socialising'.

[24] This figure incorporates all reference to Non-Food (i.e. clothing & footwear; personal / luxury goods such as books, jewellery, china, glass and cosmetics;, TV, Hi Fi, radio, photographic and Computer equipment; Domestic electrical appliances such as fridges, kettles, washing machines; furniture, floor coverings, household textiles ; and DIY and decorating goods)

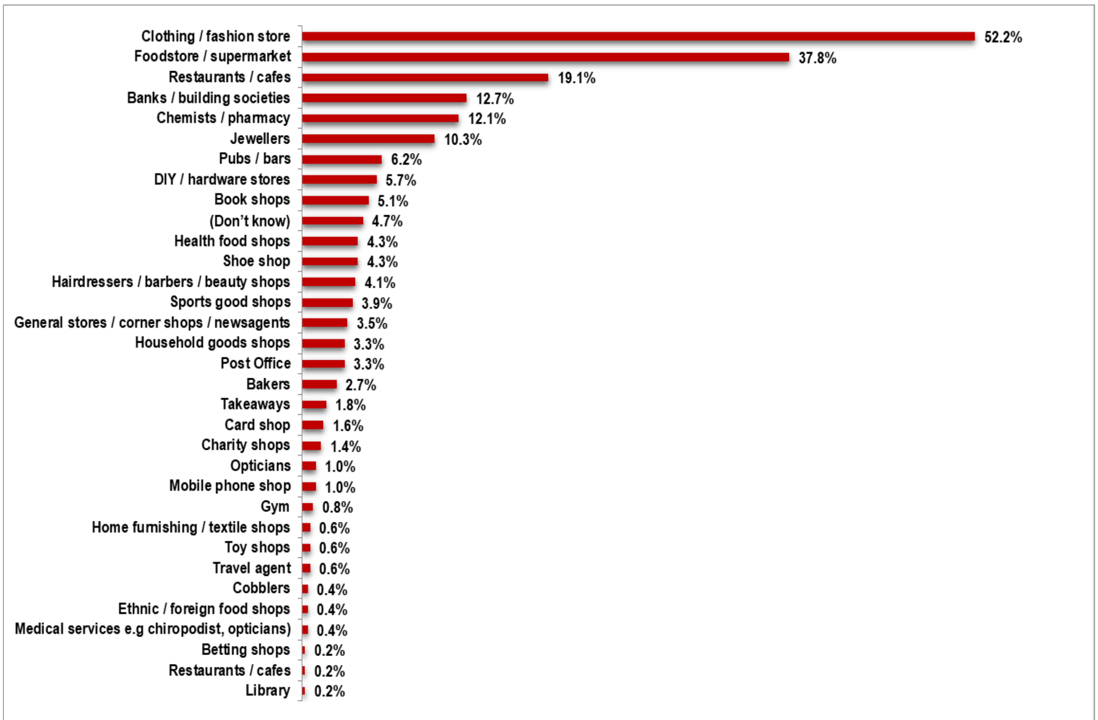
Figure 5.12: Main Purpose of Visit (%)



MAIN TYPES OF SHOPS & SERVICES VISITED

5.23 Over half (52.2%) of those interviewed indicated that they were mainly visiting clothing and fashion stores on the day of their visit to the Town Centre.

Figure 5.13: Main Types of Shops and Services Visited (%)

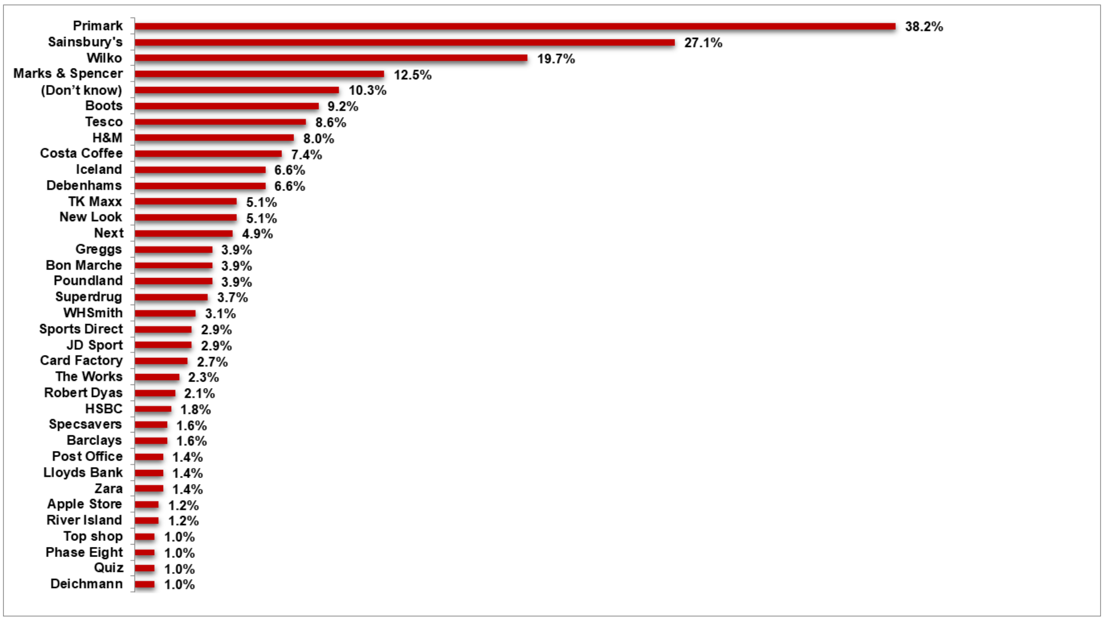


5.24 Over one-third (37.8%) visited one of Basingstoke Town Centre's foodstores and supermarkets on the day of their trip. Restaurants and cafés (19.1) were the next most popular shops/services visited by respondents, followed by banks/building societies (12.7%), chemists (12.1%), and jewellers (10.3%). The responses also confirm the "*long tail*" of other shops and services visited on the day people were interviewed.

SPECIFIC SHOPS & SERVICES VISITED

5.25 When asked what specific shops and services people had visited on the day of their interview over one-third identified Primark (38.2%) followed by and Sainsbury's (27.1%). Wilko (19.7%), and Boots (9.2%) were the next most popular stores.

Figure 5.14: Specific Shops and Services Visited (1% and Above)



5.26 The town's shops are clearly a major anchor and attraction to Basingstoke's overall retail and service offer. Costa Coffee (7.4%) and Greggs (3.9%) are the most popular places for something to eat and drink.

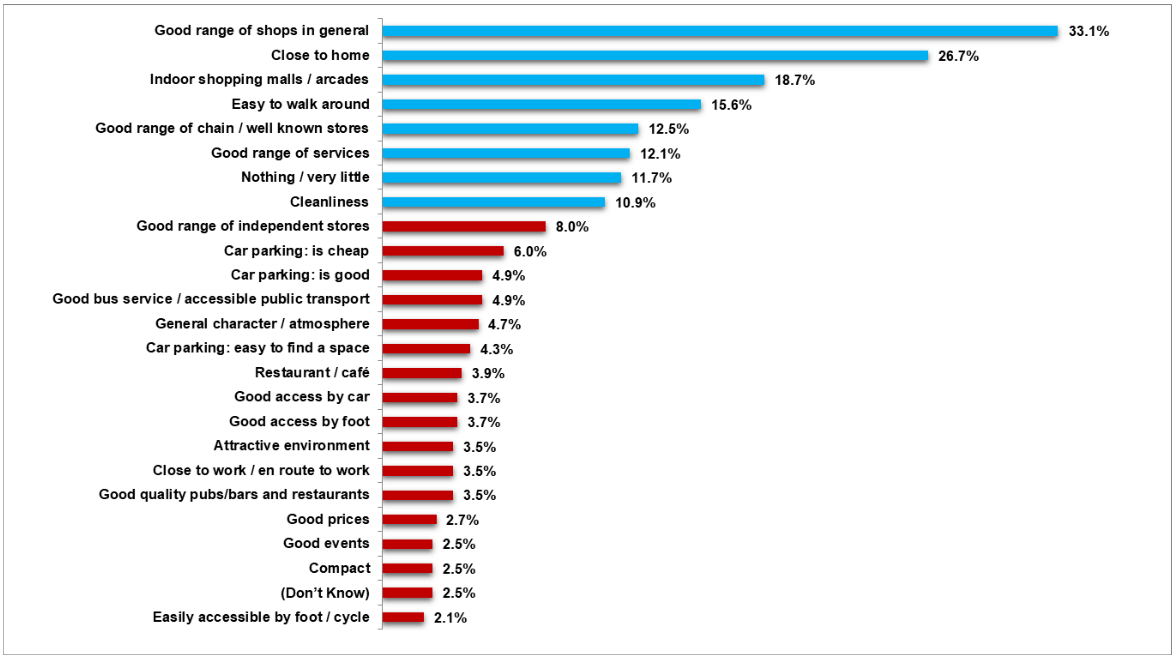
5.27 The above confirms the popularity of Primark and its role as a key anchor store for the Town Centre, followed by Sainsbury's.[25]

WHAT DO PEOPLE LIKE ABOUT BASINGSTOKE

5.28 The figure below sets out the headline results of what people most "*like*" about Basingstoke' Town Centre.

[25] The lack of representation of retailers from Festival Place and Waitrose/John Lewis may maybe potentially due to location points for the interviews.

Figure 5.15: Basingstoke Town Centre: Likes



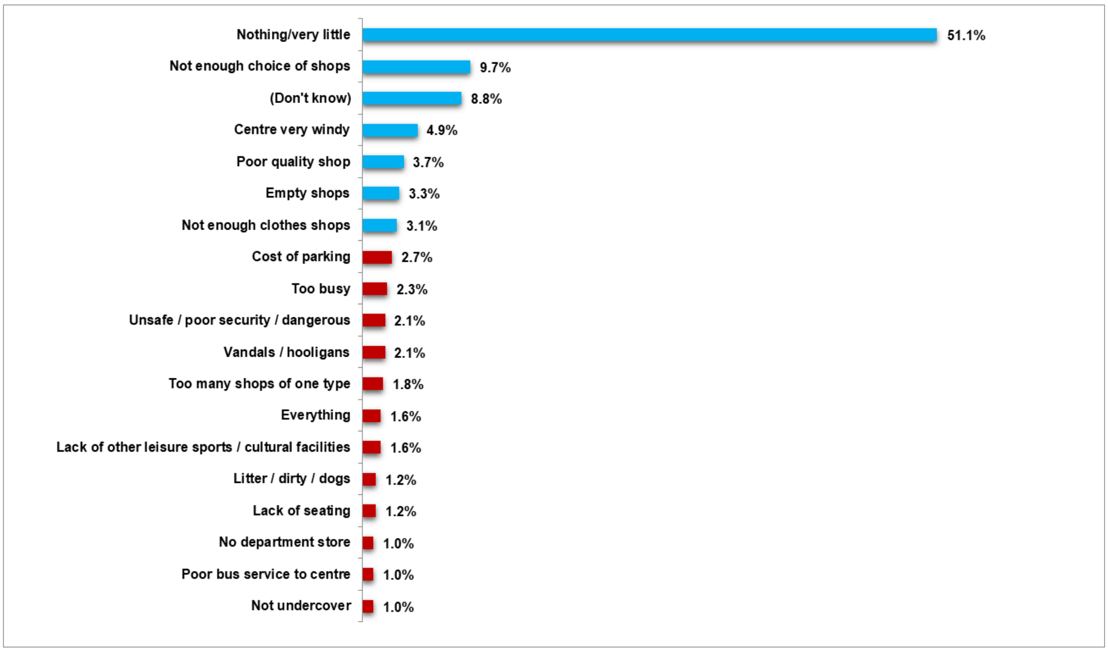
5.29 Respondents mainly "liked" the Town Centre because it has a 'good range of shops in general' (33.1%) as well as 'indoor shopping malls/arcades' (18.7%) and is close to where they live (26.7%). Respondents also "liked":

- easy to walk around (15.6%) and cleanliness (10.9%);
- the "good range" of shops was also mentioned by 12.5% of respondents as well as the range of independent stores (8%);
- a good range of services (12.1%) was also mentioned;
- some 6% also mentioned "cheap parking" as well as 4.9% mentioned 'good parking'; and
- 3.9% identified restaurant café and 3.5% good quality pubs / bars.

WHAT DO PEOPLE DISLIKE ABOUT BASINGSTOKE

5.30 The figure below sets out the results of what people most "dislike" about Basingstoke' Town Centre.

Figure 5.16: Basingstoke Town Centre: Dislikes



5.31 More than half of respondents (51.1%) identified there was "nothing" / very little" they disliked or just that they "didn't know" (8.8%). Of the remainder, the main "dislikes" included:

- **Shops:** poor choice of shops (9.7%), poor quality shop (3.7%); 'not enough clothes shops' (3.1%) or 'no department stores' (1%). Others mentioned that there were 'too many empty shop's (3.3%), too many shops 'of one type' (1.8%).
- **Safety and security concerns:** unsafe / poor security (2.1%) vandals / hooligans (2.1%)
- **Parking:** The cost of parking (2.7%);
- **Leisure:** lack of sports / cultural facilities (1.6%); and
- A small proportion of respondents did not like the town centre environment generally including litter (1.2%); lack of seating (1.2%); tired looking (0.8%)

WHAT IMPROVEMENTS COULD MAKE PEOPLE VISIT MORE OFTEN

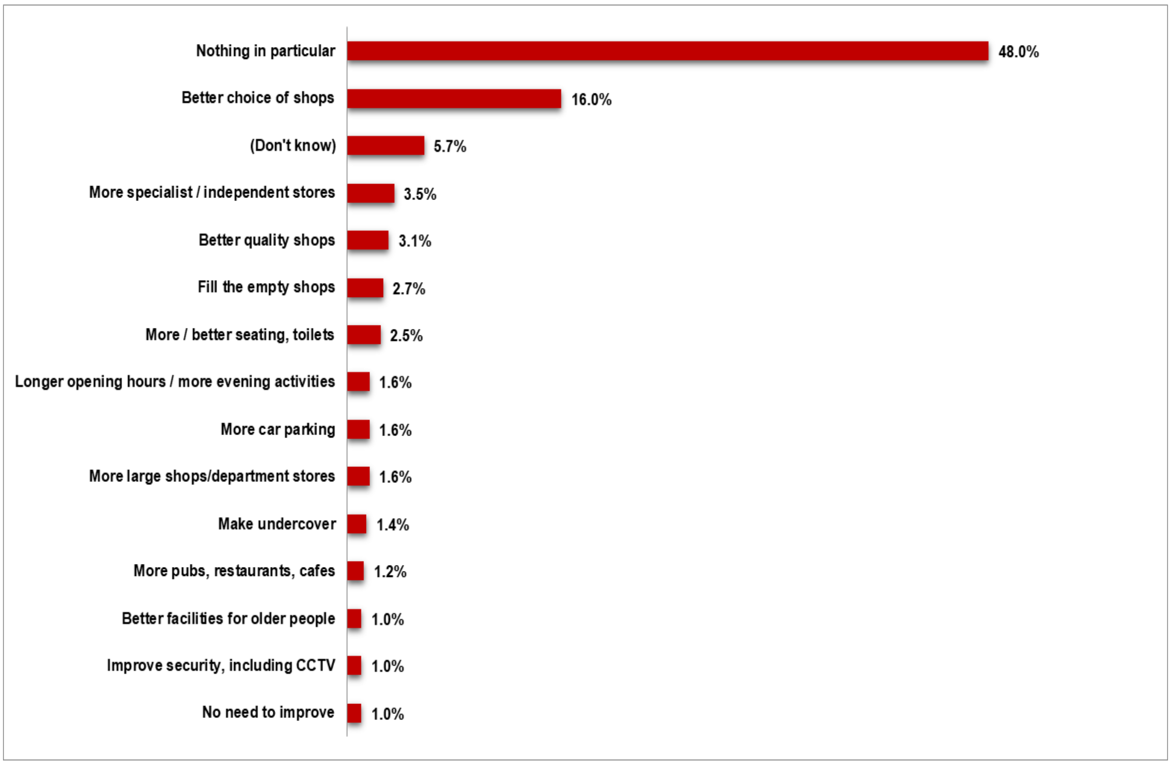
5.32 The figure below shows the headline responses to the question of what improvements to Basingstoke that would potentially make them visit the Town Centre more often than they currently do.

5.33 In summary, some 48% of respondents identified there was 'nothing in particular' that would make them visit the town more often than they would currently, and a further 5.7% 'didn't know'. Of the remainder, the main "improvements" identified included:

- **Shops:** A better choice of shops (16%), more specialist / independent stores (3.5%), better quality shops (3.1%), and more / large shops/department stores (1.6%);

- **Environment:** fill empty shops (2.7%) and more/better seating/toilets (2.5%);
- **Parking:** more car parking (1.6%); and,
- **Leisure and Evening Economy**: longer opening hours and more evening activities (1.6%).
- **Security and Signage:** the need for improvements to security (including CCTV) (1%);
- **Other:** most mentioned responses included better facilities for older people (1.0%)

Figure 5.17: Suggested Improvements to Basingstoke to Encourage More Visits (>1% and Above) (%)



WHAT DO PEOPLE LIKE AND DISLIKE ABOUT SPECIFIC AREAS

5.34 Respondents were also asked about what the liked or disliked about three specifc areas of Basingstoke Town Centre, namely:

- Festival Place Shopping Centre;
- Top-of-the-Town; and
- The Malls.

Festival Place Shopping Centre

5.35 The figure below sets out the headline results of what people most “like” about Festival Place Shopping Centre.

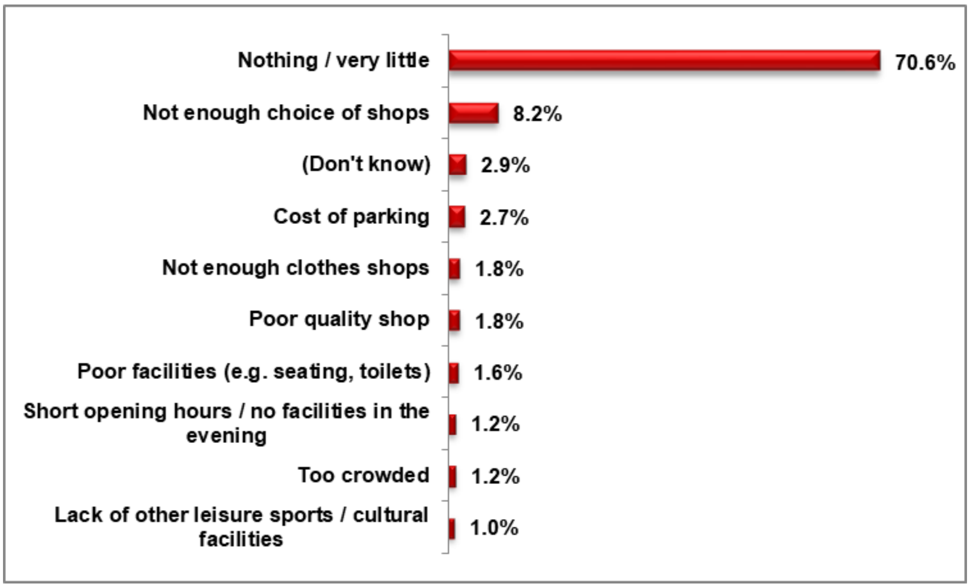
Figure 5.18: Festival Place Shopping Centre: Top 10 Likes

5.36 In summary, the respondents mainly "liked" the centre because it has a 'good range of shops in general' (33.7%) as well as 'indoor shopping malls/arcades' (23.4%) and is close to where they live (18.5%). Respondents also "liked":

- easy to walk around (13.6%) and cleanliness (12.5%);
- the "good range of chain" of shops was also mentioned by 9.4% of respondents as well as the range of independent stores (5.3%);
- a good range of services (8.4%) was also mentioned;
- some 3.9% also mentioned the heberal character.

5.37 In terms of what people "disliked" about Festival Place Shopping Centre, the majority stated 'Nothing or very little' (70.6%). A proportion of respondents identified 'not enough choice of shops' (8.2%) as a dislike was which is surpising and somewhat contradictory to the key like which was a good range of shops. Other minor dislikes were cost of parking (2.7%); poor facilities (1.6%), too crowded (1.2%).

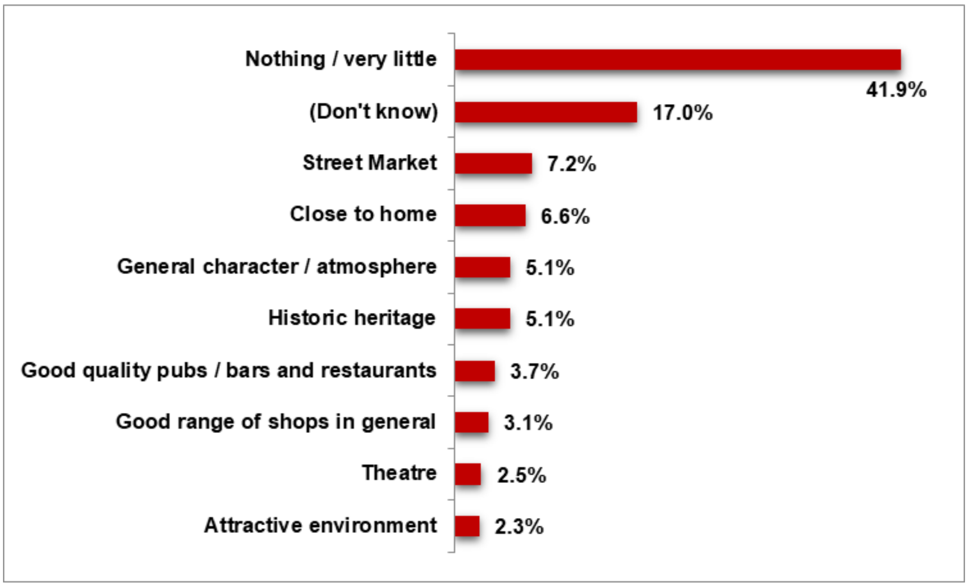
Figure 5.19: Festival Place Shopping Centre: Top 10 Dislikes



Top-of-the-Town

5.38 The figure below sets out the headline results of what people most "like" about Top-of-the-Town.

Figure 5.20: Top-of-the-Town: Top 10 Likes



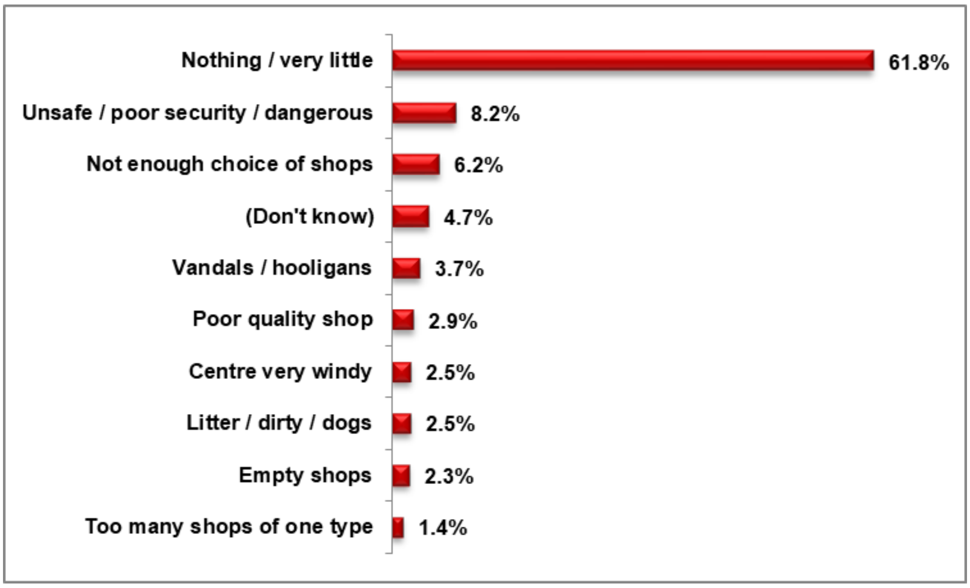
5.39 A large proportion of the respondents liked 'nothing or very little' (41.9%) or 'didn't know' (17%). The respondents mainly "liked" the Top-of-the-Town because it has a 'street market' (7.2%), close to where they live (6.6%). Respondents also "liked":

- 'general character / atmosphere' and 'historic heritage' a 5.1% respectively;
- 'good quality pubs / bars and restaurants' (3.7%);

- the 'good range of chain' of shops (3.1%); and
- 'theatre' (2.5%) and 'attractive environment' (2.3%).

5.40 In terms of dislikes almost two thirds stated 'Nothing or very little' (61.8%) or 'don't know' (4.7%). The key identified dislike focussed on safety and security: 'Unsafe / poor security / dangerous' (8.2%); 'vandals / hooligans' (3.7%). The area was also identified as being 'windy' (2.5%).

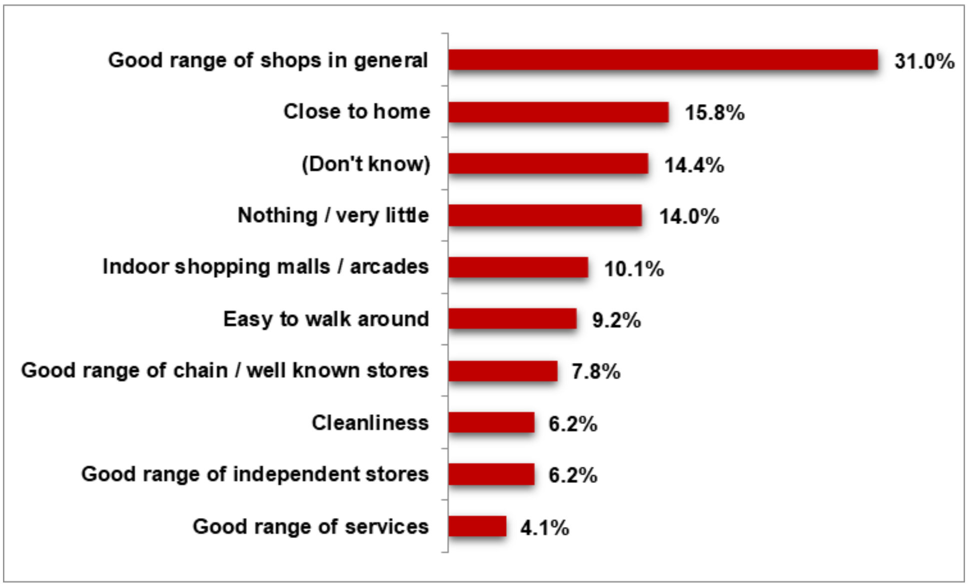
Figure 5.21: Top-of-the-Town: Top 10 Dislikes



The Malls

5.41 The figure below sets out the headline results of what people most "like" about The Malls.

Figure 5.22: The Malls: Top 10 Likes

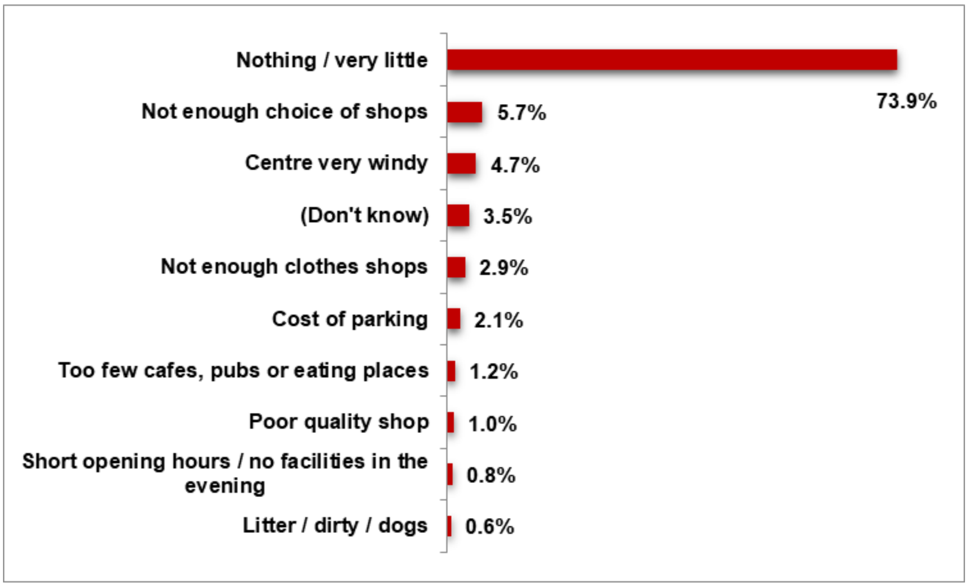


5.42 In summary, the respondents mainly "liked" the centre because it has a 'good range of shops in general' (31%) as well as 'close to where they live (15.8%). Almost a third stated 'don't know' (14.4%) or 'nothing / very little' (14%). Respondents also "liked:

- 'indoor shopping malls / arcades' (10.1%);
- 'easy to walk around' (9.2%) and 'cleanliness' (7.8%);
- the 'good range of chain' of shops was also mentioned by 7.8% of respondents as well as the 'range of independent stores' (6.2%); and
- 'a good range of services' (4.1%).

5.43 In terms of what people "disliked" about The Malls, the majority stated 'Nothing or very little' (73.9%). The key identified dislike was 'not enough choice of shops' (5.7%) and the area is 'windy' (4.7%). Other minor dislikes were 'not enough clothes shops' (2.9%) and 'cost of parking' (2.1%).

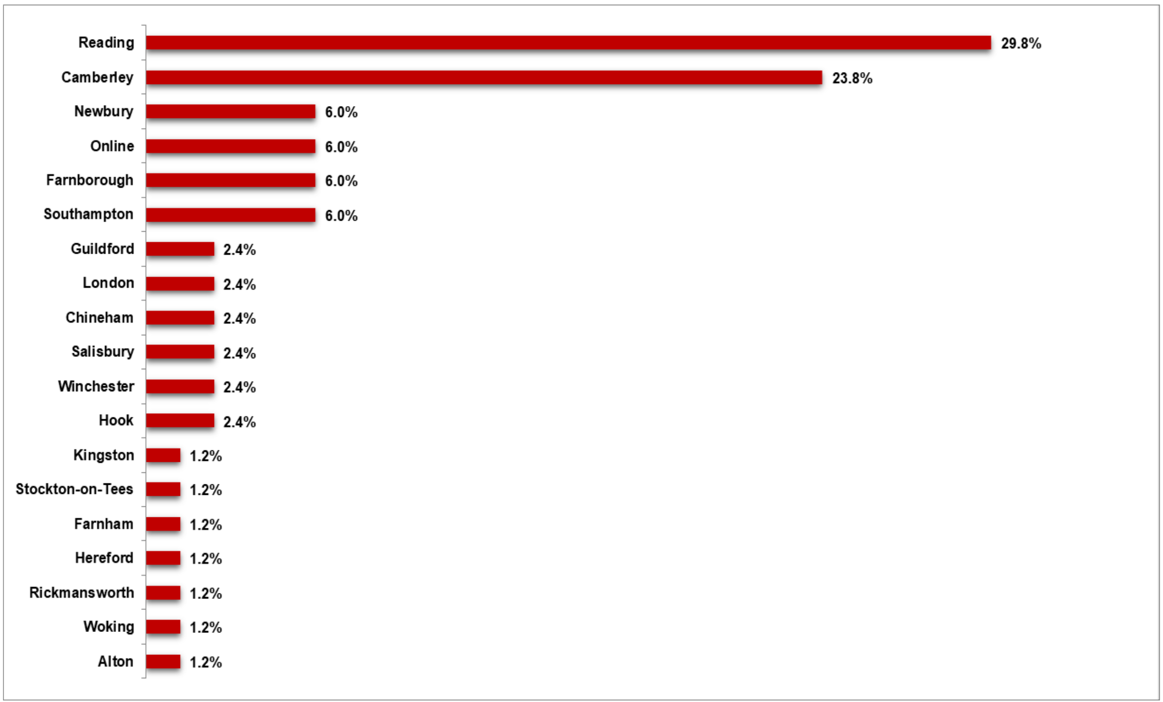
Figure 5.23: The Malls: Top 10 Dislikes



WHERE ELSE DO PEOPLE VISIT FOR SHOPPING

5.44 As an indication of competing locations, respondents were asked whether Basingstoke was their first choice shopping destination for clothing and footwear and other non-food goods. Some 82.8% of their respondents stated it was. Of the remainder (17.2%), the following centres were identified as competing locations:

Figure 5.24: Competing Locations



5.45 In summary:

- The top two locations identified were Reading (29.8%) and Camberley (23.8%).
- In third place was a collective comprising Newbury, Farnborough, Southampton and 'online' at 6% respectively.
- From within the Borough, Chineham was also identified as a competing location (2.4%).
- Additionally Guildford, London, Salisbury, Winchester and Hook were also identified as alternative locations also at 2.4% respectively.

Summary

5.46 The Town Centre has a relatively localised catchment area around zones 1 to 4 with over two-thirds (78.4%) of respondents having travelled 20 minutes or less.

5.47 On average, 55% of respondents spent up to one hour in the Town Centre and over two-thirds of respondents spending over one hour in the Town Centre.

5.48 Overall, there was a higher frequency of trips to the Town Centre during the day compared with evening visits. An overwhelming 73.1% of respondents stated that they never visit the Town Centre in the evening.

5.49 The findings of the evening visitation suggests that there could be potential to attract more people into the Town Centre during evenings and night-time, if the range of evening attractions can be developed to meet the needs of the centre's existing daytime catchment population.

5.50 For the majority of respondents their main reason for visiting the Town Centre was for non-food shopping (35.9%), followed by food/grocery shopping (22.7%). The responses confirm that shopping remains vital to the Town Centre's attraction, as it helps to generate regular trips, footfall and expenditure.

5.51 Over half (52.2%) of those interviewed indicated that they were mainly visiting clothing and fashion stores on the day of their visit to the Town Centre and over one-third (37.8%) visited one of Basingstoke Town Centre's foodstores and supermarkets on the day of their trip

5.52 Popularity of Primark and its role as a key anchor store for the Town Centre, followed by Sainsbury's. The town's shops are clearly a major anchor and attraction to Basingstoke's overall retail and service offer.

5.53 Respondents liked the 'range of shops in general' (33.1%) as well as 'indoor shopping malls/arcades' (18.7%); Whilst in terms of dislikes, over two thirds identified there was "nothing"/"very little or they "didn't know" indicating a broad level of satisfaction.

5.54 In terms of improvements, over half of the respondents said that there was nothing particular that needed improvement (48%). The main improvements identified included: A better choice of shops (16%), more specialist / independent stores (3.5%), better quality shops (3.1%), fill empty shops (2.7%) and more/better seating/toilets (2.5%).

5.55 In terms of specific areas within the town centre:

- Festival Place: respondents mainly "liked" this centre because it has a 'good range of shops in general' (33.7%) as well as 'indoor shopping malls/arcades' (23.4%). In terms of 'dislikes' the majority stated 'Nothing or very little' (70.6%).
- Top-of-the-Town: respondents liked 'nothing or very little' (41.9%) or 'didn't know' (17%). The respondents mainly "liked" the Top-of-the-Town because it has a 'street market' (7.2%). In terms of dislikes almost two thirds stated 'Nothing or very little' (61.8%) or 'don't know' (4.7%). The key identified dislike focussed on safety and security: 'Unsafe / poor security / dangerous' (8.2%); 'vandals / hooligans' (3.7%).
- The Malls: Respondents mainly "liked" the centre because it has a 'good range of shops in general' (31%) as well as 'close to where they live (15.8%). On "dislikes", the majority stated 'Nothing or very little' (73.9%) with the identified dislikes being 'not enough choice of shops' (5.7%) and the area is 'windy' (4.7%).

5.56 Reading (29.8%) and Camberley (23.8%) are the main competing locations in terms of clothing and footwear and other non-food goods.

6. TOWN CENTRE HEALTH CHECKS: METHODOLOGY

6.1 **Sections 6 - 8** provide a review of the health check assessment for the Boroughs centres (town, district and local centres).

6.2 Health checks are recognised as important planning 'tools' for appraising and monitoring the changes in the overall vitality and viability of town centres, and informing both plan-making and decision-taking at the local level.

6.3 In accordance with the PPG (Paragraph: 006 Reference ID: 2b-006-20190722), there are a number of key performance indicators (**KPIs**) that are widely used (where the information exists) to help assess and monitor the overall health and performance of centres. These include:

- the diversity of uses (e.g. retail and services offer);
- proportion of vacant street level property;
- commercial yields on non-domestic property;
- customers' views and behaviour;
- retailer representation and intentions to change representation;
- commercial rents;
- pedestrian flows;
- accessibility – this includes transport accessibility and accessibility for people with different impairments or health conditions, as well as older people with mobility requirements;
- perception of safety and occurrence of crime;
- state of town centre environmental quality;
- balance between independent and multiple stores
- extent to which there is evidence of barriers to new businesses opening and existing businesses expanding; and
- opening hours/availability/extent to which there is an evening and night time economy offer.

6.4 In this case the most reliable KPIs have been gathered (where possible) for the centres to help inform the assessment of their overall strengths and weaknesses in in terms of their retail and leisure provision, the opportunities for new sustainable development and growth, and any potential current and future threats to their overall vitality and viability. We have referred to a number of datasets and research to help assess the relative vitality and viability of the centres, as referenced throughout the report.

6.5 The general methodology is for the health check assessments is set out below:

Engagement of Key Stakeholders

6.6 As part of the town centre health checks, LSH contacted a number of key stakeholders identified by the Council particularly for Basingstoke town centre.

Retail Composition & Diversity of Uses

6.7 The town centre health check assessments have been informed by analysis of Experian Goad reports for each centre. Where Experian Goad reports are not available for specific centres, LSH has carried out site visits, audits and observations of the respective centres to inform our health check assessments.

6.8 In brief, the Goad reports set out the number and proportion of units in each use classification across the centres (i.e. convenience, comparison and service uses, and vacant units). They allow for benchmarks with the UK national average for all circa 2,000 centres and shopping locations covered by Experian Goad. It should be noted that 'services' as defined by Experian Goad are sub-divided into the following three subcategories:

- Retail services – Class A1 and certain sui generis uses (including hairdressers, beauty salons, travel agents, launderettes, opticians, etc.);
- Leisure services - comprise cafés and restaurants (Class A3), betting shops (sui generis) and fast food/ takeaway outlets (Class A5); and
- Financial and professional services - cover all Class A2 uses (such as banks, estate agents, etc).

Goad Town Centre Definitions and Floorspace

6.9 The health checks provide an effective 'gap' analysis tool to help identify retail types and categories that are under or over represented in centres. This is based on benchmarking against Goad UK averages for all circa 2,000 centres and shopping locations covered by Experian.

6.10 It should be noted that in our description of each centre's town centre boundary we have referred to the boundaries defined by the LPA. However, where Experian Goad data is relied on for composition, such as in Basingstoke Town Centre, the area surveyed by Goad is not necessarily identical to the LPA's identified town centre boundary. As such, it is possible that the number of units set out in our analysis may relate directly to the LPA's defined centre boundaries. Refer to **Section 7** that shows the area covered by Experian Goad.

6.11 The floorspace figures shown in the report are also derived from the relevant Goad Plan which show only the 'footprint' floorspace and the site area without the building lines. They should therefore not be read as a definitive report of floorspace, but do provide a useful means of comparison between centres, as all outlets are measured in a consistent manner with a 'footprint' floorspace and the site area without the building lines. They should therefore not be read as a definitive report of floorspace, but do provide a useful means of comparison between centres, as all outlets are measured in a consistent manner.

Vacancies

6.12 The number and scale of vacancies in a centre, and the length of time properties have been vacant, represents a KPI to help assess a centre's overall vitality and viability. For example, high vacancy levels, or a concentration of vacancies in certain areas/streets, could point to underlying weaknesses in terms of retailer demand and/or the fact that vacant units are not meeting demand and are not 'fit-for-purpose'. Notwithstanding this, vacancies can arise in even the strongest centres due to the natural 'churn' in businesses opening and closing at any point in time. This KPI must therefore be used and interpreted with care.

Multiple and Independent Retailers

6.13 The Experian Goad Category Reports also provide analysis on multiple retail representation. A multiple is defined by Experian Goad as being part of a network of nine or more outlets. It is widely accepted that a good presence and mix of multiples in a centre, alongside a strong independent offer, helps to increase the overall attraction and performance of shopping centres. Multiples are a strong draw for customers and they help to generate frequent shopping trips and footfall, and linked expenditure for other shops, businesses and services.

Street/Covered Markets

6.14 Whether or not a centre has a market, and the quality and offer of a market, can give an indication as to whether a centre is vital and viable. Information regarding the health of the markets discussed in this report has been obtained from our own research and observations of the centres, as well as stakeholder consultation. In line with Paragraph 85(c) of the NPPF, existing markets should be retained and enhanced and, where appropriate, reintroduced or new ones created, ensuring that markets remain attractive and competitive.

Retailer Demands & Requirements

6.15 Evidence of requirements ('market demand') from retail and leisure operators for representation in a town centre can provide a further indication of the overall health and attraction of centre, and investor confidence. In this case, we have drawn on standard published sources to inform our assessment of current market demand; including Perfect Information in Property (PiP) and the Requirements List. However, it should be noted that this published information is not definitive, as many retailers and leisure operators prefer not to announce their requirements as it can undermine their negotiating position with potential landlords. Furthermore, market demand is often opportunity-driven; for example in response to the marketing of new development and regeneration initiatives.

Commercial Rents: Prime Zone A Retail Rents

6.16 The level of rent that businesses are prepared to pay for retail space, and the commercial yields achieved provide a further indication of the relative strength of the centre and its prime retail pitch. However, it should be noted that Prime Zone A rents and yields are not available for all centres, particularly smaller centres where there are more limited transactions. Therefore, an assessment of Prime Zone A rents and yields is only provided where available.

Customer Views and Behaviour

6.17 Our assessment of customers' views and behaviours draws on the findings of the household survey. The household survey comprised in total 1,103 interviews across 11 zones and asked specific questions regarding respondents likes and dislikes about the centres closest to them. In addition, for Basingstoke Town Centre an in-centre survey of 487 respondents were undertaken.

Environmental Quality

6.18 Environmental quality is an important KPI to help assess a centre's overall vitality and viability. An assessment of environmental quality (including cleanliness and attractiveness, security, treatment of buildings and open spaces) has been undertaken using our own research and observations of the centres.

Accessibility

6.19 A centre's vitality and viability can also be impacted by the ease of accessibility by different modes of travel, and the level and quality of car parking. This assessment has been informed by our observations of how easy a centre is to access; mobility time and cost; public transportation; traffic management and signage; barriers; car parking; and access by other modes.

Barriers to New/Existing Businesses

6.20 To inform the health check especially of the higher order centres a broad review of potential barriers to new and existing businesses has been undertaken looking at factors such as availability of grants and a broad review of retail rates. This has been further supplemented by consultation with key stakeholders.

Extent of the Evening Economy

6.21 A centre's evening economy is increasingly becoming an important element for evaluation of town centres. The evening economy acts as a footfall draw to town centres and the analysis provides an indication of provision and type of provision and linkages with other cultural and leisure amenities.

Smart Digital Facilities

6.22 Whilst not a PPG indicator, LSH consider that this an important element for centres as they transform to attract a wider draw. Importance is given to the prevalence of digital infrastructure including Wi-Fi availability, electric vehicle charging across a centre.

7. HEALTH CHECK: BASINGSTOKE TOWN CENTRE

7.1 This section provides an overview of the relative health of Basingstoke Town Centre. It examines the centre's current vitality and viability based on the key performance indicators (KPIs) set out in the Planning Practice Guidance[26]. As described previously, the PPG states that the following KPIs may be relevant in assessing the health of town centres and planning for their future:

- diversity of uses
- vacancy levels (ground floor)
- customers' experience and behaviour
- retailer representation and intentions to change representation
- commercial rents and yields
- pedestrian flows
- accessibility
- perception of safety and occurrence of crime
- town centre environmental quality
- balance between independent and multiple stores
- evidence of barriers to new businesses opening and existing businesses expanding
- evening and night time economy offer

7.2 This health check assessment is informed by published datasets sourced from a range of providers, including Experian and PROMIS. It has been supplemented by the findings of the household telephone interview survey described in **Section 4** and street interview survey the set out in **Section 5**. We have also carried out visits and inspections of the town centre to inform our overall assessment. Where possible, we have highlighted the changes in some of the key performance indicators (such as, for example, vacancy levels) based on the findings of health checks carried out as part of previous retail study for the Council in 2009.

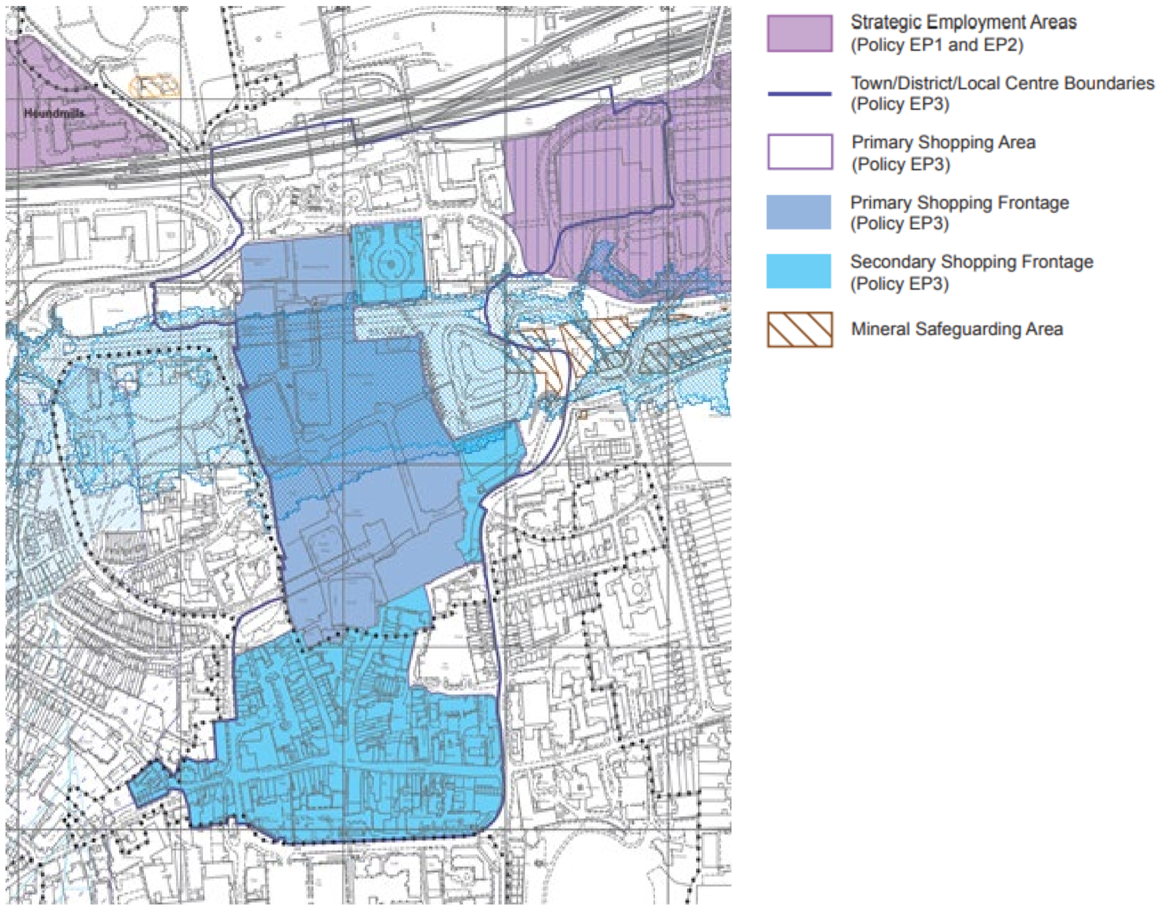
POLICY CONTEXT

7.3 The adopted Local Plan (Policy EP3) defines Basingstoke as a 'Town Centre' and as the principal centre in the Borough (paragraph 7.24).

7.4 A Primary Shopping Area for Basingstoke Town Centre has been defined which comprises the town centre's Primary and Secondary Shopping Frontages. The Primary Shopping Frontage defines Festival Place and The Malls as the retail core of the town centre. This Primary Shopping Frontage is characterised by the highest proportion of Use Class A1 shop uses in the town centre (paragraph 7.27). Supporting paragraph 7.27 further goes on to state:

"*In order to protect the vitality and viability of the town centre as a whole it is necessary to protect the retail uses in this Frontage, particularly A1(shops). The policy also enables an element of complementary non A1 retail uses (A2 (financial and Professional Services), A3 (Restaurants and cafes), A4 (Drinking establishments) and A5 (Hot food Takeaways) in order to enhance the offer and strengths of the shopping frontage. A greater variety of retail uses are found in the defined Secondary Shopping Frontage which mainly comprises the Top of the Town area. A more flexible approach to town centre uses is taken towards proposals in this Secondary Shopping Frontage, in line with the 'Top of the Town, Basingstoke: Concept Masterplan - a Vision for the future' (March 2014), but these should not result in an imbalance of retail uses, where this affects the vitality, viability or character of the area, particularly in terms of its specialist retail offer*"**.**

Figure 7.1: Basingstoke Town Centre: Primary Shopping Area and Frontages



Source: Adopted Policies Map (2016)

[26] Planning Practice Guidance (July 2019). Paragraph: 006 Reference ID: 2b-006-20190722

COMPOSITION

7.5 Basingstoke's retail, leisure and service business offer is spread over a wide area as shown under Policy EP3 of the adopted Local Plan, The town centre essentially comprises three main inter-related shopping areas each of which has its own distinct character and offer:

- **The Malls:** 26,013 sqm gross (280,000 sq ft gross) centre whose origins date to the late 1960s and 1970s. It is a covered scheme that runs from Station Mall, directly opposite Basingstoke railway station, to the southern end of Old Basing Mall, where it connects with Festival Place. The precinct is single storey and anchored by Sainsbury's and Primark. Other retailers in the scheme include Robert Dyas, Argos, WH Smith and Wilko; Boots and Deichmann also have sizeable stores.
- **Festival Place**: A 93,367 sqm gross (1,005,000 sq ft gross) shopping centre that gross that opened in 2002. It lies east of the core retail area in Basingstoke town centre. The centre has large stores with multiples such as such as Debenhams, Marks & Spencer, Zara, H&M, Next and Gap. In addition to these, there are a sizeable number of smaller unit shops, restaurants and a multiplex. A bus station and 3,000 space car park also form part of the centre. There is a particular concentration of commercial leisure provision that includes restaurants such as Wagamama, Giraffe, Las Iguanas, Côte Brassiere, Ask and Nando's.
- **The Top of Town:** Lying to the south of Festival Place this a comparatively secondary shopping area within the Town Centre that is found beyond the two shopping centres. The area was paved and landscaped in the early 1990s and provides an attractive shopping environment. The area is dominated by service provision in particular pubs and restaurants.

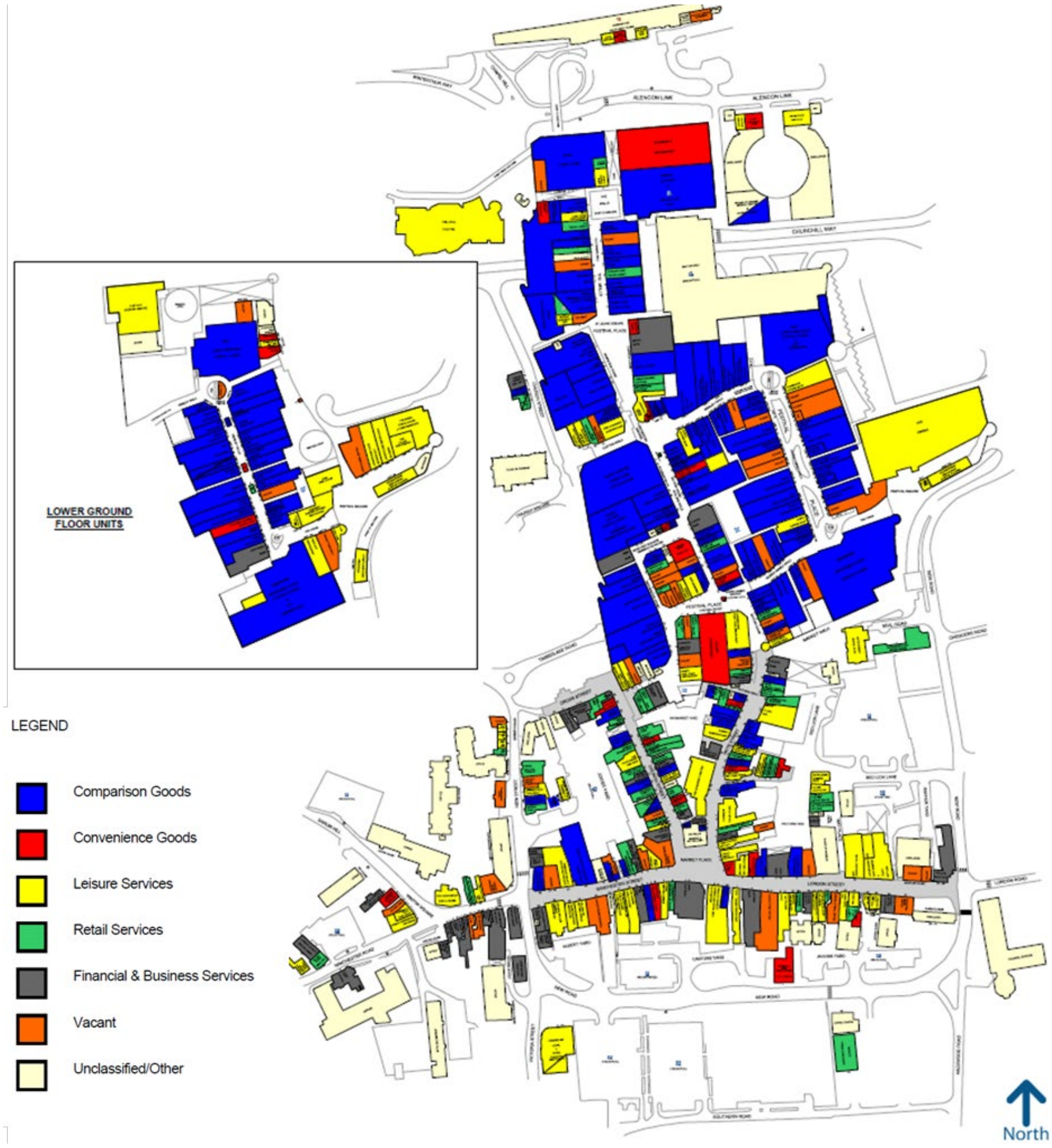
7.6 The town centre area (incorporating the above) is covered by a Business Improvement District (BiD) – Basingstoke Together. This entity enables promotes Basingstoke as a destination for shopping, business and leisure through its website, social media, promotions, consultations, tackling antisocial behaviour as well as assisting small scale enterprises in the town centre.

DIVERSITY OF USES

7.7 The Town Centre provides a diverse range and choice of retail, leisure, cultural and civic facilities as well as residential and business accommodation.

7.8 The diversity of uses as illustrated by the Experian Goad plan for Basingstoke, is shown below. To note that that unlike the Council's town centre boundary, the Experian Goad Plan does not extend north east towards Basing View and does not incorporate the area occupied by the John Lewis Department Store or Waitrose.

Figure 7.2: Basingstoke Town Centre: Diversity of Uses



Source: Experian Goad 2019 (see also Appendix 2)

7.9 The table below provides a breakdown of the changes in the town centre's broad retail and service composition (measured by outlets and floorspace) between 2017 and 2019 based on Experian Goad Category Reports.

Table 7.1: Basingstoke Town Centre: Retail Composition by Outlets and Floorspace, 2017-2019

OUTLETS	2019			2017			
Category	No of Outlets	% of Total Outlets	UK Average	No of Outlets	% of Total Outlets	UK Average	Change 2017-2019
Convenience	29	6.9	9.2	31	7.5	9.0	-6%
Comparison	142	33.7	29.2	134	32.5	30.7	6%
Service- Retail	60	14.2	15.1	56	13.6	14.6	7%
Service- Leisure	89	21.1	24.5	89	21.6	24.0	0%
Service- Financial	47	11.1	9.8	56	13.6	10.3	-16%
Vacant	55	13.0	11.9	46	11.2	11.2	20%
Other	0	0.0	0.1	0	0.0	0.1	0%
Total	**422**	**100**	**100**	**412**	**100.0**	**100.0**	**2%**

FLOORSPACE	2019			2017			
Category	GOAD Floorspace (sqm)	% of Floorspace	UK Average	% of Floorspace	% of Floorspace	UK Average	Change 2017-2019
Convenience	6,912	6.2	15.4	7,051	6.4	15.2	-2%
Comparison	54,664	48.9	33.5	53,772	48.7	34.7	2%
Service- Retail	6,382	5.7	7.0	6,577	6.0	6.8	-3%
Service- Leisure	25,483	22.8	25.6	24,981	22.6	25.1	2%
Service- Financial	8,510	7.6	7.3	9,931	9.0	7.7	-14%
Vacant	9,820	8.8	10.6	8,110	7.3	9.8	21%
Other	0	0.0	0.1	0	0.0	0.1	0%
Total	**111,771**	**100**	**100**	**110,424**	**100.0**	**100.0**	**1%**

Source: Experian Category Reports 2017 & 2019

7.10 The changes over the two year period shows:

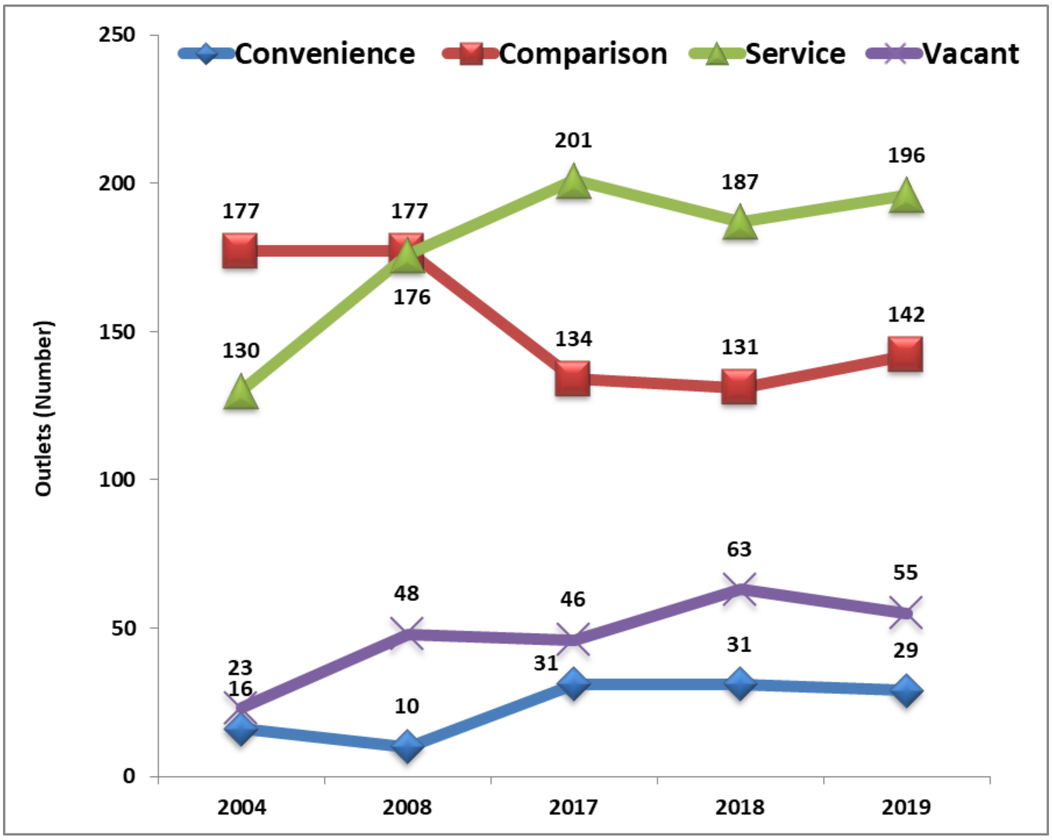
- Convenience goods: number of outlets decreased (-6%) and also by floorspace (-2%);
- Comparison goods: number of outlets increased (+6%) and also by floorspace (+2%);
- Services [Retail]: number of outlets increased (+7%) but floorspace decreased (-3%);
- Services [Leisure]: no change in number of outlets but floorspace increased (+2%);
- Services [Financial]: large change with number of outlets decreased (-16%) and also by floorspace (-14%);
- Vacancies: another large change with number of outlets increased (+20%) and also by floorspace (+21%);

7.11 We have also undertaken a separate assessment looking back at the data gathered in the Council's 2009 Study[27]. The table below provides a breakdown of the changes in the town centre's broad retail and service composition between 2004 and 2019. This shows:

- Convenience outlets: increased by 13 outlets (+81%)
- Comparison outlets: decreased by 35 outlets (-20%)
- Service outlets: increased by 66 outlets (+51%)
- Vacant outlets: increased by 32 outlets (+139%)

[27] Basingstoke & Deane Borough Council Retail Study Update January 2009 (Pg 28)

Figure 7.3: Retail Composition by Outlets: (2004 – 2019)



7.12 A historic comparison of change in the number of outlets by goods types in Basingstoke against other centres in the sub-region shows the noticeable increase in convenience goods outlets in Basingstoke and the decline in number of comparison outlets. The rate of vacant outlets is also noticeably higher (see below). The broad change, however, has to be viewed in context. Any change is reflective of the individual characteristics of a centre in terms of its composition, catchment and inherent constraints and opportunities presented over time.

Table 7.2: Historic Change in Outlet Composition: Basingstoke v/s Other Centres

		Convenience Outlets	% Change	Comparison Outlets	% Change	Vacant Outlets	% Change
Basingstoke	2008	10	190%	177	-20%	48	15%
	2019	29		142		55	
Winchester	2007	25	4%	165	-20%	29	0%
	2018	26		132		29	
Camberley	2010	10	60%	122	-8%	52	-33%
	2019	16		112		35	
Aldershot	2014	84	-25%	22	32%	72	1%
	2019	63		29		73	

Source: LSH Research

Convenience Retail

7.13 Basingstoke Town Centre's convenience goods representation (both outlets and floorspace) has consistently been below the national average figures since 2017.

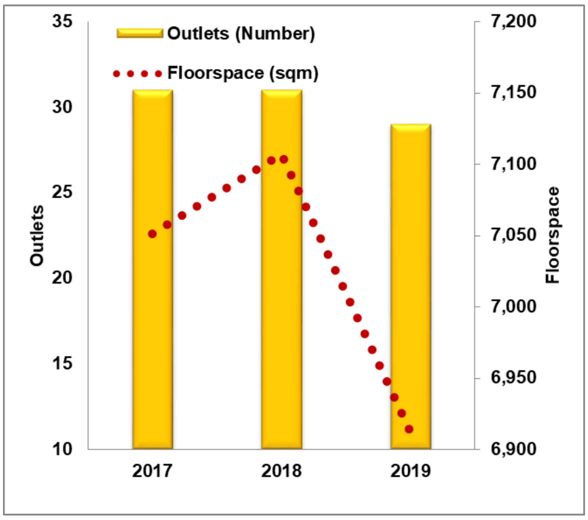
7.14 The town's 2019 convenience floorspace of 6,912 sqm gross represented some 6.2% of total floorspace, which is significantly below the national average of 15.4%. A more detailed breakdown of the town centre's convenience goods provision shows that it either has no outlets or an under-representation in the following categories:

- butchers (no outlets)
- greengrocers (no outlets)
- fishmongers (no outlets)
- permanent markets (none)
- Confectionery, Tobacco & News (CTN) (5 outlets)
- convenience stores (5 outlets)
- frozen food (1 outlet)
- grocers/delicatessens (4 outlets)
- health foods (1 outlet)
- off-licenses (1 outlet)
- supermarkets (2outlets)

7.15 The under-provision of food and convenience retailing in the town centre generally and within specific categories indicates that there should be potential to increase and improve the quality of the town's offer subject to market demand.

7.16 In overall terms, both the quantum of convenience outlets and floorspace has fallen since 2017 but with a decrease since 2018 as shown below.

Figure 7.4: Convenience Goods: Outlets and Floorspace (2017 – 2019)

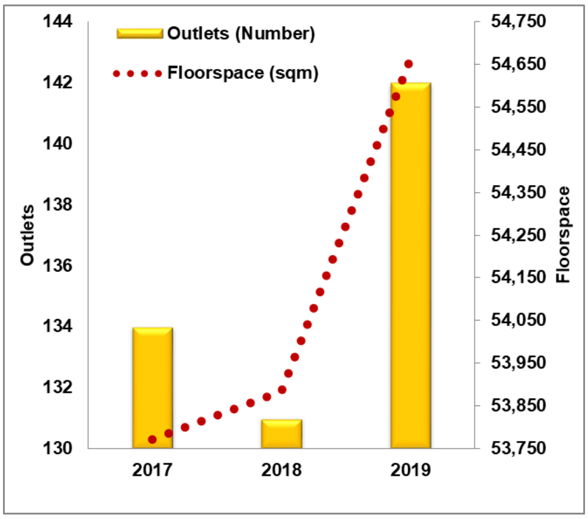


Comparison Retail

7.17 There were some 142 comparison retail outlets in the town centre in 2019 trading from a total floorspace of 54,664 sqm gross. Since 2017, there has been an increase in the number of outlets (from 134 to 142) and floorspace (from 53,772 sqm gross to 54,664 sqm gross).

7.18 The current provision of comparison outlets as a proportion of total outlets (33.7%) is above the (Experian Goad) national average of 29.2%. Comparison goods floorspace represented 48.9% of total floorspace in the town centre, which is also above the national average figure of 33.5%.

Figure 7.5: Comparison Goods: Outlets and Floorspace (2017 – 2019)



7.19 Since 2017, both the number of outlets and quantum of floorspace has increased. Although the strong provision of comparison retailing in Basingstoke is a positive indicator, it could also represent a weakness given current trends in the retail sector. This is applicable to whether it is multiple or independent retailer. The centre is therefore vulnerable to the loss of comparison goods space over time. As previously noted the proportion of comparison goods outlets has already decreased by 20% since 2004. To help identify these more "vulnerable" categories, the following provides a breakdown of the town centre's comparison goods offer where there is an over-provision of both outlets and floorspace benchmarked against national averages:

- Catalogue showrooms
- Children/ infant's wear
- Department/variety stores
- Footwear
- Greeting cards
- Jewellery, watches, silver
- Crafts, Gifts, China & Glass
- Ladies & Menswear & Acc.
- Ladies Wear & Accessories
- Leather & Travel Goods
- Mens Wear & Accessories
- Music & Video Recordings
- Newsagents & Stationers
- Photographic & Optical
- Sports, Camping & Leisure Goods
- Telephones & Accessories
- Toiletries, Cosmetics & Beauty Products
- Toys, Games & Hobbies

Services

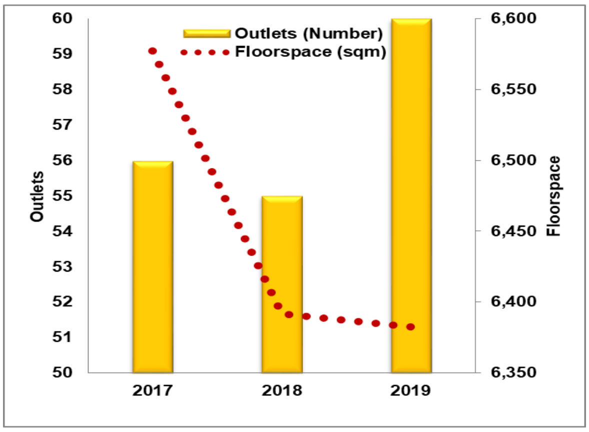
7.20 Service businesses are defined by Experian Goad as including retail, professional and financial services and leisure services and other retail. As **Table 7.1** shows that in combination these categories comprise 196 service outlets. These represent 46.5% of all units which is below the national average of 49.4%. This is also reflected in the associated floorspace provision of 36.1%, which is lower than the national average (39.9%).

7.21 The number of retail, leisure and financial services collectively has decreased since 2017 from 201 to 196 outlets. This is reflected by the decrease in floorspace from 41,490 sqm gross in 2017 to 40,375 sqm in 2019.

7.22 The following provides a brief summary of provision in the different service categories in 2019:

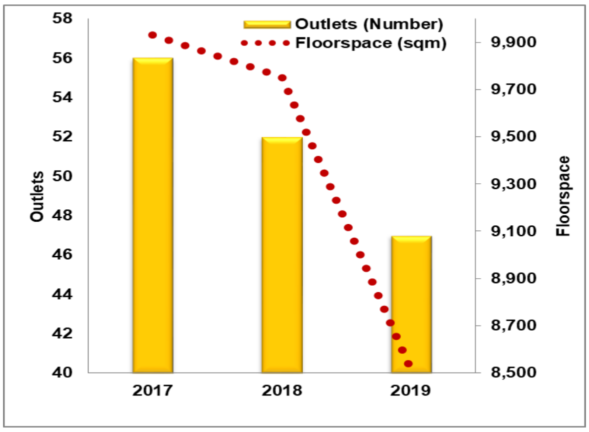
- There are 60 **retail services** outlets, which account for 14.2% of total outlets. This is below the national average of 15.1%. This category is mostly made up of health and beauty outlets (46 units) and opticians (5 units). Whilst the number of outlet has increased from 56 in 2017 to 60 in 2019, floorspace has diminished overs the same period.

Figure 7.6: Retail Services: Outlets and Floorspace (2017 – 2019)



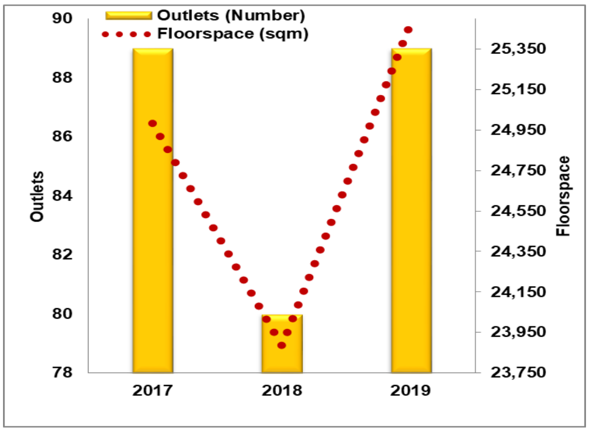
- With reference to **financial & business services** outlets, there are 47 outlets, which represent 11.1% of total units, which is higher than the national average of 9.8%. This category comprises mainly of 16 property services units, 10 retail bank units, 7 employment & and careers and 6 legal services outlets. Since 2017, both number of outlets and floorspace has decreased. This is a potential reflection in the trend for retail banks and building societies in particular that have been closing their high street operations and moving to more online platforms.

Figure 7.7: Financial & Business Services: Outlets and Floorspace (2017 – 2019)



- There are 89 **leisure services** outlets which represent 21.1% of total provision which is lower than the national average 24.5%. In terms of floorspace this stands at 22.8% which is lower than the national average of 25.6%. Leisure provision is dominated by 23 restaurants, 21 fast food and take away outlets, followed by 14 cafes, 6 bars & wine bars; 6 casino & betting offices, 5 public houses and 3 Cinemas, Theatres & Concert Halls. A large proportion of these are independent led particularly in the Top of the Town area with few in the PSA (see **Figure 7.2**). Commercial leisure is represented by Nando's, Wetherspoon, Zizzi, McDonald's, Wimpy, KFC, Subway, Starbucks, Costa, Burger King, Ladbrokes, Betfred, Paddy Power and Coral. Since 2017, the number of outlets has broadly remained the same after a dip in 2018.

Figure 7.8: Leisure Services: Outlets and Floorspace (2017 – 2019)



- In summary, the overall level of service provision is comparatively lower than the national average with the leisure service dominating (predominantly in the food and beverage category - restaurants, take-ways, cafes, bars & wine bars).

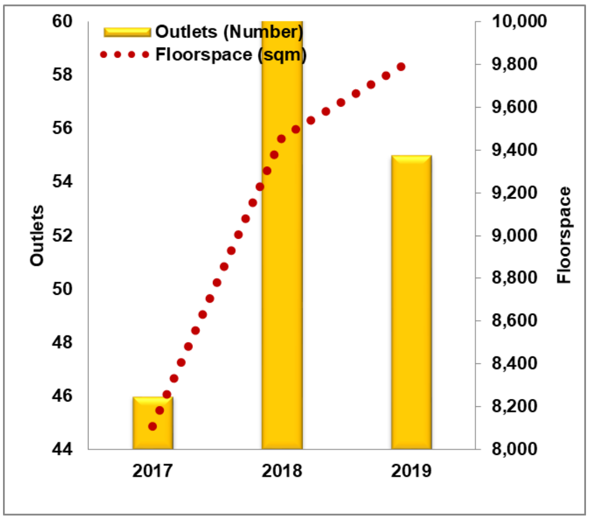
Vacancy Levels

7.23 As **Table 7.1** shows, there were some 55 vacant units in Basingstoke Town Centre in 2019. This is equivalent to a vacancy level of 13% and is above the national average figure of 11.9%. The total vacant floorspace of 9,820 sqm gross represented some 8.8% of total floorspace and this is below the national average of 10.6%.

7.24 There are a number of major vacant units across the town centre, including large units at Festival Square (despite its modern floorspace and on-site car parking), Market Square, Winchester Street and London Street. This is a potential concern as potential occupiers for such units are likely to be limited and a number of similar closures occur in the future as a result of company failures or rationalisation programmes. Of particular concern would be fascias such as Debenhams given their strategic and prominent position and New Look.

7.25 Notwithstanding this, vacancy levels have nevertheless fallen from 15.3% in 2018 to 13% as proportion of total outlets but marginally increased as a proportion of total floorspace from 8.6% to 8.8%.

Figure 7.9: Vacancies: Outlets and Floorspace (2017 – 2019)



RETAILER REPRESENTATION

7.26 The scale, mix and quality of national multiple retailers and leisure operators in a centre provides a further measure of its relative attraction and strength as a shopping location. According to Experian in are some 207 national multiples in the town centre. The number of multiples recorded in 2019 is unchanged from 2018 but lower than in 2017 (214) and 2008 (224)[28].

[28] Sourced from Basingstoke & Deane Borough Council Retail Study Update (January 2009); Appendix 5.

7.27 Current multiple representation accounts for 49.1% of total outlets. Although this representation of multiples could be regarded as a strength, it may also be an indication that the town centre could be vulnerable to impact from wider trends in the retail sector. Overall, there is there is a good and complementary, and almost even mix of multiple and independent retailers, serving the centre and its catchment population.

7.28 Closer analysis indicates that comparison goods retailers account for 52.7% of the 207 multiples and overall representation in this category is above the national average. Additionally, comparison goods multiples represent 77% of the total number of outlets in the centre.

7.29 In contrast, the 19 convenience goods multiples represent 9.2% of total multiples in the town centre, which is below the national average of 11.5%.

7.30 Overall, Basingstoke is represented by a reasonably good range of retail brands, which are predominantly aimed at a progressive fashion market and a mid-range (by age) customer base. On this basis, Basingstoke compares well against other nearby centres. This is reflected in Javelin's VenueScore's assessment of the town centre where the centre is indexed against a number of variables summarised in the table below.

Table 7.3: VenueScore Index: Basingstoke Compared With Sample Centres

VenueScore Index	Basingstoke	Camberley	Guildford	Winchester	Index Range
Fashion Orientation Index	135	133	149	137	Degree to which the venue's offer is biased towards Fashion (High=Bias towards Fashion; Low=Bias away from Fashion)
Food Service Index	113	120	112	105	Degree to which offer is biased towards Food & Beverages (High=Bias towards Foodservice; Low=Bias away from Foodservice)
Tourist Orientation Index	173	152	211	171	Degree to which offer is biased towards retailers with a Tourist focus (High=Bias towards Tourist-focused retailers; Low=Bias away from Tourist-focused retailers)
Market Position Index	102 / Middle	104 / Middle	127 / Upper Middle	122 / Upper Middle	Degree to which the venue's offer has a Progressive or Traditional focus (High=Bias towards Progressive retailers; Low=Bias towards Traditional retailers) - where the venue's fashion offer meets a minimum threshold
Fashion Position Index	108 / Fashion Moderate	107 / Fashion Moderate	102 / Fashion Moderate	96 / Updated Classic	Degree to which the venue's offer has a Progressive or Traditional focus (High=Bias towards Progressive retailers; Low=Bias towards Traditional retailers)
Age Position	96 / Mid	98 / Mid	101 / Old	103 / Old	Degree to which offer is biased towards retailers with a Young or Old focus (High=Bias towards Older-focused retailers; Low=Bias towards Younger-focused retailers)

Source: Javelin VenueScore 2017
Note: The index base is represented by 100. An index figure that increases above 100 equates to an increasing or 'higher' bias towards the index classification, while a figure that decreases below 100 equates to a decreasing bias from the index classification

7.31 The key national retailers and leisure operators are set out in the table below. Debenhams, Marks & Spencer and Primark are the main department/variety stores in the Town Centre. There is also good provision of fashion retailers including Next, H&M, New Look, River Island, Topman and Topshop. Foodstore provision is restricted to Sainsbury's, Tesco Metro and Iceland. The food and beverage offer is restricted mainly to fast food type outlets.

Table 7.4: Basingstoke Town Centre: Key Multiple Retailers

Department / Variety Stores	Key Fashion Multiples	Key Non Fashion Multiples	Food Stores	Key Cafés / Restaurants
Debenhams	Ann Summers	3 Store	Iceland	ASK
Marks & Spencer	Bon Marche	Apple	Sainsbury's	Burger King
Primark	Clarks	Argos	Tesco Metro	Caffe Nero
John Lewis (Basing View)	Deichmann Shoes	Beaverbrooks	Waitrose (Basing View)	Costa
	Fat Face	The Body Shop		Gbk
	Gap	Boots		Greggs
	H&M	Card Factory		Kfc
	JD Sports	Carphone Warehouse		McDonald's
	Jack Wills	EE		Nando's
	Monsoon	The Entertainer		Patisserie Valerie
	Moss Bros	Ernest Jones		Pizza Express
	New Look	The Fragrance Shop		Pizza Hut
	Next	Goldsmiths		Pret A Manger
	Office	Hotel Chocolat		Starbucks
	Phase Eight	Lush		Wagamama
	River Island	Mountain Warehouse		Zizzi
	Roman Originals	O2 Phones		
	Schuh	Pandora		
	Shoe Zone	Paperchase		
	Sports Direct	The Perfume Shop		
	Superdry	Poundland		
	TK Maxx	Smiggle		
	Topshop/Topman	Superdrug		
	Yours	Tiger		
	Zara	Vodafone		
		Warren James		
		Waterstones		
		WH Smith		
		Wilkinson		

Source: PMA PROMIS Retail Report (November 2019).

Analysis by Specific Areas

7.32 Analysis of the diversity of uses in the town centre's three composite areas (The Malls, Festival Place and The Top of Town) based on the Experian Goad data is shown below:

Table 7.5: Basingstoke Town Centre Specific Area: Retail Composition by Outlets and Floorspace (2019)

OUTLETS

	Outlet Count			Proportion (%)		
Category	The Malls	Festival Place	The Top of Town	The Malls	Festival Place	The Top of Town
Convenience	4	16	9	11%	7%	6%
Comparison	16	106	20	43%	46%	13%
Service- Retail	5	29	26	14%	13%	17%
Service- Leisure	8	35	46	22%	15%	30%
Service- Financial	0	15	32	0%	6%	21%
Vacant	4	30	21	11%	13%	14%
Other	0	0	0	0%	0%	0%
Total	**37**	**231**	**154**	**100%**	**100%**	**100%**

FLOORSPACE

	Floorspace (sqm gross)			Proportion (%)		
Category	The Malls	Festival Place	The Top of Town	The Malls	Festival Place	The Top of Town
Convenience	2,518	3,344	1,050	15%	5%	4%
Comparison	9,513	42,289	2,861	56%	61%	11%
Service- Retail	687	2,611	3,084	4%	4%	12%
Service- Leisure	3,410	12,477	9,597	20%	18%	37%
Service- Financial	0	2,936	5,574	0%	4%	22%
Vacant	818	5,546	3,456	5%	8%	13%
Other	0	0	0	0%	0%	0%
Total	**16,945**	**69,203**	**25,622**	**100%**	**100%**	**100%**

7.33 In summary this shows:

- Convenience Goods: largest proportion of outlets and floorspace in Festival Place.
- Comparison goods: Festival dominates both in terms of outlets and outlets
- Service [Retail]: Highest number of outlets at Festival Place but largest quantum of floorspace at The Top of the Town.
- Service [Leisure]: Highest quantum of outlets at The Top of Town but largest quantum of floorspace at Festival Place
- Service [Financial]: Highest quantum of outlets and floorspace at The Top of Town with no representation at The Malls.
- Vacancies: Highest quantum of outlets and floorspace is at Festival Place, followed by the Top of Town. Lowest level both by number and floorspace within the Malls.

MARKET DEMAND

7.34 Demand from retailers and leisure operators for representation in a centre is another important indicator of a centre's overall health and viability. The latest published market demand report is set out in the table below. Whilst this dataset is not comprehensive and does not cover all retailer and leisure requirements[29], it does nevertheless provide a 'snapshot' of market interest at a particular point in time.

Table 7.6: Basingstoke Town Centre: Retailers Seeking Representation

	Operator	Use Class	Size (sq ft)		Size (sq m)	
			(min)	(max)	(min)	(max)
1	Phone Surgery	A1	250	1,000	23	93
2	Fone World	A1	250	700	23	65
3	COOK	A1	1,000		93	0
4	Subway	A1	200	1,200	19	111
5	Lidl	A1	10,000	30,000	929	2,787
6	Sue Ryder	A1	2,000	3,500	186	325
7	ECigWizard	A1	300	1,000	28	93
8	American Golf	A1	3,000	6,000	279	557
9	Middletons	A1	3,000	6,000	279	557
10	VPZ	A1	500	1,500	46	139
11	Sofa Workshop	A1	2,500	5,000	232	465
12	The Works (South East)	A1	1,750	2,500	163	232
13	Schmidt	A1	1,500	5,000	139	465
14	Hotter Shoes	A1	1,500	3,000	139	279
15	Machine Mart	A1	1,500	8,000	139	743
16	JoJo Maman Bebe	A1	800	1,500	74	139
17	Cats Protection (South)	A1	800	3,000	74	279
18	Aldi	A1	10,000	0	929	0
19	Pets @ Home	A1	3,000	15,000	279	1,394
20	Holland & Barrett	A1	900	7,000	84	650
21	L'Osteria	A3	3,800		353	0
22	GDK	A3	250	2,500	23	232
23	KFC (M4 Corridor & South West)	A3	1,800	3,500	167	325
24	Three Joes	A3	1,500	4,000	139	372
25	Five Guys	A3	2,500	4,000	232	372
26	Flamboree	A3	N/A	N/A	N/A	N/A
27	McMullen & Sons	A4	N/A	N/A	N/A	N/A
28	Innkeeper's Lodge	A4	N/A	N/A	N/A	N/A
29	Ember Inns	A4	3,000	0	279	0
30	Vintage Inns	A4	4,000	0	372	0
31	Safestore	B8	25,000	0	2,323	0
32	Premier Inn	C2	N/A	N/A	N/A	N/A
33	Bannatyne	D2	15,000	20,000	1,394	1,858
34	Snap Fitness (South East)	D2	4,000	10,000	372	929
35	Fitness4Less	D2	12,000	20,000	1,115	1,858
TOTAL			**117,600**	**164,900**	**10,925**	**15,320**
TOTAL (Excluding B8)			***92,600***	***164,900***	***8,603***	***15,320***

Source: Retailer Requirements (April 2020)

[29] Although operators may have requirements for representation in a city, town, shopping or leisure locations they are unlikely to publicise the fact as it will undermine their negotiating position with landlords and agents. Furthermore, retailers who do not have requirements for a particular centre or shopping location at the current time may change their position if the right floorspace becomes available in the right locations. It is therefore difficult to ascertain a true picture of market demand without carrying out a comprehensive marketing campaign when there is new and/or extended floorspace proposed.

7.35 As the table shows, the reported interest from operators in Basingstoke and/or the wider Borough area currently represents a minimum gross floorspace requirement of 8,603 sq m (92,600 sq ft), up to a maximum of 15,320 sqm (164,900 sq ft) after discounting the potential interest from B8 use (i.e. Safestore).

7.36 There are 20 Class A1 operators with a reported interest in taking space in Basingstoke, with a total floorspace requirement ranging from 929 sqm up to 2,787 sqm. Lidl and Aldi account for over 45% of this floorspace requirement (minimum floorspace requirement). Both of these have representation within the Borough area. There are also three operators with a minimum requirement of 279 sqm (American Golf, Middletons and Pets @ Home), however these normally have requirements for edge and out-of-centre larger format stores.

7.37 Given the strength of existing retail offer in the centre the extent of requirements for clothing and footwear brands is negligible. This also a reflection of the uncertainties in the wider UK market rather than local factors. In addition, national multiples are increasingly less likely to publish requirements as companies take a cautionary position on expanding their portfolio.

7.38 The requirements list also shows potential interest from a number of café, restaurants, bar operators and from gym operators (Bannatyne) including budget gyms (Snap Fitness and Fitness4Less).

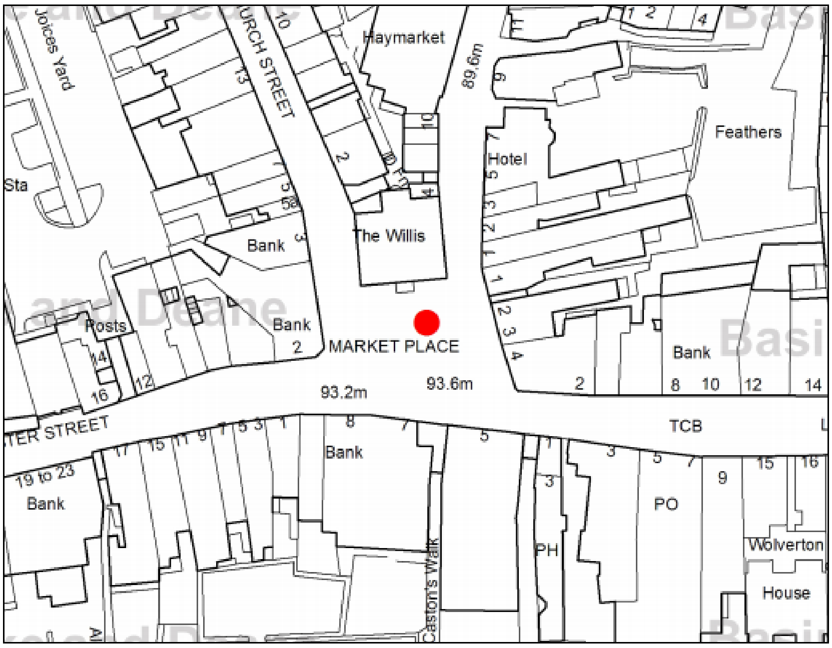
7.39 The market demand also has to be put into context of the emerging impact of the COVID19 pandemic and it will be difficult to predict how operator demand will play out in the town centre. With further retailers and leisure operators entering administration or ceasing trading entirely, the likelihood is to be a lull in demand for new space in Basingstoke in the short term.

STREET MARKETS

7.40 As described in **Section 3** successful street markets and market halls that are proactively managed and curated can make a significant contribution to the overall vitality and viability of town centres; helping to attract new trips, increased footfall and expenditure to the benefit of other town centre shops and businesses.

7.41 In Basingstoke Town Centre the market is situated in Market Place at the Top of the Town and continues down Wote Street towards Festival Place.

Figure 7.10: Basingstoke Street Market Location



7.42 General markets take place on Wednesdays and Saturdays between 9am and 4pm. Stalls currently include fruit and vegetables, meat, eggs, pies and chutney, bread, cakes, fresh fish, Thai, Korean and Japanese food, burgers, plants, ladieswear, menswear, pet food, smoking accessories and e-cigarettes, and mobile phone accessories.

7.43 In addition to the traditional Wednesday and Saturday markets, there is an annual events programme at the Top of the Town designed to bring vibrancy to the area. This includes:

- Taste at the Top of the Town food festival in the summer;
- Mexican Day of the Dead in October;
- Christmas festivities;
- Chinese New Year celebrations;
- Basingstoke Festival takes place in June and July each year; and
- Occasional French and Italian markets.

7.44 Aside from the positive impacts on the town centre's economy, market stalls and kiosks also provide the "seedbeds" and "incubator space" for new businesses to grow and flourish without the burden of the significantly higher occupancy costs that can erode the trading potential and profitability of businesses occupying more traditional shop units. This positive impact of markets on town centre economies is recognised by the NPPF (paragraph 85c).

7.45 Given the current trends and support for new and refreshed street markets in towns across the UK and the introduction of market halls into repurposed buildings and vacant retail space, we consider that there is the potential for Basingstoke Town Centre to grow its market and independent offer, subject to market demand

EVENING / NIGHT TIME ECONOMY

7.46 Basingstoke Town Centre has a number of cultural facilities: Anvil Arts is the largest performing arts organisation in Hampshire and runs The Anvil (concert hall), The Haymarket (theatre) and The Forge (studio). The Anvil is designed to be multi-purpose and has multiple stage formats. Its programme usually includes orchestral concerts, opera, ballet, comedy, live music, and pantomime whilst at The Haymarket this includes drama, children's theatre, music, and comedy.

7.47 As previously detailed, the 2019 Experian data indicates that there are 89 leisure services outlets dominated by 23 restaurants, 21 fast food and take away outlets, followed by 14 cafes, 6 bars & wine bars; 6 casino & betting offices, 5 public houses and 3 Cinemas, Theatres & Concert Halls. A large proportion of these are independent led and spread across the centre. Commercial leisure is seen in the form of Nando's, Wetherspoon, Zizzi, McDonald's, Wimpy, KFC, Subway, Starbucks, Costa and Burger King.

7.48 Across Basingstoke there are a numerous pubs, for example, at the Top of the Town, The Maidenhead Inn (JD Weatherspoon), The Bakers (Greene King) and The Wheatsheaf. Festival Place is home to The Angel and by Basingstoke Train Station is the Queen Arms. Within London Street, is the Tonic Bar and Rhu Bar. Wote Street has the Plush Lounge Bar. Along Winchester Street is the Fever & Boutique Club.

7.49 Basingstoke Town Centre is part of the Purple Flag initiative that aims to raise the standard and broaden the appeal of town and city centres in the evenings and at night. Basingstoke first secured Purple Flag status in 2013 and it has been secured every year since then. It is one of a select number of towns and cities across the UK recognised for offering a safe and enjoyable night out.

7.50 A broad review of the opening hours of retailers on High Street indicates that most retailers close between the hours of 5pm or 6pm. Festival Place Shopping Centre is open until 7:30pm Monday to Saturday, closing at 6:30pm on Sundays. Commercial leisure operators such as Zizzi stay open until 11pm. The centre's two foodstores operate until late (Sainsbury's until 8pm) and Tesco Metro (until 10pm) on Mondays to Saturdays. There is unlikely to be demand from customers for further late opening retail offer as late opening is typically in demand in metropolitan locations where competition is greater for retail expenditure and where demand for late opening often services custom from office workers.

7.51 In promoting the evening time economy for Basingstoke Town Centre, there is potential opportunity to encourage shoppers and visitors to stay longer in centre, particularly on a

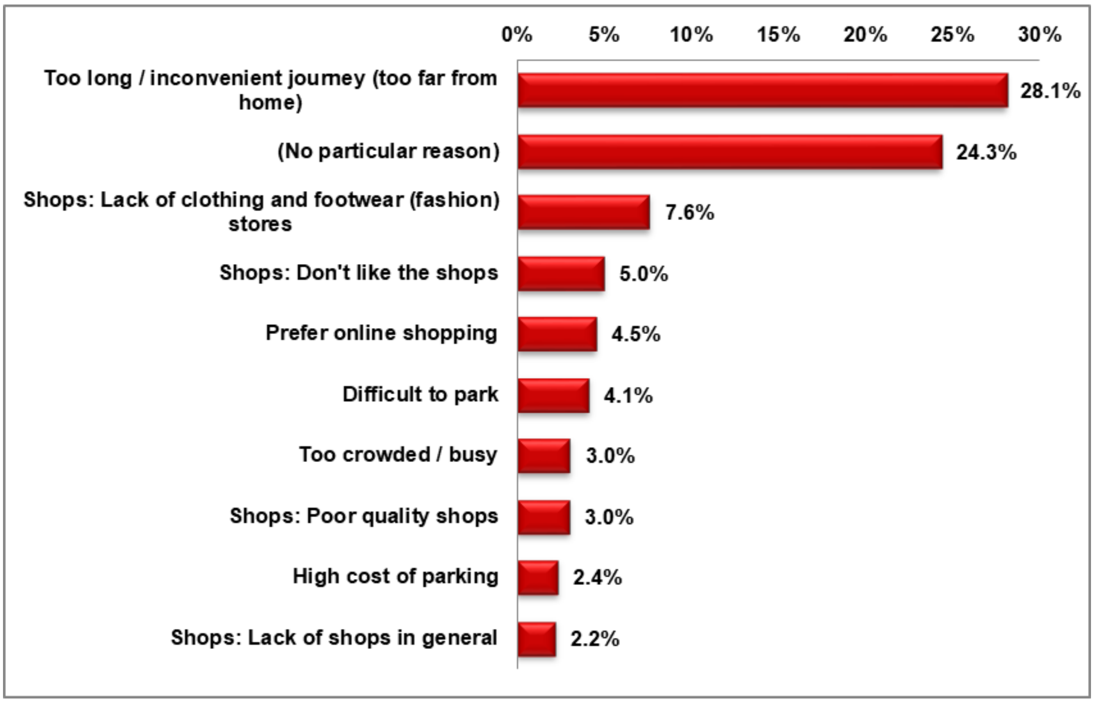
Saturday through later shop opening hours and early evening events. This could include an early evening time food market and street events for young adults.

CUSTOMER VIEWS & BEHAVIOUR

7.52 Both the street interview and household telephone interview surveys provide a good indication of what people *"like"* and *"dislike*" about Basingstoke Town Centre, and what improvements could persuade them to visit the town more frequently than they do at present. The results of the street surveys are detailed in **Section 5.**

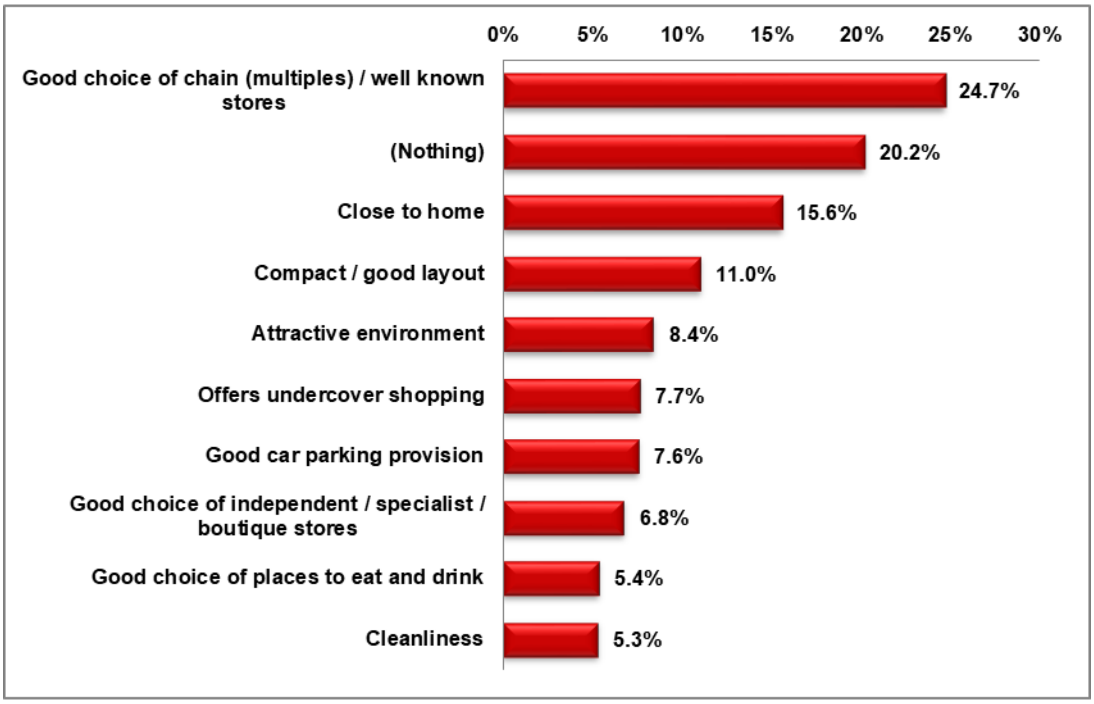
7.53 The household survey asked a number of questions in relation to respondents usage of Basingstoke Town Centre. Respondents from across the Study Area (Zones 1-11) were asked whether they visited Basingstoke Town centre for clothing, footwear or fashion products. An overwhelming 84.2% responded that they did. Of those that did not, the top three reasons were 'distance from home' (28.1%); 'No particular Reason (24.3%) and a 'lack of fashion stores' (7.6%).

Figure 7.11: Top 10 Reasons For Not Visiting Basing Stoke Town Centre for Clothing & Footwear Shopping



7.54 Respondents were also asked about what the liked or disliked about Basingstoke Town Centre. The figure below sets out the headline results of what people most "like" about the Town Centre.

Figure 7.12: Household Survey: Basingstoke Town Centre Top 10 Likes



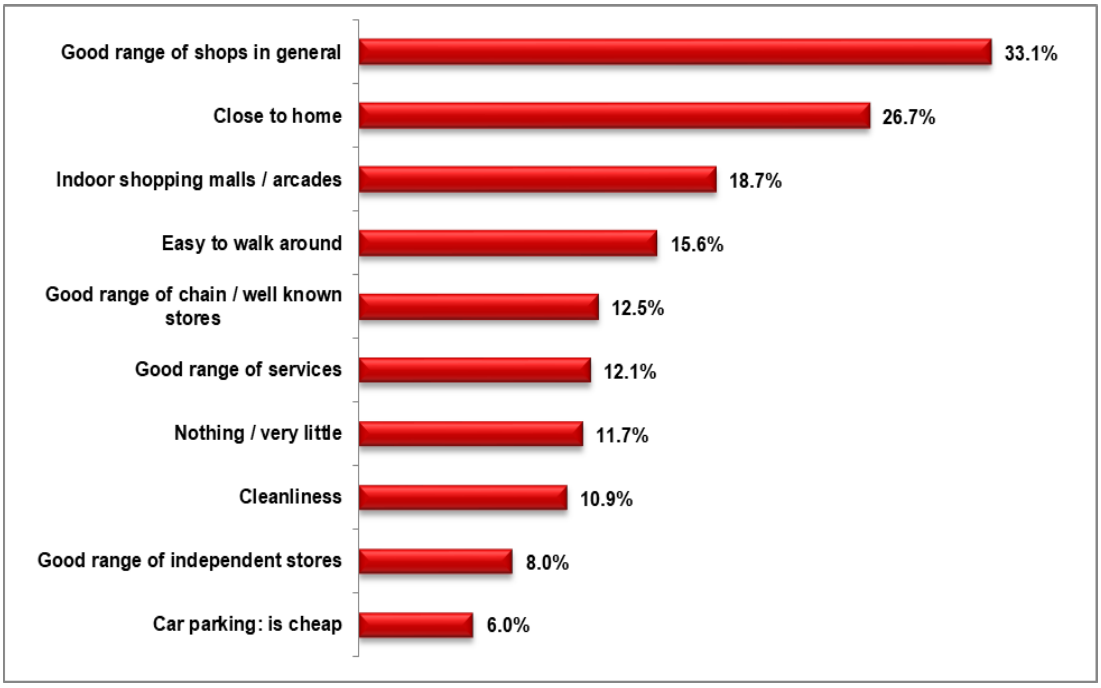
7.55 The results show that the respondents were primarily attracted by the 'choice of shops' (24.7%), 'nothing' (20.2%) and proximity to home (15.6%). Respondents also "liked":

- **environment**: attractive environment (8.4%); compact / good layout (11%); undercover shopping (7.7%); cleanliness (5.3%).
- **parking**: good parking provision (7.6%)
- **shops**: in addition to the choice of shops the choice of independent / specialist / boutique (6.8%)
- **Leisure**: Good choice of places to eat and drink (5.4%)

7.56 A comparison with responses to the street survey (**Section 5** and summarised below) shows that the common themes across in terms of 'likes' about Basingstoke Town Centre from the two surveys are:

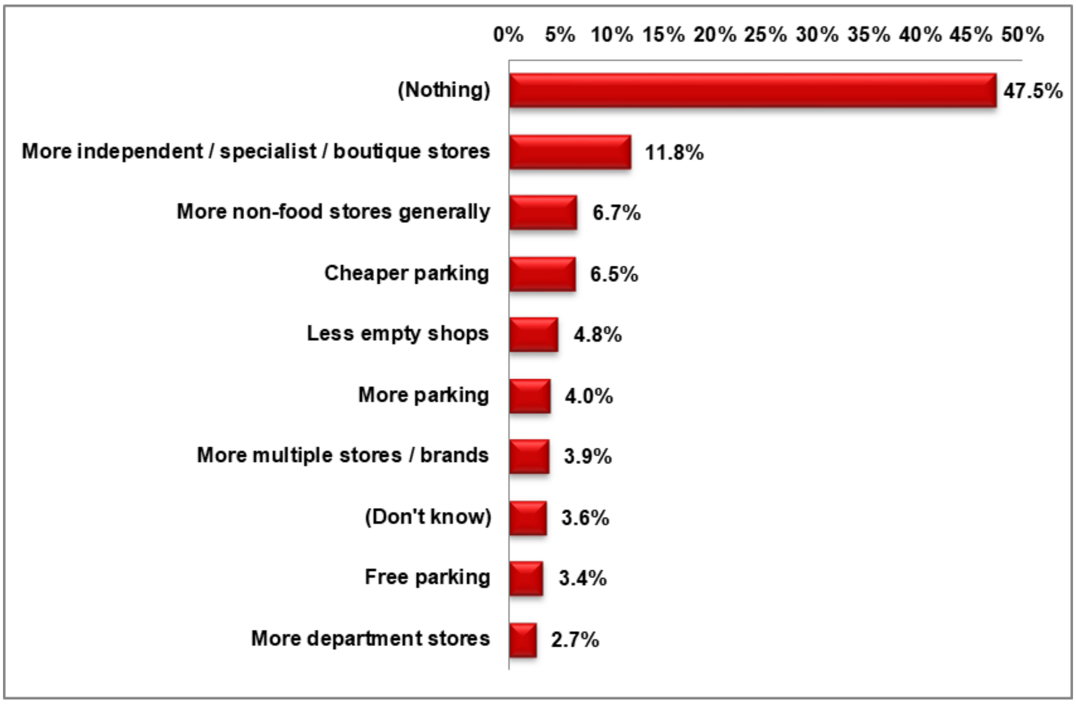
- Good range of shops / Good range of independent stores
- Proximity to home
- Covered / Indoor Shopping
- Easy to walk around / compact / good layout
- Good / cheap parking
- Cleanliness

Figure 7.13: Street Survey: Basingstoke Town Centre Top 10 Likes



7.57 The household survey also asked respondents what would make the respondents visit Basingstoke Town Centre more often. The figure below shows the headlines.

Figure 7.14: Household Survey: Basingstoke Town Centre Top 10 Suggestions to Increase Visitation



7.58 In summary, some 47.5% of respondents identified that there was 'nothing in particular' that would make them visit the town more often than they would currently, and a further

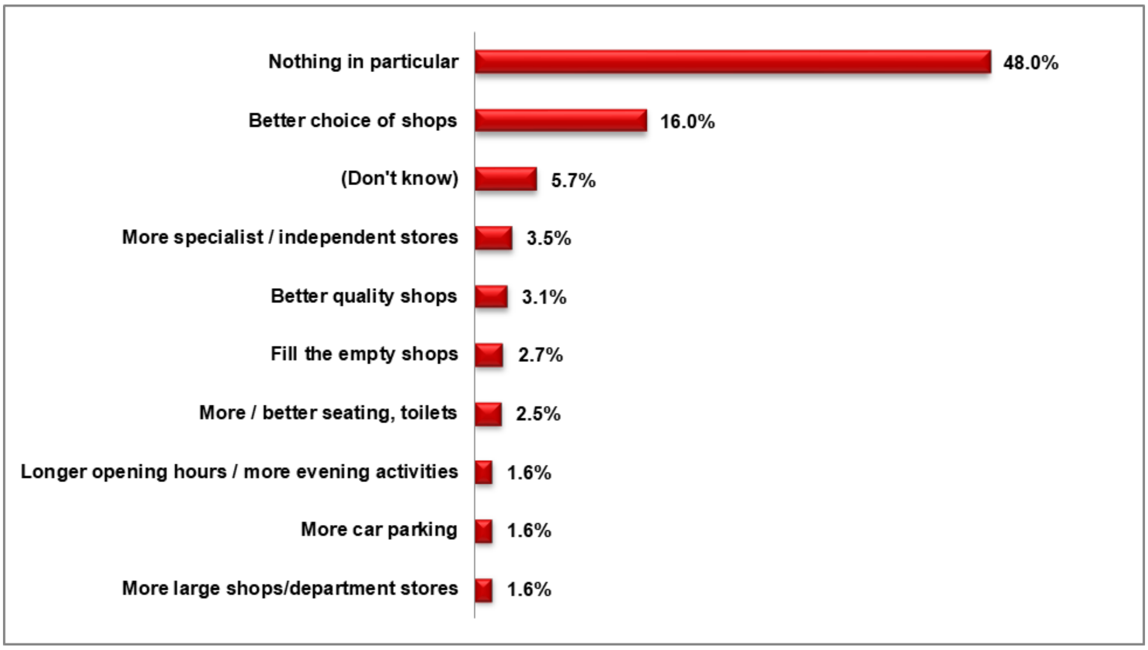
11.8% 'more independent/specialist/boutique stores'. Of the remainder, the following responses were recorded:

- more non-food stores generally (6.7%); more multiple / brands (3.9%); more department stores (2.7%)
- cheaper parking (6.5%); more parking (4%)
- less empty shops (4.8%)

7.59 In terms of suggested improvements, both the household and street survey raised very similar responses. A comparison with responses to the street survey (**Section 5** and summarised below) shows that the common themes are:

- Nothing in particular
- More specialist / independent stores
- Less empty shops fill empty shops
- Better choice of shops / more non-food stores
- More / free parking
- More department stores

Figure 7.15: Street Survey: Basingstoke Town Centre Top 10 Improvements



7.60 In relation to specific areas of the Town Centre the street surveys (detailed in **Section 5**) yielded the following responses:

- **The Malls**: Respondents mainly "liked" the centre because it has a 'good range of shops in general' (31%) as well as 'close to where they live (15.8%). On "dislikes", the majority stated 'Nothing or very little' (73.9%) with the identified dislikes being 'not enough choice of shops' (5.7%) and the area is 'windy' (4.7%).

- **Festival Place**: respondents mainly “liked” this centre because it has a ‘good range of shops in general’ (33.7%) as well as ‘indoor shopping malls/arcades’ (23.4%). In terms of ‘dislikes’ the majority stated ‘Nothing or very little’ (70.6%).
- **The Top of Town**: respondents liked ‘nothing or very little’ (41.9%) or ‘didn’t know’ (17%). The respondents mainly “liked” the Top-of-the-Town because it has a ‘street market’ (7.2%). In terms of dislikes almost two thirds stated ‘Nothing or very little’ (61.8%) or ‘don’t know’ (4.7%). The key identified dislike focussed on safety and security: ‘Unsafe / poor security / dangerous’ (8.2%); ‘vandals / hooligans’ (3.7%).

COMMERCIAL RENTS

7.61 The level of rent which retailers are prepared to pay for retail space within a centre is a useful indication of the perceived strength of a centre (although factors such as the supply of floorspace have an impact on rental value). However, as described in **Section 3**, retail rents have fallen significantly in recent years across most of Britain’s cities, towns and shopping locations. This reflects the wider malaise in the UK retail sector due to the impact of online shopping and the rising costs of operating stores in High Street locations compared with ‘virtual stores’ and even compared with out-of-centre shopping locations. These issues are particularly acute for retailers burdened with legacy store portfolios and debt. This is evident in the number of store closures resulting from corporate failures, CVAs and rationalisation programmes that are affecting the retail sector (see **Section 3**).

7.62 Recent market evidence shows rents across the town centre ranging from £30 per sq.ft (£323 per sqm) up to £130 per sq.ft (£1,399 per sqm) in terms of Zone ‘A’ rents. The broad tone of Zone A rents by location within the centre is as follows:

- Festival Place: £125 - £130 per sq ft (£1,346 per sqm - £1,399 per sqm). According to the PROMIS report this is lower than the £171 per sq ft (£1,841 per sqm) achieved in 2015 and lower than the peak of £185 per sq ft (1,991 per sq m) recorded in 2007.
- Queen Anne's Walk: £80 - £90 per sq ft (£861 per sqm - £969 per sqm).
- The Malls circa £80 - £85 per sq ft Zone A (£861 per sqm - £915 per sqm).
- Winchester Street and London Street are around the £30 - £40 per sq ft (£323 - £431 per sqm) in terms of Zone A rents.

7.63 A comparison of rents with a sample of nearby centres shows that they are lower than Guildford and Winchester but higher than Camberley.

Table 7.7: Zone 'A' Rents: Basingstoke Compared With Sample Centres

Centre	Prime Zone A Rents	
	£/sqm	£/sqft
Basingstoke	1,346	125
Camberley	646	60
Guildford	2,691	250
Winchester	1,938	180

Source: PMA Promis

7.64 Data on prime town centre yields indicate that transactions are achieving yield of 6.5%. In comparison with other centres yields are out by 1% when compared to Guildford and Winchester but better than Camberley by 0.75%

Table 7.8: Prime Retail Yields: Basingstoke Compared With Sample Centres

Centre	Prime Yield (%)
Basingstoke	6.5
Camberley	7.25
Guildford	5.5
Winchester	5.5

Source: PMA Promis

7.65 However, over the longer term it is expected that there is likely to be outward movement in prime yields in the light of reduced retail investment activity.

7.66 In the current market it is also likely that any lettings will be relatively short, ranging with generous incentives including rent-free periods. This reflects the current uncertainty and wider trends in the retail market, as landlords try to retain and attract new tenants into vacant space.

OUT-OF-CENTRE RETAIL AND LEISURE

7.67 There is significant amount of retail floorspace in out-of-centre retail parks and solus locations including:

- Brighton Hill Retail Park (Winchester Road): Curry's/PC World, Carpetright, DFS, Harveys, McDonalds and Pizza Hut.
- Gastons Wood Retail Park: Dunelm, Go Outdoors, Lidl, The Range.
- Hatch Warren Retail Park (off Winchester Road): Pets At Home, Dreams, Ponden Home/Bensons and Poundstretcher. A new Lidl is set to open here as well. On the neighbouring site is a Sainsbury's superstore.
- St Michael's Retail Park (also off Winchester Road and adjacent to Brighton Hill Retail Park): Aldi, Tapi Carpets, Oak Furniture Land, Wren Kitchens, Nando's and Costa Coffee

- Solus retail warehouses: primarily along Winchester Road between Brighton Hill and Hatch Warren Retail Parks. This includes Homebase, Hobbycraft, Home Bargains and Halfords. There is also a B&M Homestore on Worting Road, B&Q close to Brighton Hill Retail Park and Wickes at Churchill Way West.

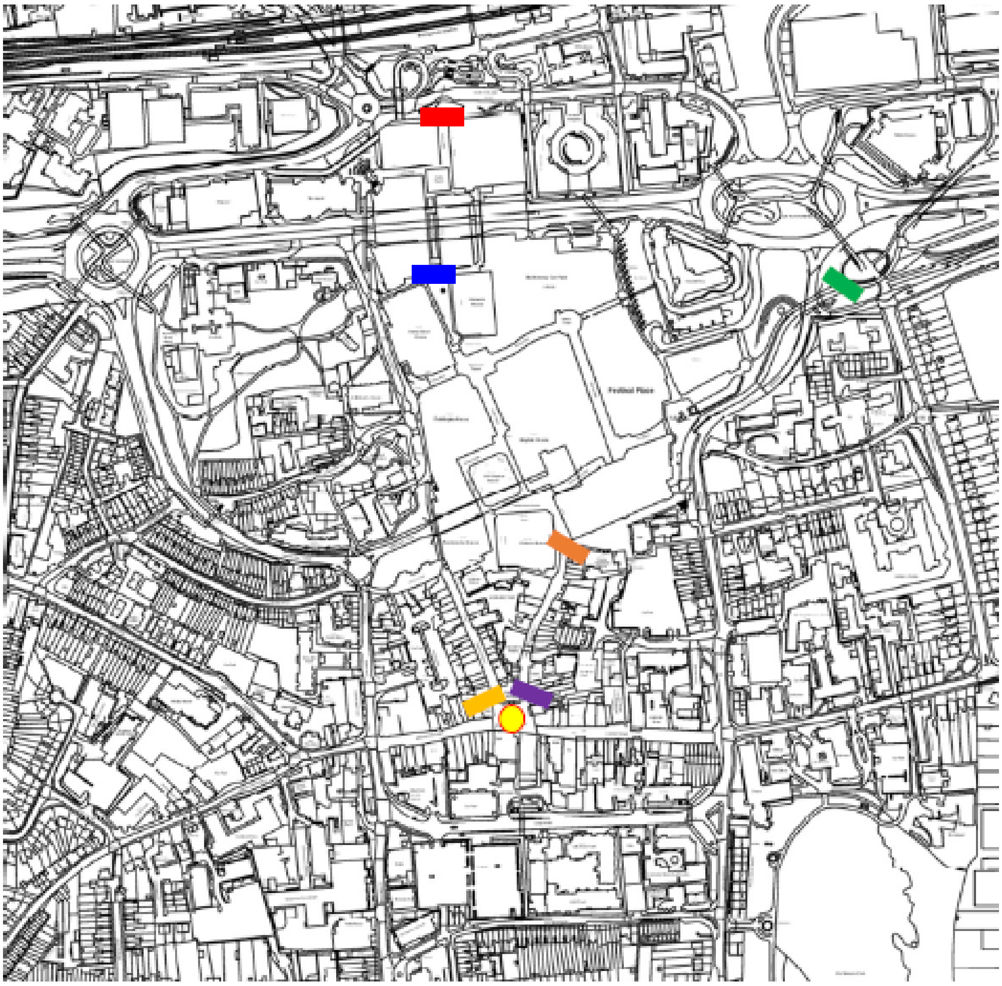
7.68 The results of the household survey (**Section 4**) confirm that convenience goods out-of-centre floorspace is achieving a total combined market share of 26% from within the wider Study Area, Sainsbury's Superstore, Wallop Drive is achieving the highest market share of 8.5% in the Study Area followed by Morrisons, Worting Road achieving the second highest market share of 7.9% in the Study Area. Out-of-Centre comparison goods floorspace achieves 16.2% market share with Brighton Hill Retail Park having the largest share of 6% from the Study Area.

7.69 In terms of leisure parks, Basingstoke Leisure Park is situated off Churchill Way West is occupied by Premier Inn and an Odeon multiplex, with a bingo hall, a health & fitness centre and a bowling alley alongside. The rates of participation or these types of activities is detailed in in the leisure needs assessment (**Section 10**).

PEDESTRIAN FLOWS

7.70 The Council commissioned a pedestrian flow count (**Appendix 21**) within Basingstoke Town Centre between 20th February and 6th March 2020 to ascertain typical footfall patterns. The location points are illustrated below:

Figure 7.16: Pedestrian Flow Count: Location Points



Key: Location Points

Red	Malls Entrance North
Blue	Malls Entrance South
Green	Eastrop Pedestrian Subway
Orange	Wote Street North
Purple	Wote Street South
Amber	Church Street
Yellow	Market Location (Wednesday & Thursday)

7.71 The output of this survey shows:

- The **Malls Entrance South** registered the highest daily average footfall, which was 16% higher than the Malls Entrance North daily average. This location benefits from the pedestrian link and critical mass of retailers entering/exiting both Festival Place and the Malls.

- Both **Malls Entrance** locations registered footfall which, on average, was more than 5-times that of the other four non-Malls locations. This is to be expected considering the North is traversed by commuters and the South by both commuters and shoppers.
- **Eastrop Pedestrian** Subway had the lowest footfall and perhaps reflective of its fringe location.
- The two **Wote Street locations** registered notably different daily average footfalls: the **South location point** was 3.5 times higher than the **North location point.**

Table 7.9: Pedestrian Flow Count Heat Map: By Location

	Point 1: Malls Entrance North	Point 2: Malls Entrance South	Point 3: Eastrop Pedestrian Subway	Point 4: Wote Street North	Point 5: Wote Street South	Point 6: Church Street
Mon	9734	12846	514	1605	5189	1667
Tues	9369	10743	787	1322	4409	1778
Wed	9782	11711	583	1497	5659	1884
Thurs	9186	11606	624	1426	4817	1605
Fri	14695	14883	616	1265	5414	2158
Sat	11366	13153	697	1414	5164	2030

Key: Low Flow High Flow

- In terms of timings, **peak** footfall took place between two hourly slots: 11am-12pm and 3pm-4pm, for the combined six locations. Footfall during these two periods was 12% higher than the hourly combined average for all six locations.
- The majority of locations were busiest between 11am through to 4pm. between 9am and 12pm the two Malls Entrances were broadly equal in terms of footfall; throughout the day both locations recorded footfall notably higher than elsewhere (by around a factor of 5).

Table 7.10: Pedestrian Flow Count Heat Map: By Time of Day

	Point 1: Malls Entrance North	Point 2: Malls Entrance South	Point 3: Eastrop Pedestrian Subway	Point 4: Wote Street North	Point 5: Wote Street South	Point 6: Church Street
9am	1148	1122	43	151	424	179
10am	1253	1298	50	174	448	196
11am	1700	1582	106	196	700	236
12 noon	1374	1524	103	208	715	225
1pm	1194	1751	120	216	672	216
2pm	1320	1823	68	168	682	286
3pm	1414	1828	76	158	768	268
4pm	1286	1563	71	151	699	248

Key: Low Flow High Flow

7.72 Judging by the declining footfall after 4pm the centre appears to have a low visitation in the evenings that has an implication on the evening economy. Venues that stay open throughout the day and late at night also represent important creative and cultural assets for the town centre. It is recommended that the Council monitor footfall levels periodically throughout the centre.

TOWN CENTRE ENVIRONMENT

7.73 The town centre environment is assessed in terms of its three distinctive shopping areas namely:

- **The Malls** is reflective of its development in the 1970s and early 1980s and has a dated appearance by modern standards. Notwithstanding this, The Malls, which is entirely covered, runs from Station Mall, directly opposite Basingstoke railway station, to the southern end of Old Basing Mall, where it connects with Festival Place. The covered canopy, litter free paved flooring and seating provides a good environment for shoppers.
- **Festival Place** shopping centres and adjoining walks are well managed with good public realm, lighting and paving providing a bright and open environment. The centre provides a critical mass of retailers in a clean, litter free environment with a good provision of pubic seating.
- **The Top of Town** area represents the historic heart of Basingstoke. The shops and businesses in this area are focussed around the pedestrianised Market Place. The historic part of the town centre has a distinct character in terms of its built form. The paved area provides an attractive shopping environment. Part of this area is also defined as a conservation area, which reflects its more traditional architecture, street pattern and urban form.

7.74 Collectively, the environment across the centre is good with a complement mix of modern and traditional architecture. The centre is most parts is litter free and with no real sign of dereliction or decay. The shopping area and adjoining car parks are well maintained.

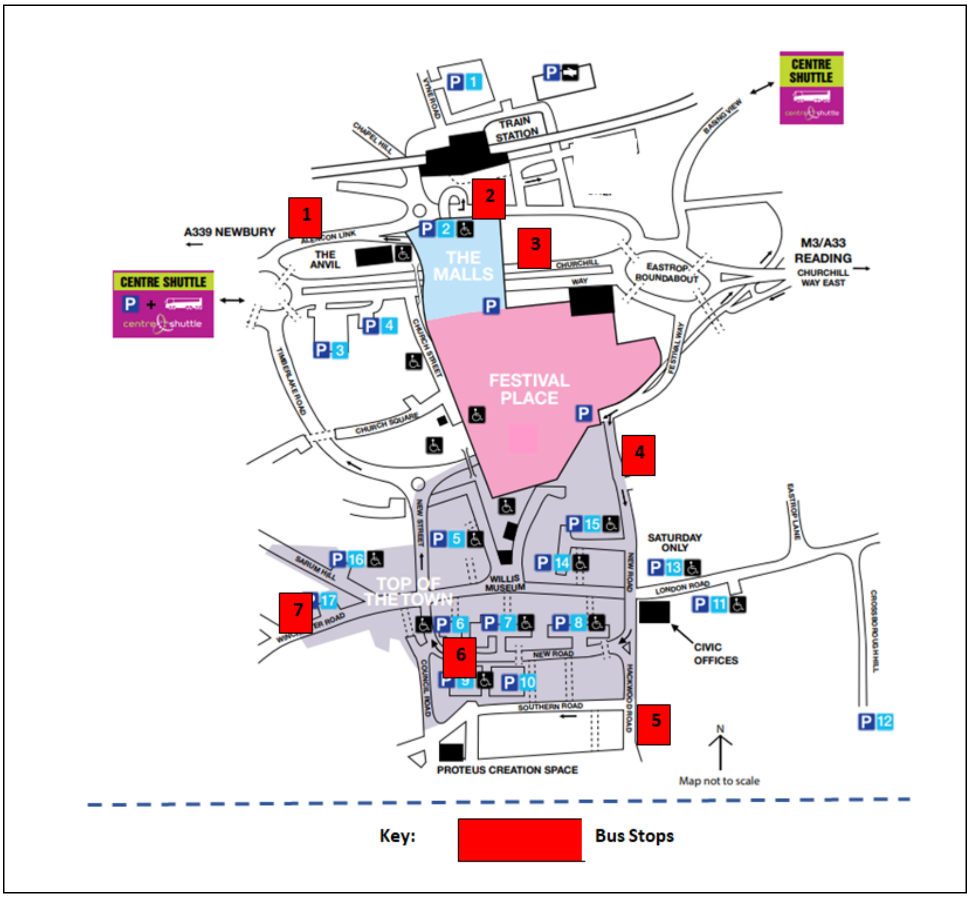
ACCESSIBILITY, MOVEMENT & PARKING

7.75 Basingstoke benefits from good connectivity by road, rail, and bus services. The centre lies at Junction 6 and Junction 7 of the M3 Motorway. The M3, which provides the main link between Basingstoke and the M25, runs across the southern fringe of the town linking it to Southampton and London. Additionally key arteries provide links to other centres such as the A30 (Salisbury, Hook), A339 (Alton, Newbury) and A33 (Reading, M4, Winchester).

7.76 The South Western Main Line railway runs east and west through the centre of the town and Basingstoke railway station. This service links Basingstoke London with fast travel times (fastest train to London Waterloo takes 44 minutes). There are also links to the West of England Main Line to Salisbury and the South West of England

7.77 The bus station is also well located at Festival Place Shopping Centre with bus services available for all parts of the borough mainly operated by Stagecoach. In addition, there is a coach stop for National Express and airport buses to Heathrow and Gatwick. Bus stops are conveniently located across the centre as shown below:

Figure 7.17: Basingstoke Town Centre: Bus Stops



7.78 Basingstoke town centre is well located on the local road network and provides a considerable number of car parking spaces. These range from short to long stay car parks:

Short Stay Car Parks

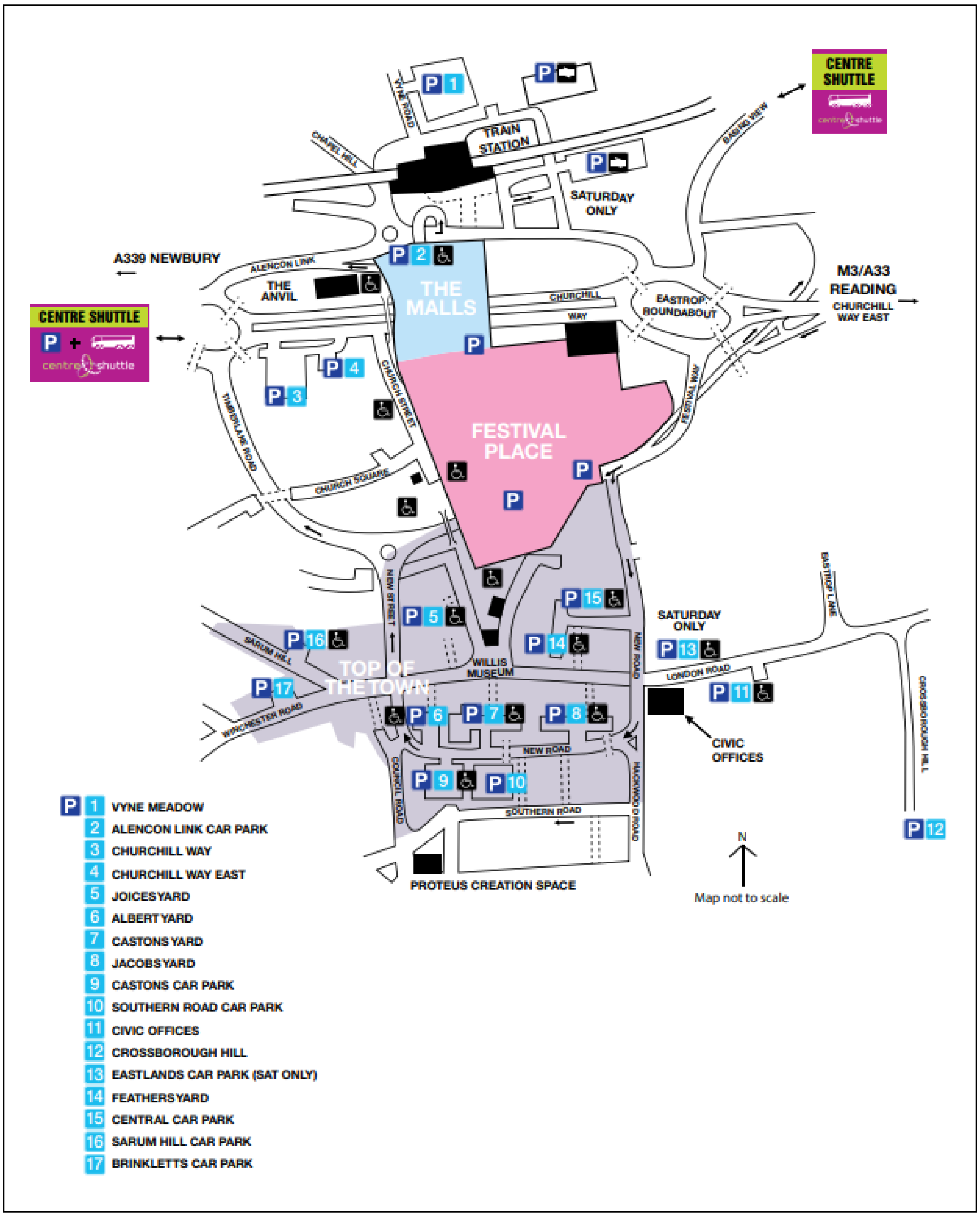
- Albert Yard - 17 Spaces
- Castons Yard - 60 Spaces
- Central - 138 Spaces
- Feathers Yard - 18paces
- Jacobs Yard - 28 Spaces
- Joices Yard - 60 Spaces

Long Stay Car Parks

- Brinkletts – 37 Spaces
- Castons - 126 Spaces
- Churchill Way - 100 Spaces
- Churchill Way East - 24 Spaces
- Festival Place - 3,000 Spaces
- Sarum Hill - 45 Spaces
- Southern Road - 123 Spaces
- Eastlands (Weekends only) - 170 Spaces
- Parklands Top Deck (Weekends only)
- The Malls (Alencon Link) – 510 Spaces
- Vyne Meadow - 349 Spaces

7.79 ‘Blue badge’ disabled parking is provisioned across the town centre as shown below:

Figure 7.18: Basingstoke Town Centre: Blue Badge Car Parks



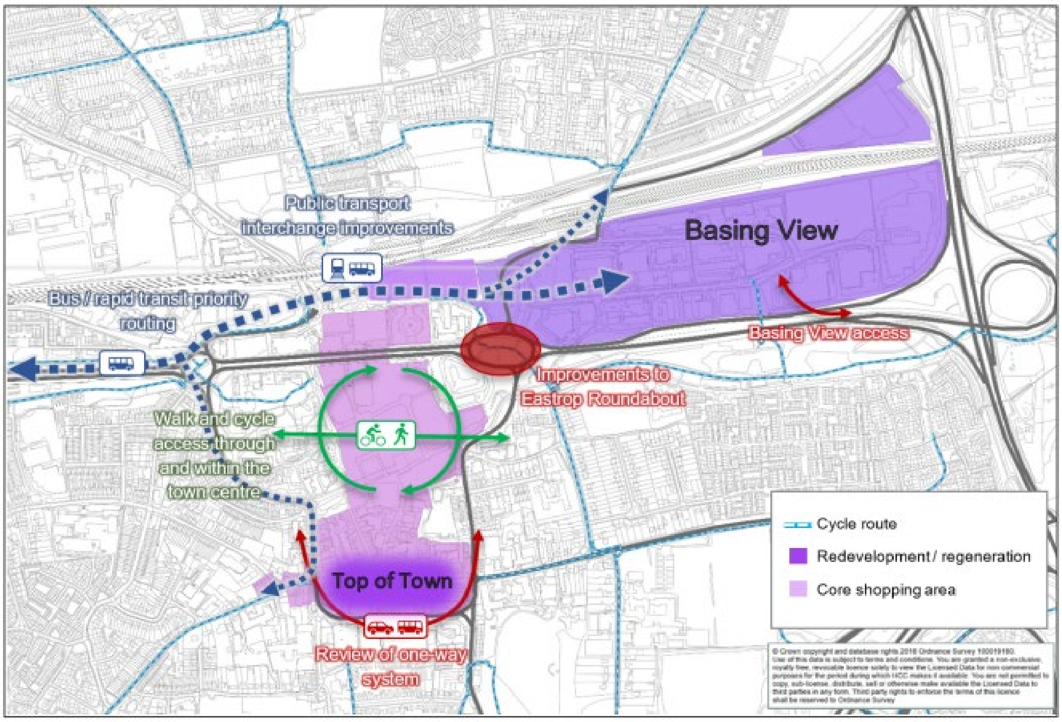
7.80 Looking towards the future there are plans for further improvements on accessibility and transport as set out in the Basingstoke Transport Strategy (July 2019) that seeks to improve access to and within the town centre; public transport access and operation within and through the town centre.

7.81 The Strategy[30] also provides that In developing a town centre parking strategy, potential measures include:

[30] Basingstoke Transport Strategy (July 2019), page 19

- making more efficient use of available parking capacity for those who have the greatest need (in conjunction with the development of higher quality alternative travel choices to access the town centre);
- investigating options for car parking charges which would support the attractiveness of alternative modes of transport use, in particular for longer stay uses such as commuting;
- consolidating town centre car parks into key strategic sites, providing opportunities for regeneration of some car parks for new developments as well as locating car parks in the optimum locations;
- increasing the availability and promoting the use of charging infrastructure for electric vehicles; and
- investigating the potential role of Park and Ride (in conjunction with other town centre parking measures).

Figure 7.19: Potential Measures to Enhance Town Centre Access and Movement



Source: Basingstoke Transport Strategy (July 2019)

7.82 A key part of the proposed Strategy[31] is providing attractive, realistic alternatives to the car for journeys within Basingstoke including, Mass Rapid Transit (MRT), that could provide a

[31]Basingstoke Transport Strategy (July 2019), page 25

new, distinctive travel choice blending the qualities of light rail with the flexibility of bus technology.

7.83 In relation to cycling, the Strategy seeks to address current obstacles by[32]:

- Addressing the physical barriers to cycling within and through the town centre.
- Prioritising the completion of continuous, direct routes on the Strategic Cycle Network
- Providing segregated facilities on priority routes where feasible.
- Enhancing key bus stops to enable cycle parking, in order to encourage integration with public transport services.
- Ensuring new developments provide facilities to promote walking and cycling in line with current design standards.
- Designing public areas in ways that support walking and cycling in safe and attractive environments

7.84 Throughout the town centre disability access has been considered as part of the pedestrianisation and public realm improvement process. Dropped kerbs were observed allowing wheelchair and mobility access at road intersections and pedestrian crossings. Additionally, there are disabled bays at the various car parks listed (see previous) as well as on-street disabled car parking spaces. It is noted that pedestrian crossings have audible sensors for the disabled, elderly and visually impaired. The Shopmobility store is located in Lower Church Street. This provides manual and powered wheelchairs and scooters to help people with limited mobility shop and use town centre facilities.

PERCEPTIONS OF SAFETY & CRIME

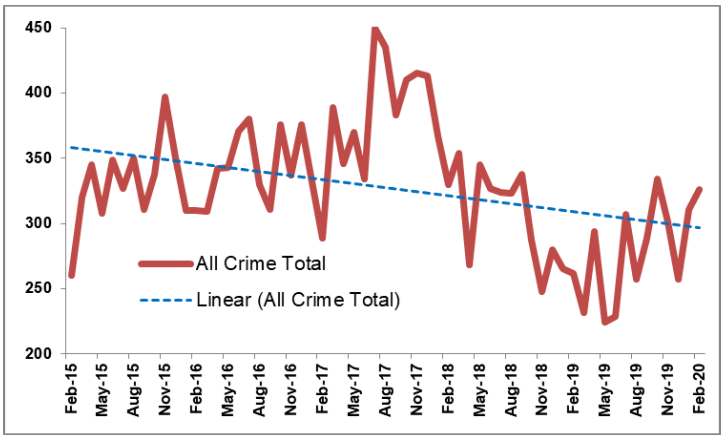
7.85 At the time of our site visit we found the town centre to be safe and secure during the day. Security patrols were observed both on the inside and outside of the shopping centre(s). The town centre is also covered by CCTV and cameras were also observed at the train and bus station(s).

7.86 A review of crime data that covers the Basingstoke Town centre area shows that in overall terms, and over the last five years, the total number of incidences of crime are in decline. Total incidences as at February 2020 stood at 346, which is lower than the peak in July 2017 at 450 but higher than the 260 recorded as at February 2015. Notwithstanding this and as the in-centre survey has shown there is some concern in relation to safety and security and vandals / hooligans especially in the Top of Town area.

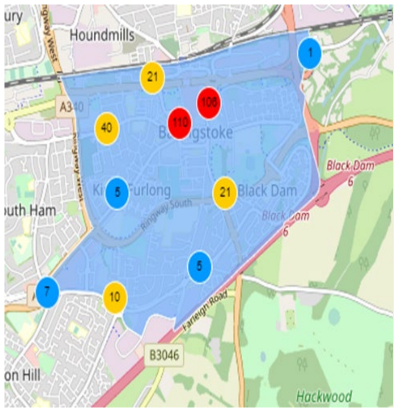
[32] Basingstoke Transport Strategy (July 2019), page 28

Figure 7.20: Total Crime Incidences

Total Crime: Feb-2015 – Feb-2020



Crime: Area Covered



Source: https://www.ukcrimestats.com/Neighbourhood/7635

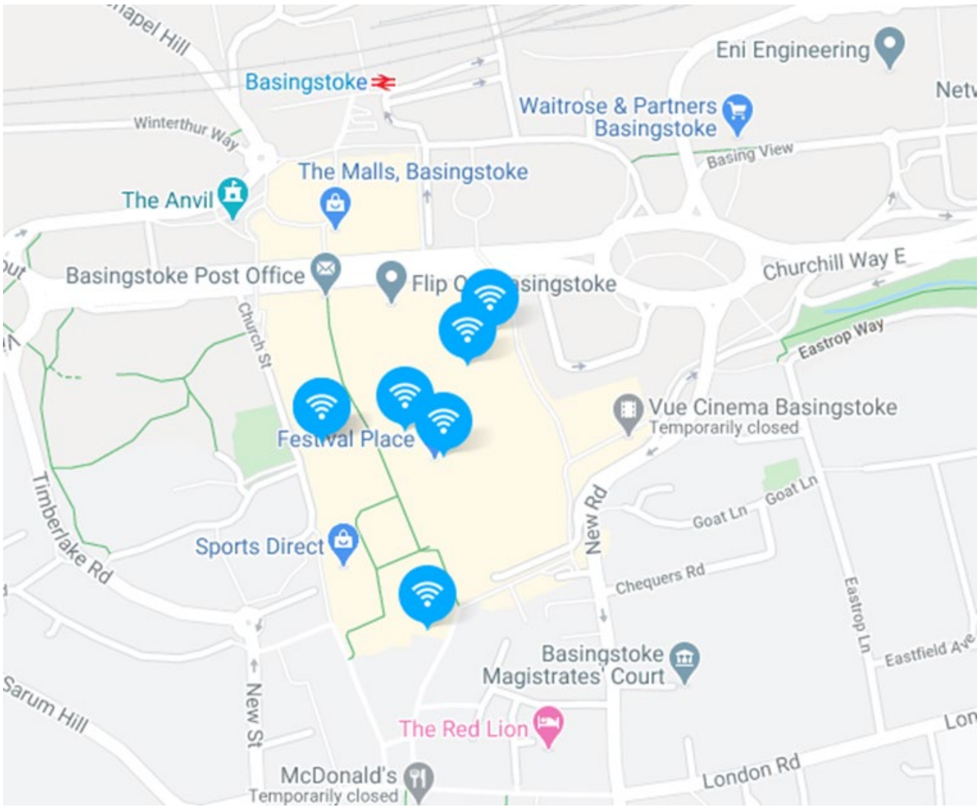
BARRIERS TO BUSINESSES

7.87 We are not aware of any immediate barriers to entry to businesses. However, in the current climate the main barriers to investment for new and existing businesses will relate to the fallout from the COVID19 pandemic. This will have an impact on the operation and running of all types of business including both multiples and independents. It is likely to affect consumer shopping patterns as well as the business plans of operators of all types. Other factors such as operational costs such as business rates are also likely to act as key constraints due to constrained investment at local level, particularly for independents.

SMART DIGITAL FACILITIES

7.88 The town centre is Wi-FI connected. Basingstoke Together installed the Wi-Fi in December 2017, covering the Top of Town, as well as The Malls. Additionally there are free Wi-Fi spots across the town centre entre including at Festival Place.

Figure 7.21: Basingstoke: Free-Wifi Hotspots



Source: https://www.wifimap.io/4775-basingstoke-free-wifi/map

7.89 Basingstoke also has a fast-growing digital business community. In 2019, the UK Tech Nation Report[33], identified Basingstoke's digital sector as the fourth best place for such investment in the UK, with total deals worth £425 million between 2015 and 2018. Basing View has previously also benefited from access to the University of Surrey's 5G technology through the '5G Testbed'. This offers start-ups and smaller businesses the opportunity to test the commercial viability of 5G technology by testing new technologies and products for the next generation of connectivity. Any resulting output will aid town centre matters such as in the area of 'smart' and 'interconnected' city / town development and associated services in the future.

7.90 The Basingstoke Transport Strategy (July 2019) seeks increasing the availability and promoting the use of charging infrastructure for electric vehicles[34]. Charging points are currently available at:

[33] Source: https://technation.io/report2019/

[34] Basingstoke Transport Strategy (July 2019), page 19, 37,

- Feather Yard - rapid charger (relocated from Central Car Park, Basingstoke in March 2020).
- Churchill Way Car Park – has a fast charger, with Type 2 connectors, enabling charging in around three to four hours. The charging point has been installed by Hampshire County Council and is managed by Charge Point.
- Eastlands Car Park – has a 7kw Fast Charger that is available from 8am on Saturday to 7pm on Sunday.
- Parklands Car Park: has a 7kw Fast Charger, with two charging ports. The car park is available to the public from 7pm to 8am weekdays and throughout the weekend.
- Festival Place: Electric Charging Points are in the Blue section of level 5 of the car park. These chargers are managed by BP Chargemaster on behalf of Festival Place.

7.91 The available infrastructure of Wi-FI, development of a 5G technology hub together with provision of electric vehicle charging infrastructure points to a suitable foundation contributing to a forward looking digital and low carbon town centre future.

SUMMARY

7.92 The Town Centre will remain as the main focus for high level retail, cultural and service activity for the Borough. However, the role of retail is likely to be diminished in the future.

7.93 Basingstoke Town Centre's convenience goods representation (both outlets and floorspace) has consistently been below the national average figures since 2004. The under-provision of indicates potential to increase and improve the quality of the town's offer subject to market demand.

7.94 Number of comparison goods outlets and floorspace has decreased since 2004. Since 2017 both the number of outlets and quantum of floorspace has increased. Although the strong provision of comparison retailing in Basingstoke is a positive indicator, it could also represent a weakness given current trends in the retail sector.

7.95 The level of service provision is comparatively lower than the national average with the leisure service dominating predominantly in the food and beverage category (restaurants, take-ways, cafes, bars & wine bars,).

7.96 There were some 55 vacant units in Basingstoke Town Centre in 2019. This is equivalent to a vacancy level of 13% and is above the national average figure of 11.9%.

7.97 Almost even mix of multiple and independent retailers, serving the centre and its catchment population.

7.98 There are 20 Class A1 operators with a reported interest in taking space in Basingstoke with Aldi and Lidl accounting for 45% of the floorspace in demand. The market demand has to be put into context of the emerging impact of the COVID19 pandemic and it will be difficult to predict how operator demand will play out in the town centre. With further retailers and leisure operators entering administration or ceasing trading entirely, the likelihood is to be a lull in demand for new space in Basingstoke in the short term.

7.99 Long standing and thriving bi-weekly Street Market brings vibrancy to the centre and the Top of Town area in particular. Given the current trends and support for new and refreshed street markets in towns across the UK and the introduction of market halls into repurposed buildings and vacant retail space, we consider that there is the potential for Basinsgtoke Town Centre to grow its market and independent offer, subject to market demand

7.100 The centre benefits from a number of cultural facilities, Anvil Arts is the largest performing arts organisation in Hampshire and runs The Anvil (concert hall), The Haymarket (theatre) and The Forge (studio). There are 89 leisure services outlets dominated by 23 restaurants, 21 fast food and take away outlets, followed by 14 cafes, 6 bars & wine bars; 6 casino & betting offices, 5 public houses and 3 Cinemas, Theatres & Concert Halls.

7.101 The Town Centre is part of the Purple Flag initiative that aims to raise the standard and broaden the appeal of the centre in the evenings and at night. There is potential opportunity to encourage shoppers and visitors to stay longer in centre, particularly on a Saturday through later shop opening hours and early evening events.

7.102 Common themes across in terms of 'likes' about Basingstoke Town Centre from the household and street survey(s) are:

- Good range of shops / Good range of independent stores
- Proximity to home
- Covered / Indoor Shopping
- Easy to walk around / compact / good layout
- Good / cheap parking
- Cleanliness

7.103 In relation to improvements the common themes from both the household and street survey(s) are:

- Nothing in particular
- More specialist / independent stores
- Less empty shops fill empty shops
- Better choice of shops / more non-food stores
- More / free parking
- More department stores

7.104 There is declining footfall after 4pm the centre appears to have a low visitation in the evenings that has an implication on the evening economy

7.105 The centre benefits from future plans to on transport that seek to improve accessibility and transport as set out in the Basingstoke Transport Strategy.

7.106 The centre is well positioned in terms of Wi-Fi and digital facilities provision.

7.107 The key SWOT (Strengths, Weaknesses, Opportunities, Threats) on Basingstoke Town Centre are distilled below:

Table 7.11: Basingstoke Town Centre: SWOT

Strengths	Weaknesses
Generally high quality environment. Covered shopping centres. Good level of multiple representation and corresponding retail and leisure offer. Good mix of units in historic and modern premises across the centre. High level of footfall across the retail core during peak hours. Good mix of national multiples and independent retailers. Established street market. Highly accessible with a high level of connectivity and accessibility by all transport modes. Good availability of leisure provision. Good provisioning of car parking. Core town centre area served by a collective BiD (Basingstoke Together).	Empty vacant units. Fall in footfall in the evenings. Evening time economy restricted by centre(s) opening hours. Reliance on core retail activities.

Opportunities	Threats
Consolidating / regenerating town centre car parks Provision of residential uses in the town centre to aid footfall and patronage of the centre's facilities. Enhance specific safety concerns in Top of Town area. Development / promotion of market offer. Continue to improve on the perception of safety across the centre. Increase more family oriented evening economy across the centre and particularly Top of Town area. Growing local population and associated expenditure. Established promotional channels through Basingstoke Together.	Loss of key multiples and stagnation of the retail and wider economy. Rising vacancies as a result of failure of key national multiples /rationalisation of store portfolios. Lack of new occupiers for vacant space within the shopping centre(s). Competition from neighbouring centres such as Reading / Newbury / Southampton. Competition from out-of-centre retail locations. High /increasing business operating costs.

8. HEALTH CHECK: DISTRICT & LOCAL CENTRE(S)

8.1 As described in **Section 2**, the Basingstoke and Deane Local Plan (2011 – 2019) Strategy (Policy EP3) defines the District Centres (Brighton Hill, Chineham, Overton, Tadley and Whitchurch) and the Local Centre of Kingsclere as sitting below Basingstoke in the Borough's network and hierarchy of centres.

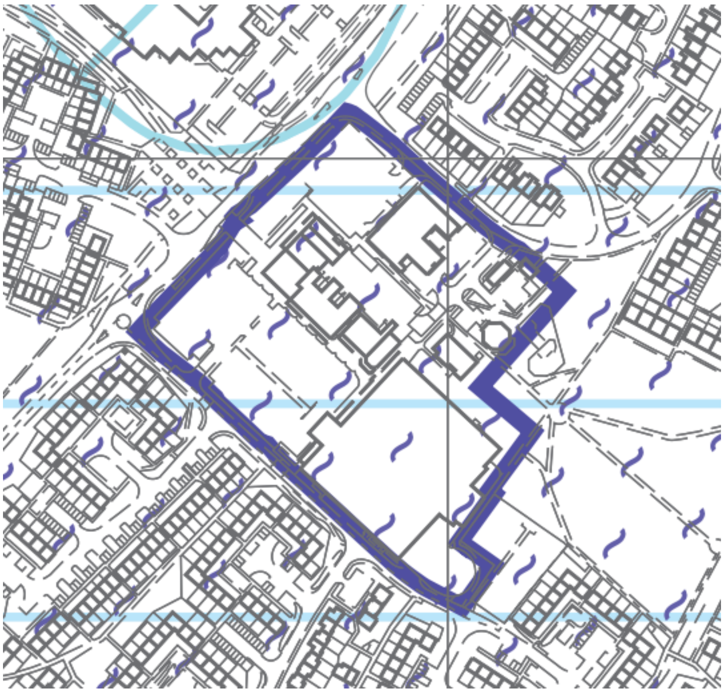
8.2 Whilst in general terms these centres provide a mix of retail and services that cater more for the day-to-day convenience and service needs of their local resident catchment populations. To varying degrees the District and Local Centre(s) also contain a variety of non-retail uses that contribute to their overall variety and viability; including healthcare, library facilities and other community uses as well as financial services, employment opportunities, eating and drinking establishments and residential accommodation. They therefore fulfil an important role in the Borough's network and hierarchy of centres and are vital to achieving sustainable patterns of behaviour.

8.3 The following provides an overview of the relative vitality and viability of the District and Local Centre(s) based on the evidence available. This is because all the key performance indicators (KPIs) for these types of centres are not as readily available as for larger towns, such as Basingstoke. It is therefore not possible to assess them against all of the NPPF/PPG criteria. Our assessment therefore draws on the available published data, our own audits and the results of the household survey where relevant.

BRIGHTON HILL DISTRICT CENTRE

8.4 Brighton Hill is designated as a District Centre under Policy EP3 of the extant Local Plan.

Figure 8.1: Brighton Hill District Centre: Centre Boundary



Source: Basingstoke and Deane Local Plan (2011 – 2029) Policies Map Basingstoke Town Area West

8.5 The District Centre is situated circa 3.2 kilometres to the southwest of Basingstoke Town Centre. It is is anchored by a 6,968 sq m (75,000 sq ft) Asda superstore and 320 space public car park. The centre comprises a busy retail parade that hosts a range of retail businesses including a veterinary surgery and a gym. Both the national multiples and the independent businesses occupy purpose built units.

Diversity of Uses

8.6 The retail and service offer at Brighton Hill comprises an Asda Supermarket, Boots, Cutting Edge Fabrics, Barnados, Subway, St. Michael's Hospice Pizza Hut, Domino's Pizza, Basingstoke Veterinary Centre, Cats Whiskers (hairdressers), Corals Betting Office, Saffron Tandoori, Fitness Flex Gym, and Fish 'n' Chick'n.

8.7 The overall mix of retail and service uses is summarised below. We have not compared against national averages for the UK due to the size of the centre as it would otherwise provide an unrealistic benchmark to assess diversity of uses.

Table 8.1: Brighton Hill District Centre: 2020 Retail & Service Outlets[35]

Category	No of Outlets	% of Total Outlets
Convenience	1	7.1%
Comparison	5	35.7%
Service- Retail	1	7.1%
Service- Leisure	7	50.0%
Service- Financial	0	0.0%
Vacant	0	0.0%
Other	0	0.0%
Total	**14**	**100.0%**

Source: LSH Analysis

8.8 Asda represents the convenience provision and its large floorplate dominates the overall retail offer. There is also a predominance of service leisure provision which also contributes to the footfall for the centre. The comparison goods offer comprises of a fabric retailer, two chemists and two charity shops. Overall, there is a good mix of retail uses and services for a centre of this type. Within the centre, there is also a veterinary surgery and also within walking distance is a health centre (Gillies Health Centre).

Retailer Representation, Demand & Requirements

8.9 National multiples comprise of Asda, Boots, Domino's, Pizza Hut, Corals, Barnados and Subway. Hence half (50%) of the outlets are multiples.

8.10 There are no recorded requirements identified for Brighton Hill.

Opening Hours & Evening Economy

8.11 There is a variation in terms of the opening hour, for example:

- Asda – up to 10pm on all days except Sunday
- Boots – up to 6pm on operating days
- Pizza Hut – up to 11pm on most days
- Fitness Flex up to 9pm on most days (except Sunday).
- Saffron Tandoori: up to 11pm on most days.

8.12 In broad terms, the centre has a mix of uses that encourage footfall in the evening. The provision of gym, restaurants and take-way's further contributes to the evening economy.

[35] Note that this analysis does not include the Basingstoke Veterinary Centre to ensure consistency in line with category definitions of Experian Goad.

Vacancies

8.13 A survey of the centre in February 2020 did not identify any vacancies across the centre. This is a positive indicator that shows the centre is vital and viable.

Barriers to Business

8.14 The centre offers limited options for new businesses wanting to open in the centre, or for existing businesses to expand.

Commercial Rents and Yields

8.15 Reliable information on rents and yields is not available due to the limited size of the centre and number of transactions.

Environmental Quality

8.16 The centre is busy with footfall to the Asda predominating. It is clear that the redevelopment of the centre in the early part of the 2000s has contributed to this. The built form comprises of a purpose built retail parade. There is some green planting within the surrounding car park together with provision of litter bins along the centre.

8.17 The overall environment is well maintained with no signs of dereliction, litter, vandalism or graffiti.

Accessibility and Pedestrian Movement

8.18 The centre is highly accessible. It is a short part of the Stagecoach Route 1 service in to Basingstoke, from Brighton Hill Retail Park to the Brighton Hill Centre Shops. The M3 motorway runs in a straight line to the south of the centre.

8.19 Car borne activity to the centre dominates due to the presence of a large free car parking facility. Observation of footfall showed that pedestrian numbers were highest flowing towards the Asda. Shoppers also used the car park to visit other shops and services at the centre as well as the nearby health centre

8.20 Accessibility for pedestrians within the centre is good, with sloped access for wheelchair users.

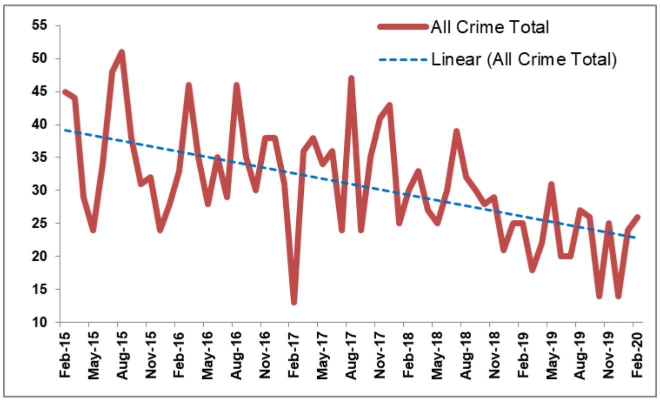
Safety and Occurrence of Crime

8.21 Brighton Hill appears to be a generally safe and secure centre. The compact nature of the centre promotes a sense of security, with day and evening time activity promoted within one area.

8.22 A review of crime data that covers the centre shows that in overall terms, and over the last five years, the total number of incidences of crime are in decline. Total incidences as at February 2020 stood at 26, which is double the lowest volume recorded in February 2017 but lower than the peak recorded in August 2017 of 47.

Figure 8.2: Brighton Hill District Centre: Total Crime Incidences

Total Crime: Feb-2015 – Feb-2020



Crime: Area Covered

Source: https://www.ukcrimestats.com/Postcode/RG224EH

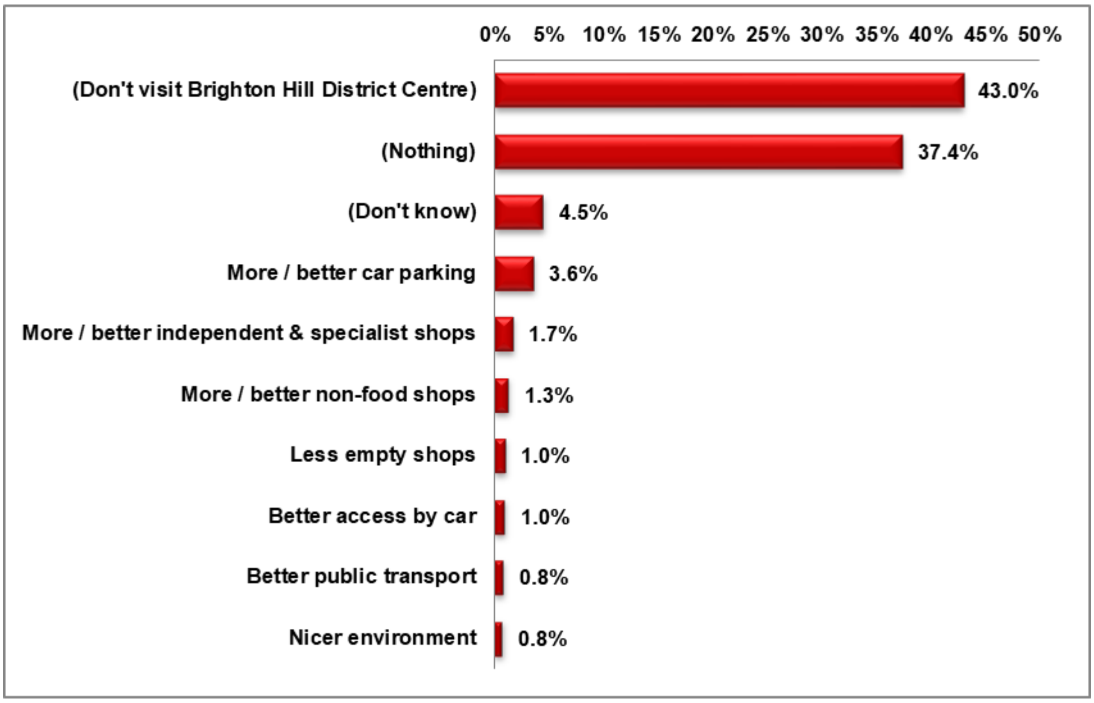
Customer Perception

8.23 The household telephone interview survey (HTIS) asked a specific question on respondents' views on any improvements to Brighton Hill District Centre that would them visit it more often.

8.24 As shown below, the overwhelming response was either 'don't visit' (43%), nothing (37.4%) or 'don't know' (4.5%). Of those with a positive statement on improvements the key notable responses were:

- more / better parking 3.6% - whilst a positive response has to be put in to context in that the centre has sufficient parking, some 300 car parking spaces; and
- more / better independent & specialist shops (1.7%).

Figure 8.3: HTIS: Brighton Hill District Centre Top 10 Improvements



8.25 On linked trips, the HTIS also asked as to whether respondents combined their main or top-up food shopping at Asda, Brighton Hill District Centre with a visit to other shops or another activity. Of the 43.7% from the Study Area who undertook shopping at Asda, just under a half (20.6%) stated they undertook visits to other shops.

Smart Digital Facilities

8.26 It is noted that the district centre does not have a centralised free Wi-Fi connection across the centre nor are there any electric vehicle charging points.

Summary: Brighton Hill District Centre

8.27 Based on our review and audit of Brighton Hill, we conclude that is has a relatively good mix of retail and leisure outlets. There are no vacant units in the centre which is a positive indicator of the relative health of the centre and the good take-up of premises by new businesses.

8.28 The Asda foodstore is the major anchor. The centre's role and function as a District Centre would be seriously damaged if there was a significant impact on the Asda's trading performance. Of the 43.7% from the Study Area who undertook shopping at Asda, just under a half (20.6%) stated they undertook visits to other shops.

8.29 On the whole Brighton Hill remains vital and viable. It continues to perform adequately as a District Centre, which accurately reflects its role in the hierarchy of centres, a status that should be maintained.

8.30 The key SWOT (Strengths, Weaknesses, Opportunities, Threats) on Brighton Hill District Centre are:

Table 8.2: Brighton Hill District Centre: SWOT

Strengths	Weaknesses
Strong convenience anchor. No vacancies. Good mix of national and independents. Good level of leisure service provision. Generally good quality environment. Good parking provision. High level of footfall across the retail core during peak hours. Highly accessible with a high level of connectivity and accessibility.	Lack of vacancies for new businesses. No digital infrastructure. Reliance on one major anchor.
Opportunities	**Threats**
Encourage refurbishment of shop frontages. Invest in additional greenery, street furniture and public realm.	Increasing traffic may affect shopper experience and local businesses. Impact of pandemic on existing businesses. High /increasing business operating costs.

CHINEHAM DISTRICT CENTRE

8.31 Chineham District Centre is located within Basingstoke's urban area, approximately 5 kilometres to the north east of the town centre. It is located to the south of the A33.

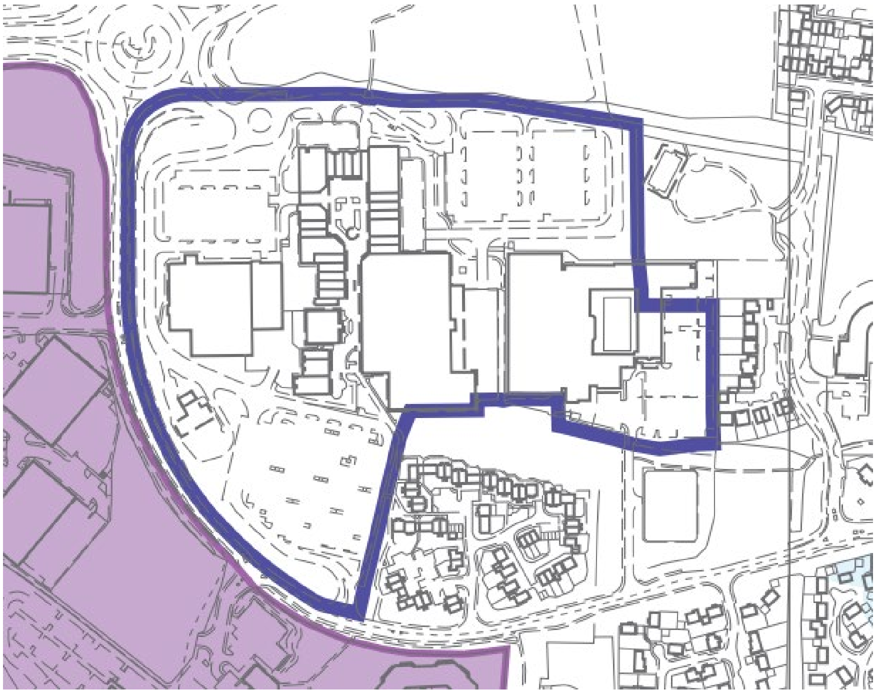
8.32 The centre comprises purpose-built retail and service units anchored by a Tesco superstore and there is also a public library[36]. The centre is surrounded by woodland to the

[36] To note that at the time of writing this report there is proposal by Hampshire County Council to close the library: https://www.hants.gov.uk/aboutthecouncil/haveyoursay/consultations/library-consultation

north and residential housing to the east and south. To the west lies the Kingsland Business Park.

8.33 The centre has developed in two stages. The first phase opened in the mid-1980's and comprised a total floorspace of 6,797 sq m net in a range of unit sizes, anchored by a Tesco superstore (of 4,238 sq m 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 sq m net. Alders at Home and Boots originally occupied these units. The former Allders outlet has since been sub-divided and the retail are currently occupied by Matalan, Poundland, M&S and Boots.

Figure 8.4: Chineham District Centre: Centre Boundary



Source: Basingstoke and Deane Local Plan (2011 – 2029) Policies Map Basingstoke Town Area East and Chineham

8.34 In 2018, Tellon Capital acquired the District Centre. They subsequently submitted a planning application in November 2018[37] to enhance centre. The description of development reads[38]:

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[37] Planning Reference No: 18/03417/FUL: Erection of buildings for flexible Class A uses, Class A3 restaurant and cafe uses, Class C1 hotel use, Class D2 assembly and leisure uses and flexible Class D1 non residential institution/Class B1 business use. Provision of highway works including replacement bus stop and alterations to access, parking, landscape, service infrastructure and associated works and improvements, including works of demolition

[38] Planning Reference No: 18/03417/FUL Design & Access Statement Part 3 – November 2018 [https://pad.basingstoke.gov.uk/documents/7780/01/18/23/01182399.PDF]

"Enhancements to Chineham District Centre including: erection of buildings for flexible Class A1 uses, Class A3 restaurant and cafe uses, Class C1 hotel use, Class D2 assembly and leisure uses and flexible D1 non-residential institution / Class B1 business use; provision of highway works including replacement bus stop and alterations to access; parking; landscape; service infrastructure; and associated works and improvements, including works of demolition".

8.35 As at March 2020, the Chineham District Centre website indicated that they are progressing with amendments to the submitted application that will include[39]:

- New shops.
- Restaurants.
- A healthcare/office facility.
- A gym.
- New public spaces and extensive landscaping for the local community.
- A net gain in parking spaces, achieved by reconfiguring the existing car parks.
- A new home for the Post Office at the centre.
- Re-provision of public toilets on-site.
- Improved pedestrian and cycle access throughout the centre, including reducing the gradient of the ramp by Tesco and improved connection to Binfields Woodland.

8.36 Prior to the COVID19 Pandemic the timeline indicated a projected commencement of construction by January 2021 and opening by July 2022.

Diversity of Uses

8.37 The retail mix comprises of four convenience goods retailers (anchored by Tesco) equivalent to 13.8% of the total number of outlets. An M&S Foodhall and Iceland store further supplements the convenience goods offer.

8.38 The retail and service offer at Chineham has a higher number of comparison goods outlets (11 representing 37.9% of outlets). Notable fascias include Boots, Superdrug, Matalan and Poundland together with a number of charity outlets (Sue Ryder, Naomi House). Leisure service provision is provided in the form of a 'Ping Pong Parlour', Costa Coffee and Domino's Pizza. The mix of retail and service uses is summarised below.

[39]http://www.chinehamshopping.co.uk/images/Chineham-District-Centre---Community-Update-Newsletter11.pdf

Table 8.3: Chineham District Centre: 2020 Retail & Service Outlets

Category	No of Outlets	% of Total Outlets
Convenience	4	13.8%
Comparison	11	37.9%
Service- Retail	4	13.8%
Service- Leisure	6	20.7%
Service- Financial	1	3.4%
Vacant	3	10.3%
Other	0	0.0%
Total	**29**	**100.0%**

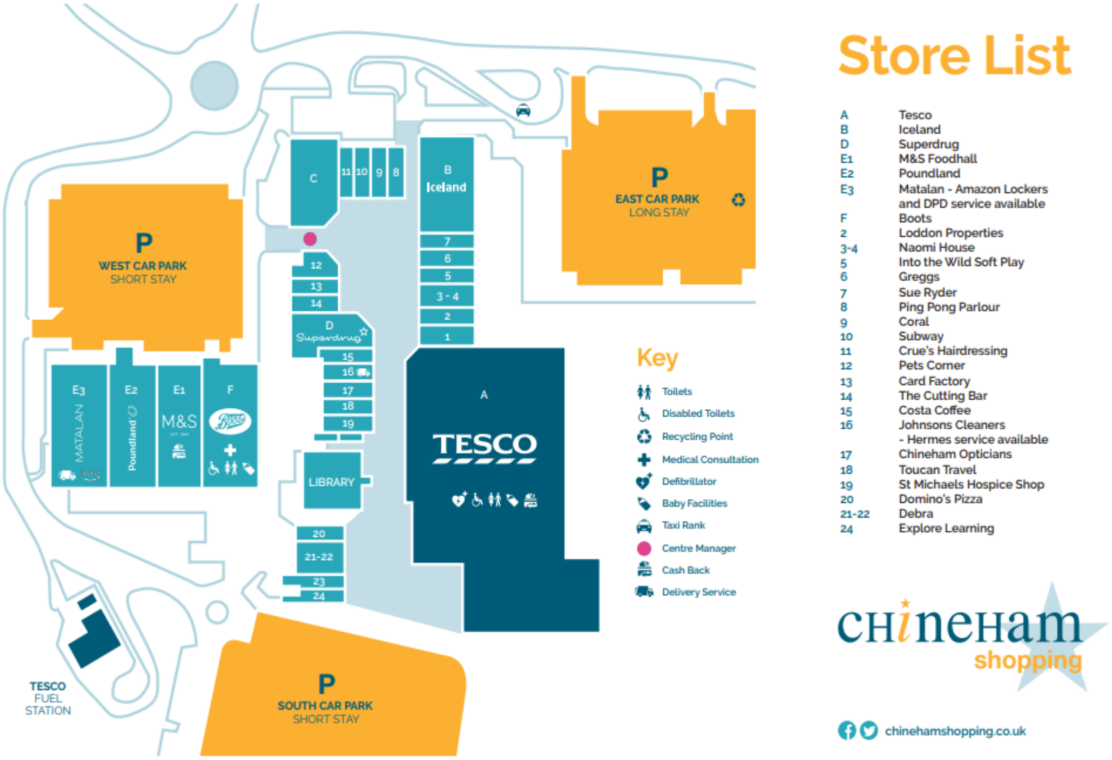
Source: LSH Analysis

8.39 Overall, there is a good mix of retail uses and services for a centre of this type. This is likely increase through the potential provision of additional shops, restaurants, gym and hotel should the plans to enhance the centre come to fruition.

Retailer Representation, Demand & Requirements

8.40 National multiples represent over 55% of total outlets and comprise the following: Tesco; Iceland, Marks & Spencer's, Greggs, Superdrug, Poundland, Matalan, Boots, Sue Ryder, Pets Corner, Card Factory, Johnsons Dry Cleaning, Coral, Subway, Costa Coffee, Domino's Pizza.

Figure: 8.5: Chineham District Centre Composition



Source:http://www.chinehamshopping.co.uk

8.41 There are three operators seeking representation, dominated by charity outlets.

Table 8.4: Chineham District Centre: Retailers Seeking Representation

	Operator	Use Class	Size (sq ft) (min)	Size (sq ft) (max)	Size (sq m) (min)	Size (sq m) (max)
1	COOK	A1	1,000	No Max	93	No Max
2	Age UK	A1	1,000	7,000	93	650
3	Cats Protection (South)	A1	800	3,000	74	279
TOTAL			**2,800**	**10,000**	**260**	**929**

Source: Retailer Requirements (April 2020)

Opening Hours & Evening Economy

8.42 There is a variation in terms of the opening hours, for example:

- Tesco – up to 10pm on all days except Sunday (up to 4pm)
- Boots – up to 8pm on most days (except Saturday – 6pm and Sunday 4pm)
- M&S Foodhall - up to 10pm on all days except Sunday (up to 4pm)
- Domino's Pizza - up to 10pm on all days
- Costa Coffee - up to 7pm on all days except Sunday (up to 5pm)

8.43 The centre has a mix of uses and hours of opening that that encourage footfall in the evening.

Vacancies

8.44 A survey of the centre in February 2020 identified three vacancies. This represents just over 10% of the total number of outlets.

Commercial Rents and Yields

8.45 No on rents and yields is not available due to the paucity of transactions. Notwithstanding this, our research has revealed that at the time of writing this report Unit 2 some 277 sqm (gross internal area) is available at a rent of £35,000 per annum.[40]

Barriers to Business

8.46 Based on the availability of three units the centre offers options for new businesses wanting to open in the centre, or for existing businesses to expand.

8.47 However this has to be put into the context of the wider enhancements being pursued by the new owners of the centre which may yield to additional floorspace for new businesses; businesses requiring larger premises or for small start-ups and independent businesses. This also includes the re-provisioning of a new Post Office at the centre.

Environmental Quality

8.48 The built form and streetscape of the centre is well maintained with no signs of litter, vandalism or graffiti.

8.49 More importantly the centre is very much 'inward facing' surrounded by car parks.

8.50 There is seating and sporadic planting / greenery. However, the shopper is exposed to the elements. The proposed enhancements to the centre may change this aspect as the proposal seeks to provide new public spaces and landscaping.

Accessibility and Pedestrian Movement

8.51 The centre is highly accessible by car with some 850 car parking spaces. Vehicular access from the north provides direct access via the A33 / Binfields Roundabout and to the south via Great Binfields Road.

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[40] April 2020: London Clancy Brochure for Unit 23B Chineham Shopping Centre, Chineham Shopping Centre, Basingstoke, Hampshire RG24

8.52 Additionally, three bus routes serve the bus stop within the centre namely the 4, 7 and 14. These are operated by Stagecoach and provide routes between Basingstoke, Chineham, Lychpit, Tadley Hill and Pamber Heath.

8.53 Pedestrian activity is more restricted and cycle routes are limited. It was observed that there was good pedestrian flow along the main thoroughfare of the centre with highest observable flow to the Tesco.

Safety and Occurrence of Crime

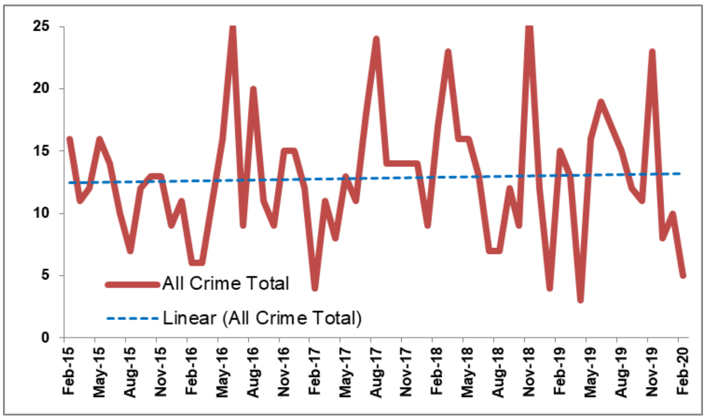
8.54 As a managed centre the total crime statistics indicate that the centre appears to be generally safe. A review of crime data that covers the centre shows that over the last five years shows the total number of incidences of crime has increased, albeit marginally.

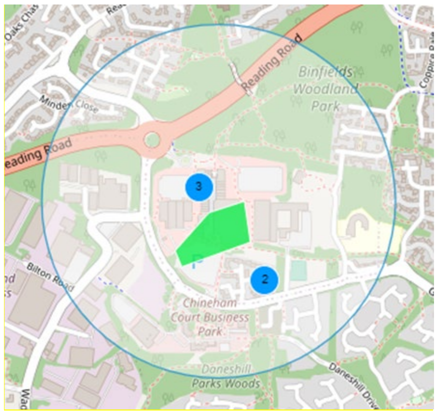
8.55 Total incidents as at February 2020 stood at 5, which is one of the lowest recorded. Comparatively, over the last five years, the peak recorded was in November 2018 (26 incidences).

Figure 8.6: Chineham District Centre: Total Crime Incidences

Total Crime: Feb-2015 – Feb-2020

Crime: Area Covered





Source: https://www.ukcrimestats.com/Postcode/RG248BE

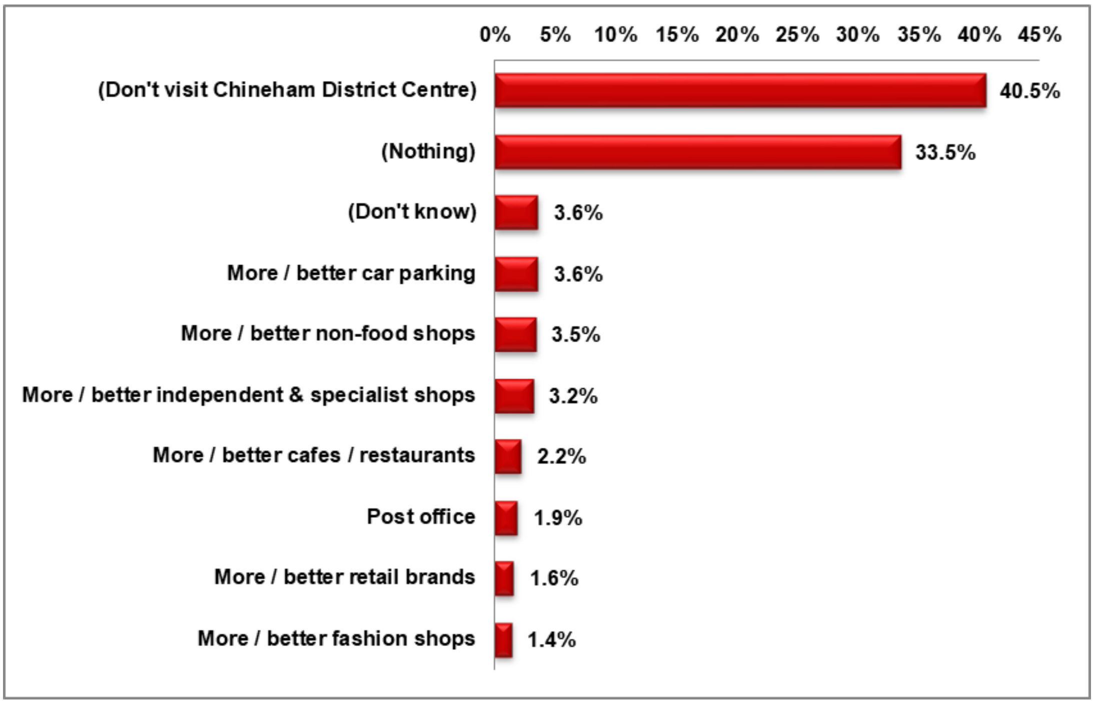
Customer Perception

8.56 The household telephone interview survey (HTIS) asked a specific question on respondents' views on any improvements to Chineham District Centre that would them visit it more often.

8.57 As shown below the overwhelming response was either 'don't visit' (40.5%), nothing (33.5%) or 'don't know' (3.6%). Of those with a positive statement on improvements the notable responses were:

- more / better parking 3.6% - whilst a positive response has to be put in to context in that the centre has sufficient parking, some 850 car parking spaces;
- more / better non-food shops (3.5%);
- more / better independent & specialist shops (3.2%).
- more / better cafes & restaurants shops (2.2%); and
- a Post Office (1.9%).

Figure 8.7: HTIS: Chineham District Centre Top 10 Improvements



8.58 On linked trips, the HTIS also asked as to whether respondents combined their main or top-up food shopping at the Tesco with a visit to other shops or another activity. Of the 49.2% from the Study Area who undertook shopping at Tesco, just under two-thirds (31.1%) stated they undertook visits to other shops. Linked trips are therefore important in Chineham.

Smart Digital Facilities

8.59 The district centre does not have a centralised free Wi-Fi connection. Notwithstanding this, free Wi-Fi is provided with in the Costa Coffee outlet and at the Library.

8.60 There are currently electric vehicle charging points at the centre. However there are two charging port located at the adjacent Hampshire Court Hotel which lies to the south east of the centre.

Summary: Chineham District Centre

8.61 Chineham has good mix of retail and leisure outlets and low level of vacancies. The new owners of the centre are seeking to enhance the current retail and leisure offer as well as additional landscaping.

8.62 Chineham is defined as a District Centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained.

8.63 The key SWOT (Strengths, Weaknesses, Opportunities, Threats) on Chineham District Centre are:

Table 8.5: Chineham District Centre: SWOT

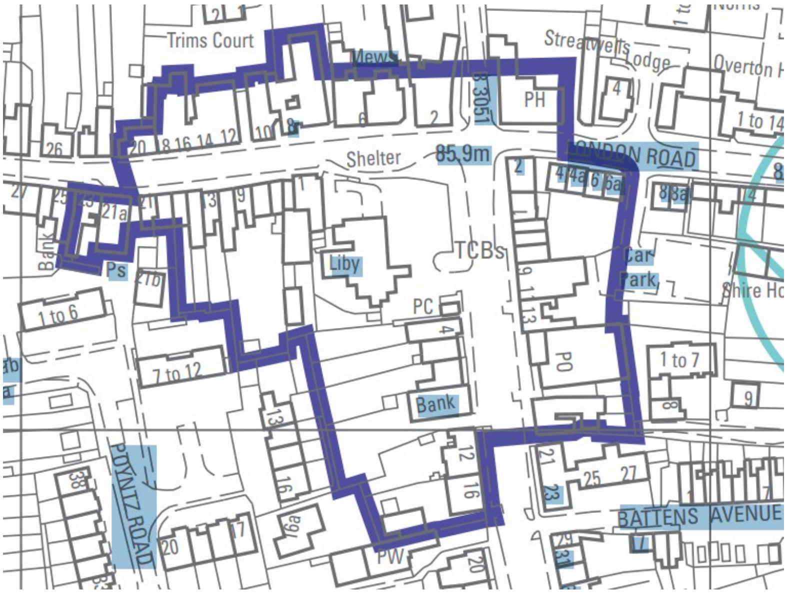
Strengths	Weaknesses
Strong convenience anchor. Good representation of national multiples. Compact centre. Low vacancy level. Good mix of retail uses and services (particularly leisure). Good parking provision. Good bus connectivity. Free car parking.	Poor accessibility for pedestrians / cyclists. Inward facing centre. No centralised digital infrastructure or EV charging points. Limited greenery despite being surrounded by woodland to the north.
Opportunities	**Threats**
Plans to enhance retail and leisure provision. Invest in additional greenery, street furniture and public realm. Encourage more family orientated evening activity uses. Potential future development of a railway station.	Impact of pandemic on existing businesses. High /increasing business operating costs. Competition from high order centres. Closure of public library.

OVERTON DISTRICT CENTRE

8.64 Overton is approximately 12 kilometres to the west of Basingstoke Town Centre. The retail and leisure provision is along the main crossroads of Winchester Street, High Street and London Road.

8.65 The commercial provision on Winchester Road is interspersed amongst residential dwellings. The main provision of outlets are located on the High Street. The provision is set within a traditional country setting and mainly comprises mainly of smaller sized outlets. The centre has a mix of uses including a Library.

Figure 8.8: Overton District Centre: Centre Boundary



Source: Basingstoke and Deane Local Plan (2011 – 2029) Policies Map Overton

Diversity of Uses

8.66 The retail and town centre offer is provided in a range of outlets, with the majority being operated by independent retailers and businesses from smaller units in historic buildings.

8.67 The retail mix comprises of five convenience goods retailers. The key food retailer is the Co-op (with post office) on Winchester Street that is supplemented by an independent greengrocer, butcher and wine merchant.

Table 8.6: Overton District Centre: 2020 Retail & Service Outlets

Category	No of Outlets	% of Total Outlets
Convenience	5	15.6%
Comparison	10	31.3%
Service- Retail	3	9.4%
Service- Leisure	12	37.5%
Service- Financial	1	3.1%
Vacant	1	3.1%
Other	0	0.0%
Total	**32**	**100.0%**

Source: LSH Analysis

8.68 The centre has ten comparison goods retailers, representing 31.3% of total outlets. These mainly comprise of independent local businesses, specialising in ladieswear, furniture, handicraft/giftware, bathrooms, fireplaces and an independent pharmacy.

8.69 There is a good representation of service provision with service retail dominated by hairdressing salons. Leisure services are in the form of cafes, public houses, restaurants and takeaways including a Domino's Pizza outlet.

8.70 Only one vacant unit was observed in the centre, which is a good indication of the centre's vitality.

Retailer Representation, Demand & Requirements

8.71 Overton is an independent led centre with 94% of outlets being independent. National muliples are represented by The Co-op and Domino's Pizza.

8.72 There are no published requirements for Overton which is to be expected for a centre of this size and type.

Opening Hours & Evening Economy

8.73 There is a variation in terms of the opening hours, for example:

- Co-op – up to 9pm on all days
- Turners Butchers – up to 5pm on weekdays (1.30pm Saturday and no Sunday opening)
- Caviste Wine Merchant - up to 6.30pm on all days (except Friday up to 8pm, Saturday 6pm and Sunday closed)
- Domino's Pizza - up to 9pm on all days

8.74 The centre has a mix of uses and hours of opening that that encourage footfall in the evening.

Vacancies

8.75 A survey of the centre in February 2020 identified only one vacancy. This represents just over 3.1% of the total number of outlets.

Commercial Rents and Yields

8.76 Reliable information on rents and yields is not available due to the limited size of the centre and number of transactions.

Barriers to Business

8.77 The centre offers limited options for new businesses wanting to open in the centre, or for existing businesses to expand.

Environmental Quality

8.78 Overton is an attractive centre, with many historic buildings. The quality of the built form is high and buildings are generally well maintained with no signs of litter, vandalism or graffiti. Tree planting along the junction of Winchester Street and High Street adds to the character of the area.

8.79 Whilst there is ample space on the pavements for pedestrians, the on-street parking provision and through traffic detract from the overall attractiveness of the centre for pedestrians. Some street furniture is also rather utilitarian in appearance.

Accessibility and Pedestrian Movement

8.80 The centre is highly accessible by car being located at the junction of High Street (B3400), London Road (B3400) and Winchester Street. Short stay on-street parking is available on both High Street and Winchester Street.

8.81 The centre is also served by bus with the main stop outside the Library the following bus routes (operated by Stagecoach):

- Bus Route 74 - Overton Shuttle Service Bus that links the centre to Overton train station.
- Bus route 76 - on the Basingstoke – Overton – Andover route)runs through the centre with stops at the Library.

8.82 The centre also lies approximately 1.4km from Overton railway station.

8.83 Within the centre, accessibility for pedestrians is hampered by the presence of parked cars and traffic flows. Pavements are generally in good condition and are wide, but provision for crossing the roads is less good and inevitably involves a relatively long distance, given the road widths.

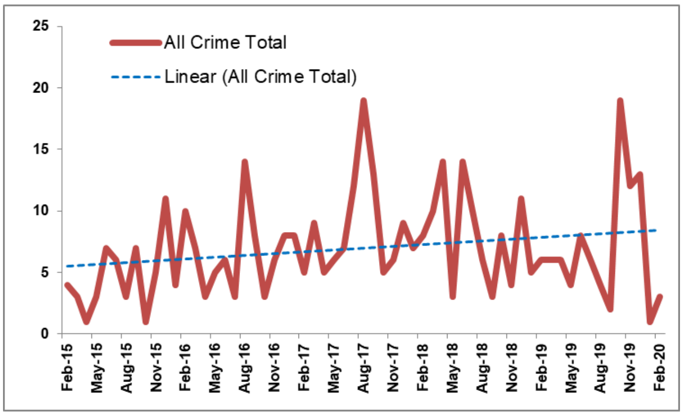
8.84 Observation of pedestrian flows showed higher flows at the junction of the High Street and Winchester Street near the library and bus stop.

Safety and Occurrence of Crime

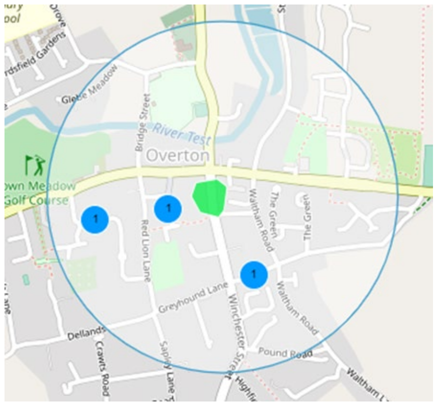
8.85 The total crime statistics indicate that the centre appears to be generally safe. A review of crime data that covers the centre shows that over the last five years, the total number of incidences of crime in terms of overall trend has increased.

Figure 8.9: Overton District Centre: Total Crime Incidences

Total Crime: Feb-2015 – Feb-2020



Crime: Area Covered



Source: https://www.ukcrimestats.com/Postcode/RG253HR

8.86 Total incidences as at February 2020 stood at 3 incidents, which is one of the lowest recorded. Comparatively, over the last five years, the peak recorded was in October 2019 and August 2017 with a total of 19 incidences respectively.

Customer Perception

8.87 There were no specific questions asked in the HTIS in relation to Overton. Notwithstanding this the centre achieves:

- a low convenience market share of 0.3% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 7 (3.8%) in which the centre is located.
- very low comparison goods market share of 0.2% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 7 (1.7%) in which the centre is located.

8.88 These market shares are reflective of the range of retail offer at the centre.

Smart Digital Facilities

8.89 The district centre does not have a centralised free Wi-Fi connection nor are there any electric vehicle charging points.

Summary: Overton District Centre

8.90 Overton is a healthy and historic centre that is currently meeting the needs of its local population. It provides a good range, if limited number, of retail and service outlets in an attractive historic setting, with good on-site parking provision. The centre is well connected and therefore functions as a small District Centre that serves the day-to-day needs of its residential catchment.

8.91 The key SWOT (Strengths, Weaknesses, Opportunities, Threats) on Overton District Centre are:

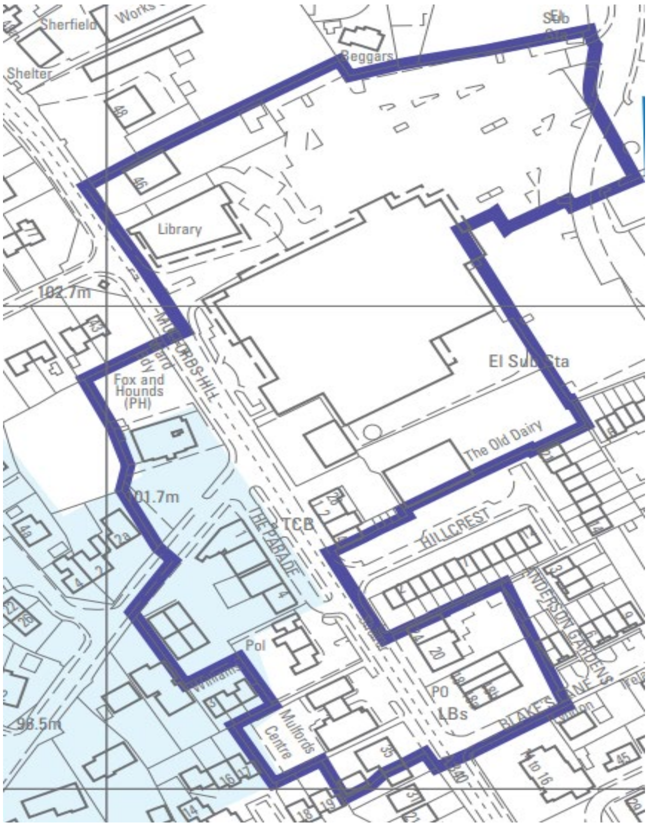
Table 8.7: Overton District Centre: SWOT

Strengths	Weaknesses
Attractive and historic centre. Strong independent retail and service offer. Low levels of vacancies. A compact centre. Good accessibility.	Limited size of the centre and range of offer. Lack of vacancies for new businesses. Restricted shopping catchment.
Opportunities	**Threats**
Invest in additional greenery, street furniture and public realm.	Impact of pandemic on existing businesses. High /increasing business operating costs. Competition from high order centres.

TADLEY DISTRICT CENTRE

8.92 Tadley is located approximately 11km to the north of Basingstoke Town Centre. The main retail provision is found along Mulfords Hill dominated by the large Sainsbury's store. The majority of this provision serve's Tadley's residents and the nearby settlements such as Baughurst and Pamber Heath. The centre has a mix of uses including a library and post office.

Figure 8.10: Tadley District Centre: Centre Boundary



Source: Basingstoke and Deane Local Plan (2011 – 2029) Baughurst, Pamber Heath and Tadley

Diversity of Uses

8.93 The retail mix is dominated by the large Sainsbury's convenience store. Comparison provision comprises of DIY and vehicle parts outlets. Retail service includes a post office, hairdressing and travel agent. Retail leisure comprises of takeaways, café, betting shop, restaurant and public house. There are also two estate agents located at the centre.

Table 8.8: Tadley District Centre: 2020 Retail & Service Outlets

Category	No of Outlets	% of Total Outlets
Convenience	1	5.6%
Comparison	5	27.8%
Service- Retail	4	22.2%
Service- Leisure	6	33.3%
Service- Financial	2	11.1%
Vacant	0	0.0%
Other	0	0.0%
Total	**18**	**100.0%**

Source: LSH Analysis

8.94 Beyond the centre boundary, there is additional retail provision namely: Co-op (Franklin Avenue) and Budgens (within a petrol station forecourt on Burghfield Road).

Retailer Representation, Demand & Requirements

8.95 Whilst the size and scale of the Sainsbury's dominates the centre, the majority (89%) of the remaining provision is independent led. Other national multiples include a Domino's Pizza outlet.

8.96 There are no published requirements for Tadley which is to be expected for a centre of this size and type.

Opening Hours & Evening Economy

8.97 There is a variation in terms of the opening hour, for example:

- Sainsbury's – up to 9pm on all days except Sunday (4pm)
- Post Office – up to 5.30pm on weekdays (12.30pm Saturday and no Sunday opening)
- Domino's Pizza - up to 9pm on all days (deliveries up to 11pm)
- Tadley Tandoori – up to 11pm on all days except Sunday (10pm)

8.98 The centre has a mix of uses and hours of opening that that encourage some level of footfall in the evening particularly to the leisure service outlets.

Vacancies

8.99 A survey of the centre identified no vacancies, which is a positive indicator.

Commercial Rents and Yields

8.100 Reliable information on rents and yields is not available due to the limited size of the centre and number of transactions.

Barriers to Business

8.101 The centre offers limited options for new businesses wanting to open in the centre, or for existing businesses to expand.

Environmental Quality

8.102 Tadley is a functional centre that serves its local catchment. The overall environment is reflective of this with the quality of the built form and accompanying facade varies by type of operator. There are no signs of litter, vandalism or graffiti. There is a lack of street furniture and investment in public realm.

8.103 Mulfords Hill is a busy thoroughfare detract from the overall attractiveness of the centre for pedestrians.

Accessibility and Pedestrian Movement

8.104 The centre is highly accessible especially by car as it is located on the busy Mulfords Hill thoroughfare. Off-street car parking is available at the Sainsbury's and on some of the shop forecourts and on–street parking along the adjacent Parade and side roads.

8.105 Main pedestrian movement was observed from the adjacent residential area to the Sainsbury's store and along the Post Office.

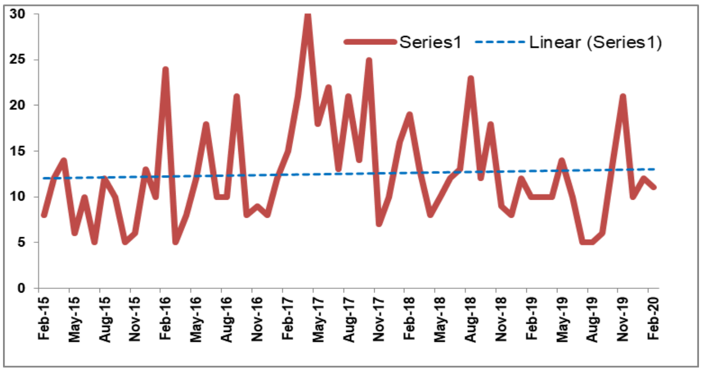
8.106 The centre is also served by Bus Route 2 (Basingstoke - Baughurst) with stops at The Parade and Mulfords Hill.

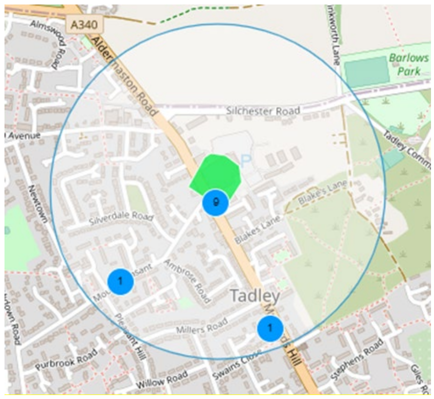
Safety and Occurrence of Crime

8.107 The total crime statistics indicate that the centre appears to be generally safe. A review of crime data that covers the centre shows that over the last five years, the total number of incidences of crime in terms of overall trend has increased, albeit marginally.

Figure 8.11: Tadley District Centre: Total Crime Incidences

Total Crime: Feb-2015 – Feb-2020 | **Crime: Area Covered**





Source: https://www.ukcrimestats.com/Postcode/RG263JE

8.108 Total incidences as at February 2020 stood at 11 incidents. Comparatively, over the last five years, the peak recorded was in April 2017 with a total of 30 incidents.

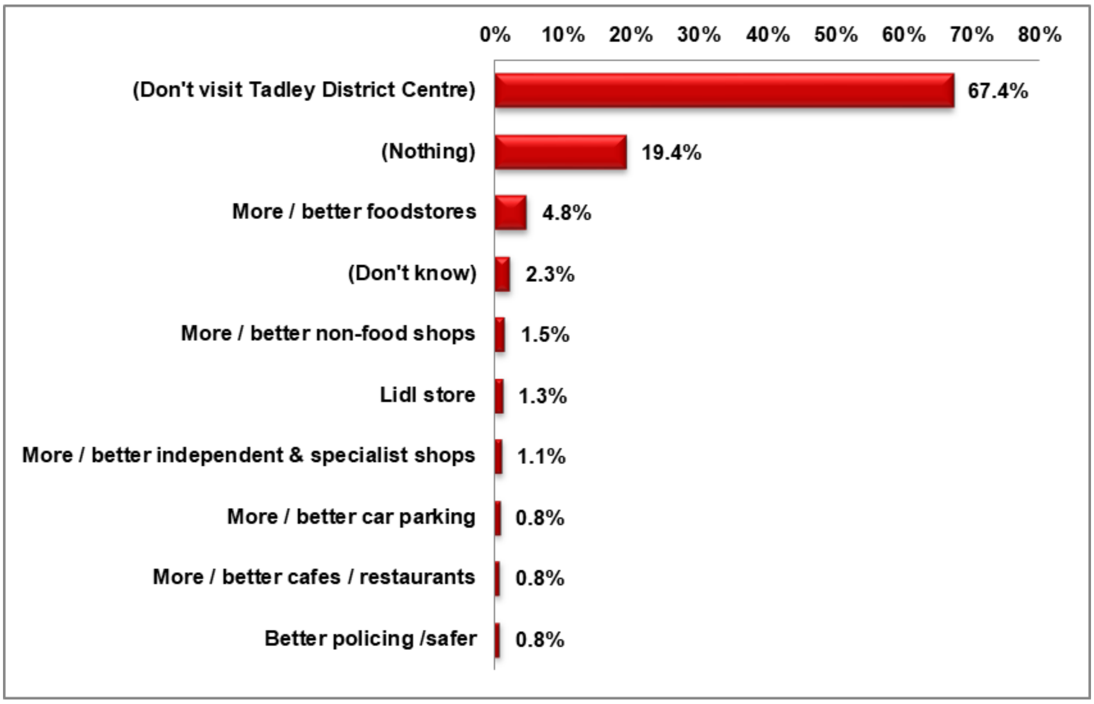
Customer Perception

8.109 The household telephone interview survey (HTIS) asked a specific question on respondents' views on any improvements to Tadley District Centre that would them visit it more often.

8.110 As shown below the overwhelming response was either 'don't visit' (67.4%), nothing (19.4%) or 'don't know' (2.3%). Of those with a positive statement on improvements the notable responses were:

- on foodstores: more / better foodstores (4.8%) or a Lidl store (1.3%).
- more / better non-food shops (1.5%);
- more / better independent & specialist shops (1.1%).

Figure 8.12: HTIS: Tadley District Centre Top 10 Improvements



8.111 The HTIS also shows that this the centre achieves:

- Convenience goods: Attains a market share of 6.4% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 6 (47.5%) in which the centre is located. The Sainsbury's store attains a market share of 39.2% in Zone 6.
- Comparison goods: Attains a low market share of 1.9% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 6 (14.7%) in which the centre is located.
- On linked trips, the HTIS also asked as to whether respondents combined their main or top-up food shopping at the Sainsbury's with a visit to other shops or another activity. Of the 30.5% from the Study Area who undertook shopping at Sainsbury's, just a third (8.9%) stated they undertook visits to other shops.

8.112 The market shares show the relative importance of the centre as a convenience goods centre from across a wide area.

Smart Digital Facilities

8.113 The district centre does not have a centralised free Wi-Fi connection nor are there any electric vehicle charging points. However to be noted, and beyond the District Centre boundary, a charge point is available at the Tadley Town Council office's on Franklin Avenue.

Summary: Tadley District Centre

8.114 Tadley is a healthy centre that is currently meeting the needs of its local catchment and beyond. It is primarily a convenience led centre with the Sainsbury's store drawing market share from the Borough and beyond. The centre is well connected and draws on patronage from the adjacent residential catchment as well as those from further afield by bus and car.

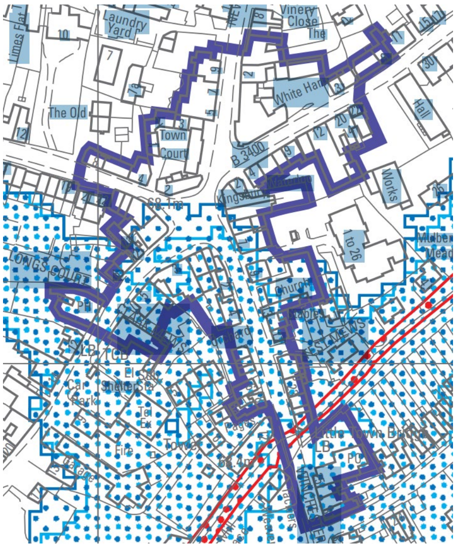
Table 8.9: Tadley District Centre: SWOT

Strengths	Weaknesses
Strong convenience anchor. No vacancies. A compact centre. Good accessibility.	Limited size of the centre and range of offer. Lack of vacancies for new businesses. Mulfords Hill is a busy thoroughfare. Lack of street furniture and investment in public realm.
Opportunities	**Threats**
Create an enhanced focal point for the centre Invest in additional greenery, street furniture and public realm. Encourage refurbishment of shop frontages	Impact of pandemic on existing businesses. High /increasing business operating costs. Competition from high order centres.

WHITCHURCH DISTRICT CENTRE

8.115 Whitchurch lies approximately 17km to the west of Basingstoke. A large part of the centre is a conservation area and contains listed buildings. The River Test also runs along the southern perimeter of the centre. The centre's commercial focus is around a central junction of Church Street, Bell Street, Newbury Street and Winchester Street. The centre is also surrounded by a residential catchment.

Figure 8.13: Whitchurch District Centre: Centre Boundary



Source: Basingstoke and Deane Local Plan (2011 – 2029) Whitchurch Town

Diversity of Uses

8.116 The retail and town centre offer is provided in a range of outlets, with the majority being operated by independent retailers and businesses. 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 across the centre.

8.117 The convenience provision is represented by a Tesco Express (with post office) and Co-op complemented by a newsagent, bakery and wine merchant. Comparison goods provision includes a pharmacy, ladies wear, handicrafts, florist and a charity shop. Retail service comprises hairdressing and beauty salon. Retail leisure service comprises takeaways, café, restaurant and public house. There are also two solicitors, financial advisory, a building society and an estate agent located within the centre.

Table 8.10: Whitchurch District Centre: 2020 Retail & Service Outlets

Category	No of	% of Total
Convenience	5	17.2%
Comparison	8	27.6%
Service- Retail	4	13.8%
Service- Leisure	6	20.7%
Service- Financial	5	17.2%
Vacant	1	3.4%
Other	0	0.0%
Total	**29**	**100.0%**

Source: LSH Analysis

Retailer Representation, Demand & Requirements

8.118 Whitchurch is an independent led centre with 90% of outlets being independent. Tesco, Co-op and Lloyds Pharmacy represent national multiples.

8.119 There are no published requirements for Whitchurch which is to be expected for a centre of this size.

Opening Hours & Evening Economy

8.120 There is a variation in terms of the opening hour, for example:

- Co-op – up to 10pm on all days
- Tesco Express - up to 10pm on all days
- The Village Bakery - up to 4.45pm on most days (except Sunday – no opening)
- Lloyds Pharmacy - up to 6.30pm on most days (except Sunday – no opening)
- White Hart Hotel Restaurant – up to 9pm on most days (except Sunday – 3pm)
- Blue Rickshaw Takeaway - up to 11pm on most days (except Monday – no opening)

8.121 The centre has a mix of uses and hours of opening that that encourage some level of footfall in the evening particularly to the leisure service outlets.

Vacancies

8.122 A survey of the centre in February 2020 identified one vacant unit which is a positive indicator.

Commercial Rents and Yields

8.123 Reliable information on rents and yields is not available due to the limited size of the centre and number of transactions.

Barriers to Business

8.124 The centre offers limited options for new businesses wanting to open in the centre, or for existing businesses to expand.

Environmental Quality

8.125 Whitchurch is an attractive centre, with many historic buildings. The quality of the built form is high and buildings are generally well maintained. As the centre is located around a central junction this results in traffic congestion on occasions detracting shoppers.

8.126 There is not much by way greenery and the public realm such as seating is utilitarian. Otherwise, the centre is in a pleasant historic setting.

8.127 The centre also benefits from its setting on the River Test. Just beyond the centre boundary to the south of the Tesco Express, lies the Silk Mill Museum that forms part of the 'Mill Trail' along the river. The centre therefore benefits from both locals and visitor patronage.

Accessibility and Pedestrian Movement

8.128 The centre is highly accessible by car being located at the central junction of Church Street, Bell Street, Newbury Street and Winchester Street. It is also on the A34 linking to Southampton to the South and Newbury to the north.

8.129 There are three main public car parks, all free but with various time restrictions. These are in Church Street, Bell Street and Winchester Road. There is some limited on-road parking on the roads off the Square.

8.130 Whitchurch railway station is situated on the northern edge of the town approximately 500 metres from the central junction. The station is on the main line to London Waterloo. The station is served and operated by South Western Railway.

8.131 Whitchurch is also served by regular Stagecoach weekday and Saturday services to Basingstoke, Andover and Winchester. Bus Route 86 covers Hatch Warren, Whitchurch and Winchester. Additionally Route 86 (covering Basingstoke - Overton – Andover)) also passes through the Square.

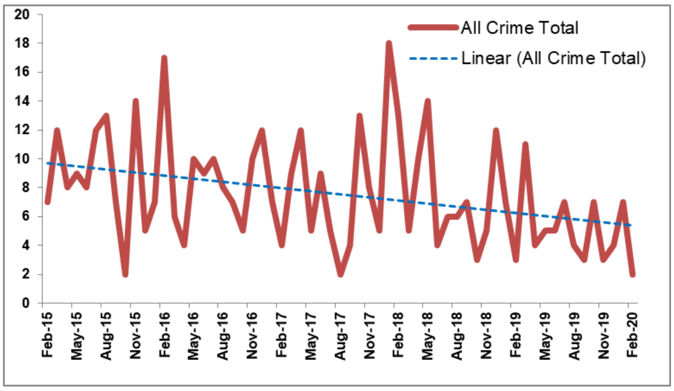
8.132 The central junction and the road arteries form the main access and entry points and also where pedestrian movement was observed the most.

Safety and Occurrence of Crime

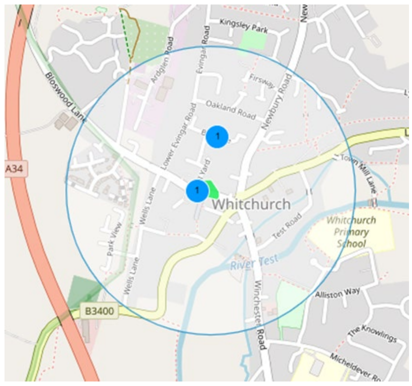
8.133 The total crime statistics indicate that the centre appears to be generally safe. A review of crime data that covers the centre shows that over the last five years, the total number of incidences of crime in terms of overall trend has been decreasing.

Figure 8.14: Whitchurch District Centre: Total Crime Incidences

Total Crime: Feb-2015 – Feb-2020



Crime: Area Covered



Source: https://www.ukcrimestats.com/Postcode/RG287AE

8.134 Total incidences as at February 2020 stood at 2 incidents. This is a particularly low rate compared to the last five years where the peak recorded was in January 2018 with 18 incidents.

Customer Perception

8.135 There were no specific questions asked in the HTIS in relation to Whitchurch. Notwithstanding this the centre achieves:

- The centre achieves a low convenience goods market share of 1% from the Study Area (Zones 1-11). The highest market share is achieved in Zone 7 (11%) in which the centre is located.
- The pattern is repeated for comparison goods where the centre achieves a low market share of 0.2% from the Study Area (Zones 1-11) with the highest market share being attained in Zone 7 (1.9%) in which the centre is located.

Smart Digital Facilities

8.136 The district centre does not have a centralised free Wi-Fi connection but connections are evident at individual businesses such as the White Hart Hotel.

8.137 There are no electric vehicle charging points within the designated District Centre boundary. However, just beyond this boundary, a charge point is available outside The Bell Inn (Bell Yard).

Summary: Whitchurch District Centre

8.138 Whitchurch is a healthy centre that is currently meeting the needs of its local catchment. Whilst expansion of the centre is constrained by its historic street pattern, we consider the centre is well connected drawing on patronage from the adjacent residential catchment. Due to the size and type of offer, it functions as a small District centre.

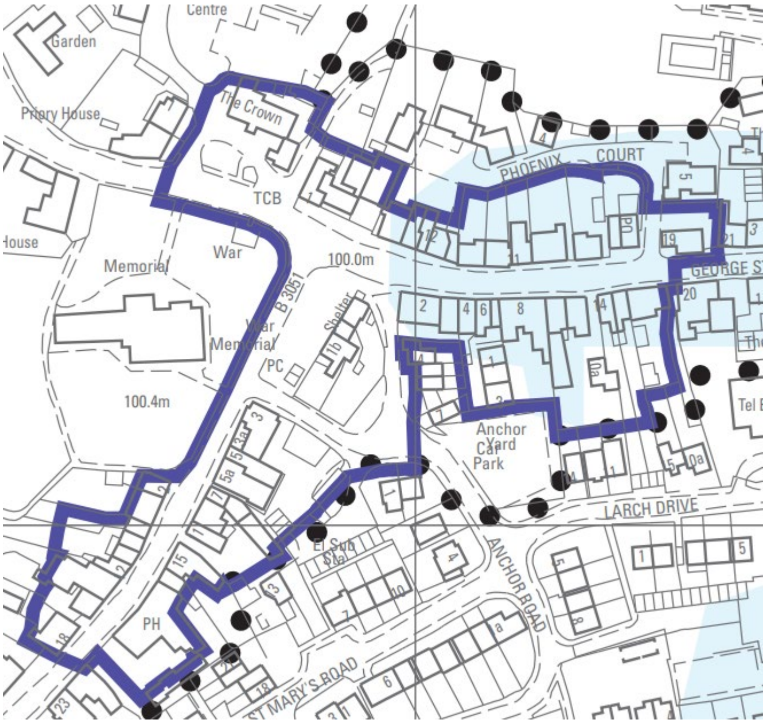
Table 8.11: Whitchurch District Centre: SWOT

Strengths	Weaknesses
Good convenience provision. Low vacancy rate. A compact centre. Independent retailers contributing to the centre's uniqueness and diversity. Good environmental quality. Good level of accessibility and well connected to road and rail network Good level of service provision.	Low representation from national multiples. Low number of large scale modern retail units. Competing higher order centres for shopping.
Opportunities	**Threats**
Invest in additional greenery, street furniture and public realm. Encourage refurbishment of shop frontages	Impact of pandemic on existing businesses. High /increasing business operating costs. Competition from high order centres. Lack of multiple retailer demand. Limited opportunities for further development.

KINGSCLERE LOCAL CENTRE

8.139 Kingsclere lies approximately 14 km to the north west of Basingstoke Much of the village is a designated conservation area with listed buildings. The centre is accessible on the Hampshire/Berkshire border lies close to the A339, which links Basingstoke and Newbury and with easy access to the M3 and M4 corridors.

Figure 8.15: Kingsclere Local Centre: Centre Boundary



Source: Basingstoke and Deane Local Plan (2011 – 2029) Kingsclere

8.140 The local centre's offer is centred around the junction of Swan Street, George Street and Newbury Street with St. Mary's Church providing the focal point of the village at this junction.

8.141 A broad review of the centre indicates there are 12 retail and service outlets, the majority of which are located on Swan Street.

Table 8.12: Kingsclere Local Centre: 2020 Retail & Service Outlets

Category	No of Outlets	% of Total Outlets
Convenience	3	25.0%
Comparison	3	25.0%
Service- Retail	1	8.3%
Service- Leisure	3	25.0%
Service- Financial	1	8.3%
Vacant	1	8.3%
Other	0	0.0%
Total	**12**	**100.0%**

Source: LSH Analysis

8.142 In terms of retail mix, there are three convenience goods retailers. There is no major foodstore anchor but smaller stores namely McColls, Swan Street Stores and an independent butcher. The comparison offer comprises a florist, chemist and an art gallery. Services are dominated by public houses, coffee shop and an estate agent. There is one vacant outlet and indicates that the centre is relatively healthy and viable.

8.143 The centre achieves a low convenience goods market share of 0.5% from the Study Area (Zones 1-11) with the highest market share is achieved in Zone 8 (7.4%) in which the centre is located. Due to the low level of comparison goods provision, the centre attains a low market share of 0.1% from the Study Area (Zones 1-11) and the highest market share is again achieved in Zone 8 (1.7%).

8.144 Beyond the defined centre boundary lie a library, fire station, police station and a health centre. The centre is in a rural setting and the environmental quality is considered good. The retail frontages are well kept and there are no signs of dereliction across the centre.

8.145 In summary, Kingsclere is a viable local centre reflecting a set of provision that meets its resident catchment. It has 12 outlets in small units serving the resident population. Overall, the centre serves a small and localised catchment as illustrated by its market share levels and is therefore appropriately designated as a local centre.

Table 8.13: Kingsclere Local Centre: SWOT

Strengths	**Weaknesses**
Attractive and historic centre. Strong independent retail and service offer. A compact centre. Good accessibility.	Limited size of the centre and range of offer. Restricted shopping catchment.
Opportunities	**Threats**
Invest in additional greenery, street furniture and public realm. Encourage refurbishment of shop frontages	Impact of pandemic on existing businesses. High /increasing business operating costs. Competition from high order centres.

9. RETAIL CAPACITY ASSESSMENT

9.1 This section sets out the results of the economic retail capacity ('need') assessment for new retail (comparison and convenience goods) floorspace Borough area and its main centres. The forecasts cover the period from 2020 (the year when the household survey was carried out) to 2038 (the period covered by the emerging new Local Plan). The forecasts are broken down further into five-year periods (i.e. 2025, 2030 and 2038).

9.2 As explained in **Section 1**, this economic assessment updates and supersedes the capacity findings of the Council's previous evidence-based studies that forecast a substantial need for new comparison retail floorspace.

THE CREAT^{e} MODEL

9.3 The **CREAT^{e}** economic model has been specifically designed, developed and tested by the LSH team over more than 25 years in accordance with good practice to assess the capacity for and impact of new retail (convenience and comparison goods) floorspace development. The evidence-based model has helped to inform and guide plan-making and decision-taking at the local, sub-regional and regional level over many years. It has also withstood critical review and examination at numerous appeal, Local Plan and CPO inquiries.

9.4 In brief, the **CREAT^{e}** (Excel-based) model adopts a transparent '*step-by-step'* approach in which all the key assumptions and forecasts can be easily tested. The model is underpinned by the findings of the household survey, which provides robust profiles of current shopping patterns, market shares and the trading/turnover performance of existing centres, shops and stores.

9.5 At the outset it has necessarily been assumed that in the context of a strategic capacity assessment that the local retail market is in '*equilibrium*' at the base year. In other words, all existing centres/stores are broadly assumed to be trading in line with expected average ('benchmark') turnover levels. This is a reasonable approach in this case as it reflects the impact of the economic downturn and the significant growth in online sales on the trading levels and performance of retailers and stores across the UK. It also reflects the outputs of the health checks and surveys covering the Borough's other main centres and shopping locations.

9.6 In simple terms, therefore, any residual expenditure available to support new retail floorspace over the forecast period will be generated by the difference between the forecast growth in **'current'** (survey-derived) turnover levels and the growth in

'benchmark' turnovers based on applying robust year-on-year **'productivity'** ('turnover efficiency') growth rates to all existing and new retail floorspace[41].

9.7 It is important to restate that medium to long term forecasts should be treated with caution, as they will be influenced by changes in economic, demographic and market trends. As a result we advise that greater weight should be placed on the short term forecasts carried out over a **five-year period** (in compliance with paragraph 004 of the *Planning Practice Guidance*[42]). Notwithstanding this, it is also accepted that in preparing their town centre strategies local authorities will also need to take account of the forecast capacity for new retail floorspace over the plan period to inform its policy-making and site allocations. The NPPF (paragraph 85) states that local planning authorities should meet the need for retail and town centre uses over a **ten-year period**. Therefore, whilst this study assesses retail capacity up to 2038, it follows that greater weight should be placed on forecasts over the next five to ten-year period (i.e. to 2025 and 2030).

9.8 The updated capacity forecasts set out in this section will provide the Council with a broad guide to assess the (quantitative) need for new retail (Class A1) floorspace in the Borough and its main centres. In turn, this will inform the need to identify and allocate additional sites (over and above those already identified) to meet any forecast need over the lifetime of the development plan. This is in accordance with the advice set out in the NPPF (paragraph 85). It follows that the allocation of sites will depend on a range of key considerations, including: the suitability, viability and availability of sites in or on the edge of existing centres; and the potential to expand existing centres and town centre boundaries to accommodate the forecast needs.

9.9 The key steps in the retail capacity assessment, and the main assumptions and forecasts underpinning the **CREATᵉ** Model are described below.

POPULATION PROJECTIONS

9.10 The standard starting-point for our economic capacity assessments is to source the 'base year' population estimates and projections using our in-house Experian-based MMG3 Geographic Information System (GIS).

9.11 Table 1 (**Appendix 3 and 7)** to this study sets out the total estimated growth in the study area population based on Experian's population projections. The table below summarises the forecast growth for the total Study Area.

[41] Section 3 sets out the forecast growth in annual 'productivity' levels based on the latest Experian Retail Planner Briefing Note.

[42] PPG Reference ID: 2b-004020190722

Table 9.1: Population Growth : Total Study Area (2020 -2038)

ZONE:	2020	2025	2030	2035	2038	2020 - 2025	2020 - 2030	2030 - 2038	2020-2038
Zone 1	30,291	31,044	31,491	31,875	32,130	2.5%	4.0%	2.0%	6.1%
Zone 2	20,896	21,489	21,948	22,435	22,831	2.8%	5.0%	4.0%	9.3%
Zone 3	29,050	29,697	30,142	30,541	30,829	2.2%	3.8%	2.3%	6.1%
Zone 4	20,579	21,184	21,614	21,939	22,159	2.9%	5.0%	2.5%	7.7%
Zone 5	25,635	26,365	26,908	27,339	27,605	2.8%	5.0%	2.6%	7.7%
Zone 6	23,348	23,807	24,168	24,418	24,536	2.0%	3.5%	1.5%	5.1%
Zone 7	17,823	18,237	18,548	18,831	18,891	2.3%	4.1%	1.8%	6.0%
Zone 8	14,911	15,217	15,466	15,677	15,775	2.1%	3.7%	2.0%	5.8%
Zone 9	5,779	5,914	6,024	6,108	6,155	2.3%	4.2%	2.2%	6.5%
Zone 10	27,902	28,318	28,564	28,813	28,969	1.5%	2.4%	1.4%	3.8%
Zone 11	11,540	11,940	12,244	12,508	12,616	3.5%	6.1%	3.0%	9.3%
Study Area	**227,754**	**233,212**	**237,117**	**240,484**	**242,496**	**2.4%**	**4.1%**	**2.3%**	**6.5%**

Source: Experian Business Strategies - MMG3 Geographic Information System (GIS) 'Retail Area Planner Population & Expenditure Datasets'.

9.12 The total Study Area population is forecast to increase by:

- +2.4% (+5,458 people) between 2020 and 2025;
- +4.1% (+9,363 people).between 2020 and 2030; and
- +6.5% (+14,742 people) between 2020 and 2038.

AVERAGE EXPENDITURE LEVELS & FORECASTS

9.13 Tables 2 and 3 (**Appendix 3 and 7**) set out the average expenditure per capita figures and forecasts for convenience and comparison goods respectively. The 2020 average expenditure per capita figures have been sourced from LSH's in-house MMG3 GIS[43]. The year-on-year growth in expenditure levels by zone draws on the latest forecasts published by Experian in their *Retail Planner Briefing Note 17* (RPBN17) (February 2020).

9.14 Our allowance for SFT across the Study Area has necessarily been informed by the household survey findings. The SFT survey-derived market shares for both convenience and comparison goods have also been recalibrated to reflect the fact that a proportion of online food/non-food sales are sourced from traditional ('physical') stores rather than from dedicated ('dot com') warehouses. This follows the advice set out in Experian's latest RPBN17 (also see **Section 3**).

9.15 For **convenience goods** the recalibrated 2020 survey-derived SFT market share of 2.2% is almost half Experian's national average figure of 4.5%. For **comparison goods** the survey-derived SFT market share of 17.7% is above Experian's national average figure of 18.4%. The forecast growth in the survey-derived SFT market share between 2020 and

[43] All expenditure and turnover figures are expressed in 2018 prices. The Retail Planner expenditure estimates are based on the Living Costs and Food Survey . Retail Planner expenditure data uses a subset of these fields to match with the COICOPS categories (Classification of Individual Consumption by Purpose), the industry standard for consumer classifications. These postal sector and output area estimates are then scaled to ensure that the total expenditure figures match those stated in the official National Accounts figures from the Treasury's Blue Book.

2038 is assumed to be in line with Experian's projections. It should be noted that if SFT's market share at 2020 and/or the growth up to 2038 is higher than assumed then this will *reduce* the total residual expenditure capacity available to support existing and new floorspace over the forecast period (i.e. more retail expenditure will go to 'virtual' than to 'physical' stores).

TOTAL AVAILABLE EXPENDITURE

9.16 Table 3 forecast the growth in total available **convenience goods** (**Appendix 3**) and **comparison goods** (**Appendix 7**) retail expenditure respectively across the Study Area and zones between 2020 and 2038 (excluding SFT)[44].

9.17 The tables shows that total **convenience goods** expenditure is forecast to increase by +7.5% (+£40.6m) for the Study Area as a whole; from £538.4m in 2020 to £579m by 2038. Total **comparison goods** expenditure growth is forecast to be significantly higher, +67.4% (+£627.4m) from £930.3m to £1557.7m.

9.18 The growth in comparison goods expenditure significantly outstrips convenience goods spend over the study period. This effectively means that there should be greater capacity potential for new comparison goods floorspace than for convenience goods retailing; although this will be dependent on the level of retail commitments in the pipeline and the forecast growth in the 'productivity' levels of existing floorspace and stores.

MARKET SHARE ANALYSIS (EXCLUDING SFT)

9.19 **Section 4** described the headline results of the survey-derived (%) market share analysis, including SFT. For the purpose of the retail capacity assessment, and in line with accepted approaches, the market share analysis has been adjusted for both convenience goods (Table 1, **Appendix 5**) and comparison goods (Table 1, **Appendix 9**) to exclude SFT[45].

9.20 The next key stage in the capacity assessment involves allocating the baseline convenience and comparison expenditure (£ million) within the Study Area and zones to the identified centres, stores and floorspace based on the survey-derived market shares. This helps to establish the current 'baseline' (2020) trading performance for the main centres and stores across the Borough based on expenditure drawn from the Study Area only. It should be noted that no allowance is made at this stage for any potential 'inflow' (trade draw) of expenditure to centres and stores from outside the defined Study Area.

[44] SFT comprises non-store sales via the internet, mail order, stalls and markets, door-to-door and telephone sales.

[45] This is in accordance with the standard approach for retail assessments, which make a deduction for SFT at the outset from the expenditure per capita figures.

9.21 For both convenience goods (**Appendix 5**) and comparison goods (**Appendix 9**) the 'baseline' turnovers are projected forward to 2025 (Table 3), 2030 (Table 4), 2035 (Table 5) and 2038 (Table 6) assuming no changes in market shares.

9.22 This 'constant market share approach' is standard practice for retail capacity and impact assessments. This assumes that the existing flows or market shares (at 2020) and patterns of consumer retail expenditure of the Borough's centres are held constant through to 2038. As a result, the quantitative capacity assessment provides an indication of the quantum of additional retail floorspace that is required (if any) to maintain a centre's relative attractiveness. However, the Council will be aware that it is a highly theoretical approach as it does not, for example, take account of the potential impact that new retail investment and development (both within and outside the Borough area) can have on existing shopping patterns, market shares and turnovers over time.

'INFLOW' / TRADE DRAW

9.23 In order to provide a complete picture of the current and likely future trading (turnover) performance of the main centres and stores in the Borough we have necessarily made informed judgements with regard to the likely 'inflow' (trade draw) from outside the widely defined study area. The assessment of inflow is not an "*exact science*" due to the complex nature of overlapping catchments and shopping patterns. In this case our assumptions take account of:

- the scale, quality and mix of each centre's retail (convenience and comparison) offer based on the results of the healthchecks;
- the scale, offer and location of all other centres and stores in the Borough, including out-of-centre shopping locations, and in neighbouring local authority areas;
- the likely competition from centres, stores and shopping facilities outside the study area, informed by the results of the survey-derived market share analysis; and
- the likely retail expenditure derived from people visiting the Borough's shops and stores, but who live outside the study area (including tourists, visitors and those on business).

9.24 Where the evidence exists we have also taken account of previous studies and retail assessments to help inform our judgements. In summary for the purpose of this economic capacity assessment we have assumed for:

- **Convenience goods:** the market share analysis confirms that households normally carry out their **main** and top-up food purchases at their more local and accessible stores, and do not generally travel longer distances for food purchases. Considering the level of provision we have assumed a 3% "*inflow*" to allow for potential expenditure by people who live outside the Study Area but who regularly work and visit the Town

Centre. Based on the location, scale, choice and quality of the out-of-centre foodstores in the Borough we estimate that they will have wider catchments and will draw up to 1% their total turnovers from outside the defined Study Area.

- **Comparison goods:** We estimate that Basingstoke town Centre draws approximately 5% of its total trade/turnover from outside the widely defined Study Area. In our judgement out-of-centre floorspace potentially is estimated to be drawing approximately 1% of its total turnover from outside the Study Area. In contrast, the Borough's smaller District and Local Centres will draw the majority of their trade from their more local resident catchments, and for this reason we have assumed no 'inflow' from outside the study area.

TOTAL FORECAST TURNOVER

9.25 The assessment of the total turnover of all the main centres/stores within the Study Area is based on the expenditure allocated to these centres/stores according to their survey-derived market shares at 2019, and our judgements as to the total "inflow" of trade to these centres/stores from outside the defined study area.

Convenience Goods Turnover

9.26 The total estimated convenience goods turnovers of the Borough's main centres, stores and shopping locations are set out in Table 2 (**Appendix 6**) and summarised in the table below.

Table 9.2: Total Forecast Convenience Goods Turnover of All Centres/Floorspace in Borough

	Estimated 'Inflow' from outside Study Area		2020	2025	2030	2035	2038
BASINGSTOKE TOWN CENTRE	3%		£53.3	£54.8	£55.8	£56.8	£57.4
BRIGHTON HILL DISTRICT CENTRE	0%		£41.1	£42.2	£43.0	£43.7	£44.2
CHINEHAM DISTRICT CENTRE	0%		£55.9	£57.4	£58.4	£59.5	£60.1
OVERTON DISTRICT CENTRE	0%		£1.8	£1.8	£1.9	£1.9	£1.9
TADLEY DISTRICT CENTRE	0%		£37.0	£38.0	£38.7	£39.4	£39.8
WHITCHURCH DISTRICT CENTRE	0%		£5.5	£5.7	£5.8	£5.9	£6.0
KINGSCLERE LOCAL CENTRE	0%		£3.0	£3.1	£3.2	£3.2	£3.3
OTHER LOCAL SHOPS / PARADES	0%		£43.4	£44.5	£45.4	£46.2	£46.7
OUT OF CENTRE:							
Aldi, Winchester Road,	1%		£11.7	£12.0	£12.2	£12.5	£12.6
Aldi, Winklebury Way	1%		£17.1	£17.5	£17.8	£18.2	£18.3
Co-op, Winklebury Way	1%		£0.1	£0.1	£0.1	£0.1	£0.1
Lidl, Gastons Wood	1%		£13.1	£13.4	£13.7	£13.9	£14.1
Lidl, Worting Road	1%		£13.4	£13.8	£14.0	£14.3	£14.4
Morrisons, Worting Road	1%		£46.2	£47.4	£48.3	£49.2	£49.7
Sainsbury's Superstore, Wallop Drive	1%		£49.8	£51.1	£52.0	£53.0	£53.5
Home Bargains, Winchester Road	0%		£1.1	£1.1	£1.2	£1.2	£1.2
OUT-OF-CENTRE-OTHER	0%		£0.0	£0.0	£0.0	£0.0	£0.0
		Subtotal	£152.5	£156.5	£159.4	£162.3	£163.9
TOTAL CONVENIENCE TURNOVER OF BOROUGH STORES/CENTRES:			**£393.5**	**£404.0**	**£411.6**	**£418.9**	**£423.2**

9.27 As the table shows, Basingstoke Town Centre's food and convenience stores are forecast to have a total turnover of £53.3m in 2020. Basingstoke's turnover is almost matched by Chineham District Centre (£55.9m) and is comparable to the out-of-centre Sainsbury's at Wallop Drive (£49.8m) as well as the out-of-centre Morrisons (Worting Road) - £46.2m.

9.28 Other defined centres with a notable turnover include Brighton Hill District Centre (primarily the Asda) with a turnover of £41.1m; Tadley District Centre (principally Sainsbury's) with a turnover of £37m

Comparison Goods Turnover

9.29 The total estimated comparison goods turnovers of the Borough's main centres, stores and shopping locations are set out in Table 2 (**Appendix 10**) and summarised below.

Table 9.3: Total Forecast Comparison Goods Turnover of All Centres/Floorspace in Borough

	Estimated 'Inflow' from outside Study Area		2020	2025	2030	2035	2038
BASINGSTOKE TOWN CENTRE	5%		£406.2	£465.4	£534.8	£619.3	£678.8
BRIGHTON HILL DISTRICT CENTRE	0%		£21.5	£24.8	£28.5	£33.0	£36.2
CHINEHAM DISTRICT CENTRE	0%		£26.4	£29.8	£34.3	£39.7	£43.5
OVERTON DISTRICT CENTRE	0%		£1.8	£2.2	£2.5	£2.9	£3.2
TADLEY DISTRICT CENTRE	0%		£23.4	£26.7	£30.7	£35.5	£38.9
WHITCHURCH DISTRICT CENTRE	0%		£2.0	£2.4	£2.7	£3.2	£3.5
KINGSCLERE LOCAL CENTRE	0%		£1.7	£2.1	£2.4	£2.8	£3.0
OTHER LOCAL SHOPS / PARADES	0%		£9.4	£11.0	£12.6	£14.6	£16.0
OUT OF CENTRE:							
Sainsbury's / Argos, Wallop Drive	1%		£17.0	£19.5	£22.4	£26.0	£28.5
Brighton Hill Retail Park (Bensons for Beds, Carpetright, Currys PC World, D	1%		£73.5	£84.5	£97.1	£112.4	£123.2
Gastons Wood (Dunelm, The Range, Go Outdoors, Gasons Wood Industrial	1%		£10.0	£11.5	£13.2	£15.2	£16.7
Hatch Warren Retail Park (Dreams, Pets at Home, Pound Stretcher)	1%		£13.0	£14.9	£17.1	£19.8	£21.8
St Michael's Retail Park (Oak Furniture Land, Smyths Toys, Tapi Carpets)	1%		£17.8	£20.5	£23.6	£27.3	£29.9
Thorneycroft Industrial Estate (B&M, Screwfix)	1%		£2.0	£2.3	£2.6	£3.0	£3.3
Winchester Road (Aldi, Halfords, Hobbycraft, Home Bargains, Homebase, To	1%		£22.9	£26.3	£30.3	£35.0	£38.4
All Other Out-of-Centre Locations	0%		£42.6	£48.6	£55.8	£64.7	£70.9
		Subtotal	£198.8	£228.1	£262.1	£303.5	£332.7
TOTAL COMPARISON TURNOVER OF BOROUGH STORES/CENTRES:			**£691.3**	**£792.4**	**£910.7**	**£1,054.5**	**£1,155.8**

9.30 In summary, Basingstoke Town Centre's comparison goods turnover is forecast to increase from £406.2m to £678.8m (+272.6m) between 2020 and 2038. This assumes no change in the base year market shares in line with accepted approaches for retail capacity assessments.

9.31 The lower comparison goods turnovers of the Borough's smaller District/Neighbourhood Centres and other parades/stores reflects their more limited non-food offer and their primary roles are meeting the more frequent food/convenience, service and community needs of their local populations.

9.32 The forecasts also show that the Borough's main out-of-centre shopping facilities are expected to increase their total comparison turnovers from £198.8m to £332.7m between 2020 and 2038 (+133.9%).

FLOORSPACE PRODUCTIVITY

9.33 A key input to the retail capacity assessment is the application of a year-on-year floorspace 'productivity' ('turnover efficiency') growth rate to all existing and new retail floorspace. As described in **Section 3**, existing retailers and floorspace in the challenging economic and retail climate will need to achieve higher annual 'productivity' growth rates to absorb increasing costs (including, for example, rising rents, business rates and wages) in order to remain profitable and viable over the long term. This is particularly the case as the competition from online retailing increases, as currently the costs/taxes incurred by 'virtual' (internet-only) retailers are significantly lower than for 'physical' retailers.

9.34 For the reasons set out in **Section 3** we have tested Experian's *'constant floorspace'* growth scenario[46], which assumes greater efficiency in existing floorspace due to the more limited scope and demand for new retail development. This year-on-year growth rate reflects current and future market conditions in the retail sector, and the fact that retailers will need to increase their overall "productivity" and "profitability" to cover rising costs and to remain viable.

RETAIL FLOORSPACE COMMITMENTS

9.35 The next stage in the retail capacity assessment takes into account the retail floorspace and predicted turnovers of all the major food and non-food commitments[47] and any policy-led floorspace allocations in the Borough at the time of preparing this study.

9.36 Based on information provided by the Council the major planned/committed retail schemes are detailed below. Table 3 in **Appendix 6 (convenience goods)** and **Appendix 10 (comparison goods)** sets out the predicted convenience and comparison goods turnovers of the permitted retail floorspace.

9.37 The major planned / committed retail schemes by type of goods are:

Figure 9.4: Major Commitments: Convenience Goods

	CENTRE	PLANNING REF	SCHEME	Gross Floorspace (sq m)	Net Floorspace (sq m)
[1]	BASINGSTOKE	BDB/73174 and 16/00822/RES	MERTON RISE BASINGSTOKE RG24 9EX MIXED USE DEVELOPMENT INCLUDING RETAIL & EMPLOYMENT	372	260
[2]	BASINGSTOKE	17/04197/OUT	PLOT K AND K1, BASING VIEW BASINGSTOKE RG21 4EJ	249	174
[3]	BASINGSTOKE	19/03346/FUL	UNIT 1 AND 2 HATCH WARREN RETAIL PARK WALLOP DRIVE BASINGSTOKE HAMPSHIRE RG22 4TT	n/a	966
[4]	DUMMER	15/04503/OUT	HOUNSOME FIELDS DUMMER RG23 7LU MIXED DEVELOPMENT INCLUDING LOCAL CENTRE RETAIL	400	280
	TOTAL			**1,021**	**1,681**

[1] **BDB/73174 and 16/00822/RES**: Outline application for mixed use development including access, comprising up to 784 no. residential units (Use Class C3), up to 1500 sqm gross of local centre uses (Use Classes A1 - A5) including a foodstore of up to 500 sqm gross, community office space of up to 120sqm gross (Use Class B1), approximately 10 hectares of publicly accessible open space, allotments and associated car and cycle parking, landscaping and incidental open space.

[2] **17/04197/OUT**: Hybrid planning application with detailed and outline elements for office redevelopment of plot K and K1. Detailed application: A five-storey B1a (office) building with roof level pavilion and terrace (Plot K1) with flexible A1 (retail) or A3 (restaurant) ground floor uses (west demise), and ancillary B1a (east demise) fronting Basing View (South) with landscaping to the principal frontage and the western boundary which flanks the public footpath. Car parking for 280 vehicles (serving both Plot K and K1 buildings) to the rear arranged over five levels, accessed directly from Basing View (north and south). Outline application A (B1a)

[46] Retail Planner Briefing Note 17 (February 2020), Figures 3b and 3c.
[47] Commitments are commonly defined as retail floorspace with planning permission and/or under construction at the time of preparing this study.

office building up to five storeys tall with roof level pavilion and terrace (Plot K) fronting Basing View (North), reserving matters of layout, appearance, and landscaping.

[3] **19/03346/FUL:** Amalgamation of existing Units 1 and 2; external alterations to the building and car park, and relaxation of current goods restriction to allow unrestricted Class A1 use (sale of convenience and comparison goods) to allow occupation by Lidl foodstore | Unit 1 And 2 Hatch Warren Retail Park Wallop Drive Basingstoke Hampshire RG22 4TT.

[4] **15/04503/OUT**: Outline application to include access to be considered, for up to 750 residential units with a mix of units, land for up to two pitches to accommodate Gypsies and Travellers, and a neighbourhood centre including principal community centre, private children's nursery, local retail facilities, and three form entry primary school and ancillary development .

Figure 9.5: Major Commitments: Comparison Goods

	CENTRE	PLANNING REF	SCHEME	Gross Floorspace (sq m)	Net Floorspace (sq m)
[1]	BASINGSTOKE	BDB/73174 and 16/0082	MERTON RISE BASINGSTOKE RG24 9EX MIXED USE DEVELOPMENT INCLUDING RETAIL & EMPLOYMENT	360	252
[2]	BASINGSTOKE	19/03346/FUL	UNIT 1 AND 2 HATCH WARREN RETAIL PARK WALLOP DRIVE BASINGSTOKE HAMPSHIRE RG22 4TT	n/a	242
[3]	OLD BASING	17/02647/FUL	CONKERS GARDEN CENTRE OLD BASING RG24 7LJ	709	496
[4]	BASINGSTOKE	17/00383/FUL	UNITS 1,3, 4, 5 & 5A BRIGHTON BASINGSTOKE RG22 4AN	5,300	3,710
	TOTAL			**6,369**	**4,700**

[1] **BDB/73174 and 16/00822/RES:** Outline application for mixed use development including access, comprising up to 784 no. residential units (Use Class C3), up to 1500 sqm gross of local centre uses (Use Classes A1 - A5) including a foodstore of up to 500 sqm gross, community office space of up to 120sqm gross (Use Class B1), approximately 10 hectares of publicly accessible open space, allotments and associated car and cycle parking, landscaping and incidental open space.

[2] **19/03346/FUL** : Amalgamation of existing Units 1 and 2; external alterations to the building and car park, and relaxation of current goods restriction to allow unrestricted Class A1 use (sale of convenience and comparison goods) to allow occupation by Lidl foodstore | Unit 1 And 2 Hatch Warren Retail Park Wallop Drive Basingstoke Hampshire RG22 4TT.

[3] **17/02647/FUL**: Erection of single storey extension to existing garden centre shop and demolition of existing covered retail structure.

[4] **17/00383/FUL**: Installation of mezzanine floorspace at Units 1, 3, 4, 5 and 5a totalling 5,300sqm including provision of cycle parking.

RETAIL CAPACITY ASSESSMENT

9.38 The capacity forecasts for new retail floorspace up to 2038 are set out in Tables 4-13 (**Appendix 6**) for convenience goods and Tables 4-13 (**Appendix 10**) for comparison goods[48]. The footnotes to Table 3 explain the key steps underpinning the assessment.

Convenience Goods Capacity

9.39 In order to convert the forecast residual expenditure capacity into a net sales figure we have assumed that new convenience goods floorspace will achieve an average sales

[48] Please note that all quoted retail floorspace capacity figures refer to net sales area unless otherwise stated.

density[49] of circa £10,000 per sqm in 2020. This average turnover level for new floorspace is informed by the latest Mintel '*Retail Rankings'* report, which sets out the published company turnovers for all the main food and non-food retailers in the UK. In this case the average turnover figure of £10,000 per sqm broadly represents the midway point between the higher company average turnovers achieved by the main grocers (including Tesco, Sainsbury's, Asda and Morrisons) and the Limited Assortment Discounters ('LADs') (e.g. Lidl and Aldi), compared with the lower benchmark turnovers recorded by smaller format supermarket operators (e.g. Co-op, Nisa, Budgens, etc.).

9.40 The 'baseline' residual expenditure and floorspace capacity forecasts are summarised in the table below.

Figure 9.6: Convenience Goods Capacity Assessment – Summary (sqm net)

CENTRE TYPE	2025	2030	2035	2038
BASINGSTOKE TOWN CENTRE	39	37	24	15
BRIGHTON HILL DISTRICT CENTRE	30	28	19	11
CHINEHAM DISTRICT CENTRE	41	39	25	15
OVERTON DISTRICT CENTRE	1	1	1	0
TADLEY DISTRICT CENTRE	27	26	17	10
WHITCHURCH DISTRICT CENTRE	4	4	3	2
KINGSCLERE LOCAL CENTRE	2	2	1	1
OTHER LOCAL SHOPS / PARADES	32	30	20	12
OUT OF CENTRE	-1,570	-1,575	-1,612	-1,639
TOTAL CONVENIENCE GOODS CAPACITY	**-1,394**	**-1,408**	**-1,503**	**-1,572**

9.41 The global capacity findings indicate no capacity for new convenience goods floorspace until 2038 influenced by the level of out-of-centre commitments.

9.42 Focussing on individual centres such as the Town Centre and the individual and District and Local Centres the cumulative total identified up to 2025 is 175 sq.m net. This is a marginal quantum met organically through change of use applications and/or extensions to existing stores, without the need to identify larger comprehensive development in-centre or edge-of-centre sites.

[49] Also commonly referred to as *'turnover to floorspace ratios'*.

Comparison Goods Capacity

9.43 We have assumed that new comparison goods floorspace will achieve an average sales density of circa £5,000 per sqm in 2020[50]. This turnover level is informed by the latest Mintel '*Retail Rankings'* report and reflects the published company averages and reported performance of a range of multiple and independent retailers. On this basis, the 'baseline' residual expenditure and floorspace capacity forecasts are summarised below.

Figure 9.7: Comparison Goods Capacity Assessment – Summary (sqm net)

CENTRE TYPE	2025	2030	2035	2038
BASINGSTOKE TOWN CENTRE	-148	-931	-1,366	-1,356
BRIGHTON HILL DISTRICT CENTRE	18	-24	-47	-46
CHINEHAM DISTRICT CENTRE	-76	-127	-154	-154
OVERTON DISTRICT CENTRE	8	4	2	2
TADLEY DISTRICT CENTRE	-23	-68	-93	-92
WHITCHURCH DISTRICT CENTRE	12	8	6	6
KINGSCLERE LOCAL CENTRE	13	10	8	8
OTHER LOCAL SHOPS / PARADES	30	11	1	1
OUT OF CENTRE	-4,301	-4,684	-4,898	-4,893
TOTAL COMPARISON GOODS CAPACITY	-4,467	-5,799	-6,541	-6,523

9.44 As the table above shows, after taking account of all known commitments and allowing for the growth in the '*productivity*' of existing/new floorspace, there is no economic capacity for new comparison goods floorspace in the Borough over the forecast period to 2038.

Capacity Forecasts 'Sensitivity' Test: Higher 'Online' Growth Rate

9.45 To help inform the Council's decision-taking we have tested the sensitivity of the comparison and convenience goods capacity forecasts to changes in one of the key inputs to the CREAT^{e} model. In this case, we have increased the survey derived market share for online shopping by a notional 35%. This is in reflection of the potential change in consumer

[50] It should be noted that average sales levels will vary between different locations, different retail formats and different operators. Where this is the case it will have implications for assessing the capacity for, and impact of new retail floorspace. The local planning authority will therefore need to take this into account when preparing its development plans and when it comes to assessing and determining applications for different operators and different types of retail floorspace in different locations. For example, 'DIY/bulky goods' retailers generally achieve average sales levels below the turnover figures we have tested.

shopping patterns especially arising from the current COVID19 pandemic which may have long term implications. On this basis, the following has been tested:

- Convenience Goods: 2020 survey-derived SFT market share of 2.2% has been uplifted by 35% to 2.9%
- Comparison Goods: 2020 survey-derived SFT market share of 17.7% has been uplifted by 35% to 23.9%

9.46 The impact of the higher SFT rate is set out in the economic tables in **Appendices 11 to 14**. The Borough-wide capacity forecasts are summarised in the table(s) below.

Figure 9.8: Convenience Goods Capacity Assessment: Higher SFT Growth – Summary (sqm net)

CENTRE TYPE	2025	2030	2035	2038
BASINGSTOKE TOWN CENTRE	26	19	3	-8
BRIGHTON HILL DISTRICT CENTRE	20	14	2	-6
CHINEHAM DISTRICT CENTRE	27	20	3	-8
OVERTON DISTRICT CENTRE	1	1	0	0
TADLEY DISTRICT CENTRE	18	13	2	-6
WHITCHURCH DISTRICT CENTRE	3	2	0	-1
KINGSCLERE LOCAL CENTRE	1	1	0	0
OTHER LOCAL SHOPS / PARADES	21	15	3	-7
OUT OF CENTRE	-1,606	-1,627	-1,672	-1,704
TOTAL CONVENIENCE GOODS CAPACITY	-1,487	-1,543	-1,658	-1,740

9.47 As the table shows the higher SFT growth rate reduces the total Borough-wide capacity for new convenience goods floorspace even further by 2038 from -1,572 sqm net to -1,740 sqm net. In relation to the individual centres such as the Town, District and Local Centre(s) the cumulative total identified up to 2025 reduces from 175 sq.m net to 119 sq.m net.

9.48 In relation to comparison goods (**Appendices 15 to 18**), the resulting outcome is the same in that the Borough-wide capacity is reduced even further from by 2038 from -6,523 sq.m net to -11,338 sq.m net.

Figure 9.9: Comparison Goods Capacity Assessment: Higher SFT Growth – Summary (sqm net)

CENTRE TYPE	2025	2030	2035	2038
BASINGSTOKE TOWN CENTRE	-1,518	-3,122	-4,017	-4,181
BRIGHTON HILL DISTRICT CENTRE	-57	-142	-190	-199
CHINEHAM DISTRICT CENTRE	-159	-262	-319	-330
OVERTON DISTRICT CENTRE	1	-7	-11	-12
TADLEY DISTRICT CENTRE	-100	-192	-244	-253
WHITCHURCH DISTRICT CENTRE	4	-4	-9	-10
KINGSCLERE LOCAL CENTRE	6	-1	-5	-6
OTHER LOCAL SHOPS / PARADES	-5	-43	-64	-68
OUT OF CENTRE	-4,976	-5,762	-6,201	-6,281
TOTAL COMPARISON GOODS CAPACITY	-6,804	-9,535	-11,060	-11,338

9.49 The sensitivity testing has highlighted the impact of a higher SFT growth. If this growth occurs there is likely to be a profound impact on the provision of new floorspace and the rise of vacant of floorspace. It is therefore recommended that the Council regularly updates capacity forecasts.

Summary

9.50 This section has assessed the potential (economic) capacity for new retail (convenience and comparison goods) floorspace across the Borough between 2020 and 2038. This shows there is no economic capacity for new convenience or comparison goods floorspace in the Borough over the forecast period to 2038.

9.51 It is important to restate that capacity forecasts beyond five years should be interpreted with caution. This is because they are based on various layers of assumptions and forecasts with regard to changes in the national and local economy; the trading performance of existing centres and stores; the growth in population and retail spending; etc. For example, if the growth in Internet and multi-channel shopping is stronger than current forecasts suggest, then this could further 'dampen' the future demand and capacity for new (physical) floorspace over the long term. The Council should therefore take into account these margins for error when assessing the need for new retail floorspace over the medium term (5-10 years) and long and ultra-long term (10 years plus).

10. COMMERCIAL LEISURE NEEDS ASSESSMENT

10.1 Leisure uses can make a significant contribution to a Town Centre's vitality and viability. For example, a good provision and choice of leisure facilities and uses can help to increase 'dwell times', footfall and turnover in centres, with significant benefits for both daytime and evening economies.

10.2 This assessment necessarily focuses on the following main leisure, entertainment and cultural uses identified by the NPPF (Annex 2). These uses are widely accepted as making a significant contribution to the overall vitality and viability of town centres, and should be located in town centres first in accordance with national and local plan policy objectives.

Use Class:	Use:	Description:
Class A3	Restaurants and cafés:	Defined as selling food and drink for consumption on the premises.
Class A4	Drinking establishments:	Includes public houses, wine bars or other drinking establishments (but not night clubs), and drinking establishments with expanded food provision
Class A5	Hot food takeaways:	Defined as the sale of hot food for consumption off the premises.
Class D1	Non-residential institutions:	Includes art galleries (other than for sale or hire) and museums.
Class D2	Assembly and Leisure:	Cinemas, music and concert halls, bingo and dance halls (but not night clubs), swimming baths, skating rinks, gymnasiums or area for indoor or outdoor sports and recreations.
Sui Generis		Includes theatres, nightclubs, casinos

Source: Town and Country Planning (Use Classes) Order 1987 (as amended)

10.3 It should be noted at the outset that forecasting the need for new leisure uses is more problematic than for retailing, as the sector is highly complex and dynamic. The demand for existing and new leisure uses and facilities is particularly sensitive to changes in economic, demographic, lifestyle and fashion trends. Consequently, the methods and approaches developed to forecast the need for new leisure uses are necessarily more flexible and high level. In this context LSH has developed robust and transparent approaches to assess the needs for new leisure uses based on the following key inter-related workstreams:

- Stage 1: A review of the key trends driving expenditure growth and market demand in the leisure sector over the last decade;
- Stage 2: An audit of existing leisure provision in the Borough and to help identify whether there are significant 'gaps' in provision;
- Stage 3: A review of current leisure participation rates and preferences across the study area based on the results of the household survey; and

- Stage 4: For some leisure uses we have applied a robust economic need assessment based on accepted approaches.

10.4 The following provides a summary of the key trends, current provision and participation in the Borough its main centres and the potential need for new uses and facilities over the plan period.

EXPENDITURE GROWTH & PARTICIPATION LEVELS

10.5 The leisure sector has experienced significant growth in consumer and market demand since the mid-1990s; fuelled by a buoyant economy, growing disposable income and low unemployment levels. Although the sector has not been immune to the impact of the recent economic downturn, leisure and entertainment activities remain an important lifestyle and entertainment choice for many consumers over other areas of spending.

10.6 The table below shows the UK average expenditure per head per annum on commercial leisure services and the average for the Study Area based on Experian data. It shows that UK household spending on leisure services is dominated by the restaurant and café category (including pubs). This pattern is broadly repeated across all the zones.

Table 10.1 Estimates of Expenditure per Capita on Leisure Services in 2020

Zones	Accommodation	Cultural services	Games of chance	Hairdressing salons & personal grooming	Recreational & sporting services	Restaurants, cafes, etc.	Total
Zone 1	£155	£407	£216	£138	£168	£1,376	£2,460
Zone 2	£157	£425	£218	£139	£188	£1,318	£2,446
Zone 3	£150	£414	£260	£138	£158	£1,229	£2,347
Zone 4	£152	£423	£220	£136	£182	£1,302	£2,415
Zone 5	£227	£474	£191	£170	£257	£1,570	£2,889
Zone 6	£219	£466	£216	£169	£223	£1,463	£2,756
Zone 7	£219	£464	£198	£170	£224	£1,469	£2,744
Zone 8	£255	£498	£180	£180	£255	£1,548	£2,915
Zone 9	£316	£571	£183	£211	£318	£1,777	£3,375
Zone 10	£251	£496	£185	£183	£268	£1,596	£2,980
Zone 11	£251	£488	£172	£178	£253	£1,511	£2,854
Study Area (Zones 1-11) Average (£)							
Zones 1 - 11	£214	£466	£204	£165	£227	£1,469	£2,744
(% of Total)	**7.8%**	**17.0%**	**7.4%**	**6.0%**	**8.3%**	**53.5%**	**100.0%**
UK Average (£)							
UK Average (£)	£163	£369	£249	£116	£156	£1,301	£2,354
(% of Total)	**6.9%**	**15.7%**	**10.6%**	**4.9%**	**6.6%**	**55.3%**	**100.0%**

10.7 The table below shows the most recent leisure spend projections by Experian Business Strategies (EBS) as set out in *Retail Planner Briefing Note 17 (February 2020)*. This shows forecast growth for 2020 at 0.9% following a consecutive decline since 2018. This is followed by growth of up to 1% in 2021. In the medium (2022-2026) growth in leisure is forecast at +1.2% per annum with fall to 1.1% over the long term to 2040. This forecast growth is higher than annual average historic growth rates for the period 1997-2018, when there was no growth in leisure spending

Table 10.2: Actual & Forecast Growth in UK Leisure Spend (% per annum)

	2018	2019	2020	2021	2022-26	2027-40
Leisure Spend Growth (%)	-1.5	-0.5	0.9	1	1.2	1.1

10.8 Based on the detailed analysis and forecasts, the total available leisure expenditure in the defined Study Area (Zones 1-11) will increase by almost £184m (+23.1%) between 2020 and 2038, from £609.9n to £793.4bn.

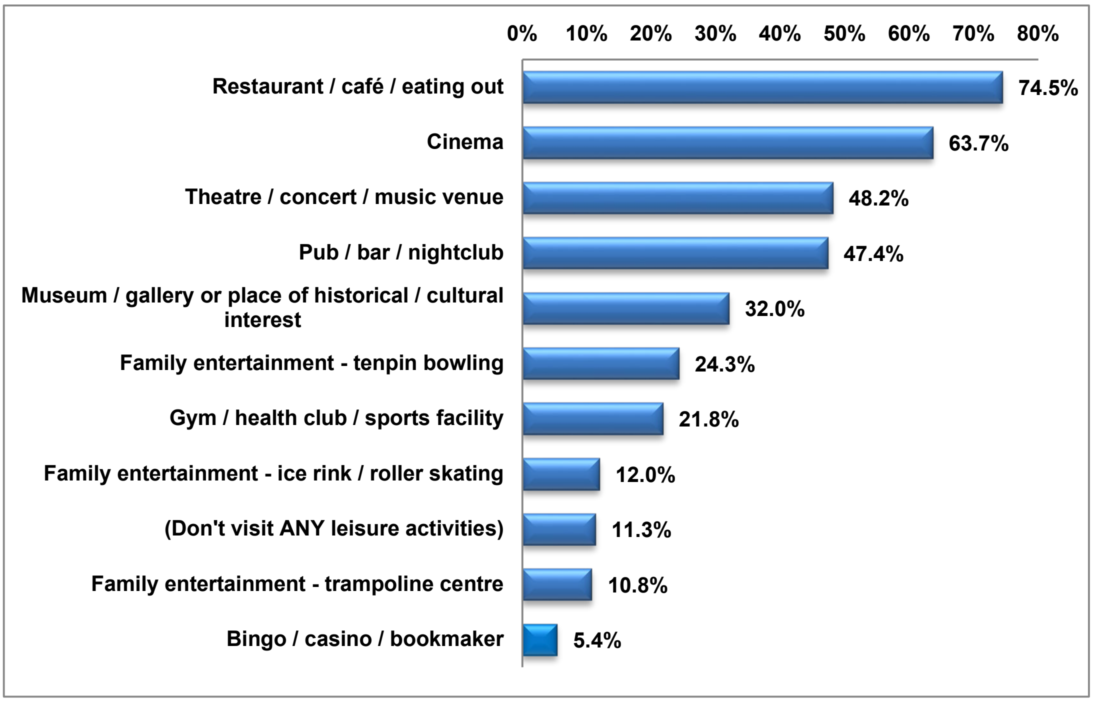
Table 10.3: Total Forecast Growth in Commercial Leisure Expenditure: 2020 – 2038 (£m)

Zone	2020 (£m)	2025 (£m)	2030 (£m)	2035 (£m)	2038 (£m)	Change: 2020-2030 (£m)	Change: 2020-2030 (%)	Change: 2020-2038 (£m)	Change: 2020-2038 (%)
Zone 1	£74.5	£80.9	£86.8	£92.8	£96.6	£12.3	14.1%	£22.1	22.9%
Zone 2	£51.1	£55.7	£60.1	£64.9	£68.3	£9.0	15.0%	£17.2	25.1%
Zone 3	£68.2	£73.8	£79.2	£84.8	£88.5	£11.1	14.0%	£20.3	22.9%
Zone 4	£49.7	£54.2	£58.5	£62.7	£65.4	£8.8	15.0%	£15.7	24.0%
Zone 5	£74.1	£80.7	£87.1	£93.4	£97.5	£13.0	14.9%	£23.4	24.0%
Zone 6	£64.3	£69.5	£74.6	£79.6	£82.7	£10.3	13.7%	£18.3	22.2%
Zone 7	£48.9	£53.0	£57.0	£61.1	£63.4	£8.1	14.2%	£14.5	22.8%
Zone 8	£43.5	£47.0	£50.5	£54.1	£56.2	£7.0	13.9%	£12.8	22.7%
Zone 9	£19.5	£21.1	£22.8	£24.4	£25.4	£3.3	14.3%	£5.9	23.2%
Zone 10	£83.1	£89.4	£95.3	£101.6	£105.5	£12.2	12.8%	£22.4	21.2%
Zone 11	£32.9	£36.1	£39.1	£42.2	£44.0	£6.2	15.9%	£11.1	25.2%
Study Area Total (Zones 1-11) (£m)									
Zones 1 - 11	£609.9	£661.4	£711.0	£761.6	£793.4	£101.1	14.2%	£184	23.1%

10.9 Based on the broad leisure expenditure profile, the majority of the growth in leisure expenditure is likely to be weighted towards eating and drinking out (food and beverage).

10.10 This expenditure profile is broadly reflected by the participation in different types of leisure activities by respondents to the household survey (see figure below).

Figure 10.1: Participation in different types of leisure activities across the Study Area



10.11 The headline results show for:

- **Restaurants:** The majority of respondents across the overall Study Area (74.5%) eat out and this is the most popular leisure activity.
- **Cinemas:** On average, 63.7% visit the cinema within the Study Area.
- **Theatre / Concert**: This was the third most popular leisure activity (48.2%).
- **Pubs and Clubs:** On average, 47.4% of households interviewed visit pubs and clubs within the Study Area
- **Ten Pin Bowling:** 24.3% partake in this family leisure activity.
- **Gyms and Health & Fitness Clubs:** The Study Area average participation rate is 21.8%.
- **Bingo / Casino:** This was the least popular activity of all those recorded, with only 5.4% participating from across the Study Area

CINEMAS

10.12 The UK cinema sector has evolved dramatically since the 1990s when it was dominated by a handful of operators. Today the sector offer ranges from larger multiplexes[51], to smaller independent operators and ‘pop up’ screens in mixed-use venues. The table below sets out some of the main cinema operators in the UK.

[51] In general a multiplex is considered to be any cinema with five screens or more, though some of the largest multiplex sites have as many as 12 or 16 screens

Table 10.4: Main cinema operators in the UK

Operator/ Brand:	No. of Cinemas	Postion	Description:
Cineworld	116	Multiplex	Established in 1995. The first cinema opened in Stevenage in 1996. Acquired the Picturehouse Cinema chain in 2014 (see below). In Cineworld acquired Regal for US$3.6 billion (£2.7 billion), which opened up access to the US market and created the world's second largest cinema group. Cineworld is the leading cinema operator in the UK by box office market share (based on revenue).
Odeon/UCI	120	Multiplex	Established in 1930s. In July 2016, Terra Firma sold Odeon/UCI to the Chinese-owned AMC Entertainment group for £921m.
Vue	93	Multiplex	Established in 2003, following the acquisition of Warner Village for £250m. It has since grown through new development and acquisitions. For example, the owners acquired 7 Ster Century cinemas in 2005 and 15 Apollo cinemas in 2012. In June 2013, the business was sold to Canadian investment firm OMERS Private Equity and Alberta Investment Management for £935m.
Showcase	19	Multiplex	Established in 1986. Owned by National Amusements Inc
Empire	14	Multiplex	Established in 2005, but has its origins in the Empire on Leicester Square which opened in 1884. Formed following the purchase of 11 former UCI and Odeon cinemas for c.£50m that had to be divested by Terra Firma (see above). Cineworld acquired 5 cinemas from Empire in 2016 for £94m, including the flagship cinema in Leicester Square.
Picturehouse (Cineworld)	25	Independent	Established in Oxford in 1989. Differentiated by its unique locations, homely atmosphere, art-house film choices and quirky features like lounge bars and rare snack options. Cineworld acquired the entire chain for £47.3m in December 2012. A new cinema is scheduled to open in Ealing, West London, in 2021.
Reel	10+	Independent	Established in 2001, following the purchase of Curzon in Loughborough. Independently owned and branded as Reel Cinemas Ltd in 2005. Following their acquisition of Apollo cinemas, and to avoid referral to the Competition Commission, Vue sold four cinema to Reel (Fareham, Port Talbot, Burnley and Morecombe).
Everyman	35	Independent	Established in 2000. Acquired the Screen Cinemas chain in 2008 and 4 cinemas from Odeon in 2015. Increased its revenue by 27% in 2018 and opened 7 cinemas in 2019.
The Light	9	Independent	Established in 2007. Has multiplexes in Wisbech, Cambridge, Walsall, Bolton, Sheffield, Stockport, Bradford and Addlestone. Has trialled its first non-multiplex, 3-screen cinema in Thetford, Norfolk, which opened in 2016.
Merlin	17	Indpendent	Established in 1990. Operates 12 cinemas in Devon and Cornwall, and 5 others in Gloucestershire (Coleford), Norfolk (Cromer), Somerset (Wellington), Scotland (Thurso) and Wales (Prestatyn). Cinemas range from one screen (e.g. Tiverton), up to 6 screens (Regal in Redruth).
Movie House	3	Multiplex	Established in 1990. Based in Northern Ireland and acquired the UGC (ex MGM/Virgin) multiplex in Belfast City Centre. Also owns two other multiplexes in Northern Ireland.
Curzon	13	Independent	Established in 1934. Operates 7 luxury 'art house' cinemas in London: Aldgate, Bloomsbury, Mayfair, Richmond, Soho, Victoria and, most recently, Wimbledon. Other cinemas in Canterbury, Colchester, Knutsford, Oxford, Ripon and Sheffield.
Savoy	5	Independent	Based in Nottingham and operates cinemas in the East Midlands: Nottingham, Boston, Worksop, Corby and Grantham.

Source: LSH Research

10.13 Notwithstanding the greater variety and choice in the cinema sector, the three largest cinema operators still account for around 70% of total UK screens, and the six largest operators are collectively responsible for about 85% of the sector. Recent research[52] shows the following key trends in the sector:

- UK box office receipts reached £1.28bn in 2018, which was +0.2% higher than in 2017.
- Total admissions in 2019 stood at 176.1 million.
- Admissions in 2019 were down from 2018 (177m), but higher than in 2017 (170.6m), 2016 (168.3m), 2015 (171.9m) and 2014 (157.5m).
- Total admissions in 2018 (177m) was the highest since 1970. Since records began in 1935 the lowest ever annual cinema admissions was in 1984, at just 54m.
- London accounted for 40m (22.6%) out of the 177m admissions recorded in 2018, followed by 21.7m (12.3%) for the South and South East, 21.3m (12%) for the Midlands, 17.5m (9.9%) for the North West and 15.3m (8.6%) for Yorkshire.
- Of the five major European Union (EU) territories, the UK was the only one that saw an increase in admissions compared with 2017. Attendances were down in France (-4.0%), Germany (-13.9%), Spain (-2.9%) and Italy (-7.0%).
- The number of cinemas has increased from 697 in 2006, to 801 in 2017 and 840 in 2019.
- The number of cinema screens has increased from 3,741 in 2010, to 4,150 in 2015, 4,264 in 2017 and 4,564 in 2019.
- Approximately three-quarters (78.2%) of the screens are in multiplexes.
- The average population per screen in 2019 was estimated to be 14,529.
- The average ticket price was £7.11, which is +21.7% higher than in 2010.

10.14 Although year-on-year admissions and box-office takings are notoriously volatile — driven as they are by the appeal of individual films and principally Hollywood 'blockbusters' — the long-term trend since the mid-1980s has been upward, and has principally been driven by the development of new cinemas. The growth in the cinema sector over the last 10-20 years is even more impressive when one considers that this has occurred against the increase in new and sophisticated in-home entertainment, driven by new technology, choice and flexibility (including, for example, Sky, Netflix and Amazon)

10.15 As the competition in the sector has increased over recent years, cinema operators have responded by introducing changes to the cinema experience, through new innovations in technology, improvements to the auditoriums and the introduction of higher quality refreshments, alcohol and food. For example, Cineworld has installed 'DBOX' seats in selected cinemas, which 'react' to the film and provide a more immersive experience. Vue has also rolled out their innovative '*Evolution*' concept in some cinemas, with luxury seating, beanbags and settees. Odeon has introduced their luxury *'Luxe'* branding into a

[52] Dodona Research; The Big Picture; BFI

number of converted and new cinemas, beginning with East Kilbride in 2017, which has evolved into the opening in 2019 of its premium '*Luxe & Dine'* concept in Islington, north London, which is specifically aimed at adults. Showcase also introduced their '*Cinema De Lux'* branded multiplexes in 2014, beginning with the conversion of its cinema in Bluewater and including their cinema in Reading (Winnersh). This subsidiary brand puts emphasis on customer service, lush décor, high quality food and other high-end amenities. Some 13 other Showcase multiplexes have since upgraded to the Cinema de Lux brand.

10.16 There has also been a growth in smaller (Digital) cinemas serving smaller catchment areas. These Digital cinemas are more flexible and less "*space-hungry*", as they do not require the large auditoriums needed to accommodate traditional projectors. There are therefore opportunities to provide a modern cinema offer in existing (repurposed) buildings, or as part of a mixed use offering. Other trends in the sector include the growth of 'pop-up' cinemas. Although there appears to be no reliable or recent data on the UK 'pop-up' cinema market, it is estimated that there were some 800-1,000 screenings in 2018, with 650+ screenings in London alone. Analysts estimate that the sector has a market value of circa £10m and has the potential to grow at between 20-25% per annum. Luna Cinema is the market leader and is reported to have achieved a turnover of around £3m in 2019 from around 175-200 screenings per year. Other niche operators in this space include Rooftop Film Club London, Backyard Cinema, Secret Cinema, Pop-up Screens and The Nomad Cinema.

10.17 As described previously, the responses to the household survey show that some 63.7% of all households in the Study Area visit a cinema. This was the second most popular leisure activity after eating out (74.5%).

10.18 The main multiplex cinemas in the Borough include the Vue in Festival Place, which has ten screens and approximately 1,790 seats. As the table below shows, Vue attracts on average at least two out three cinema trips (65.5%) by households living within the Study Area. The second most popular venue is the Odeon, Basingstoke Leisure Park, which has capacity of ten screens (approximately 2,170 seats) and attracting 18% of households from the Study Area. Within the Borough the community cinema at Tadley Community Centre (1 screen) attracts a notional 0.1% share from the Study Area. In terms of the main competing centres outside the Borough, these have a penetration rate of 16.4% from the Study Area led by Newbury (5.4% - primarily led by the Vue Cinema in Newbury – 5%).

Table 10.5: Study Area: Market Share

Venue	Study Area
Basingstoke	
Odeon, Basingstoke Leisure Park	18.0%
Vue, Festival Place, Basingstoke	65.5%
Tadley Community Centre, Newchurch Road, Tadley	0.1%
Sub-total: Borough	**83.6%**
Outside Borough	
Andover	2.1%
Wokingham	1.6%
Farnborough	1.5%
Newbury	5.4%
Winchester	1.8%
Aldershot	0.8%
All Other	3.1%
Subtotal-Other	**16.4%**
Total	**100.0%**

10.19 The assessment of the potential need for new cinema provision is based on standard approaches that draw on published national and regional 'screen density' averages (i.e. the number of screens per 100,000 population). According to the latest available research[53] the current UK average is 6.6 screens per 100,000 people, which represents an increase from 6.1 screens in 2014. The equivalent figure for the South East region is 7.4 screens per 100,000 people. This compares with a screen density of 7.3 for London, 6.1 for the West Midlands and 5.3 for the North East.

10.20 The table below shows the potential quantitative need for additional cinema screens based on the Study Area.

Table 10.6: Indicative Capacity for New Cinema Screens

	2020	2025	2030	2035	2038
Potential Cinema Catchment Population	190,352	194,914	198,178	200,992	202,673
Cinema Screen Density (screens per 100,000 persons)	7.4	7.4	7.4	7.4	7.4
Cinema Screen Potential	14	14	15	15	15
Existing Screens	21	21	21	21	21
Proposed Screens: Commitments	0	0	0	0	0
Net Screen Potential	**-7**	**-7**	**-6**	**-6**	**-6**

[53] Dodona Research, Office for National Statistics (ONS) and BFI

10.21 The forecasts show that there is no additional capacity to sustain new cinema screens over the forecast period.

10.22 In response to the question as to what improvements could be made to the leisure offer that would potentially encourage people to participate more in leisure activities; just 0.7% of respondents across the Study Area stated that they would like a new multi-screen cinema and mere 0.1% suggested a new art house cinema.

10.23 Notwithstanding this broad assessment, the market reality is that different cinema operators are actively looking to expand their venue portfolios in the right locations. This demand is being generated by both the larger multiplexes at one end of the spectrum and by the more mid-market and ‘niche/specialist cinema operators at the other end. Therefore, subject to market demand, there could be potential to accommodate a cinema that complements the existing offer. Any demand that does exist should be located in the town centre first to minimise any significant adverse impacts on Vue and Odeon that could arise from a new cinema in an edge or out-of-centre location. Furthermore, although there is no clear screen capacity over the forecast period, opportunities to accommodate ‘pop-up’ cinemas and other new trends in the industry should be explored and encouraged in the town centre as and when the opportunities arise.

EATING AND DRINKING OUT

10.24 The food and beverage (F&B) sector includes restaurants, cafés, bars and pubs (Class A3-A5). These uses are an integral part of a town centre’s wider offer and economy. A good choice and quality of F&B uses can help to complement other town centre uses, by generating trips, stretching ‘dwell times’ (i.e. the time people spend in centres), increasing ‘linked’ expenditure to other shops and businesses as part of the same trip, and strengthening both daytime and evening economies.

10.25 As identified above, the F&B sector dominates average household expenditure and participation in leisure across the Study Area. Spend on F&B is forecast to experience the greatest volume growth up to 2038. In theory, this expenditure growth should support the potential to enhance the scale, quality and choice of Class A3-A5 uses across the Borough and in its main centres, particularly Basingstoke. In reality though, this growth will be determined by current and future trends in the sector and market demand. The table below summarises of some of the current trends that are driving changes in the food and beverage sector.

Table 10.7: Key trends in the food and beverage sector

Use:	Headline Market Trends:
Restaurants	This sector has experienced mixed fortunes during the economic downturn. Some of the key trends driving change in this sector include an increase in '*eating at home*', which has increased sales for takeaways and deliveries. Restaurants are increasingly entering the home delivery market using online third-party delivery companies (such as Just Eat, Deliveroo and Uber Eats). Customers are increasingly basing their decisions to eat out on '*value for money*', but not at the expense of quality in terms of service, food and the overall experience.
Pubs and Wine Bars	Pub operators have widened their food and non-alcoholic beverage offer the last decade, resulting in the growth of so-called "*gastro-pubs*" and, most recently, the rise in 'micro pubs'. Notwithstanding this trend, the sector has also been characterised by increasing consolidation and closures. This is mainly explained by high occupancy costs (e.g. business rates) and beer duty, and changes in consumer demand and drinking habits. Consequently, there has been a significant increase in the conversion and/or redevelopment of pubs to alternative uses over the last decade; including for residential uses and/or convenience retailing (e.g. Tesco Express and Sainsbury's Local). Recent research by CAMRA indicates that some 854 pubs closed in 2018 and there were approximately 41,500 pubs open in early 2019. On a positive note the number of closures slowed from 980 in 2017. This slowdown most likely reflected the impact of new planning policies and the recognition of pubs as *'Assets of Community Value*' (ACV). Nevertheless, the figures for 2018 still represented more than 14 closures per week. Figures from the ONS show that the number of small pubs in the UK (defined as having under 10 employees) has almost halved since the turn of the century; from 38,830 in 2001 to 22,840 in 2018. The latest figures show a slight (+0.4%) increase to 22,925 in 2019, which also probably reflects the impact of policy changes and also the rise of 'micro pubs'.
Cafés and Coffee Shops	This sector has experienced strong growth over the last decade. Latest figures show that the UK coffee shop market comprises some 25,500 outlets and is valued at £10.1bn[54]. Costa Coffee, Starbucks and Caffè Nero are the three largest chains in the UK, with 2,655 outlets and a total market share of 53%. The UK branded coffee shop market is estimated to exceed 10,000 outlets by 2023, equivalent to a 5-year compound annual growth rate of 5%. Notwithstanding the rise of the multiples, this sector has also been characterised by growth in independent and specialist cafés and coffee houses, particularly those serving a more luxury or specialist offer (e.g. organic, in-house roasted beans, and Fairtrade). In the specialty segment, artisan concepts continues to grow (such as 'Department of Coffee' and 'Social Affairs'). Others include London-based 'Grind' and 'Caravan'. The strong independent coffee sector has also fuelled many new start-up businesses in local centres. While many forecasters considered the café market to be saturated a few years ago, the continued growth of the coffee shop market is one of the most successful in the UK economy

10.26 Research shows that the multiple chains mainly dominated the expansion of the F&B sector up to 2017 when they accounted for almost half of all net new business openings. However, since 2017 a number of multiples in the casual dining sector have struggled against a backdrop of increased competition, rising costs and a tightening of consumer spending due to wider Brexit and economic concerns. The reality is that too many F&B operators expanded too quickly into increasingly marginal locations, funded by private equity, and the market became saturated and unsustainable. The growth in the availability, convenience and speed of home deliveries driven by new technology and apps represents a further significant challenge to more traditional F&B operators. Research predicts that the food delivery market in 2020 will have a value of almost £5bn, which represents a growth of +17% since 2018.

10.27 These new challenges and pressures have resulted in a radical restructuring of businesses across the sector, resulting in the closure of many loss-making branches. It is estimated

[54] Source: Allegra World Coffee 2019 (Project Café UK 2019)

that some 1,412 UK restaurants closed in the year to the end of June 2019[55]. This represented a +25% increase on the previous year and was the highest number of insolvencies recorded since 2014, when approximately 750 restaurants closed. Both the larger multiples and smaller independent restaurant operators have been affected. The table below shows some of the higher profile "casualties" over the last two years:

Table 10.8: The "casual dining" sector – trends and "casualties"

Operator/Brand:	Headline Market Trends:
Strada	The Italian restaurant chain has just three restaurants now operating in London after closing most of its restaurants across the UK since 2017.
Jamie's Italian	Jamie Oliver's Restaurant Group which was established in 2008 went into administration in May 2019. It closed 22 out of its 25 restaurants, with the loss of over 1,000 jobs. The brand's only remaining UK operation is trading via a franchise in Gatwick Airport.
Byron Burger	The burger change closed 19 outlets in 2018 under a Company Voluntary Agreement (CVA) after reporting post-tax losses of $47.2m to June 2018. Since then it has undertaken a "complete overhaul" of the design, menu and service in its remaining 53 restaurants. As part of its repositioning, it is also investing in its takeaway and delivery offer, as this contributed a 14% increase in its sales for 2017/18 compared with 4.7% decline in overall like-for-like sales.
Prezzo	Closed over 100 outlets in 2018, resulting in the loss of over 1,000 jobs. This was equivalent to approximately one-third of the chain's restaurant portfolio, which includes Prezzo, Mexico and Cleaver brands and all 33 Chimichanga restaurants.
Carluccio's	In March 2020 the chain was reported to be filing for administration. By way of background, the Italian restaurant group closed 35 of its 105 restaurants in 2018 as part of a Company Voluntary Agreement (CVA), resulting in the loss of some 500 jobs. The operator admitted that its problems stemmed from "*opening too many restaurants in too many marginal sites*". It has since introduced a new business strategy – called 'Project Fresca' – which involves transforming selected restaurants funded by £10m of private investment (including in Richmond) to position the business in the '*premium casual dining'* sector.
Restaurant Group	The Group owns a number of different brands (including Wagamama, Chiquito and Frankie & Benny's). Although Wagamama has performed relatively well, the Group announced in 2020 that it would close up to 90 of its Chiquito and Frankie & Benny's restaurants by 2021. It had previously announced that the closures would be staggered over a 6-year period.
Pizza Express	Operates over 480 outlets in the UK and Ireland, but had a reported debt of over £1bn in 2019. There is speculation that they will be forced to close a number of their poorly performing outlets. However as at March 2019 the operator that there were no plans for closures.
GBK	Gourmet Burger King entered into a CVA in November 2018. It reported operating losses of over £4.5m in the year end to February 2019. It has since closed 24 of its 80 restaurants (including in Hull and Leicester), with the loss of c.250 jobs. This has help to stabilise the business.
Patisserie Valerie	Forced into administration in January 2019 after the fall-out from its debts and an accounting scandal in October 2017. Some 71 out of 200 cafés were closed, resulting in the loss of c.920 jobs. It was bought of out administration by Irish private equity firm Causeway Capital Partners in February 2019 for a reported £5m. The new owners are seeking to reposition the businesses as a 'premium' brand and closed a further 14 outlets in July 2018 that did not fit their vision.

10.28 The coronavirus pandemic is also likely to lead to a further wave of "casualties" in the F&B sector. Experts predict that after a further "shakeout" in the sector only the proactively managed multiple and independent businesses that have strong brand loyalty and/or a

[55] Research by UHY Hacker Young. Reported in The Guardian https://www.theguardian.com/business/2019/sep/16/more-than-1400-uk-restaurants-close-as-casual-dining-crunch-bites

clear differentiated offer will survive. Notwithstanding these trends, there are a number of recent success stories that provide hope for the sector, including Nando's the South African restaurant chain, which recorded bumper sales in 2018/19, and Wagamama. The bakery sector has also benefitted from new brands, including the Nordic-owned Ole & Steen and Gail's Artisan Bakery.

10.29 Pubs and takeaway outlets should also continue to outperform restaurants as they are better positioned to satisfy the demand for lower-cost, convenient meals. For example, McDonalds reported a +5.9% year-on-year growth in global sales in 2019 and opened 40 new sites in the UK in 2019. It is committed to investing £1bn in UK over the next three years, with focus on new openings, refurbishments and improving the "digital experience" for customers. This includes trialling a new "grab-and-go" format with no seating and smaller self-order screens on London's Fleet Street.

10.30 F&B operators, like retailers, will also need to understand and cater for the needs of the changing demographic and consumer market to remain relevant and viable. For example, **Section 3** identified that Millennials (under 35s) make-up almost one-quarter of the UK population and research shows that they spend a substantial 13% of their disposable incomes on eating and drinking out[56]. Looking ahead, by 2025 it is estimated that Millennials will make up over 80% of all parents in the UK, meaning that restaurants, pubs and cafés will also need to evolve and adapt to cater for the changing needs of new 'Millennial families'. This could be driven for example, by increasing emphasis on convenience, affordability, entertainment, uniqueness and the use of technology and apps. Restaurant operators will therefore, as a minimum, need to make sure that they are easy to reach online and on social media with up-to-date menus and strong images, and adapt the latest technologies to drive online booking. It will also mean sourcing more organic, vegetarian/vegan and local sustainably sourced produce that respond to customers' changing tastes and concerns with regard to climate change. For example, figures provided by the Vegan Society indicate that there are approximately 1.7m vegetarians in GB and over 900,000 vegans. Forecasts indicate that vegans and vegetarians could make up a quarter of the British population in 2025[57]. This trend has impacted on the business models and menus of a number of the leading national restaurant and takeaway operators. For example, 'Pret A Manger' has some 400 outlets in the UK and acquired 110 outlets operated by its rival Eat in 2019. Pret plans to rebrand some of the acquired sites as '*Veggie Pret'* to tap into this growth, and the first outlet opened in 2016 in Soho, London, after a month-long 'pop-up' trial.

[56] Foodspark

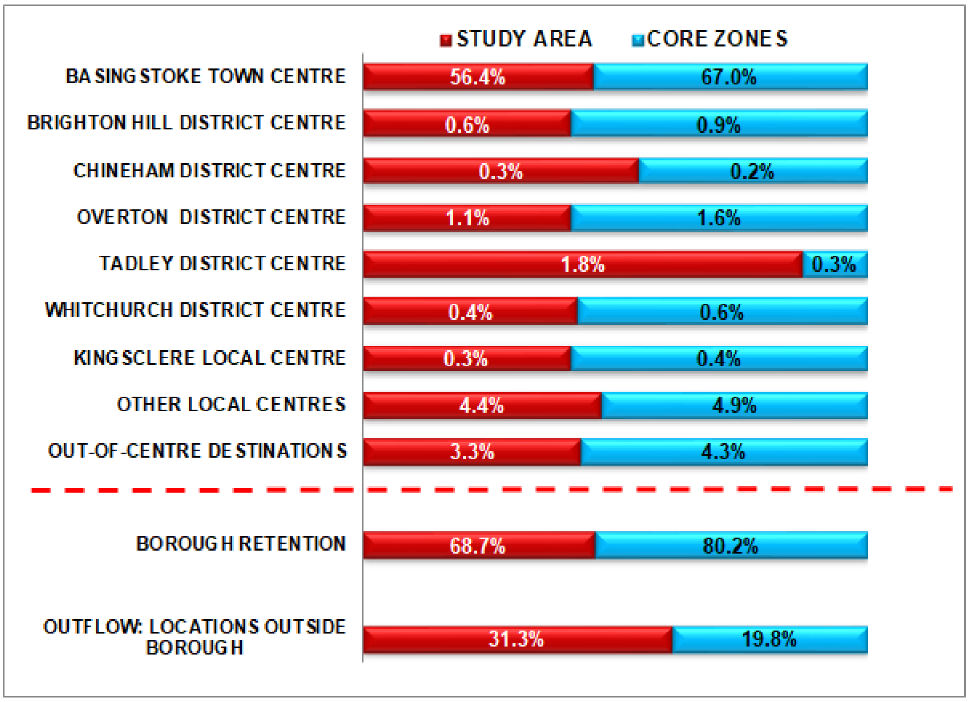
[57] 'Future of Food Report', Sainsbury's.

10.31 There is also the potential for restaurants and pubs to tap more into the growth in home deliveries, with the potential to reach new audiences and increase turnover at quieter times. However, operators will also face the challenge that commissions payable to these platforms are typically in the range of 20-25% of the total order value, with the loss of drink sales also associated with delivered food.

10.32 In this context it is no coincidence that the popularity of street food, market halls and "meanwhile"/"pop-up" restaurants and bars has also coincided with the growth in the spending power and influence of the Millennials. These more informal drinking and eating venues fulfil their desire to experiment and explore different styles of drink, food and new cuisines in exciting new and more informal environments. Trialling a "pop-up" site also represents an opportunity to test a new concept, gain a following, fine-tune details and secure investment before making a long-term commitment. The pop-up concept is also attractive to landlords and property companies who are increasingly nervous about signing long leases following numerous high profile restaurant closures. Examples include the Spanish 'small-plates' restaurant, Pilgrim, which started out with a six-month residency in Hackney before gaining the backing of Graffiti Spirits Group and opening their first permanent restaurant at the group's Duke Street Market which was then under redevelopment in Liverpool. They have since tested the concept further with pop-ups in London and Liverpool allowing them to refine their menus and build an audience.

10.33 The headline results of the household and in-centre surveys provide a further layer of analysis to inform the robust assessment of current provision, potential 'gaps' in provision and future potential needs. As previously, eating and drinking out are popular leisure activities. For example, some 74.5% of respondents visited restaurants and some 47.4% visited pubs and clubs from across the Study area. The survey results for eating out are summarised below.

Figure 10.2: Eating-Out Locations: Market Share (%)



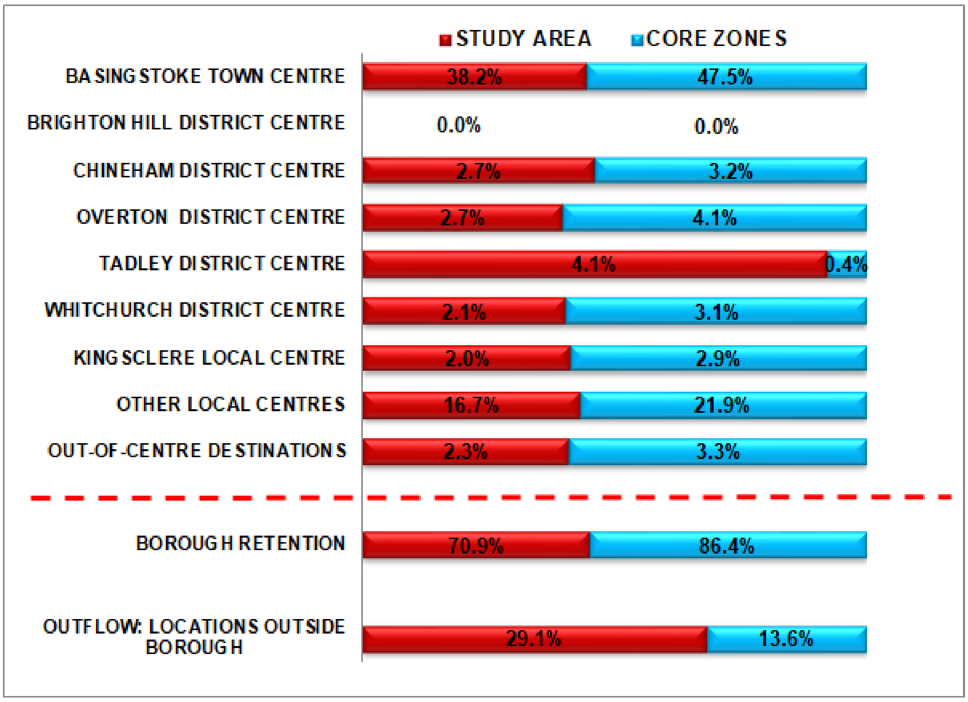
10.34 The headline findings on eating out locations are as follows:

- From across the Study Area, **Basingstoke Town Centre** retains the highest market share of 56.4%, which increases to 67% when focussed on the Core Zones.
- The **District and Local** centres collectively retain less than 10% across the Study Area or Core Zones.
- **Out-of centre locations** also have a nominal retention levels of less than 5% across both the Study Area or Core Zones
- Venues within the Borough collectively **retain** a market share of 68.7% from across the Study Area and 80.2% from across the Core Zones. As mentioned above, Basingstoke town centre contributes significantly to these retention levels.
- In terms of **outflow**, almost a third (31.3%) flows to locations outside when considering the Study Area and up to a fifth (19.8%) in relation to the Core Zones. Key outflow locations (based on the Study Area) include Winchester (6.3%); Newbury (4.7%); Central London (2.8%); Hartley Wintney (2.3%); Reading (2.2%) and Odiham (2%).

10.35 The HTIS also asked the question as to what improvements could be made to commercial leisure offer that would encourage people to participate more. This qualitative gap analysis showed a broadly consistent suggested improvement for more quality restaurants (3.2%) and more nominally for more pavement café’s (0.6%).

10.36 Respondents to the household survey were also asked where they are more likely to go to visit pubs, bars, and nightclubs. The survey findings for these summarised below:

Figure 10.3: Pubs, Bars & Nightclubs: Market Share (%)



10.37 The headline findings on pubs, bars & nightclub' locations are as follows:

- From across the Study Area, **Basingstoke Town Centre** retains the highest market share of 38.2%, which increases to 47.5% when focussed on the Core Zones.
- The **District and Local** centres have a retain level of almost a third (30.4%) across the Study Area and some 35.6% across the Core Zones.
- **Out-of centre locations** also have a nominal retention levels of approximately 2.3% and 3.3% respectively across both the Study Area and Core Zones
- Collectively locations within the Borough **retain** a market share of 70.9% from across the Study Area and 86.4% from across the Core Zones. As with 'eating out' category Basingstoke town centre contributes significantly to these retention levels.
- In terms of **outflow**, almost a third (29.1%) flows to locations outside when considering the Study Area and 13.6% across the Core Zones. Key outflow locations (based on the Study Area) include Hook (3.4%); Odiham (3%); Hartley Wintney (2.8%) and Newbury (1.8%).

10.38 In relation to the question on improvements to the leisure provision, the qualitative gap analysis showed that a mere 0.8% suggested more / better public houses and even lesser proportion (0.2%) suggested more nightclubs.

10.39 As **Table 10.1** shows, the available expenditure for food and drink of £327.6m in 2020 is predicted to increase by 30.1% (+£98.6m) over the forecast period to £426.3m at 2038. There is no robust method for assessing forecast need for A3 and A4 floorspace. While residual expenditure for retail goods can be valued in floorspace terms using 'sales density' multiples, there is no such multiplier for F&B operators. For example, turnover values for restaurant and cafes are typically based on 'covers' (i.e. capacity based on the total number of customers that can be seated) rather than a sales turnover per sqm, while values for public houses and bars are more complex where they are largely based on accounting records.

10.40 Forecasts for expenditure on dining out clearly indicate growth in this sector, albeit much of this growth will account for inflation and will be absorbed by rising operational costs. An appropriate strategy should seek to maintain and, where appropriate, increase this market share over the forecast period. However, given the current crisis, and slowdown in the F&B market, caution should be applied to meeting potential need beyond a five year period.

10.41 In compliance with the objectives of the NPPF, the forecast grow should be directed to the Borough's town centres first, and principally Basinsgtoke, to help increase competition and consumer choice, and to underpin both daytime/evening economies which will invariably gravitate towards Basingstoke town centre. There is also likely to be demand from operators to support new A3 and A4 floorspace in the Borough's district and local centres, particularly for new restaurant and cafes. These uses are particularly important in supporting footfall in smaller centres where especially the role of retail is becoming less viable.

GYMS AND HEALTH & FITNESS FACILITIES

10.42 Notwithstanding the impact of the economic downturn and Brexit on household incomes and confidence, the most recent research[58] shows that the UK health and fitness industry is stronger than it has ever been as measured by number of gyms, membership and market value. The headlines for the 12 month period up to the end of March 2019 show:

- The number of fitness facilities in the UK increased from 7,038 to 7,239 this year (compared with 6,435 in 2016).
- Total membership grew by 4.7% to 10.4 million.
- Total market value increased by 4.2% to £5.1 billion up from £4.4bn in 2016.
- The UK penetration rate increased to 15.6%, up from 13.7% in 2015. In other words, one in every seven people in the UK has gym membership.

[58] *State of the UK Fitness Industry Report* (2019). Leisure DB (formerly the Leisure Database Company). The research is compiled by independent leisure market analysts,

10.43 Gyms and health/fitness facilities make an important contribution to the health and well-being of the population across all age levels. The structure of the UK health and fitness industry has evolved significantly over the last decade to reflect changes in consumer choice and trends. The main operators in the health and fitness sector include:

Table 10.9: Main gym operators in the UK

Operator/Brand:	UK Facilities	Postion	
Pure Gym	250+	Budget	Established in 2009. Acquired all gyms from LA Fitness in 2015. First to achieve one million UK members in 2019. Most locations are open 24 hours and offer cardio equipment, fixed/free weights and exercise classes. No fixed contract and memberships vary by location and club, but average from circa £14.99/month.
Anytime Fitness	166	Budget	24-hour health and fitness club. Membership rates vary by club.
The Gym Group	159	Budget	Established in 2007. 24-hour access. No fixed contract and membership starts from £10.99/month.
Snap Fitness	123	Mid-Market	Established in 2003. A privately owned and operated club.
DW Sports Fitness	120	Mid-Market	Established in 2009 when Dave Whelan purchased the 50 JJB Sports Fitness Clubs and the attached retail stores for £83m.
David Lloyd Leisure	112	Premium	Established in 1982. Provide a family orientated, high quality fitness and leisure facility. Whitbread PLC acquired the company in 1995 for £182m. It is now owned by TDR Capital who paid £750m for the business in 2013.
Nuffield Health	111	Mid-Market	Acquired 35 Virgin Active clubs in 2016 at a reported cost of £80m. Membership rates vary by club and locations, but start from circa £60/month.
Energie Group	100+	Mid-Market	Established in 2003. The first club opened in Leighton Buzzard. Clubs are typically between 5,000-25,000 sqft and comprise a café/ lounge area, fitness area, studio, locker rooms and showers. Many include spa areas, swimming pool, treatment rooms and spinning studios.
Bannatyne's	70	Premium	Established in 1997. Growth driven by new openings and acquisitions; including the purchase of the LivingWell Premier Health club chain from the Hilton Hotel UK Group in 2006. Also operates 37 spas and five hotels across the UK
Exercise4Less	50+	Budget	Gyms are mainly located in the Midlands and North. Gyms in South are in Hounslow, Harlow, Southend, Milton Keynes, Bath and Bristol. Differentiate themselves from competition by offering a full boxing ring and combat classes. Membership starts from £9.99/month off-peak and £15.99/month peak.
Virgin Active	43	Premium	Established in 1999 as part of Virgin Group. Acquired the Holmes Place Chain in 2006 and Esporta in 2011, increasing the UK business to 124 clubs. Subsequently sold 25 clubs to Nuffield Health in 2016 and 15 clubs to David Lloyd in 2017.
JD Gyms	39	Mid-Market	30 gyms were operating in Spring 2020. Nine others are scheduled to open in Blackburn, Chatham, Dundee, Glasgow, Newcastle-under-Lyme, Norwich, Oldham, Sheffield and Wakefield. No contract and membership starts from £19.99/month.
Sports Direct	21	Mid-Market	Gyms in Glasgow, Cheltenham, Fareham, Guildford, Lincoln, Liverpool, Manchester and Rugby. Memberships starts from £9.99/month.
Fitspace	20	Specialist / Boutique	A "*boutique concept*" which can operate in space ranging from 2,000-5,000 sqft. Includes gyms in Ascot, Battersea, Guildford, Epsom, Milton Keynes, Wantage and Woking.

Total Fitness	17	Mid-Market	Its 17 clubs are concentrated in northern England. Membership at any Total Fitness club allows access to any other Total Fitness club
Easygym	16	Budget	Plans to open 50 new gyms in London over the next 5 years. Their business model is based on franchise partners using the brand and operating sites. Membership fees vary by club and location, but start from £8.99/month outside London.
TruGym	12	Budget	Established in 2010 in Kent, where there are 4 gyms (Folkestone, Maidstone, Chatham and Bromley). It operates other gyms in Uxbridge, Luton, Peterborough and Boston, and its coverage extends to Stockton and Plymouth. No contract options. Membership starts from £14.99/mth
SimplyGym	11	Budget	Gyms in Bedford, Cheltenham, Coventry, Crewe, Kettering, Reading, Swindon, Walsall and Wrexham. Some gyms have spa areas, featuring saunas, steam rooms, aromatherapy and sun beds. No contract options and membership starts from £16.99/month.
Fitness4Less	9	Budget	Gyms in Bristol, Colchester, New Malden, Southwark, Worcester, Canning Town, Northampton, Watford and London Cambridge Heath. Gyms are fully staffed and include sauna/steam rooms. No contract options and memberships start from £15.99/month.
Gold's Gym	4	Specialist	Established in 1965 in Venice Beach, California. Specialist American-owned gyms that provide a variety of cardio and strength training equipment as well as group exercise programs. They operate gyms in Harrow, Dagenham, Hounslow and Hanwell.

Source: LSH Research

10.44 The value and budget gym operators have experienced the most significant growth in the sector in recent years. According to figures by *Leisure DB,* budget gyms now account for over one-third of gym memberships in the UK. The budget business model is normally based on 24-hour opening, discounted monthly subscriptions (ranging from £9.99 up to £20), '*pay-as-you-go'* rather than 'upfront' annual memberships, and gym-goers providing their own towels, toiletries and locker padlocks for the lockers. The popularity of the budget gyms is best reflected by the rapid expansion and success of Pure Gym since it was founded in 2007 (which is located in The Atrium), along with relatively new entrants to this sector (such as Fitness4Less, Fitspace, TruGym, and SimplyGym). As a result the budget gym sector is becoming increasingly "*crowded*" and competitive, and operators are constantly striving for differentiation. Beyond further lowering membership prices, these operators are updating their training offer and technology to create better consumer experiences. For example, Energie launched a new group-based training concept called the YARD in 2017. This contrasts with Xercise4less, which has a timetable of over 30 classes more typically expected of a premium offer. Amid this differentiation in a crowded budget fitness sector, others will have to follow suit in order to keep pace, and attract new members. As a result we anticipate that there will be some restructuring and consolidation within the budget gym sector as the market evolves.

10.45 The growth of the budget gym operators has 'squeezed' the memberships and viability of some of the mid-market chains, such as LA Fitness and Fitness First. This has resulted in the increasing polarisation of the gym sector between the budget operators at the value end of the spectrum, and the more exclusive health and fitness centres at the higher, more expensive end. As a result, analysts predict that those mid-market gym operators that are neither very cheap nor particularly exclusive will struggle to maintain market share in the competitive market place unless they revise their business models. At the same time, the middle-ground could be further squeezed by the current London-focused dynamic of boutique, class-based studios and more upmarket offers that could expand outside of London in the right locations. Furthermore, as operators compete against the *"at-home fitness*" revolution (e.g. Peloton), boutique studios and tech-enabled fitness, they will need to evolve to be more than *"just gyms*". As with trends in the retail sector, experiences and entertainment will be key to attracting and retaining customers. For example, there has been continued investment into *'fitness-tainment'* over the last few years and analysts predict that there is still plenty of opportunity for creativity and future growth.

10.46 In this context, the table below shows some of the main public and private gyms and leisure facilities in the Borough at the time of preparing this study.

Table 10.10: Basingstoke Borough: Key Gyms and Leisure Facilities

Gym / Leisure Facility	Address	Commentary / Facilities
Public / Community Run Facilities		
Basingstoke Aquadrome	Worting Rd, Basingstoke RG22 6PG	A 20m pool with variable floor, 25m competition pool, children's area, fitness studio and health spa.
Basingstoke Sports Centre	Festival Place, Basingstoke RG21 7LE	Community sports facility with pool, gym, exercise studio, squash courts and a mixed-use hall.
Everest Health & Leisure Club	Oxford Way, Sherborne Saint John, Sherborne St John, Basingstoke RG24 9UP	Part of community educational trust.
Queen Mary's College Sports Centre	Cliddesden Rd, Basingstoke RG21 3HF	Facility based on the campus of Queen Mary's College. The centre provides a fitness suite, 23m swimming pool, fitness studio, sports hall, gymnasium, sand-based astro pitch and 3G football pitch.
Tadley Pool	New Rd, Tadley RG26 3LA	A six lane 25m pool with gym.
The Active Life Centre	Stephenson Rd, Basingstoke RG21 6XR	Gymnastics classes and circuit training.

Privately Run Facilities		
Anytime Fitness Basingstoke	Crown Heights, Alencon Link, Basingstoke RG21 7SY	National gym operator.
Aspects of Fitness	550 Worting Rd, Worting, Basingstoke RG23 8PU	Independent gym operator. Memberships start at £38 per month.
Bailey's Gym	West Ham Industrial Estate, Grafton Way, Basingstoke RG22 5EE	Independent gym operator. Memberships start at £38 per month.
Beechdown Health & Fitness Club	Beechdown Park, Winchester Rd, Basingstoke RG22 4ES	Privately owned and run fitness club.
Complete Performance	3 Whitney Rd, Basingstoke RG24 8NS	Independent gym operator. Memberships start at £32.50 per month.
CrossFit Basingstoke	7 & 8 Joule Rd, Basingstoke RG21 6XH	Independent gym operator. Memberships start at £32.50 per month.
DW Fitness First Basingstoke	Chineham Business Park, Spindlewood, Stag Oak Ln, Chineham, Basingstoke RG24 8NN	National gym operator.
Elite Bodyworks	Bessemer Rd, Basingstoke RG21 3NS	Privately owned and run fitness club.
Fitness Flex	6 Brighton Hill, Basingstoke RG22 4EH	Privately owned gym club.
The Fitness Experts	Viables Business Park, ITT Site, Jays Cl, Basingstoke RG22 4BA	Privately owned gym facility.
The Gym Basingstoke	Unit 3a St Michaels Retail Park, Winchester Rd, Basingstoke RG22 4AN	National gym operator. Open 24 hrs.
The Ministry Gym	1, Chineham Point, Crockford Ln, Chineham, Basingstoke RG24 8NA	Independent gym operator.
Village Gym Basingstoke	Basing View, Basingstoke, RG21 4EA	Part of the Village Hotel chain

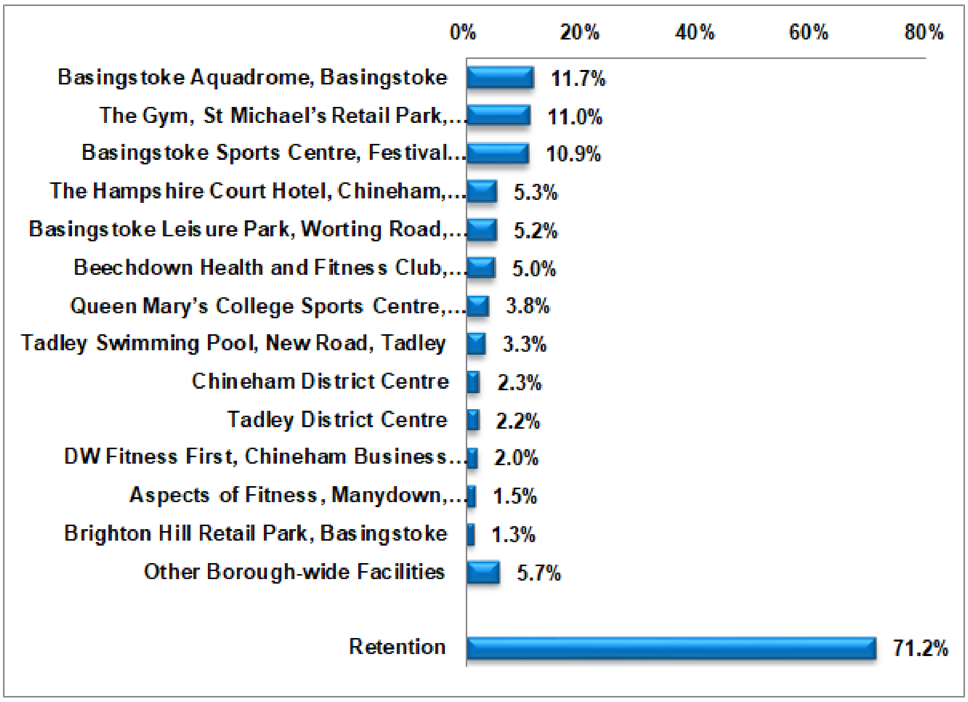
Source: LSH Research

10.47 There appears to be a relatively good choice of gyms and leisure facilities across the Borough. There are a number of smaller independent and community run gyms and fitness studios that meet the health and fitness needs of their local communities. However, it is noticeable that there is only of the new 'wave' of 24-hour budget operated gyms highlighted in the previous table. There would therefore appear to be potential to accommodate more of these operators in the Borough and its main centres, subject to market demand. This is confirmed by recent published market demand listings, which show a requirement from Snap Fitness, Bannatyne and Fitness4Less for space in the South East including, potentially, Basingstoke.

10.48 The results of the household survey provide a further layer of analysis to inform the robust assessment of current participation levels in the Borough and the market share of existing facilities, as well as any potential 'gaps' in provision.

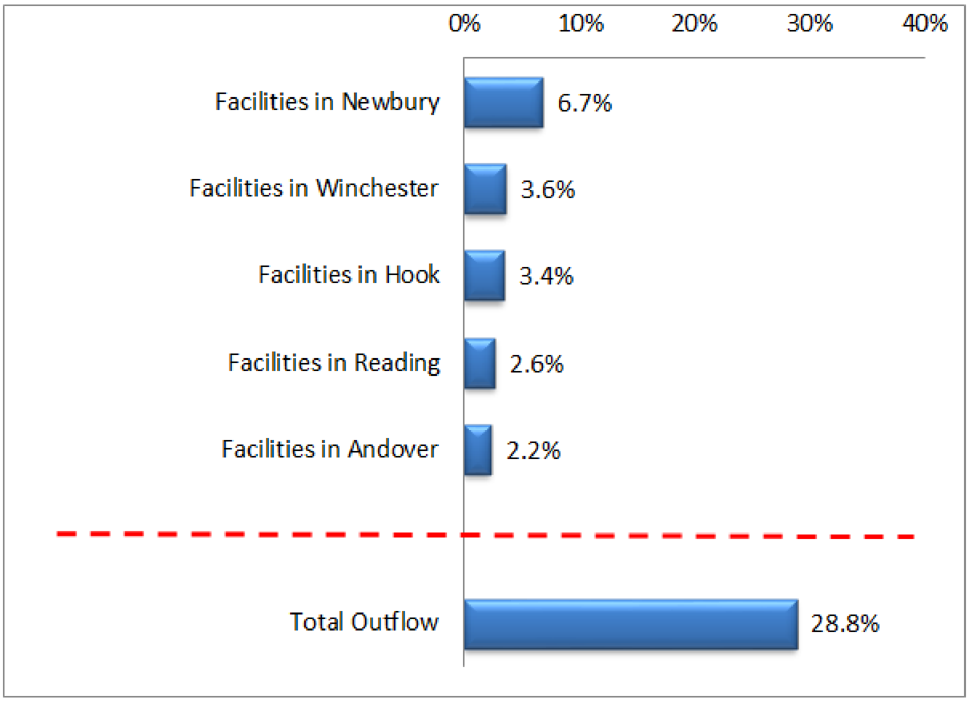
10.49 The survey indicated that 21.8% of the study area respondents visit a gym, health club, or sports facility. The chart able below illustrates the retention levels of the health and fitness facilities at 71.2% with Basingstoke Aquadrome being the most popular (11.1%) followed by The Gym (St. Michael's Retail Park) and Basingstoke Sports Centre (10.9%).

Figure 10.4: Gym, Healthclub, Sports Facility: Borough Retention from Study Area (%)



10.50 In terms of leakage to other centres, from within the Study Area the overall outflow is 28.8% with leakage to facilities in Newbury being the highest:

Figure 10.5: Gym, Healthclub, Sports facility: Leakage (%)



10.51 The Study Area population is estimated to increase by +2,044 persons between 2020 and 2030 and by +3,218 by 2038. Assuming that a similar gym/health club participation level would apply to the new population as has been identified for the Study Area (i.e. 21.8%) this would equate 5,294 potential new gym members over the ten year period. Based on average membership levels for major gym operators (2,897 members) and budget gym operators (3,452 members), the anticipated uplift in the population over the period to 2038 could support one gym.

10.52 In relation to the question on improvements to the leisure provision, the qualitative gap analysis showed that a mere 1% suggested more / better health clubs / gyms.

10.53 The delivery of new gym facilities will be dependent on market demand from operators seeking space in the Borough and its main centres. As previously indicated, there are recorded requirements from three gym operators (Snap Fitness, Bannatyne and Fitness4Less) seeking space. Meeting needs over the plan period will also need to take account of the changes in the Borough's demographic profile. Facilities, clubs and classes will need to cater for an aging population, and the different expectations of the Millennials and Generation Z groups. This may also drive the growth in demand for more specialist, niche and boutique gym offerings that specifically cater for the needs of different age groups and can sustain smaller membership levels.

GAMBLING

10.54 Gambling represents a significant component of the leisure industry. The main sectors of the gambling industry comprise 'games of chance', namely bingo clubs, casinos, betting shops and amusement arcades. The sector has experienced significant growth and dynamic structural changes over the last decade. The latest research[59] figures show that the gambling industry in Great Britain generated a Gross Gambling Yield (GGY) for the year end to March 2019 of £14.4bn. This represented a +4.2% growth from the 2017 GGY of £13.8m. Remote (online) gambling accounted for £5.3bn of total GGY, equivalent to a market share of 37.1%, and the national lottery accounted for a further £3.1bn. The growth of remote and online gambling, alongside changes in regulations reducing maximum stakes for slot machines, has resulted in the fifth consecutive year of decline in betting premises and a -10% fall in the GGY of casinos to March 2019.

10.55 The following assesses the main trends in this sector, current provision in the Borough and the potential need/demand for new uses and facilities.

Bingo

10.56 The latest statistics[60] show that the Bingo sector achieved a total turnover of £1.03bn to year-end March 2019. Total turnover has fallen by almost 30% over the last decade, from £1.43bn in March 2009. The total number of licensed premises has also fallen from 710 in 2014 to 651 in 2019. Gala Leisure (129 premises) and Mecca Bingo (88 premises) are the leading operators in the UK and accounted for one-third (33%) of all premises in 2019.

10.57 In response to falling admissions, bingo operators are increasingly taking advantage of the online market and embracing smart-phone technology through new 'app' development. This forms part of a wider trend and growth in 'remote/online' gambling, which includes gambling activities through the internet, telephone, radio, etc. Bingo operators are also increasingly looking to diversify their customer profile, and are marketing their clubs at a younger, predominantly female audience. As a result there has been an increase in the number of younger and more affluent bingo players over recent years, particularly as deregulation has enabled clubs to offer bigger (national) prizes. At the opposite end of the scale, research[61] shows that 55-64 age group has generated the biggest growth in online gambling as more mature bingo players switch to online bingo sites, as they grow in confidence with the new technology.

[59] The Gambling Commission – Industry Statistics (November 2019)

[60] The Gambling Commission - Industry Statistics (November 2019)

10.58 The growth in online gambling and gaming is reflected by the fact that there are is only dedicated commercial bingo hall in the Borough namely Buzz Bingo (Basingstoke Leisure Park) though there are likely to be more informal bingo evenings in some of the clubs and pubs across the Borough.

10.59 The household survey confirmed that only 5.4% of households in the Study Area (Zones 1-11) participate in Bingo as a leisure activity. The key location for this activity is Buzz Bingo (Basingstoke Leisure Park) which attains an overwhelming 82.7% of market share from the Study Area.

10.60 As for other leisure sectors there is limited evidence of market demand for new bingo halls or venues in the Borough. Notwithstanding this, it is recognised as a town centre use and should demand rise then new investment and development should be directed to the town centres first, and specifically Basingstoke town centre, in line with national and local plan policy objectives.

Casinos

10.61 The latest figures published by the Gambling Commission show that casinos achieved a GYY of £1.059bn in the year end to March 2019. Although this was 10% down on GGY for 2018, there has been a circa 85% increase over the last decade from £751.1m in 2009.

10.62 Casino attendances in Great Britain were estimated to be 19.24 million in 2017/18, which was down on attendances in 2014 (20.99m) and 2015 (20.44m). The figures show that London casinos had the highest attendances (5.74m), followed by the North (5m), Midlands and Wales (3.72m), the South (3.18m) and Scotland (1,45m).

10.63 There were some 154 casinos in 2019 and the number of venues has increased steadily from 143 in 2009. The casino sector is dominated by two companies: the Rank Group with 67 venues has a 44% market share and Genting UK has 44 venues and a 29% market share. There has been some consolidation of the sector in the past few years, such as Rank Group's purchase of Gala Coral Casinos.

10.64 There is no dedicated casino venue in the Borough though it is noted that slot machines are available at the Buzz Bingo (Basingstoke Leisure Park). The other venues closest to the Borough are the Genting and Grosvenor Casinos in Reading and the choice of venues in London. Any need for new casinos in the Borough will be driven by market demand from operators and at present it is our judgement that the town does not have the critical mass of uses or catchment to support a formal Casino offer. Where demand does arise over the

[61] Gambling Commission (February 2019). Gambling Participation in 2018: behaviour, awareness and attitudes – Annual Report.

plan period it should be directed to town centres first, principally Basingstoke in this case, in line with national and local plan objectives.

Betting Shops

10.65 There were some 8,320 betting shops in the UK in March 2019. William Hill accounts for 27% (2,264) of all premises, Ladbrokes has a 22% share (1,828 premises), Tote's market share is 19% (1,620) following its purchase of Betfred, and Gala Coral Group's share is 18% (1,529).

10.66 Regulatory changes in 2015 led to a fall in revenue and profit resulting in fall in the number of active premises from 9,111 in 2014. As gambling activities continue their shift to online channels, so the demand for physical outlets will inevitably dampen in the future and betting shops will inevitably close. Notwithstanding this, the presence of betting shops in high streets is a contentious issue in any case due to the perceived social and economic impacts on households. The Government has recognised that betting shops have specific impacts and in 2016 reclassified their use from Class A2 to 'Sui Generis'. This reclassification means local authorities have greater planning powers to manage the number of outlets and therefore greater potential to limit impacts.

10.67 There are three betting offices in Basingstoke Town Centre operated by Ladbrokes, Betfred, Paddy Power and Coral.

10.68 In our judgement, there is no demonstrable need to increase the number of betting shops to improve competition and choice at the local level. This reinforced by the responses to the question on improvements to the leisure provision, where the qualitative gap analysis showed no respondents suggesting a bingo or casino.

10.69 Any market demand and proposals for new betting shops will need to be determined on a case-by-case basis and should be directed to the town centres first in accordance with national and local plan policy.

FAMILY ENTERTAINMENT USES

10.70 Other commercial leisure facilities can be grouped together under 'family entertainment venues' ('FEV'). These FEVs appeal to adults and children and established activities in the UK include tenpin bowling, roller skating, ice skating, and similar uses.

10.71 Within the Borough this incudes:

- **Hollywood Bowl** - 26 bowling lanes;
- **Planet Ice** – a full size ice rink;
- **Flip Out** – trampoline venue;
- **iFLY** – indoor skydiving; and

- **Skizone** - Indoor dry ski slope facility.

Tenpin Bowling

10.72 Tenpin bowling is possibly the most popular activity in the 'family entertainment' sector. After a period of decline in the 1970s, there are now 316 venues in the UK according to Mintel figures. The UK tenpin bowling market was valued at £285m in 2017. This represented a +9.7% year-on-year growth, and was higher than the +6.7% growth recorded in 2016. It also marked the fifth consecutive year of growth.

10.73 The growth of this sector has been largely fuelled by the development of large entertainment 'boxes' and leisure parks at one end of the spectrum, and smaller independent specialist bowling facilities at the other end. A number of the successful bowling facilities opened over the last 15-20 years tend to form part of larger leisure complexes that include multi-screen cinemas, restaurants and nightclubs. The critical mass of leisure uses "*under one roof*" help to underpin the viability of tenpin bowling centres, as they tend to struggle as standalone destinations. The sector is evolving from old-style bowling alleys, to modern, multi-generational entertainment centres where bowling is blended with other forms of activity alongside an enhanced dining offer. Most of this market growth is being driven by the following two leading operators:

- **Hollywood Bowl:** Formed in August 2010 when AMF Bowling merged with Hollywood Bowl. It is now the clear market leader in the tenpin bowling sector. It operates 59 venues under the Hollywood Bowl, AMF and Bowlplex brands. It has led the way in making bowling more family friendly, investing heavily in both product (such as VIP lanes and virtual reality) and service to reduce costs and drive sales. The bowling centres are located across the UK and some three-quarters are in retail and leisure parks. Hollywood Bowl's expansion is more orientated towards opening new sites, including new venues in Dagenham and Yeovil.
- **Ten Entertainment**: Operates 44 venues and, in contrast to Hollywood Bowl, its growth strategy is focussed more on acquisitions of distressed assets than opening new venues, and then modernising the facilities to drive growth and value. It has repositioned its business over the last six years and has transitioned away from the late night/nightclub type of operation towards more family-orientated venues. Research indicates that this strategy is working, with the market share of family trips increasing from 27% to more than 40% of visitors over this period.

10.74 There are a number of other smaller independent and specialist operators in this sector, including **All Star Lanes**, which operates five bowling venues, of which four are in London (Brick Lane, Holborn, Stratford City and White City) and the other is in Manchester

(Deansgate). It is largely targeted at the corporate/private hire market. **Bloomsbury Bowl Lanes** also operates from smaller venues with sites in Bloomsbury (8 lanes) and Bristol (5 lanes). The company offers a 1950's American-themed bowling venue with ancillary karaoke rooms, venue rooms for hire, DJ booths, bars, a small cinema and a venue for bands and live performers/comedy nights.

10.75 It is estimated that the 316 venues in the UK represents approximately four venues for every one million people, which compares with 13 per 1m in the USA. This implies that there is scope for additional capacity in the UK in the right locations, subject to market demand.

10.76 Within the Borough the key venue for bowling is the Hollywood Bowl with 26 bowling lanes. The results of the household survey show that 24.3% of respondents across the wider study area (Zones 1-11) participate in tenpin bowling.

10.77 Hollywood Bowl is the most popular venue with a 51.8% market share from the Study Area. Additionally, the market share for Basingstoke Leisure Park (at which Hollywood Bowl is located) has a market share of 30.3% and some of the market share for this venue is likely to be attributed to this activity.

10.78 The current provision and participation levels confirm that there is a good provision of tenpin bowling venues across the wider study area and the Borough's population is well served by Hollywood Bowl in Basingstoke. Any future need over the plan period will be market led and should be directed to the town centre first in line with national and local plan policy objectives.

Ice Skating

10.79 These range from permanents venues owned and operated by local authorities and/or the private sector, to temporary ice rinks in centres, retail outlets and leisure destinations normally over the Christmas period. These venues can help to generate new trips and increase footfall, dwell times and expenditure in centres to the benefits of other shops and businesses.

10.80 Within Basingstoke, **Planet Ice** provides a full size ice rink with ice shows and disco sessions alongside the usual skating, and including food and beverage options. It is part of UK's largest ice rink operator with 14 venues.

10.81 The results of the household survey show that 12% of respondents across the wider study area (Zones 1-11) participate in this activity. Planet Ice registers a 2.8% market share from across the Study Area. In response to the question as to what improvements could be made to the leisure offer in the Borough area, some 2.2% suggested improving the ice rink.

Trampoline Parks

10.82 Since the opening of the first indoor parks in the UK in 2014, trampolining has become one of the UK's fastest growing sport and leisure trends. It is estimated that there were some 150 parks in the UK in 2017/18, with the potential capacity for between 250-300 parks before saturation is potentially reached. This mirrors the growth in the United States and Australia, where parks first emerged in the early to mid-2000s. There are an estimated 800 venues in the US. The main operators in this sector include:

- **Oxygen Freejumping**: Its growth has been driven by opening parks in Acton (West London), the O2 in Greenwich, Croydon, Derby and Southampton. It also acquired Air Space in 2017, a subsidiary of the high wire adventure company Go Ape, in a multi-million pound deal funded by a London-based private investment company. Air Space had three parks in East Kilbride, which opened in November 2014, Stevenage and Wolverhampton. However Oxgen subsequently closed the park in East Kilbride in June 2018 and the Wolverhampton park closed in December 2018 due to "*trading difficulties*".
- **Ryze:** The Scotland-based operator currently operates three parks in Edinburgh, Glasgow and Dundee. The Edinburgh park is located in the Mayfield Industrial Estate in Dalkeith and covers 1,208sqm (13,000 sqft). The Glasgow park extends to 929 sqm (10,000 sqft) in a former warehouse in Kinning Park
- **Gravity Active Entertainment:** The Castleford-based operator has 11 parks, mainly as part of existing shopping or adventure centres. Its venues include the Xscape in Castleford and Milton Keynes, Rockingham Leisure Park (Corby), Bluewater Shopping Centre, Fountain Park (Edinburgh), Soar Braehead (Glasgow), St Stephen's Shopping Centre (Hull), Cardigan Fields (Leeds), Lockmeadow Entertainment Centre (Maidstone), Sol Central (Northampton) and Riverside Entertainment Centre (Norwich).

10.83 The public sector is also investing in this activity. For example, Eastbourne Borough Council, Waltham Forest Council and Tameside Metropolitan Borough Council in Manchester are just three of the many local authorities that have invested in indoor trampoline parks as part of their leisure provision. At Tameside, for example, the new *Total Adrenaline* trampoline park, which opened in November 2016, forms an important part of a £20m investment project that aims to get people more physically active.

10.84 Research shows that, on average, over one-third of *"jumpers"* are aged between 6-10 years and over one-quarter are aged between 11-15 years. These younger age groups require a parental guardian or authorised person for entry and, as a result, the trampoline venues are attracting wider families and groups, who are generating 'spin-off' expenditure to other uses and facilities both within and outside the venues.

10.85 In response to the broad range of “jumpers”, not just the young, trampoline parks are increasingly offering a range of activities and experiences that cater to the needs of a broader demographic, including dodge-ball tournaments, rock-climbing, ninja courses, laser tag and other social events.

10.86 The results of the household survey show that 10.8% of respondents across the wider study area (Zones 1-11) participate in this activity. Within the Borough provision is in the form of Flip Out (Festival Place) and Atmosphere Trampoline Park (part of the Active Nation charity located Daneshill Industrial Estate). Flip Out registers a 4.2% market share from across the Study Area whilst Atmosphere a 0.3% market share.

10.87 We are not aware of any requirements from other trampoline operators for the Borough, although recent trends have seen trampolines introduced into vacant and repurposed shop units. This may represent a potential opportunity to “refresh” the offer in the town centre.

CULTURAL ACTIVITIES

10.88 Cultural activities include a broad range of activities focused on the arts and historic attractions. This assessment is concerned with the provision and potential need for theatres and museums in the Borough.

10.89 The household survey results indicate good levels of participation for both visiting theatres, concerts and music venues and also visiting museums, galleries and place or historical or cultural interest. However visiting theatres, concerts and music venues is more popular than cultural venues (Study Area: 48.2% vs 32.1%).

10.90 The household survey shows from across the Study Area that Anvil Arts Centre, Basingstoke retains a dominant market share of 46.1% followed by The Haymarket Theatre at 12.5%. Central London is the key outflow location with a market share of 12.5%.

10.91 With regard to museums, galleries or other place of historical and cultural interest venues the key venues are Milestones Museum with market share of 18% followed by the Willlis Museum at 16.8%. As with theatres category, Central London remains a key outflow location with a market share of 54.7%. In response to the question as to what improvements could be made to the leisure offer in the Borough area only 0.5% stated the need for a theatre. This is a reflection of the existing provision of a theatre and concert hall in the town centre.

POTENTIAL IMPROVEMENTS

10.92 The preceding analysis has provided an indication of qualitative gaps in provision as highlighted by respondents. The table below extends this to set out the top ten most cited suggested improvements made by respondents from the study area in relation to increase leisure participation.

Figure 10.11: Top Ten Suggested Improvements for Leisure Participation

	Suggestion	%
1	(Nothing)	65.7%
2	(Don't know)	8.8%
3	More quality restaurants	3.2%
4	A swimming pool	2.8%
5	More local sports & recreation facilities	2.8%
6	More for children	2.5%
7	Cheaper prices	2.4%
8	Ice rink / improve/keep the current ice rink	2.1%
9	More better parks / green spaces	1.1%
10	Rock climbing wall	1.1%

10.93 In the majority the results of the survey indicates that respondents living in the Study Area are satisfied with existing provision given that 'nothing' was the most frequent response given. Although, it is noted that there is scope for quality restaurants, additional children's provision and more green space.

Summary

10.94 The commercial leisure industry is a dynamic and evolving sector, but like the retail sector it is facing significant challenges and pressures from changes in the economy, policy and consumer trends. It is clear, for example, that consumers are becoming increasingly selective in terms of where and how they spend their disposable income on discretionary leisure. The growth in "at-home" entertainment and activities, particularly screen-based entertainment, and the growing share of home deliveries represents a further challenge for town centres and leisure operators to attract customers and particular younger generations away from their homes and screens.

10.95 Our review of the Borough's commercial leisure sector and offer, and the results of the household survey, has highlighted that Basingstoke Town Centre and the provision at Basingstoke Leisure Park provides a strong leisure offer, principally focussed around the cafés, restaurants, gyms cinema, tenpin bowling, gym, trampolining and ice skating. These activities are complemented by good participation in cultural activities at the Anvil Arts and The Haymarket Theatre. Notwithstanding this, there is potential to review, refresh and expand the leisure offer over the plan period dependent on market demand and changing consumer tastes and trends. It is important to stress that as we emerge from the current COVID19 crisis both consumer demand and the real world market demand from operators will play a key part in the future need for leisure floorspace and as such should be monitored on a regular basis.

10.96 In terms of addressing future needs, we also consider that the Borough could benefit from additional family venues and activities.

10.97 In the current climate the area generally benefits from diverse cultural activities need to be maintained and promoted in order to attract further visitors to the area and to help attract all-year trips.

10.98 In broad terms, demand for leisure operators should be directed to the Borough's town centres first, and principally Basingstoke, to help increase competition and consumer choice, and to underpin both daytime/evening economies.

11. POLICY REVIEW

11.1 This section provides a summary of the key findings of the study relevant to plan-making and decision-taking in the Basingstoke & Deane Borough area and its centres. It specifically sets out high-level advice on how the Council can effectively plan for, manage and promote the vitality and viability of centres in the hierarchy over the development plan period. The review considers the strategic Town Centre and District Centres only.

11.2 Our advice is informed by the quantitative and qualitative need assessment for new town centre uses and in the context of national and development plan policy guidance, as well as other key material considerations. This includes the National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG). Both place weight on the development of positive plan-led visions and strategies for town centres, and promote new investment and development in town centres first ahead of edge and out of centre locations.

11.3 This section sets out the recommendations for accommodating development for new retail, leisure, and other town centre uses in the Borough. Recommendations consider:

- Where new development should be focused taking account of forecast retail capacity and gaps in leisure provision, demand from operators, and growth of online shopping;
- The need to maintain and/or change town centre offer for the Borough's main centres to ensure they function more sustainably;
- Any potential changes to Primary Shopping Area boundaries for town centres; and
- Identify an appropriate threshold for requiring a retail impact assessment for retail proposals that are edge or out of centre.

11.4 It is against this background that we set out below our main findings and recommendations to help inform plan-making in the Borough, specifically focusing on positive policies that will help with the management and potential growth of competitive town centres over the plan period in compliance with the NPPF.

TOWN CENTRE AND PRIMARY SHOPPING AREA BOUNDARIES

11.5 A high level review has been undertaken of the town centre boundary and Primary Shopping Area (PSA) where relevant for the centre's in the Borough hierarchy. The review has taken account of where commercial activity is focused, the health of each centre, and forecast need for new retail and leisure floorspace. From this it can be identified whether there is a need to expand or contract a town centre boundary and/or a PSA.

11.6 It should be pointed out at the outset that consideration has not been given to the appropriateness of shopping frontages as this is no longer a requirement under the NPPF.

It is acknowledged that under extant Policy EP3 provides for primary and secondary frontages in Basingstoke Town Centre only. We consider the appropriateness of this later in this section.

11.7 In setting out policies for the management and growth of centres over the plan period, and promoting competitive town centre environments, local planning authorities are required by the NPPF (paragraph 85(b)) to define the extent of town centres and primary shopping areas and keep them under review (paragraph 85(d)).

11.8 The difference between the definition of the Primary Shopping Area and Town Centre Boundary is defined by NPPF (Glossary) as follows:

- **Primary Shopping Area (PSA)** – The defined area where retail development is concentrated.
- **Town Centre Boundary (TCB)** – Area defined on the local authority's policies map, including the primary shopping area and areas predominantly occupied by main town centre uses within or adjacent to the primary shopping area.

11.9 The definition of a centre's PSA and TCB is important in retail planning terms in a number of important respects:

- First, for the purposes of plan-making and development management, sites and applications for new retail, leisure and other main town centre uses that are not in an existing centre and not in accordance with an up-to-date Local Plan will be subject to the sequential and impact 'tests' in accordance with the NPPF (paragraphs 86-89).
- Second, in terms of applying the sequential approach for both plan-making and decision-taking, an 'edge-of-centre' site is defined for retail purposes by the NPPF (Annex 2) as a location that is "*well connected to, and up to 300 metres from, the primary shopping area. For all other main town centre uses, a location within 300 metres of a town centre boundary. For office development, this includes locations outside the town centre but within 500 metres of a public transport interchange. In determining whether a site falls within the definition of edge of centre, account should be taken of local circumstances" and preference should be given to "accessible sites that are well connected to the town centre*" (NPPF, paragraph 87).
- Third, defining the extent of the PSA for town centres will also enable local planning authorities to manage Permitted Development Rights (PDR), principally from retail to residential use. PDR legislation refers to protecting the retail function of the '*Key Shopping Area'*[62]. Whilst there is no further definition of what a Key Shopping Area is, we must assume that it correlates with the NPPF's definition of the PSA. For smaller

[62] Statutory Instrument 2014 No.564 The Town and Country Planning (General Permitted Development) (Amendment and Consequential Provisions) (England) Order 2014, section IA.2(1)(b)(iv)(bb)

centres where there is no identified PSA, it would reasonable to assume that the TCB relates to the Key Shopping Area.

11.10 It is against this policy background and guidance that we have reviewed and identified the extent of the PSA, Town Centre Boundaries (TCB) and shopping frontages for the Borough's main centres. The table(s) below sets out the rationale for any proposed changes to the centres' boundaries and shopping frontages (where relevant).

Basingstoke Town Centre: Town Centre Boundary & Primary Shopping Area

11.11 In relation to Basingstoke Town Centre, the following table summarises the key outputs (also refer to **Figure 7.1**).

Table 11.1: Basingstoke Town Centre: Review of Existing Town Centre Boundary & Primary Shopping Area

Category	Recommendation	Rationale
TCB	No change.	The town centre boundary as defined under extant Local Plan Policy EP3 adequately covers a broad area. It covers the emerging / established development at Basing View to the north and the core retail areas of The Malls, Festival Place and The Top of Town to the south. Whilst it is recognised Churchill Plaza (Churchill Way) has been redeveloped from offices to residential it is still appropriate to retain this site within the boundary considering the proximity to the PSA its location within New Road.
PSA	Retain as defined under extant Policy EP3	The PSA covers the core provision with the highest concentrations of retail provision and footfall within the centre. These comprise The Malls and Festival Place Shopping Centre(s) – see also **Figure 7.2**.

Basingstoke Town Centre: Frontages Policy

11.12 As detailed previously, under the extant NPPF, frontages are an archaic policy.

11.13 Under **Policy EP3** of the extant local plan, *proposals for shops (A1 Use Class) are encouraged within the defined Primary and Secondary Shopping Frontages. Other retail uses (Use Classes A2-A5), will be permitted where:*

a) Individually or cumulatively they do not undermine the vitality, viability or character of the frontage; and

b) They do not give rise to unacceptable environmental or public safety impacts proposals for the loss of retail uses (A1-A5) to non-retail uses in the defined Primary Shopping Frontage will not be permitted. Within the defined Secondary Shopping Frontage, proposals for other town centre uses will be permitted where the above criteria are met and the cultural and historic offer of the Frontage is supported.

11.14 Paragraph 7.27 supporting Policy EP3 comments on the Primary and Secondary Shopping Frontages (PSF and SSF). It provides that for *Basingstoke Town Centre the Primary Shopping Frontage is defined by Festival Place and The Malls as the retail core of the town centre. This Primary Shopping Frontage is characterised by the highest proportion of Use Class A1 shop uses in the town centre. In order to protect the vitality and viability of the town centre as a whole, it is considered necessary to protect the retail uses in this Frontage, particularly A1 uses. The policy also enables an element of complementary non-A1 retail uses (A2 (financial and Professional Services), A3 (Restaurants and cafes), A4 (Drinking establishments) and A5 (Hot food Takeaways) in order to enhance the offer and strengths of the shopping frontage. A greater variety of retail uses are found in the defined SSF which mainly comprise the Top of the Town area. Reference is made to adopting a more flexible approach to town centre uses in this SSF, in line with the 'Top of the Town, Basingstoke: Concept Masterplan - a Vision for the future' (March 2014), but that these should not result in an imbalance of retail uses, where this affects the vitality, viability or character of the area, particularly in terms of its specialist retail offer*.

11.15 Council's current policies are restrictive with a tendency towards measuring and retaining a large proportion of the number of A1 units within the defined PSF or SSF. However, there is a need to adapt to potential emerging trends and associated changes.

11.16 Moving forward, the Council may wish to consider a more 'hybrid' policy that allows for flexibility in light of the structural changes in the retail and commercial leisure sector. We recommend that the policies aim to retain a certain proportion of A1 type uses in the PSF/SSF, but allow, as an 'exception', for other town centre uses (as defined by the NPPF) where these would not have a significant adverse impact on the role and function of the centre assessed against a criteria defined by the Council.

11.17 Notwithstanding the above recommendation, it should be noted that at the time of writing this report, the Government is considering the introduction of a new "commercial, business and service" use class in response to addressing the post Covid-19 economic scenario that may render the above obsolete[63]. It will potentially allow commercial, retail and leisure uses greater freedom to adapt to changing circumstances. The changes to enable the repurposing of more premises are anticipated to be delivered by amending the Town and Country Planning (Use Classes) Order 1987.

[63] Source: 2020-06-30: Rt. Hon. Robert Jenrick's letter to Members of Parliament. https://cached.offlinehbpl.hbpl.co.uk/NewsAttachments/RLP/document.pdf

Brighton Hill District Centre

11.18 In relation to Brighton Hill District Centre, the following table summarises the key outputs (also refer to **Figure 8.1**).

Table 11.2: Brighton Hill District Centre: Review of Existing Town Centre Boundary

Category	Recommendation	Rationale
TCB	No change.	The district centre boundary covers the entire composition of the retail parade and other service provision including the Asda superstore and public car park.
PSA	A PSA should be identified.	To provide policy protection against proposals for edge and out-of-centre developments.

Chineham District Centre

11.19 In relation to Chineham District Centre, the following table summarises the key outputs (also refer to **Figure 8.4**).

Table 11.3: Chineham District Centre: Review of Existing Town Centre Boundary

Category	Recommendation	Rationale
TCB	No change.	The current defined boundary covers the entirety of the shopping centre and its parking area. Areas beyond the boundary area comprise residential development or woodland. As such, there is no obvious potential to extend the defined town centre based on the current footprint. However, the Council should review this following the potential proposed redevelopment of the centre to ensure validity.
PSA	A PSA should be identified.	To provide policy protection against proposals for edge and out-of-centre developments.

Overton District Centre

11.20 In relation to Overton District Centre, the following table summarises the key outputs (also refer to **Figure 8.8**).

Table 11.4: Overton District Centre: Review of Existing Town Centre Boundary

Category	Recommendation	Rationale
TCB	No change.	The district centre boundary is appropriate and includes the active frontages for a variety of town centre uses. There are no additional units or sites that would benefit from inclusion within the town centre boundary.
PSA	A PSA should be identified.	To provide policy protection against proposals for edge and out-of-centre developments.

Tadley District Centre

11.21 In relation to Tadley District Centre, the following table summarises the key outputs (also refer to **Figure 8.10**).

Table 11.5: Tadley District Centre: Review of Existing Town Centre Boundary

Category	Recommendation	Rationale
TCB	No change.	The district centre boundary covers the entire composition of the Sainsbury's, associated car park and the retail provision along Mulfords Hill.
PSA	A PSA should be identified.	To provide policy protection against proposals for edge and out-of-centre developments.

Whitchurch District Centre

11.22 In relation to Whitchurch District Centre, the following table summarises the key outputs (also refer to **Figure 8.12**).

Table 11.6: Whitchurch District Centre: Review of Existing Town Centre Boundaries, Primary Shopping

Category	Recommendation	Rationale
TCB	No change.	The current boundary extends to a relatively broad area covering Church Street, Bell Street, Newbury Street and Winchester Street. There are no additional sites identified at the edge of centre that would benefit from inclusion within the town centre boundary.
PSA	A PSA should be identified.	To provide policy protection against proposals for edge and out-of-centre developments.

Summary: Town Centre Boundaries

11.23 No changes are recommended to the town centre boundaries of Basingstoke Town Centre or any of the District's assessed town centre due anticipated changes in future shopping and leisure patterns and formats as well as considering the fact that no economic capacity for new convenience or comparison goods floorspace in the Borough over the forecast period to 2038. Notwithstanding this, the only exception is in relation to Chineham's TCB, in which a review is recommended once the scheme has been redeveloped.

11.24 A PSA has only been defined for Basingstoke Town Centre and which is considered to be adequate for the centre. However, for the remaining District Centres, there is no PSA designation. As such, we have recommended that PSA's are appropriately defined.

11.25 We further recommended that the Council undertakes regular healthchecks to monitor the provision of retail across the town centre to ensure that the defined PSA is reflective of the provision on the ground.

LOCAL IMPACT THRESHOLD

11.26 The revised National Planning Policy Framework (NPPF) requires an impact assessment to be undertaken for "*retail, leisure and office development outside of town centres, which are not in accordance with an up-to-date Local Plan*" (paragraph 89). The Framework states that local planning authorities should require an impact assessment if the development is over a proportionate, locally set floorspace threshold. If there is no locally set threshold, then the NPPF default threshold of 2,500 square metres (gross) should be applied.

11.27 To help inform the setting of a locally appropriate impact threshold the Planning Practice Guidance (PPG) states that it will be important to consider the following:

- scale of proposals relative to town centres;
- the existing viability and vitality of town centres;
- cumulative effects of recent developments;
- whether local town centres are vulnerable;
- likely effects of development on any town centre strategy; and
- impact on any other planned investment.

11.28 **Policy EP3 - Town, District and Local Centres** of the extant Local Plan states inter alia that:

*"Development for main town centre uses, with a **net floorspace exceeding 250sqm**, in edge or out of centre locations will be permitted if, following an Impact Assessment, it would not have a significant adverse impact on existing centres."*

11.29 Hence, **Policy EP3** of the extant local plan allows for proposals of up to 250 sqm net of new retail floorspace that are outside a defined town centre boundary. This threshold is considered to be adequate and should be retained.

11.30 This is because over the last few years there has been a dynamic growth in smaller convenience stores operated by the major grocers (i.e. Sainsbury's Local, Tesco Express, Little Waitrose, etc.). Although sizes vary from location-to-location, the main grocers are generally seeking new convenience stores (e.g. Tesco Express, Sainsbury's Local, Little Waitrose) with a minimum gross floorspace of circa 372 sqm gross (4,000 sq ft gross). In circumstances where these smaller stores are proposed on the edge or outside of smaller local and village centres, often as part of petrol filling stations, they could result in a significant adverse impact on their trading performance, and overall vitality and viability. This will particularly be the case where smaller centres and villages are dependent on smaller supermarkets and convenience ('top-up') stores to anchor their retail offer and generate footfall and linked trips/expenditure to the benefit of other shops, services and facilities.

11.31 In addition, modern retailers selling a range of comparison goods (including fashion, homestore and 'bulky' goods retailers) generally have requirements for larger format shop units with a minimum floorspace of approximately 465 sqm gross (5,000 sq ft gross). This scale of floorspace provides operators with the necessary minimum 'critical mass' of sales needed to display their full range of goods in-store and attract customers from a wider catchment area, particularly where they are co-located alongside similar stores in town centre and out-of-centre locations. In general terms larger format non-food stores of over 465 sqm gross (5,000 sq ft gross) are also unlikely to trade as a purely local facility. In circumstances where these types of stores are proposed on the edge or outside of defined town centres, they could result in a significant adverse impact on the trading performance, and overall vitality and viability of existing centres. In this way, investment of this type should be oriented towards town centres to generate footfall and linked trips/expenditure to the benefit of existing shops, services and facilities.

11.32 On this basis, it is therefore reasonable for applicants proposing developments for new A1 retail (comparison and convenience goods) floorspace and A3 – A5 uses of 250 sqm net and above to demonstrate that they will not have a significant adverse impact cumulatively with other commitments in the area, in accordance with the NPPF.

11.33 To reaffirm the threshold should apply across the Borough area. This will provide the local planning authority with sufficient flexibility to assess the merits and implications of edge and out-of-centre retail floorspace proposals (also applying to change of use applications and applications seeking variations of conditions) on all town centres (as defined by the NPPF) in the Borough area.

11.34 Notwithstanding the adoption of a lower locally set impact threshold, it is important that the scope of any Retail Impact Assessment (RIA) in support of planning applications is discussed and agreed between the applicants and the Council at an early stage in the pre-application process. The level of detail included within a RIA should be proportionate to the scale and type of retail floorspace proposed, and should be agreed between the Council and applicant on a case-by-case basis. In all cases the local planning authority should adopt a pragmatic and reasonable approach with regard to the scope and detail of evidence required in support of planning applications. Setting a lower impact threshold in this case will provide the local planning authority with the flexibility, as decision-taker, to assess whether an RIA is needed on a case by case basis

REVIEW OF CENTRE HIERARCHY

11.35 As detailed in **Section 2**, **Policy EP3** of the extant local plan sets out the centre hierarchy for the Borough which is defined as follows:

Town Centre	District Centres	Local Centres
Basingstoke	Brighton Hill Chineham Overton Tadley Whitchurch	Kingsclere

11.36 In terms of the role of these centres in the retail hierarchy, the extant position is reaffirmed in that Basingstoke Town Centre is the principal centre in the borough with the district centres at Brighton Hill, Chineham, Overton, Tadley and Whitchurch serve the day-to-day needs of their local populations and for neighbouring areas across and beyond the borough. The local centre at Kingsclere also plays an important role for its immediate village community.

11.37 We have considered whether there is a need to adjust the position of the Borough's main centres to take account of key findings from previous stages of the study. We do not consider that any changes are required to the current hierarchy, with the exception of allowing for the allocation of new local centres that may form part of emerging housing allocations (e.g. Manydown[64]) when developed. Kingsclere should be retained as a local centre reflecting the limited size of the centre and range of offer. It should be made clear that all three categories of centre(s) are considered as town centres in NPPF terms. There also no need to designate additional centres at present.

Lower Tier Centres

11.38 The National Planning Policy Framework glossary is clear that that it is not appropriate for small parades of shops of purely neighbourhood significance to be included within the hierarchy.

11.39 The role of local centres and neighbourhood parades is localised. By way of example, the HTIS has shown by way of example local shops and neighbourhood parades collectively achieve a market share for convenience goods of 7.5% from the Study Area and for comparison goods of 0.8%.

11.40 Hence, these types of centres principally serve localised catchments and provide a more limited range of retail uses and services and therefore do not need to be designated. This is not to suggest that they are not of importance to the wellbeing of local communities, but that it would not be appropriate to necessarily protect them as part of the retail hierarchy. This is recognised by the NPPF which states under the broad heading of 'Promoting healthy and safe communities', inter alia, that:

[64] Application Ref: 17/00818/OUT received a resolution to grant in July 2020.

To provide the social, recreational and cultural facilities and services the community needs, planning policies and decisions should (inter alia):

c) guard against the unnecessary loss of valued facilities and services, particularly where this would reduce the community's ability to meet its day-to-day needs;

d) ensure that established shops, facilities and services are able to develop and modernise, and are retained for the benefit of the community (Paragraph 92)

11.41 This is broadly reflected in the extant Local Plan **Policy CN7** (Essential Facilities and Services), which requires that proposals should not be '*detrimental to or result in the loss of essential facilities and services that meet community needs and support well-being*'. The essential services covered by this policy includes 'shops, including local shopping parades' and post offices (extant Local Plan Paragraph 5.66).

11.42 The Council's policy relates to proposals that would directly result in a loss of a facility (i.e. a planning application for a change of use within that centre). Whilst it is recognised that it is not the role of planning to favour one operator over another, it is nonetheless recognised that there may also be cases where the impact of a development outside a neighbourhood centre is so direct and so adverse that it might undermine the viability of the centre and affect the wellbeing of that community. This might occur, for example, if an out-of-centre retail development would result in the loss of the anchor store in that neighbourhood centre. This would potentially reduce linked trips to that centre and make the rest of the centre less viable, resulting in a loss of community benefit. Alternatively, such a development could result in the loss of a store that contained another community facility, such as a post office, which would not be re-provided.

11.43 It is recognised, however, that the neighbourhood centres have very localised catchments and such impacts are only likely to occur rarely. Where applications for out of centre retail development are judged to have a potential impact upon neighbourhood centres, they should provide a detailed assessment of any impact that could occur, taking into account their distance from neighbourhood shopping parades, the type of goods to be sold, and the vitality of that parade. It is further recommended that planning policy in the local plan should incorporate this element to provide greater clarity on how this type of issue should be addressed through planning applications.

Out-of-Centre Retail Floorspace

11.44 It is noted that within the Borough there are vacant units within out-of-centre retail parks. By way of clarification, the Council should not seek to protect such facilities, as this would undermine the town centre first message and approach adopted in the NPPF and the extant Local Plan.

SUMMARY

11.45 No changes are recommended to the town centre boundaries of Basingstoke Town Centre or any of the Borough's assessed town centres. However, in relation to the proposed redevelopment of Chineham a review of the TCB is recommended, once completed.

11.46 The PSA for Basingstoke town centre is adequately defined. District Centres do not have such a definition and it is recommended that this be defined based on the predominant retail area.

11.47 The Council's extant impact threshold for proposals of up to 250 sqm net of new retail floorspace that are outside a defined town centre boundary should be retained.

11.48 We do not consider that any changes are required to the current hierarchy, with the exception of allowing for the allocation of new local centres that will form part of any emerging housing allocations.

12. FUTURE STRATEGY

12.1 This section provides a summary of the key findings of the study relevant to plan-making and decision-taking in the Basingstoke & Deane Borough area and its centres. It summarises the key findings and sets out high-level advice on how the local planning authority can effectively plan for, manage and promote the vitality and viability of the main centres over the plan period to 2038.

12.2 The need assessment draws on a robust and up-to-date evidence base, including:

- a health check of Basingstoke Town Centre; the Borough's five main District Centres of Brighton Hill, Chineham, Overton, Tadley and Whitchurch as well as the defined Local Centre of Kingsclere;
- A telephone interview survey of 1,103 households to help establish current shopping patterns and market shares;
- A street interview survey of some 487 interviews was conducted in Basingstoke Town Centre to understand the relative attraction, performance, vitality and viability of Basingstoke for those people who live, work, shop and use the town centre; and
- A pedestrian count survey across six locations across Basingstoke Town Centre.

12.3 The study has been prepared in the context of national and development plan policy guidance, as well as other key material considerations. This includes the National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG), which place weight on the development of positive plan-led visions and strategies for town centres, and promote new investment and development in town centres first ahead of edge and out-of centre locations.

COVID19 IMPLICATIONS

12.4 Since the Council's previous assessments in 2009, 2012 and 2015, town centres have faced a myriad of challenges. Centres now need to embrace the new dynamic and build in resilience to adapt seamlessly to future changes in shopping habits, which are likely to move away from solely being retail led locations to those which offer a wider range of retail, leisure, cultural and other amenities.

12.5 The growth in online shopping, the long-term attraction of larger format and cheaper retail space in out of centre locations, and increasingly fragile retailer, investor and business confidence in the post COVID19 world, has created a perfect storm that is bearing down on town centres. At the time of the lockdown online retail activity has had a considerable boost, the onus thereafter will be on physical retailers to attract consumers back to the high street with unique experiences that cannot be replicated online or at home. This will encourage increased dwell times and to create more purpose in frequenting centres. The resulting challenge for the Council is to manage and promote the future of current and emerging centres when retail is no longer the key driver of their vitality and viability.

12.6 In the context of the pandemic, it is also expected that this will lead to a structural shift in shopper habits as consumers try to respond to the new normal. The British economy at the time of writing this report is experiencing a sharp fall in output, though the final severity of the contraction remains uncertain. The immediate aftermath is likely to be the 'death knell' for many retailers, already pushed by competition from online shopping and potentially weak consumer confidence.

12.7 While some well-known retailers will disappear as a result of the current crisis, the high street itself will not 'die'. The UK retail sector may be profoundly changed, but the hastening of trends such as migration to town centres and demand for new retail experiences may ultimately breathe new life into high streets. LSH anticipates that the trends that are likely to emerge include:

- **Further relaxation of permitted development rights (PDR)** – the government has relaxed some PDR during the COVID19 crisis but these are time limited and consideration may be given to allow for more expanded PDR to reboot town centres, high streets and buildings especially where the existing use is no longer viable. This has gathered more momentum with the Government's announcement of the potential introduction of a new "commercial, business and service" use class that will potentially allow commercial, retail and leisure uses greater freedom to adapt to changing circumstances.
- **Survival of the fittest retailers** - Retailers that survive the crisis may find that their market positions are strengthened, as some of their competition disappears. Those in the best position to prosper may include strong high street names with a good mix of online and in-store operations. Local independent and artisan retailers may also be able to prosper by tapping into consumer demand for new retail experiences.
- **Accelerated retail to residential conversions** - With new housing delivery high on the UK government's agenda, and significant construction delays already caused by COVID19, some landlords and developers may take the opportunity to ramp up plans to re-purpose struggling retail properties into residential units.
- **From goods provision to services provision** - With town centre populations increasing due to retail-to-residential conversions, demand will grow for a wider range of high street amenities to serve local communities such as education, healthcare facilities, dentists, hairdressers and beauticians.
- **Enhanced retail experiences** - Post the lockdown, and for the future, the onus will be on physical retailers to attract consumers back to the high street with unique experiences that cannot be replicated online or at home. This may encourage the growth of pop-up shops, independent eateries and experiential retailers and local

authorities may need to allocate resources to de-clone high streets in the post-pandemic world.

- **Growing need for local retail provision** - With the COVID19 lockdown potentially accelerating the trend towards working from home, commuter numbers could fall, leading to reduced footfall in major business districts. Conversely, local shops, cafés and restaurants convenient to homeworkers may experience increased demand. Smaller walkable local and neighbourhood centres serving local communities may ultimately benefit from the changing geography of retail demand.
- **Technology** - Centres will have to become 'smart' make use of technology so that they are aligned with how customers shop and engage with brands. Flexibility and innovation will be essential if the high street will remain a relevant part for consumers. Providing free Wi-Fi and online promotions to attract shoppers, tracking footfall and developing new high street apps and town websites will be essential. It means town centre shops will be able to better understand the needs of their customers that will help them tweak their opening times, offer digital promotions to encourage people in at quieter times. This will help towns understand their strengths, support community activities, help and aid businesses and bring a fresh vibrancy.

12.8 The onus will therefore be on local planning authorities to take a more agile, pragmatic and sympathetic approach to new development in the post-lockdown world. For example, the use of Permitted Development Rights (PDR) will be important to expedite changes of use where correctly applied. No two town centres are the same, so the planning system must be able to respond flexibly to the strengths and challenges of individual locations, to enable them to flourish in the future.

RETAIL NEEDS ASSESSMENT

12.9 **Section 9** assessed the overall need for new (convenience and comparison goods) retail floorspace in the Borough over the period to 2038. The retail capacity assessment is informed by LSH's CREAT^{e} Capacity Model.

12.10 The retail capacity assessment is underpinned by robust evidence and forecasts; it assumes that the retail market is in 'equilibrium' at the base year (2020) and that market shares remain constant over the study period.

12.11 The assessment shows there is **no** economic capacity for new convenience or comparison goods in the Borough over the forecast period to 2038 after accounting for all known commitments.

12.12 There is no identified need. This is compounded by the fact that the impact of the COVD19 is yet to be fully realised and there are extant commitments and vacancies in centres. On this basis, any future investment should be directed to town centres to ensure their continued vitality and viability.

12.13 The Council should be mindful that capacity forecasts beyond five years should be interpreted with caution. This is because they are based on various layers of assumptions and forecasts with regard to changes in the national and local economy; the trading performance of existing centres and stores; the growth in population and retail spending; etc. The Council should therefore take into account these margins for error when assessing the need for new retail floorspace over the medium term (5-10 years) and long and ultra-long term (10 years plus).

LEISURE NEEDS/GAP ASSESSMENT

12.14 **Section 10** of the study assesses the need for new commercial leisure uses and the 'gaps' in provision. As with the retail, the leisure sector is facing significant challenges and pressures from changes in the economy, policy and consumer trends.

12.15 The Borough's commercial leisure sector and offer, and the results of the household survey, has highlighted that Basingstoke Town Centre overall has a strong leisure offer, principally focussed around the cafés, restaurants, gyms cinema, tenpin, gym, and trampolining. These activities are complemented by good participation in cultural activities at the Anvil Arts and The Haymarket Theatre. Notwithstanding this, there is potential to review, refresh and expand the leisure offer over the plan period.

12.16 The forecasts show that there is no additional capacity to sustain new cinema screens over the forecast period. Any demand that does exist should be located in the town centre first to minimise any significant adverse impacts on existing town centre provision that could arise from a new cinema in an edge or out-of-centre location. Whilst there is no screen capacity over the forecast period, opportunities to accommodate 'pop-up' cinemas and other new trends in the industry should be explored and encouraged in the town centre as and when the opportunities arise to encourage footfall.

12.17 There is forecast growth in the available expenditure for food and drink by some 30.1% over the forecast period to 2038. The forecast grow should be directed to the Borough's town centres first, and principally Basingstoke, to help increase their vitality, competition and consumer choice, and to underpin both daytime/evening economies. However, any new A3 and A4 floorspace will principally be driven by operator interest but is likely to be subdued in the immediate aftermath of the COVID19 crisis.

12.18 In terms of addressing future needs, we also consider that the Borough could benefit from additional family (intergenerational) type venues (e.g. culture, arts, museum) and activities to help attract all-year round trips.

12.19 All demand for leisure operators should be directed to the Borough's town centres first, and principally Basingstoke Town Centre, to help increase competition and consumer choice, and to underpin both daytime/evening economies.

TOWN CENTRE: BASINGSTOKE

12.20 A review of the town centre confirms that the centre has a good range of retail and leisure provision. There is also good balance between high street and independent retailers. Multiple representation accounts for 49.1% of total outlets and whilst this is a strength it is also an indication that the town centre could be vulnerable to impact from wider trends in the retail sector.

12.21 The town centre's retail offer is performing, but is largely focused on prime shopping area in Festival Place and the Malls. The performance of retail in secondary retail locations is more varied. However, the reliance on the role of retail is likely to be diminished in the future and the Council must recognise the implications resulting from this moving forward.

12.22 There were some 55 vacant units in Basingstoke Town Centre in 2019. This is equivalent to a vacancy level of 13% and is above the national average figure of 11.9%. The vacancy levels are barometer on wider retail trends with a particular focus in the post-lockdown period. It is recommended that this indicator is monitored on a regular basis.

12.23 It is evident from the market share analysis, that the town centre retains the highest market share across the Borough for comparison goods and significant retention rate for convenience goods. The centre therefore targets a broad catchment.

12.24 The diversity of uses on offer is spread by spread across three distinctive shopping areas, each reflective of when it was established: The Malls reflective of its development in the 1970s and early 1980s; Festival Place shopping centres in the 2000s whilst The Top of Town area represents the historic heart of Basingstoke. These areas are interlinked and contribute to the diversity of the offer available across the centre. The council needs to ensure that this diversity is maintained and enhanced especially as the implications resulting from the pandemic remain unclear. It is a case of identifying the uniqueness of each area through a proactive place shaping agenda that will aid in defining specific history, character and diversity areas. This will also aid in identifying appropriate interventions required for a particular area.

12.25 Leisure services outlets represent 21.1% of total provision which is lower than the national average 24.5%. Overall, the level of service provision is comparatively lower than the national average with the leisure service dominating (predominantly in the food and beverage category - restaurants, take-ways, cafes, bars & wine bars). The findings of the evening visitation suggest that there could be potential to attract more people into the

Town Centre during evenings and night-time. In promoting the evening time economy for Basingstoke Town Centre, there is potential opportunity to encourage shoppers and visitors to stay longer in centre, particularly on a Saturday through later shop opening hours and early evening events. This could include an early evening time food market and street events for young adults. The footfall analysis has shown that there is declining footfall across the centre after 4pm. Venues that stay open throughout the day and late at night represent an important creative and cultural asset for the town centre.

12.26 There is market demand for space in the centre with 20 Class A1 operators seeking space. However, this has to be put into context of the impact of the COVID19 pandemic and it will be difficult to predict how operator demand will play out in the town centre. With further retailers and leisure operators entering administration or ceasing trading entirely, the likelihood of a subdued demand for new space must be expected.

12.27 Both the HTIS and street survey show that the key strengths of Basingstoke town centre:

- Good range of shops / Good range of independent stores
- Proximity to home
- Covered / Indoor Shopping
- Easy to walk around / compact / good layout
- Good / cheap parking
- Cleanliness

12.28 Both surveys also show that the improvements suggested are:

- More specialist / independent stores
- Less empty shops fill empty shops
- Better choice of shops / more non-food stores
- More / free parking
- More department stores

12.29 The thriving bi-weekly Street Market brings vibrancy to the centre and the Top of Town area in particular. Given the current trends and support for new and refreshed street markets in towns across the UK and the introduction of market halls into repurposed buildings and vacant retail space, we consider that there is the potential for Basinsgtoke Town Centre to grow its market and independent offer, subject to market demand

12.30 Future plans to on transport that seek to improve accessibility and transport as set out in the Basingstoke Transport Strategy should be promoted including alternatives to car usage including, Mass Rapid Transit (MRT).

12.31 Taking all of the above into consideration, it is seen that Basingstoke is highly accessible and connected with a good and diverse provision of retail and commercial offer. It has distinct areas of retail and leisure activity that contribute to the vibrancy of the centre.

These elements represent strengths. However, in the post-COVID19 world, and to maintain these strengths, will require proactive Council intervention. The immediate aftermath will be to support the recovery and existing businesses that have survived through initiatives such as business rates relief. However, the challenge will be over the longer term where there will be a greater urgency in the need to diversify town centre offer and promote flexibility uses in particular.

12.32 As a direct consequence of the COVID19 related shut-down, there is likely to be a further increase in the level of town centre vacancies. The Council should not rely on market demand. It may wish to consider a place shaping agenda and take ownership through investment in vacant space. The potential benefit of this approach is to provide more control of the planning, regeneration and management of the town centre and to ensure that it is fit for purpose meeting evolving consumer behaviour.

12.33 In summary, the future strategy for the town centre should focus the following inter-related themes:

- **Monitoring Vacancies**: A regular monitoring exercise together with proactive engagement with landlords, investors and developers where vacancies occur.
- **Business Rate Initiatives**: Business rates are set nationally, however the Council may want to consider business rate discounts for independents and entrepreneurs to boost take-up of empty units.
- **Diversification, Repurposing and Curating:** this is to help mitigate against future impacts on the retail sector especially as we emerge from the pandemic crisis. Whilst the town centre will remain the main focus for high level retail, office, cultural and service activity however, the role of retail is likely to be diminished in the future. The Council will need to plan for repurposing of space potentially through new retail to residential conversion as well as service or experiential retail provision. The Council may also want to develop intergenerational recreational that encompass arts and cultural uses. In short, the aim will be to ensure less reliance on retail to generate footfall and to facilitate alternative uses (potentially mixed uses) that function both during the day and into the evening. In curating space it is recognised that Festival Place and The Malls (as the retail core area and distinct ownership structure) will respond differently in response to the sectoral change accelerated by the pandemic compared to the Top of the Town area. Subject to a place focussed assessment, there is the potential opportunity for the Council to proactively intervene and curate the Top of the Town area drawing on new ideas and new values created in the post-pandemic world. This may include proactive intervention to manage and curate spaces to allow for pop-shops or for new incubator or flexible workspaces. This together with any required public realm improvements will enhance and create a different offer to the retail core area.

- **Residential Growth**: This is likely to be a key feature as the densification of towns becomes dominant. Basingstoke town centre remains well connected and would appeal to a wide audience for residential living. Increased town centre residential will provide a captive population and regular footfall for commerce in the centre.
- **Flexibility:** the PSA in the centre provides a safeguard for retail activity, but as this report has highlighted this will need to be monitored against wider changes in the retail sector and its extent should be regularly monitored. It follows that greater flexibility should be permissible in secondary areas.
- **Digital Resilience:** The lockdown during the pandemic has highlighted the reliance of workers and residents on the use of online services. This demand for "bandwith" is likely to increase further. For high streets to meet consumer needs in the future, an agile planning framework will need to be paired successfully with technology Basingstoke is uniquely placed in having a fast-growing digital business community. The centre needs to capitalise especially on the emerging findings of the 5G technology tested at Basing View. This technology represents the next generation of connectivity. The adoption of this type of technology can be a 'game changer' and any resulting output will aid town centre matters such as in the area of 'smart' and 'interconnected' city / town development and associated services in the future. This is potentially an area that the Council may seek to explore further especially in terms of investment in 5G wireless communication infrastructure and associated benefits.

DISTRICT CENTRE: BRIGHTON HILL

12.34 Brighton Hill has a typical range of uses expected for the role and function of a District Centre. It is a compact centre dominated by the large floorplate of the Asda superstore together with independent retailers and businesses trading from smaller units. The centre is highly accessible by all transport modes and predominantly by car due to the presence of large car park.

12.35 In terms of a strategy for the centre, the main objective should be to support existing uses rather than seek to expand physical floorspace. The centre offers the potential for the refurbishment of existing frontages and improvements to the public realm by way of additional greenery and street furniture.

DISTRICT CENTRE: CHINEHAM

12.36 Chineham has evolved over the years with a strong convenience anchor (Tesco) together with a large number of comparison goods outlets. The market share assessment has shown that it had the highest convenience goods retention level in the Borough.

12.37 The centre also provides most of the main town centre uses defined in the NPPF (albeit a limited offer for financial and business service provision. The centre also has a library that encourages linked trips though it is noted that consultations are underway by Hampshire County Council to close the library.

12.38 The strong convenience goods offer and the presence of high street retail brands ensures that Chineham will remain an attractive location to operators.

12.39 The centre is currently subject to a potential application that includes, inter alia, new shops, restaurants, healthcare facility, landscaping. Any improvements to current provision will enhance its offer and attraction. In the current climate this will guided by market demand. Any improvement to the inward facing nature of the centre will also enhance the centre.

12.40 The future strategy for Chineham would be to broaden the range of town centre uses/ provision especially family oriented evening activity that appeal to the local community. However, the Council should note that any new provision would be led by market demand.

DISTRICT CENTRE: OVERTON

12.41 Overton functions as a small District Centre that serves the needs of its local population. The centre is not reliant on national multiples and supports a good range and mix of independent retailers and leisure businesses. This is further reflected in the markets shares for both comparison and convenience goods indicating low levels of retention.

12.42 It is a primarily independent led centre and the provision is reflective of this. It is an attractive centre, with many historic buildings

12.43 Any future strategy should aim to encourage and support independent businesses across the centre. The Council may want to consider the potential to allow flexible commercial uses should the centre be impacted from changes in the retail and leisure market. In addition, a further aim would be to enhance the environment quality particularly additional greenery, street furniture and improvements to the public realm.

DISTRICT CENTRE: TADLEY

12.44 The main retail provision is found along Mulfords Hill and centred on the large Sainsbury's store. The remainder of the provision is independent retailers and businesses. The centre also attains a good convenience market share retention.

12.45 The centre is currently meeting the needs of its local catchment and in convenience terms even beyond. The centre is well connected and draws on patronage from the adjacent residential catchment as well as those from further afield by bus and car.

12.46 Any future strategy should aim to encourage and support independent businesses across the centre including encouraging refurbishment of shop frontages. Additional measures could take the form of maintaining or enhancing the attractiveness of the centre.

DISTRICT CENTRE: WHITCHURCH

12.47 Whitchurch is a historic centre with a large part located in a conservation area with listed buildings. The commercial focus is around a central junction of Church Street, Bell Street, Newbury Street and Winchester Street. It is a healthy centre with good convenience goods provision in the form of a Tesco Express and Co-op foodstore(s). It is also primarily a centre led by independent businesses and outlets.

12.48 The centre meets the needs of its local catchment. As with other District centres, it readily draws on patronage from the immediate residential catchment. This is reflected in its low level of market share retention for both goods types.

12.49 Any future strategy for Whitchurch will centre around supporting independent businesses and other initiatives such as improvements to the public realm.

LOCAL CENTRE: KINGSCLERE

12.50 Kingsclere is small local centre very much serving the serving the needs of its local catchment population. The offer consists of small-scale convenience provision with community provision including a library and health centre. The centre is in a pleasant rural setting and any future strategy should seek to maintain and enhance its environmental quality through improvements on additional greenery, street furniture and public realm.

POLICY REVIEW

12.51 The assessment has also out high-level advice on how the Council can effectively plan for, manage and promote the vitality and viability of centres in the hierarchy over the development plan period.

12.52 The assessment has considered the following:

- review and identified the extent of the PSA, Town Centre Boundaries (TCB);
- a review of the locally set impact threshold under Policy EP3 of the extant local plan; and
- a review of the centre hierarchy.

12.53 In summary, the broad policy recommendations are:

- No changes are recommended to the town centre boundaries of Basingstoke Town Centre or any of the Borough's assessed centres. However, in relation to the proposed redevelopment of Chineham a review of the TCB is recommended, when completed. Also the Council should facilitate an active monitoring programme of outlets and floorspace to assess changes and potential investment opportunities as part of a wider place making assessment of centre(s) especially Basingstoke town centre.

- The PSA for Basingstoke town centre is adequately defined. District Centres do not have such a definition and it is recommended that this is defined based on the predominant retail area.
- The Council's extant impact threshold for proposals of up to 250 sqm net of new retail floorspace that are outside a defined town centre boundary should be retained.
- We do not consider that any changes are required to the current hierarchy, with the exception of allowing for the allocation of new local centres that will form part of emerging housing allocations.

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Lambert Smith Hampton

United Kingdom House

180 Oxford Street

London

W1D 1NN

+44 (0)20 7198 2000

lsh.co.uk

Lambert Smith Hampton

lsh.co.uk