

# ANDOVER AND ROMSEY RETAIL CAPACITY & LEISURE STUDY - 2018

**FINAL REPORT**

## CONTENTS

<b>EXECUTIVE SUMMARY</b>	<b>6</b>
<b>1 INTRODUCTION</b>	<b>13</b>
<b>2 PLANNING POLICY REVIEW</b>	<b>15</b>
National Planning Policy Framework (NPPF) (2012)	15
National Planning Practice Guidance (PPG)	17
Draft Revised National Planning Policy Framework (Draft NPPF)	18
Local Planning Policy Context	18
Housing	20
Retail	22
Summary	24
<b>3 NATIONAL RETAIL AND TOWN CENTRE TRENDS</b>	<b>25</b>
Retail Trends	25
Special Forms of Trading and Internet Shopping	26
Floorspace 'Productivity' Growth	29
Changing Retailer Requirements	30
Vacancy Levels	31
Trends in Retail-Led Investment and Development	32
Independents and Street Markets	34
Impact of Out-Of-Centre Retailing	35
Summary	36
<b>4 CATCHMENT AREA &amp; SHOPPING PATTERNS</b>	<b>38</b>
Study Area and Zones	38
Household Telephone Interview Survey & Market Share Analysis	40
Summary	47
<b>5 IN-CENTRE SURVEY RESULTS</b>	<b>49</b>
Method	49
Socio-Economic Profile of Shopper and Visitors to Centres	50
Mode of Travel	52
Length of stay	53
Frequency of Visits	54
Main Reason for Visit	55
Main Types of Shops Visited	55
Main Shops Visited	55
Spending Levels in Andover and Romsey	56
Linked Trips in Andover and Romsey	57
Respondents views of Andover and Romsey	58
Potential Improvements to Andover and Romsey	59
Retailer 'Gap' Analysis	60
Competing Shopping Destinations	61
Why Respondents Shop Elsewhere	62
Provision of Leisure facilities	63
Street Markets	64
Summary	65
<b>6 BUSINESS SURVEY RESULTS</b>	<b>66</b>
Method	66
Types of Business	66
Time Businesses Have Been Operating in Centres	68
Size of Businesses	69

Main Reasons why Businesses located in Andover and Romsey	69
Future Business Plans	70
Key Constraints to Growth	70
Actions to Facilitate Growth	71
Andover Town Centre	72
Romsey Town Centre	76
Business Performance	79
Trading Performance	80
Benefits to the Businesses	81
Summary	81
<b>7 TOWN CENTRE HEALTH CHECKS: METHODOLOGY</b>	<b>84</b>
Engagement of Key Stakeholders	84
Retail Composition & Diversity of Uses	85
Goad Town Centre Definitions and Floorspace	86
Vacancies	86
Multiple and Independent Retailers	86
Street/Covered Markets	87
Retailer Demand and Requirements	87
Prime Zone A Rents	87
Customer Views and Behaviour	87
Environmental Quality	87
Accessibility	88
Out of Centre Provision	88
New Investment & Potential Development	88
<b>8 ANDOVER TOWN CENTRE – HEALTH CHECK ASSESSMENT</b>	<b>89</b>
Context	89
Retail Composition & Diversity of Uses	91
Multiple and Independent Retail Representation	96
Markets and Events	96
Retailer Demand & Requirements	97
Prime Zone A Rents	97
Environmental Quality	98
Accessibility & Pedestrian Flows	98
Customer Views and Behaviour / Household Survey	100
Out of Centre Provision	101
New Investment & Potential Development	101
Summary	102
<b>9 ROMSEY TOWN CENTRE – HEALTH CHECK ASSESSMENT</b>	<b>105</b>
Context	105
Retail Composition & Diversity of Uses	107
Vacancies	110
Multiple and Independent Retail Representation	111
Markets and Events	111
Retailer Demand & Requirements	112
Prime Zone A Rents	112
Environmental Quality	113
Accessibility & Pedestrian Flows	113
Customer Views and Behaviour / Household Survey	114
Out-of-Centre Provision	115
New Investment & Potential Development	115
Summary	115
<b>10 COMPARATOR CENTRES</b>	<b>118</b>
Methodology	118
Bury St Edmunds	118

	Petersfield	120
	Yeovil	121
	Sherborne	122
	Andover Gap Analysis	122
	Romsey Gap Analysis	124
	Summary	125
<b>11</b>	<b>QUANTITATIVE RETAIL NEEDS ASSESSMENT</b>	<b>127</b>
	The CREAT <sup>e</sup> Model: Key Baseline Assumptions & Forecasts	127
	Base Year Population and Projections	128
	Base Year Expenditure Per Capita and Forecasts	128
	Total Available Expenditure	129
	Market Share Analysis (excluding SFT)	129
	‘Inflow’ (Trade Draw)	130
	Retail Floorspace Commitments & Allocations	131
	Test Valley Capacity Forecasts	132
	Summary	135
<b>12</b>	<b>COMMERCIAL LEISURE NEEDS</b>	<b>136</b>
	Leisure Expenditure Growth	136
	Cinema Capacity	138
	Eating & Drinking Out	142
	Health & Fitness Need	145
	Bingo & Gambling Needs	149
	Other Commercial Leisure Needs	151
	Cultural Activities	152
	Hotel Provision	154
	Conclusion	155
<b>13</b>	<b>SHOPPING FRONTAGES &amp; BOUNDARIES POLICY CONTEXT</b>	<b>158</b>
	Shopping Frontages & Boundaries National Policy and Context	158
	Test Valley Council’s Current Policy Context	161
<b>14</b>	<b>TOWN CENTRE STRATEGIES: SUMMARY OF KEY FINDINGS AND RECOMMENDATIONS</b>	<b>168</b>
	Needs Assessment	168
	Ensuring the Vitality of Town Centres	170
	Retail Hierarchy Recommendations	172
	Recommendations on Frontages	173
	Local Impact Threshold: Recommendations	174
	Sequential Test Threshold: Recommendations	176
<b>15</b>	<b>GLOSSARY</b>	<b>177</b>
<b>Appendix 1: STUDY AREA</b>		<b>179</b>
<b>Appendix 2: POPULATION AND EXPENDITURE (CONVENIENCE GOODS)</b>		<b>180</b>
<b>Appendix 3: POPULATION AND EXPENDITURE (COMPARISON GOODS)</b>		<b>181</b>
<b>Appendix 4: CONVENIENCE GOODS MARKET SHARES</b>		<b>182</b>
<b>Appendix 5: COMPARISON GOODS MARKET SHARES</b>		<b>183</b>
<b>Appendix 6: FORECAST CONVENIENCE GOODS TURNOVER</b>		<b>184</b>
<b>Appendix 7: FORECAST COMPARISON GOODS TURNOVER</b>		<b>185</b>

<b>Appendix 8: CONVENIENCE GOODS CAPACITY ASSESSMENT</b>	<b>186</b>
<b>Appendix 9: COMPARISON GOODS CAPACITY ASSESSMENT</b>	<b>187</b>
<b>Appendix 10: NEMS HOUSEHOLD SURVEY RESULTS</b>	<b>188</b>
<b>Appendix 11: NEMS IN-CENTRE SURVEY RESULTS</b>	<b>189</b>
<b>Appendix 12: NEMS BUSINESS SURVEY RESULTS</b>	<b>190</b>

## EXECUTIVE SUMMARY

### *Introduction*

1. Carter Jonas was commissioned by Test Valley Borough Council to produce a *Retail Capacity and Leisure Study* (the 'Study') to help inform both plan-making, and development management decisions across the local authority area.
2. 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 March 2012, and the draft National Planning Policy Framework (NPPF) published in March 2018.
3. The key elements include:
  - a review of national and local planning policy pertaining to retail planning and town centres;
  - a review of trends driving changes in the retail and leisure sectors;
  - market share analysis for convenience and comparison goods shopping and leisure uses across the Borough based on a specifically commissioned Household Telephone Interview Survey (HTIS);
  - a health check for the Council's main town centres of Andover and Romsey;
  - quantitative need (capacity) assessment for new retail (comparison and convenience goods) floorspace in the Council area up to 2036;
  - a 'gap' assessment of commercial leisure and other town centre uses;
  - recommendations on the extent of the existing Primary Shopping Frontages (PSFs) and Secondary Shopping Frontages (SSFs) in the Borough's main centres; and
  - strategic advice on how the Council can effectively plan for, manage and promote the vitality and viability of the main centres over the plan period to 2036.

### *Planning Policy & Retail Trends*

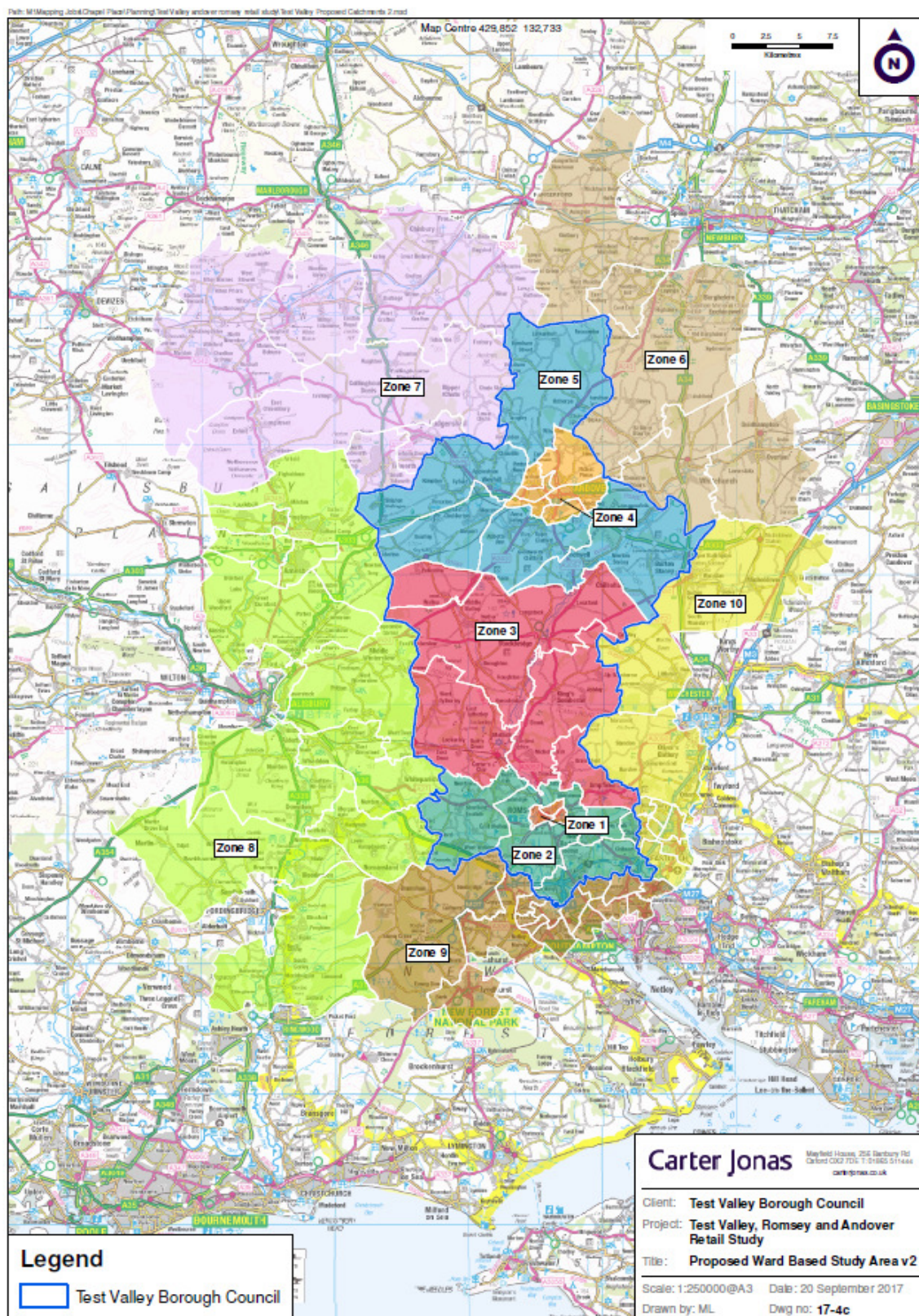
4. The review of the adopted and draft NPPF and Local Plan policy highlights the importance to maintain and enhance the vitality and viability of Town Centres, and to promote new sustainable development and economic growth in Town Centre locations 'first', prior to the consideration of edge of centre, and then out of centre locations. This policy objective is crucial as Town Centres are facing increasing economic challenges associated with alternative forms of retailing, in particular online shopping.
5. Existing floorspace in Town Centres face a myriad of challenges. These will continue to grow over the short, medium and long term. Centres within the Borough will need to embrace the new dynamics and build in resilience to adapt seamlessly to future changes where necessary. There is still a role for existing floorspace and physical 'store based' retailing in town centres. However, within the Borough, there will be a need to build in resilience to the changes in shopping habits - town centres are likely to move away from being solely retail led locations to those which offer a wider range of retail, leisure, cultural and other amenities.

### *Market Shares*

6. The Study addresses the requirement for the Council to update their evidence base in respect of retailing, commercial leisure and town centre uses. To understand the local retail and commercial dynamics, a Study (catchment) Area was defined for the retail and town centre assessment. This is shown in **Figure 1**:



Figure 1: Study Area



7. The Study Area comprised ten zones based on ward geography. A household telephone interview survey of some 1,000 respondents was carried out across this area.
8. Across the Council area (Zones 1-5) the market share for Special Forms of Trading<sup>1</sup> (SFT) for convenience goods is lower than the national average, which suggests that there is potential for internet food shopping to increase its market share over time. This may reduce the expenditure available to support the need for physical space over the longer term. The comparison goods market share across the Council Area (Zones 1-5) for SFT is higher than the national average. This may indicate there is a gap in the existing comparison shopping facilities, specifically within Andover which has an unusually high SFT retention rate of 40.1%.
9. Convenience food stores within the Council area are achieving an overall market share of 67.6% across the Council Area, which represents a good retention rate reflecting the strength and quality of the overall food shopping offer. In terms of each centre, the results show:
  - In Andover, the in-centre and out-of-centre stores retain 88.4% of convenience expenditure within its PCA; and 46.7% in the Borough Area. This is very positive and suggests a good provision and choice of food convenience stores.
  - In Romsey, the in-centre and out-of-centre stores retain 36.3% of convenience expenditure within its PCA; and 16.5% across the Borough Area. The key competition comes from locations outside of the Borough, including Eastleigh (drawing 24.4% of the PCA convenience expenditure) and Southampton (10.8%).
10. In contrast, the comparison goods market share for the main centres and stores in the Borough is lower at 41.6%. The comparison spend for Andover is being leaked out to:
  - Retail facilities outside of the Test Valley Council Area, including Basingstoke, Salisbury, Southampton, and Winchester, which take 41.6% of the comparison expenditure;
  - Online shopping which accounts for 36.3% of comparison expenditure in the PCA; and
  - The immediate out-of-centre facilities, such as Churchill Retail Park and Enham Arch Retail Park which draw 18.1% of the comparison expenditure in the PCA.
11. In Romsey, comparison spend is being leaked out to:
  - Retail facilities outside the Borough, which take 58.6% of comparison expenditure; notably to shops in Eastleigh (9.9%), Hedge End (5.5%) and Southampton (30.1%); and
  - Online shopping which accounts for 24.8% of comparison expenditure in the PCA.
12. Based on the above, it would appear that there are gaps in Andover and Romsey's comparison offer.

### **Health Check: Andover**

13. Although Andover is a relatively healthy centre, it is vulnerable to impacts from online shopping and competition from out-of-centre stores. This is illustrated by the recent announcement of the store closure of M&S. These trends will inevitably impact on the centre's overall vitality and viability and turnover performance; including the additional loss of footfall and linked trip expenditure to other shops and businesses in the town. The key strengths and weaknesses are summarised below:
  - Andover's convenience provision is strong, due to the wide choice and presence of multiples including: Lidl, Asda, Waitrose and M&S.
  - The comparison provision is adequate. There could be potential to increase high street fashion brands as well as the opportunity to increase the quality of the independent retailers, both of which however, are subject market demand.

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<sup>1</sup> 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.



- The market could also support the convenience provision but it needs significant improvement by raising the quality of goods sold, and by establishing a more holistic management.
- In terms of services, the provision is relatively good. The diversity of the majority of uses is in line with or above the national average. However, Andover's leisure facilities are currently scattered around the centre and there is a lack of family-friendly restaurants. Overall, there is a need to establish an evening economy, which ideally could concentrate around the main square.
- Andover has a below average vacancy rate of 8.8%.
- Andover is a historic market town with unique character, good accessibility and pedestrian flows. There are key areas which require improvement: firstly, the Chantry Centre has a large amount of vacancies and is outdated in layout, which contributes to a poor shopping environment; and secondly Bridge Street Mall, which is also characterised by high vacancy levels and a poor environment.
- In terms of development opportunities and future strategies, there is potential to establish a Cultural Quarter around the Lights and Andover Leisure Centre. The Andover BID is currently in consultation with Town Centre businesses and if the ballot is successful, a future BID will be established to improve the Town Centre through marketing and enhancing the environment.

#### ***Health Check: Romsey***

14. Romsey is a healthy and vital centre, and is fulfilling its role and function in the hierarchy of centres. The key strengths and weaknesses are summarised below:

- Romsey's retail composition is characterised by independent businesses and retailers that contribute positively to its overall attraction, health and vitality.
- Convenience goods are in line with the national average, with key anchor food stores including Waitrose and Aldi.
- The comparison offer is above the national average and strengthened through the presence of independent stores and the Bradbeers department store.
- There could be potential to introduce higher-end fashion retailers to raise Romsey's profile, and to improve its independent niche and boutique offer.
- The market supplements the retailer offer and contributes to the centre's overall offer and unique attraction.
- The range of services within Romsey is good, given its size, role and function. There is potential to introduce more evening economy uses that appeal to the younger generation (such as a cinema etc.).
- Romsey has a below average vacancy rate of 5.8%.
- The overall environment is welcoming and attractive with good accessibility and pedestrian flows. The town is characterised by historic and listed buildings that contribute to the sense of place.
- However, Romsey is located in a conservation area which limits the potential for major new development and investment.
- In terms of proposed developments, the strategic housing allocations at Whitenap will increase the town's catchment population and spend, but could also add pressure to comparison and service sector.

#### ***Quantitative Capacity Assessment***

15. The **convenience capacity** assessment has demonstrated the following:

- There will be residual expenditure capacity of £25.3m by 2036;

- With regards to superstore format, the forecasts show a limited capacity up to 2021. The Borough-wide capacity increases to 2,093 sqm net in 2036. The majority of this capacity is forecast for Romsey Town Centre (633 sqm by 2036), and Andover Town Centre (529 sqm by 2036); and
- In terms of supermarket/discounter formats, the forecasts show no capacity at 2021, with an increase to 3,349 sqm net at 2036. The majority of the capacity is forecast for Romsey Town Centre (1,013 sqm by 2036), and Andover Town Centre (846 sqm by 2036).

16. The **comparison capacity** assessment has demonstrated the following:

- By 2036 there will be forecast 'residual' comparison goods capacity of £112m for the Borough area.
- This produces a Borough-wide capacity for 12,487 sqm net of new comparison goods floorspace by 2036.
- The capacity for new floorspace over the short to medium term is more limited, with a forecast of 909 sqm in 2021, increasing to 4,134 sqm by 2026.
- In Andover there is a potential need for 1,749 sqm net in 2026, increasing to 4,938 sqm net by 2036.
- In Romsey, there is a potential need for 762 sqm net in 2026, increasing to 2,207 sqm net.
- Existing out of centre shopping facilities generate the biggest forecast capacity with a potential need for 1,543 sqm by 2026, increasing to 5,121 sqm by 2036. This out-of-centre generated capacity should be directed to existing centres first in accordance with the NPPF and the sequential test.

### ***Leisure Needs Assessment***

17. The results of the household survey indicate that there is currently an adequate level of leisure facilities. However, there are some qualitative and quantitative gaps in provision that should be addressed over the plan period. The key headlines include:

- Although there is no cinema in Romsey, there is no quantitative capacity for additional cinema screens in the Borough. However, there is a gap in both family entertainment facilities and cultural attractions in both Andover and Romsey.
- There is capacity for new food and beverage floorspace of between 464 sqm gross in 2021 increasing to 6,804 sqm gross by 2036.
- There is a good provision of health and fitness facilities in Andover, but a potential qualitative gap in Romsey.

18. In compliance with the objectives of the NPPF, the above forecast need should be directed to the Borough's main centres first to help increase competition and choice, and to help underpin their daytime/evening economies. However, the prospect for new facilities will ultimately be determined by the level of market demand and interest for representation in the area and its main centres.

### ***Frontages***

19. Based on our assessment, the broad conclusions by centre are as follows:

- **Andover Town Centre:** We consider that no changes are necessary. However, we would recommend that the boundaries are reviewed when the Council considers the availability and suitability of in-centre, and potentially edge-of-centre sites to accommodate the forecast for new retail floorspace.
- **Romsey Town Centre:** We have put forward three recommendations based on the research evidence.
  - Firstly, that the Town Centre Boundary and Primary Shopping Area (PSAs) should be retained;
  - Secondly, that the Primary Shopping Frontages (PSFs) should be reduced to exclude Latimer Street and Latimer Walk; and finally
  - The secondary Shopping Frontages (SSFs) should be extended to include Latimer Street and Latimer Walk

### **Impact Threshold**

20. We have advised a **350 sqm** impact threshold. This will provide the local planning authority with sufficient flexibility to assess the merits and implications of edge and out-of-centre foodstore applications that could potentially have significant implications for the viability and delivery of new or extended floorspace in these existing centres.

### **Summary of Key Recommendations – Andover**

21. Drawing on the research findings and evidence we consider that the health of Andover Town Centre over the plan period could be improved by addressing the following matters:

- Further out-of-centre development could be harmful to Andover's overall vitality and viability, and any new floorspace should be directed to the Borough's centres first in compliance with the NPPF; subject to market demand and the identification of suitable sites to accommodate the forecast need.
- There is a gap in Andover Town Centre's comparison floorspace provision. Opportunities to improve this situation should therefore be explored to help 'claw back' some shoppers and trade from out-of-centre shops and stores, and competing centres.
- In qualitative terms there is potential for more high street mid-range fashion brands.
- In order to establish its Unique Selling Proposition (USP), Andover will need adapt to current trends and the changing role of retailing by introducing more high quality and 'niche' independent shops to build on Andover's character and attraction.
- There are two areas in Andover with a high concentration of vacant units, which detract from the quality of the environment: the Chantry Shopping Centre and The Bridge Street Mall. These locations represent potential opportunities to increase activity (for example by redeveloping the sites, and/or by seeking operators to locate here).
- The Chantry Shopping Centre is in need for investment to create modern larger format shopping premises to attract retailers, with a prominent anchor.
- Andover's daytime and evening leisure economy needs to be improved. The centre would benefit from establishing a leisure 'hub' or 'quarter', principally focussed on improving the food and beverage offer; focused on the High Street, the south of the Guildhall building (i.e. in the PSA). This would allow for alfresco dining to help animate the market place.
- A better utilisation of the market square should also be promoted, focussed on more cafés and quality restaurants, to create interest and increase footfall.
- The centre lacks family-friendly restaurants; and there is a potential gap in the choice of higher quality of family entertainment venues and activities.
- It would be beneficial to draw up a Masterplan to guide the planning and development of *Cultural Quarter* around The Lights Theatre and Andover Leisure Centre, covering the appropriate uses, the legibility of the area, and the need to improve the wider connections/ linkages to the PSA. The Cultural Quarter should also be designed and curated in a manner that complements and encourages the establishment of a leisure 'quarter' in the PSA.
- Andover Street Market should be significantly improved by raising the quality of goods sold, and by establishing more holistic management and marketing.
- Andover would benefit from partnerships with local retailers to promote and improve the Town Centre. It is noted that Andover BID has recently been set up to progress towards a BID ballot.
- Andover Town Centre would benefit from public realm improvements. For example, the centre could benefit from more seating, green landscaping (e.g. trees), and a well-integrated recreational space.

- The parking management system should be improved (such as incorporating payment on exit).

***Summary of Key Recommendations - Romsey***

22. Drawing on the research findings and evidence we consider that the health of Romsey Town Centre over the plan period could be improved by addressing the following matters:

- There is potential to improve the quality and scale of the town's convenience offer. This can be achieved by introducing a mid-range supermarket, subject to market demand.
- In terms of its comparison provision it would appear that there is a gap in the comparison retail provision (even after taking account of Romsey's geographic position and its role and function as a market town). Further out-of-centre comparison floorspace development could therefore be detrimental to the town centre. In qualitative terms, the centre lacks fashion stores for men, and teenagers/young adults. Based on our observations, we recommended that Romsey should seek to host more higher-end fashion retailers to raise its profile, as well as to continue to build and improve its independent niche and boutique offer. However, this is dependent on future market demand and trends in the retail sector.
- In qualitative terms, the leisure services in Romsey Town Centre could be improved by introducing more evening economy uses and uses that appeal more to a younger population profile (such as a cinema etc.). There also appears to be a potential gap in the health and fitness provision, as well as the potential for a wider range and higher quality of family entertainment venues and activities.
- It is considered that better marketing of the centre would also be highly beneficial to the centre.
- The parking management system should also be improved (such as incorporating payment on exit, and incorporating better car park signage and capacity).

# 1 INTRODUCTION

- 1.1 Carter Jonas ('CJ') was instructed by Test Valley Borough Council (the 'Council') to prepare a *Retail Capacity and Leisure Study* (the 'Study'). The main objective of this strategic study is to provide the robust evidence base needed by the Council to help inform the future planning of the Borough to 2036 from a retail and leisure perspective, and specifically Andover and Romsey Town Centres<sup>2</sup>.
- 1.2 This strategic study has been prepared in the context of current and emerging national and development plan policy guidance; principally the *National Planning Policy Framework* (NPPF) published in March 2012. Where relevant, this study also draws on other key material considerations and evidence. This includes the advice set out in the *National Planning Practice Guidance* (PPG), published in March 2014, which places significant weight on the development of positive plan-led visions and strategies to help ensure the vitality of Town Centres. The sequential and impact 'tests' are also key to both plan-making and decision-taking at the local level.
- 1.3 The assessment of the need (or 'capacity') for new retail (convenience and comparison goods) floorspace has been carried out at the strategic Borough-wide level to help inform the likely scale, type, location and phasing of new retail development over the short (0-5 years), medium (6-10 years) and long term (11-15 years).
- 1.4 The study/catchment area defined for the purpose of this study principally covers the Test Valley local authority area, but also necessarily extends to a wider area incorporating parts of neighbouring local planning authority areas (**Appendix 1**). The Study Area has been divided into 10 zones that broadly reflect the population distribution and local catchments of the main study centres. The defined Study Area and zones provide the framework for the new telephone interview survey of some 1,000 households conducted by NEMS Market Research (NEMS) from 2<sup>nd</sup> – 13<sup>th</sup> October 2017. The full (weighted) survey results are set out in **Appendix 10**. The survey provides the most up-to-date and robust evidence on shopping patterns, leisure preferences and expenditure flows within the Study Area. The survey findings have also informed the health check assessments for the main study centres, as well as the quantitative ('capacity') and qualitative need assessments for new retail (convenience and comparison goods) floorspace and leisure uses.
- 1.5 For ease of reference this report is structured as follows:
  - **Section 2** reviews the national and local planning policy context material to retail planning and Town Centres.
  - **Section 3** highlights some of the key trends that are driving the dynamic changes in the retail sector 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** sets out the results of the market share analysis for convenience and comparison goods shopping and leisure use across the Study Area based on the household telephone interview survey. The market share tabulations for convenience and comparison goods are set out in **Appendix 4** and **Appendix 5** respectively.
  - **Section 5** sets out the results of the street interview surveys for Andover and Romsey Town Centres. Some 298 interviews were carried out (197 in Andover and 101 in Romsey) between 2<sup>nd</sup> and 18<sup>th</sup> October 2017.

<sup>2</sup> The Council has commenced work on preparing the first stage of public consultation 'Issues and Options' on its future Local Plan. The outputs of the Study will also form part of the evidence base for the formal 'Preferred Approach' (Regulation 18) consultation in 2018.



- **Section 6** summarises the results of the business survey conducted in Andover and Romsey Town Centres. Some 101 telephone interviews were carried out (65 in Andover, and 36 in Romsey) between 28<sup>th</sup> September and 5<sup>th</sup> October 2017.
- **Sections 7 - 9** describe the methodology and key findings of the health check assessments for Andover and Romsey. These assessments draw on the Key Performance Indicators (KPIs) identified by the PPG; informed by recent research, audits and site visits, and the survey results.
- **Section 10** sets out the comparator centres research, which benchmarks Andover and Romsey against other similar and/or aspirational centres. Andover was compared with Bury St Edmunds in St Edmundsbury and Yeovil in South Somerset. Romsey was compared with Petersfield in East Hampshire and Sherborne in West Dorset. A high level 'gap' analysis of key retailers was also undertaken, which compares the prominent national retail and leisure operators present in the respective comparator centres against Andover and Romsey.
- **Section 11** describes the key assumptions and outputs of CJ's in-house CREAT<sup>e</sup> (excel spreadsheet) economic capacity model, including: the forecast population and expenditure available in the Study Area (**Appendices 2 and 3**); the forecast convenience (**Appendix 6**) and comparison (**Appendix 7**) turnovers of all existing centres/stores; and the forecast trading characteristics of all known committed retail floorspace at the time of preparing this assessment. It also presents the detailed Council-wide and main centre capacity forecasts for both convenience (**Appendix 8**) and comparison goods (**Appendix 9**).
- **Section 12** sets out the findings of the commercial leisure 'gap' assessment. This looks at the main leisure uses, and provides a high level review of the potential need for new food and beverage uses, cinema and gyms based on the health checks, household and in-centre survey evidence.
- **Section 13** reviews and provides our recommendations on robust definitions of shopping frontages, Primary Shopping Areas (PSA) and Town Centre Boundaries (TCB) based on the evidence.
- **Section 14** draws on the previous sections of the Study. It summaries the relative health, role and function of the Council's main centres, and provides our key advice on recommendations.

1.6 When considering and assessing the findings of this retail assessment it is important to understand at the outset that capacity forecasts beyond a five year time period should be interpreted with caution by the Council as they are subject to increasing margins of error. We therefore advise that although this updated study provides the robust evidence base required to help inform plan-making, site allocations and the determination of planning applications at the local level, the forecasts should be constantly monitored, and updated. These should take into account any significant new retail development and changes in the retail expenditure and population growth forecasts over time, as well as 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.

## 2 PLANNING POLICY REVIEW

- 2.1 This section provides a high level overview of the relevant national and local development plan planning policy pertaining to retail, leisure and town centre uses, along with other material considerations.

### National Planning Policy Framework (NPPF) (2012)

- 2.2 The NPPF was published in March 2012 and sets out the planning policies for England and how these are expected to be applied. It reinforces the importance of up-to-date plans and strengthens local decision making. The NPPF must be taken into account in the preparation of Local Plans and Neighbourhood Plans. At the heart of the NPPF is a presumption in favour of sustainable development, which is regarded as *“a golden thread running through both plan-making and decision-taking”* (paragraph 14). The NPPF (paragraph 14) sets out the Government’s view of what sustainable development means in practice for both plan-making and decision-taking at the local level.
- 2.3 For plan-making the Framework states that local planning authorities should positively seek opportunities to meet the development needs of their area. Local Plans should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change, unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits. The Framework (paragraph 15) states that policies in Local Plans should follow the approach of the presumption in favour of sustainable development so that *“...it is clear that development which is sustainable can be approved without delay”*.
- 2.4 The NPPF (paragraph 17) sets out twelve core planning principles that underpin both plan-making and decision-taking. Amongst other objectives these principles confirm that planning should be genuinely plan-led; proactively drive and support sustainable economic development to deliver thriving local places; promote mixed use developments; focus significant development in locations which are or can be made sustainable; and deliver sufficient community and cultural facilities and services to meet local needs.
- 2.5 The Framework (paragraph 150) emphasises that Local Plans are *“...the key to delivering sustainable development that reflects the vision and aspirations of local communities”*. They should be “aspirational but realistic” and should set out the opportunities for development and clear policies on *“...what will or will not be permitted and where”* (paragraph 154). Only those policies that provide a clear indication of how a decision maker should react to a development proposal should be included in the plan. Any additional Development Plan Documents (DPDs) should only be used where clearly justified (paragraph 153).
- 2.6 The NPPF (paragraph 156) requires strategic priorities for the area covered by the Local Plan to deliver the homes and jobs needed in the area; the provision of retail, leisure and other commercial development; and the provision of health, security, community and cultural infrastructure and other local facilities; etc. Crucially the NPPF (paragraph 157) indicates that Local Plans should, amongst other key requirements plan positively for the development and infrastructure required in the area; be drawn up over an appropriate time scale (preferably 15 years; indicate broad locations for strategic development on a key diagram and land-use designations on a Proposals Map; allocate sites to promote development and flexible use of land, bringing forward new land where necessary, and provide detail on form, scale, access and quantum of development where appropriate; and identify land where development would be inappropriate, for instance because of its environmental or historic significance.
- 2.7 In terms of the evidence-based approach to planning, the Framework states LPAs should ensure that the Local Plan is based on *“...adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area”* (paragraph 158). Furthermore the assessment of, and strategies for housing, employment and other uses should be integrated, and take full account of relevant market and economic

signals. LPAs should use this evidence base to assess the needs for land or floorspace for economic development, including for retail and leisure development; examine the role and function of Town Centres and the relationship between them; assess the capacity of existing centres to accommodate new Town Centre development; and identify locations of deprivation that may benefit from planned remedial action. The NPPF is clear that pursuing sustainable development requires “...careful attention to viability and costs in plan-making and decision-taking” (paragraph 173).

2.8 The Framework (paragraphs 18-149) sets out thirteen key ‘principles’ for delivering sustainable development, including building a strong, competitive economy; ensuring the vitality of Town Centres; promoting sustainable transport; delivering a wide choice of high quality homes; requiring good design; promoting healthy communities; protecting Green Belt land; and conserving and enhancing the natural and historic environment. In terms of **‘ensuring the vitality of Town Centres’** the NPPF (paragraph 23) states that planning policies should be positive and promote competitive Town Centre<sup>3</sup> environments, as well as setting out policies for the management and growth of centres over the plan period. When drawing up Local Plans, LPAs should amongst other considerations:

- recognise Town Centres as the heart of their communities and pursue policies to support their viability and vitality;
- define a network and hierarchy of centres that is resilient to anticipated future economic changes;
- define the extent of Town Centres and primary shopping areas<sup>4</sup>, based on a clear definition of primary and secondary frontages<sup>5</sup> in designated centres, and set policies that make clear which uses will be permitted in such locations;
- promote competitive Town Centres;
- retain and enhance existing markets and, where appropriate, re-introduce or create new ones, ensuring that markets remain attractive and competitive;
- allocate a range of suitable sites to meet the scale and type of retail and leisure development needed in Town Centres;
- ensure that the needs for retail and leisure are “*met in full*” and “*not compromised by limited site availability*”. Assessments should therefore be undertaken of the need to expand Town Centres to ensure a sufficient supply of suitable sites;
- allocate appropriate edge of centre sites for main Town Centre uses that are well connected to the Town Centre where suitable and viable Town Centre sites are not available. If sufficient edge of centre sites cannot be identified, set policies for meeting the identified needs in other accessible locations that are well connected to the Town Centre;
- set policies for the consideration of proposals for main Town Centre uses which cannot be accommodated in or adjacent to Town Centres;

3 The NPPF (Annex 2) states that references to Town Centres or centres apply to city centres, Town Centres, district centres and local centres, but exclude small parades of shops of purely neighbourhood significance. Unless they are identified as centres in Local Plans, existing out-of-centre developments, comprising or including main Town Centre uses, do not constitute Town Centres.

4 Primary shopping area is defined by the NPPF (Annex 2) as the defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are adjoining and closely related to the primary shopping frontage).

5 The NPPF (Annex 2) states that ‘primary frontages’ are likely to include a high proportion of retail uses which may include food, drinks, clothing and household goods. ‘Secondary frontages’ provide greater opportunities for a diversity of uses such as restaurants, cinemas and businesses.

- recognise that residential development can play an important role in ensuring the vitality of centres and set out policies to encourage residential development on appropriate sites; and
- where Town Centres are in decline, local planning authorities should plan positively for their future to encourage economic activity.

2.9 When assessing and determining applications for main Town Centre uses<sup>6</sup> that are not in an existing centre and not in accordance with an up-to-date Local Plan, the Framework requires that LPAs should:

- Apply a **sequential test**<sup>7</sup>, which 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. When considering edge and out of centre proposals, *“...preference should be given to accessible sites that are well connected to the Town Centre”* (paragraph 24). Applicants and LPAs should demonstrate flexibility on issues such as format and scale.
- Require an **impact assessment** if the development is over a proportionate, locally set floorspace threshold (if there is no locally set threshold, the default threshold is 2,500 sqm). The NPPF (paragraph 26) states that this should include assessment of the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and on Town Centre vitality and viability, including local consumer choice and trade in the Town Centre and wider area, up to five years from the time the application is made. For major schemes where the full impact will not be realised in five years, *“...the impact should also be assessed up to ten years from the time the application is made”*.

2.10 The NPPF (paragraph 27) 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”.

## National Planning Practice Guidance (PPG)

2.11 This study also draws on advice set out in the *National Planning Practice Guidance* (PPG), published in March 2014. The PPG has streamlined and replaced the advice previously set out in the *PPS4 Practice Guidance on Need, Impact and the Sequential Approach*. The revised PPG still places significant weight on the development of positive plan-led visions and strategies for Town Centres, and thus retains the key sequential and ‘impact tests’. Of relevance to this study the PPG (para 003) states that the assessment of the potential for centres to accommodate new development and different types of development should cover a *“three-five year period”* but should *“also take the lifetime of the Local Plan into account and be regularly reviewed”*

<sup>6</sup> NPPF (Annex 2) defines ‘main Town Centre uses’ as retail development (including warehouse clubs and factory outlet centres); leisure, entertainment facilities the more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, night-clubs, casinos, health and fitness centres, indoor bowling centres, and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).

<sup>7</sup> This sequential approach should not be applied to applications for small scale rural offices or other small scale rural development.

## Draft Revised National Planning Policy Framework (Draft NPPF)

- 2.12 The new Draft NPPF was published on 5<sup>th</sup> March 2018 with consultation taking place until 10<sup>th</sup> May 2018. The NPPF (2012) still remains the adopted Framework, however, the Draft NPPF is now a material consideration in planning decisions. It will gain more weight as it moves through the process to adoption however the weight given to it is a matter for the decision maker.
- 2.13 With the publication of the revised draft Framework, there are some important proposed changes to policy aimed at '*ensuring the vitality of town centres*' that promotes a 'town centre first' policy approach. These changes are summarised below:
- In terms of plan-making, the revised draft Framework (paragraph 86d) now proposes a shorter ten year time horizon for allocating sites to meet the forecast needs for new retail, leisure, office and other main town centre uses. This contrasts with the current policy position, which requires local planning authorities to allocate sites to "*meet needs in full*" over the plan period; currently 15 years or more.
  - In terms of decision-taking and specifically the sequential test, the revised draft Framework is also seeking to strengthen the 'town centre first' approach by bringing back the more flexible wording last seen in the PPS4; namely that suitable town centre or edge of centre sites do not have to be available immediately for development, but within a "*reasonable period of time*" (paragraph 87).
  - The draft Framework also recognises that where centres are in decline then policies and measures should be promoted that support diversification and changes of use (paragraph 86g).

## Local Planning Policy Context

- 2.14 The current Development Plan consists of the following documents:
- **The Test Valley Borough Revised Local Plan DPD** (adopted January 2016) ("the Local Plan") – contains proposed policies for determining planning applications and identifying strategic allocations for housing, employment and other uses, and covers the plan period from 2011 to 2029.
- 2.15 In addition, whilst there are no adopted Neighbourhood Plans within the Borough, there are 11 designated Neighbourhood Areas that have been approved by the Council. Once prepared, the respective Neighbourhood Plans will present detailed policies, complementing the strategic policies in the Development Plan. The designated Neighbourhood Areas which are progressing with the respective Neighbourhood Plans are as follows:
- |                      |                                 |
|----------------------|---------------------------------|
| ▪ Andover            | ▪ Romsey                        |
| ▪ Charlton           | ▪ Sherfield English             |
| ▪ Chilbolton         | ▪ Thruxton                      |
| ▪ Goodworth Clatford | ▪ Wellow                        |
| ▪ Houghton           | ▪ West Tytherley and Frenchmoor |
| ▪ King's Somborne    |                                 |



2.16 There are a number of Supplementary Planning Documents (SPDs) which provide more detailed guidance to explain policies and proposals set out in Development Plan Documents. The following documents are of particular relevance to this Study:

- **Romsey Town Access Plan (TAP) SPD** (adopted September 2015) – this sets out the vision for accessibility with regards to facilities and services within Romsey and how these can be improved. The TAP seeks to agree the list of future transport schemes for which funding can be sought and for which contributions can be collected under Section 106 Agreements and the Community Infrastructure Levy (CIL). It acts as a guide for the way funding is collected and spent within the Borough.
- **Andover Town Access Plan (ATAP) SPD** (adopted February 2015) – this sets out the vision for accessibility with regards to facilities and services within Andover and how these can be improved. The ATAP sets out a range of measures for which the contributions collected through the Transport Contributions Policy (TCP) (an approach to calculating the level of transport contribution for new developments) and the CIL. The ATAP will help steer the developments in the town, including the Major Development Areas: East Anton, Picket Twenty, Picket Piece for housing and the former Andover Airfield site for employment. The Major Development Areas (New Neighbourhoods) are discussed in more detail later in this section.
- **Shopfront Design Guide (SDG) SPD** (adopted September 2010) – this document assists in the general advice for owners, tenants, developers and architects when considering the development of shopfronts for retail and commercial premises. It aims to encourage good design and provide guidance on the architectural integrity of a building and its setting.
- **Village Design Statements (VDS)** – these statements describe the individual characteristics of a specific area and provide guidance for future development. **The Romsey Town Design Statement SPD** (adopted January 2008) is of relevance to this Study. The objective of this statement was to analyse the appearance of Romsey to determine what contributes to its unique appearance by identifying visual features that are important in the townscape.

2.17 There are a number of evidence based documents that support the Development Plan. Of relevance to this study there have been a number of retail studies conducted for the Council. The following are of the most relevant:

- **Southampton and Eastleigh Retail Study: Retail Addendum for Test Valley (2011)** – this report summarised the shopping patterns at the current time across the Southern parts of Test Valley (including Romsey), to analyse the patterns of retail behaviour of residents living within these settlements and the interaction between Test Valley, Southampton and Eastleigh. This would be an important comparison to understand how patterns of shopping have changed within Romsey and further afield.
- **Romsey Town Centre Study (2011)** – this report covered an in-depth study of Romsey by a research team from the University of Southampton from March and April 2011. This report built upon earlier findings from the research conducted in 1998 by Colliers Erdman Lewis.
- **Retail Capacity Study Update (2012)** – this report informed the preparation of the Local Plan and summarised the changes to the retail capacity, retail trends, and the scope for accommodating growth within the Borough. This Study updated and superseded the Retail Capacity Study 2007, the Retail Development Potential in Romsey 2008, and the Test Valley Retail Advice 2009.
- **Topic Papers Policy LE11, LE12 and LE13 (2014)** – these topic papers were prepared to provide the background justification for both Policy LE11, LE12 and LE13 of Local Plan (2016). These were based on

the evidence base from the Retail Study Update (2012). The specific policies will be discussed in detail in Table 2.2 below.

- **Strategic Housing Land Availability Assessment (2015)** (“SHLAA”) – this technical document informed the current Local Plan. It forms part of the evidence base in preparation of Development Plan Documents. It is intended to assist the Council in the assessment to identify a potential supply of land, which has been promoted by landowners, that is suitable, available and achievable for housing development. The Council are currently preparing a Strategic Housing and Economic Land Availability Assessment (SHELAA). The closing date for submissions was the 20 October 2017. This document will supersede the SHLAA. The SHELAA was published in February 2018.

2.18 There are also a number of documents that are material consideration to the preparation of this Study. They are set out below:

- **Andover Vision (2017)** – this document sets out the vision for Andover over the next 20 years, up to 2037. The document has been prepared by the Andover Vision Partnership, a partnership of Andover’s residents, community groups, businesses and public bodies. There are five ambitions and themes which run throughout the document. These concern: being part of a connected community; having a great green environment; being part of a thriving Town Centre; supporting businesses, jobs and skills in the town; and access to great health. This document is therefore a significant for guiding and encouraging development within Andover Town Centre.
- **Romsey Future (2015)** – was prepared by the Romsey Future Vision Partnership, and sets out the vision for Romsey up to 2035 with aims to ensure the town's future as a vibrant and thriving market town, interacting with its surrounding communities. The strategic ambitions include: getting around Romsey; enhancing Romsey; enjoying Romsey; living well in Romsey; and developing the economy in Romsey. This document is therefore a significant for guiding and encouraging development within Romsey Town Centre.

2.19 A high level review of the local planning policy documents follows below.

## Housing

2.20 The NPPF requires Local Planning Authorities to: “ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area” and “identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period which meets household and population projections, taking account of migration and demographic change” (paragraphs 47 and 159).

2.21 **Policy COM1** in the Local Plan identifies a requirement of 10,584 houses across the plan period (from 2011 to 2029), equivalent to 588 dwellings per annum across the Borough. The proposed housing delivery across the plan period for the entire Borough is outlined in the table below.

**Table 2.1: Housing Provision to be brought forward throughout the plan period (2011 – 2029)**

Area of the Borough		Minimum Housing Requirement across 18 year Plan Period (2011 – 2026)	
Northern Test Valley	Andover	7,092	6,444
	Rural Test Valley		648
Southern Test Valley (including Romsey)		3,492	
<b>Borough Wide total</b>		<b>10,584</b>	

Source: Policy COM1: The Local Plan (2016)

2.22 In order to deliver the housing figures set out above the Local Plan allocates a number of strategies sites:

2.23 In Andover:

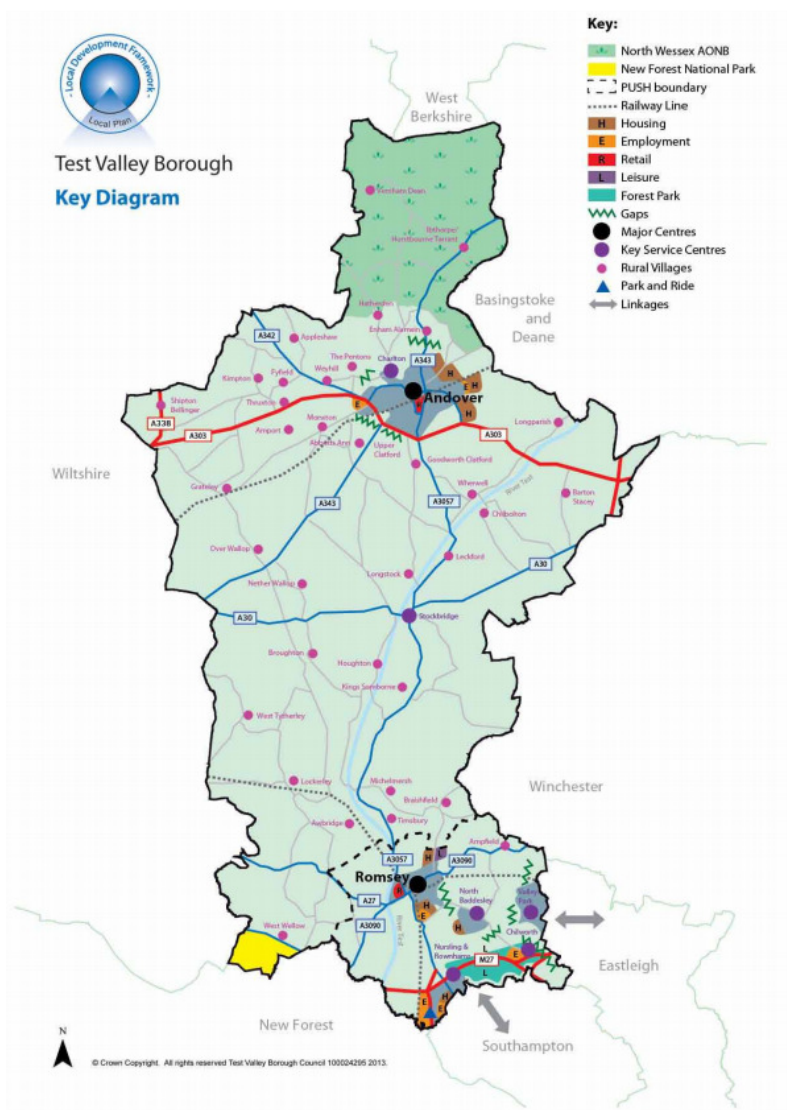
- **Policy COM6: New Neighbourhood at Picket Piece Andover** - seeks a new neighbourhood of approximately 400 dwellings together with a range of associated facilities. It should be noted that planning permission for a new neighbourhood of 530 dwellings together with a local centre offering community facilities and retail units (A1, A3 and A5), public open space, vehicular, pedestrian and cycle access and landscaping (Ref: 10/00242/OUTN) is under construction.
- **Policy COM6A: New Neighbourhood at Picket Twenty** - seeks a new neighbourhood of approximately 300 dwellings together with a range of facilities. It should be noted that planning permission for a new neighbourhood of approximately 1200 dwellings together with a range community facilities, education, retail, offices, recreational areas and associated highway works (Ref: TVN.09275) and is under construction. Policy COM6A allocation (300 dwellings) is an extension to this development. Permission was granted for an extension of 540 dwellings (16/03120/FULLN) on 23 January 2018.
- The Local Plan also refers to the site at **East Anton**, which is an existing housing commitment; and which is shown on the Key Diagram reproduced below. Planning permission Ref: 16/01816/RESN secured a local centre at Northern Local Centre, East Anton Farm Road (15/00729/FULLN). It consists of: the erection of a two and a half storey, mixed use building comprising of 760 sqm commercial floorspace (A1, A2, A3, A5 and B1a), and 20 dwellings.

2.24 In Romsey:

- **Policy COM3: New Neighbourhood at Whitenap, Romsey** sets out the proposal for a new neighbourhood of approximately 1,300 dwellings together with a range of facilities.

2.25 The Key Diagram below provides an overview of the housing proposals within the Local Plan for specific locations. This includes East Anton, Picket Twenty and Picket Piece:

**Figure 2.1: Key Diagram of Test Valley Borough Council**



## Retail

2.26 The Local Plan has a number of relevant retail policies. These are summarised in Table 2.2 below.

**Table 2.2: Retail Specific Policies in the Local Plan (2016)**

Policy Ref.	Description
Policy COM2 <sup>8</sup> :	<p>This policy sets out the Borough's settlement hierarchy. This is summarised below:</p> <p>Major Centres: Andover and Romsey</p> <p>Key Service Centres: Charlton; Stockbridge; North Baddesley; Nursling and Rownhams; Valley Park and Chilworth.</p> <p>Rural Villages: Abbotts Ann, Ampfield, Ampport, Appleshaw, Awbridge, Barton Stacey, Braishfield, Broughton, Chilbolton, Enham Alamein, Fyfield, Goodworth Clatford, Grateley, Hatherden, Houghton, Hurstbourne Tarrant, Ibthorpe, Kimpton, King's Somborne, Leckford, Lockerley, Longparish, Longstock, Michelmersh &amp; Timsbury, Monxton, Nether Wallop, Over Wallop, Palestine, Penton Grafton/Mewsey, Shipton Bellinger, Thruxton, Upper Clatford/Anna Valley, Vernham Dean, West Tytherley, West Wellow, Weyhill, Wherwell</p>

<sup>8</sup> It should be noted that the settlement hierarchy is not the same as a retail hierarchy. Whilst there is not specific policy that sets out the retail hierarchy in Test Valley, it is clear that the following are confirmed as Town Centres: Andover Town Centre, Romsey Town Centre and Stockbridge Local Centre

	Countryside: All other villages
Policy LE11: Main Town Centre Uses	<p>Main Town Centre uses (such as large scale retail, office, entertainment and leisure) will be permitted within the Town Centres of Andover and Romsey (see maps 2 and 4). Development for main Town Centre uses and extensions, with a gross floorspace exceeding 280sqm, outside of Andover and Romsey Town Centre will not be permitted if following a Sequential Assessment they could be accommodated firstly within a Town Centre, or then secondly, an edge of centre location.</p> <p>Development for retail, leisure and office uses outside of the defined Town Centres of Andover and Romsey with a gross floorspace exceeding:</p> <p>a) 1,000sqm within Andover and Romsey; or</p> <p>b) 500sqm elsewhere in the borough,</p> <p>will be permitted, subject to the completion of an Impact Assessment demonstrating no significant adverse impact. Any main Town Centre uses that would harm the vitality and viability of Town Centres will not be permitted.</p>
Policy LE12: Ground Floor Uses in Romsey	<p>Only shops (Class A1 use), financial and professional services (Class A2 use), restaurants and cafes (Class A3 use), drinking establishments (Class A4 use), and hot food takeaways (Class A5 use) will be permitted within the ground floor units within the primary and secondary shopping frontages fronting a street or pedestrian thoroughfare (see Map 4).</p> <p>Within the primary shopping frontages of Romsey, the use of ground floor units fronting a street or pedestrian thoroughfare for financial and professional services (Class A2 use), restaurant and cafes (Class A3 use), drinking establishment (Class A4 use) and hot food takeaways (Class A5 use) will be permitted provided that:</p> <p>a) the proposed use would not result in the number of units in non shop (non-Class A1) use exceeding the proportion of 35%; or</p> <p>b) the proposed use would not result in a concentration of more than three consecutive units in non shop (non-Class A1) use.</p>
Policy LE13: Ground Floor Uses in Andover	<p>Only shops (Class A1 use), financial and professional services (Class A2 use), restaurants and cafes (Class A3 use), drinking establishments (Class A4 use), and hot food takeaways (Class A5 use) will be permitted within the ground floor units within the primary and secondary shopping frontages fronting a street or pedestrian thoroughfare (see Map 2).</p> <p>Within the primary shopping frontages of Andover, the use of ground floor units fronting a street or pedestrian thoroughfare for financial and professional services (Class A2 use), restaurant and cafes (Class A3 use), drinking establishment (Class A4 use) and hot food takeaways (Class A5 use) will be permitted provided that:</p> <p>a) the proposed use would not result in the number of units in non-shop (non-Class A1) use exceeding the proportion of 30%; or</p> <p>b) the proposed use would not result in a concentration of more than three consecutive units in non-shop (non-Class A1) use.</p>
Policy LE14: Mixed Development at George Yard/Black Swan Yard	<p>This policy sets out the proposal for the land at Eastern Avenue (in Andover) for comparison retail floorspace together with offices, housing (100 dwellings), leisure uses and car parking (presented on Map J in the Local Plan). This allocation is located on the east of the Town Centre. This is significant to the Town Centre of Andover as it will alter the shopping patterns and demand for retail floorspace.</p>
Policy LE15: Stockbridge Local Centre	<p>This policy states that development fronting on to the High Street will be permitted provided that: firstly, the size is appropriate to the scale and function of the local centre; and secondly, that it would not have a significant adverse impact on the vitality and viability of the local centre. This is the only local centre policy within the Local Plan.</p>
Policy LE18: Tourism	<p>This policy states that proposals for tourist development will be permitted provided that the development is located within a settlement. If the development is located within the countryside, the proposal must:</p> <p>Utilise an existing building and meet the requirements of Policy LE16;</p> <p>Form part of an existing tourist facility;</p> <p>Where it is a seasonal or temporary structure, ensure it does not have an adverse impact on the landscape; and</p> <p>Where it is a touring caravan and camping site, ensure these are not prominent in the landscape.</p> <p>Development which leads to the loss of serviced accommodation (Class C1) and non-serviced tourist accommodation, will only be permitted if the proposal can demonstrate that the existing living accommodation unit is no longer economically viable or required.</p>

Source: The Local Plan (2016)



- 2.27 The above policies were informed by the Retail Study (2012), which found that in quantitative terms there was scope for new retail development within the Test Valley Council Area. The retail floorspace projections are reproduced below.

**Table 2.3: Class A1 Retail Floorspace Projections**

Location	Floorspace sqm net		
	Convenience	Comparison	Total
<b>Up to 2021</b>			
Andover	885	5,433	6,318
Romsey	1,295	2,143	3,438
Rest of Borough	152	26	178
<b>Total</b>	<b>2,333</b>	<b>7,602</b>	<b>9,935</b>
<b>Up to 2031</b>			
Andover	2,627	12,184	14,811
Romsey	1,803	4,184	5,987
Rest of Borough	382	975	1,357
<b>Total</b>	<b>4,812</b>	<b>17,344</b>	<b>22,156</b>

Source: Retail Study Update (2012) (NLP)

## Summary

- 2.28 In summary, 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' prior to the consideration of edge of centre, and then out of centre locations. This policy objective is crucial as Town Centres are facing increasing economic challenges associated with alternative forms of retailing; in particular online shopping (discussed further in Section 3).
- 2.29 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 23) encourages local planning authorities to assess the potential to expand Town Centres to ensure a sufficient supply of suitable sites. If edge of centre sites cannot be identified to meet the identified needs 'in full', then local planning authorities are required by the NPPF to set policies for meeting the identified needs in other accessible locations that are well connected to the Town Centre, subject to an assessment of the impact of any proposed retail and Town Centre uses on the vitality and viability of existing centres.
- 2.30 In the context of this study, the policies contained within the Test Valley Borough Revised Local Plan provides a context to maintaining and enhancing Town Centres. For the future, this has to be set in context with the dynamics of the retail economy (Section 3) and planning policy.

### 3 NATIONAL RETAIL AND TOWN CENTRE TRENDS

- 3.1 This section summarises some of the key trends that have fuelled the changes in the retail sector over the last three decades, and the impact of these trends on the UK's Town Centres. It provides a commentary on the impact of the downturn in the economy since 2007 and the growth of internet ('multi-channel') retailing on consumer spending, retail development and retailers' business strategies. Drawing on the latest research it also describes how these trends may continue to shape changes in the future, and whether and how Town Centres can respond to help maintain and enhance their overall vitality and viability. Section 12 also provides a more detailed overview of current leisure trends.

#### Retail Trends

- 3.2 Following an unprecedented period of growth in retail sales and expenditure since the mid-1990s, the onset of the longest and deepest economic recession in living memory in 2007/08 had a dramatic impact on consumer spending and market demand. Business and consumer confidence was further weakened by public sector cuts, the rise in VAT, increasing unemployment, less expansionary consumer credit and the rising cost of living (including higher energy costs, petrol and housing prices). This reduced disposable income and retailers' margins were squeezed further.
- 3.3 Official figures show that the UK recovery began in early 2013 and although GDP growth peaked at 2.9% in 2014, it slowed to around 2% in 2015 and 2016 against the backdrop of a weaker global economy and further uncertainty on financial markets. The Brexit vote and subsequent triggering of Article 50 is likely to further dampen business/consumer confidence and the prospects for new investment and growth in the near future. Indeed, over the last 12 months the UK has shifted from being one of the fastest growing G7 economies to among the slowest. Against this background of economic and political uncertainty, Experian Business Strategies project lower GDP growth of around +1.5% in 2017 and 2018.
- 3.4 This dampening in economic growth is also impacting on household income and spending, and ultimately retail sales. The combination of higher inflation, a decline in real wages, a rise in interest rates and a tightening of consumer credit will continue to place a drag on real incomes and consumer spending. Experian forecast that retail sales growth will average 1% in 2018 and 1.9% in 2019.
- 3.5 The table below shows the actual and forecast growth in retail (convenience and comparison goods) spending per head identified by Experian Business Strategies in their latest Retail Planner Briefing Note 15 ('Briefing Note') published in December 2017. This is based on their 'central forecast scenario' that assumes annual growth in GDP averaging 2% from 2016 to 2035.

**Table 3.1 Forecast year-on-year growth in retail expenditure per capita**

Volume Growth per head (%):	-----ACTUAL GROWTH-----										EXPERIAN FORECASTS					HISTORIC TRENDS	
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020-24	2025-36	1997-07	1997-16	
Total Retail Spend	2	-2.8	0.7	-1.1	1.3	1.9	2.1	2.8	3.5	1.4	0.4	1.2	2.2	2.3	5.4	3.5	
Convenience	-4.2	-4.2	-0.6	-3.3	-0.2	-0.3	-0.3	-1	1	0	-0.6	-0.2	0.1	0.1	0	-0.6	
Comparison	4.4	-2.9	1.4	0.1	2.3	3.5	3.6	5.2	5	2.3	0.9	2.1	3.2	3.2	8.3	5.6	

Source: Experian Retail Planner Briefing Note 15 (December 2017); Figures 1a and 1b.

Notes: The table also shows historic growth rates for the period 1997-2007 (the pre-recession period) and for 1997-2016.

- 3.6 As the table shows, there has been negative annual growth (decrease) in convenience goods expenditure per capita levels between 2008 and 2015. Although there was positive growth of +1% in 2016, the forecasts show a return to no or negative growth over the period 2017 to 2019, with limited growth of +0.1% thereafter up to 2036. The forecast growth rates compare with previous historic trends of no growth between 1997 and 2007, and negative growth of -0.5% over the long term, between 1997 and 2016.
- 3.7 For comparison goods the Experian data indicates that annual growth rates are recovering from a low of -2.9% in 2009, to a peak of +5.2% in 2015 and +5% in 2016. However, for the reasons set out above, Experian forecast a dampening in growth in the immediate post-Brexit period; to +2.3% in 2017, +0.9% in 2018 and +2.1% in 2019. Thereafter, comparison spend growth is forecast to average circa +3.2% between 2020 and 2036. Despite the growth forecast by Experian, it is clear that comparison goods growth rates are well below historic trends of +8.3% per annum for the period 1997 to 2007.
- 3.8 Any further dampening of growth rates over the medium to long term could likely have implications for the viability of existing retail businesses and the take-up of new space, as well the need ('capacity') for new retail floorspace over the forecast period. This needs to be taken into account when assessing and reviewing the capacity forecasts for new convenience and comparison goods floorspace set out in this report.

### Special Forms of Trading and Internet Shopping

- 3.9 One of the key trends that has impacted on the retail sector and shopping patterns over the last decade has been the growth in internet shopping, which forms part of special forms of trading (SFT)<sup>9</sup>. Based on ONS data, Experian Business Strategies (EBS) estimate that nationally :
- The value of internet sales in 2017 is estimated to be £55.1bn (at current prices). This represents a +31% increase from £42.1bn in 2015 and a +13% increase from £48.9bn recorded in 2016.
  - The value of other (non-internet) SFT sales (e.g. mail order, vending machines, market stalls, etc.) is estimated to be £8.8bn in 2017. This represents a more modest growth from circa £8.5bn in 2016 and £7.9bn in 2015.
  - Total non-store retail sales are therefore estimated to amount to some £63.9bn in 2017. This represents a 28% growth in sales from £50bn in 2015 a substantial increase from £17.1bn recorded in 2006.
  - The overall market share of SFT, as a proportion of total retail sales, has increased nationally from 5.4% in 2006 to 16.5% in 2017. It is forecast by Experian to grow to 19.3% by 2021 and to 22.5% by 2036 (see Table 3.2 and Figure 3.1 below).

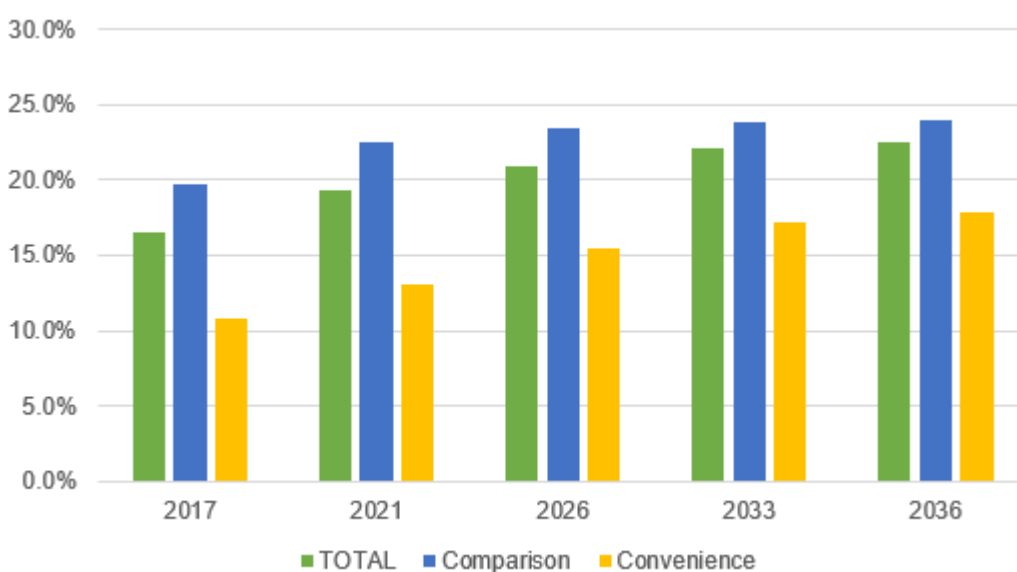
<sup>9</sup> Special Forms of Trading (SFT) comprises all non-store retail sales made via the internet, mail order, stalls and markets, door-to-door and telephone sales. On-line sales by supermarkets, department stores and catalogue companies are also included in the data collected by the Office for National Statistics (ONS).

Table 3.2 SFT's market share of total retail sales

	2017	2021	2026	2033	2036
<b>TOTAL:</b>	<b>16.5%</b>	<b>19.3%</b>	<b>20.9%</b>	<b>22.1%</b>	<b>22.5%</b>
<b>Comparison</b>	19.7%	22.5%	23.4%	23.8%	24.0%
<b>Convenience</b>	10.8%	13.1%	15.5%	17.2%	17.8%

Source: Appendix 3 of Experian Retail Planner Briefing Note 15 (December 2017)

Figure 3.1: SFT's market share of total retail sales



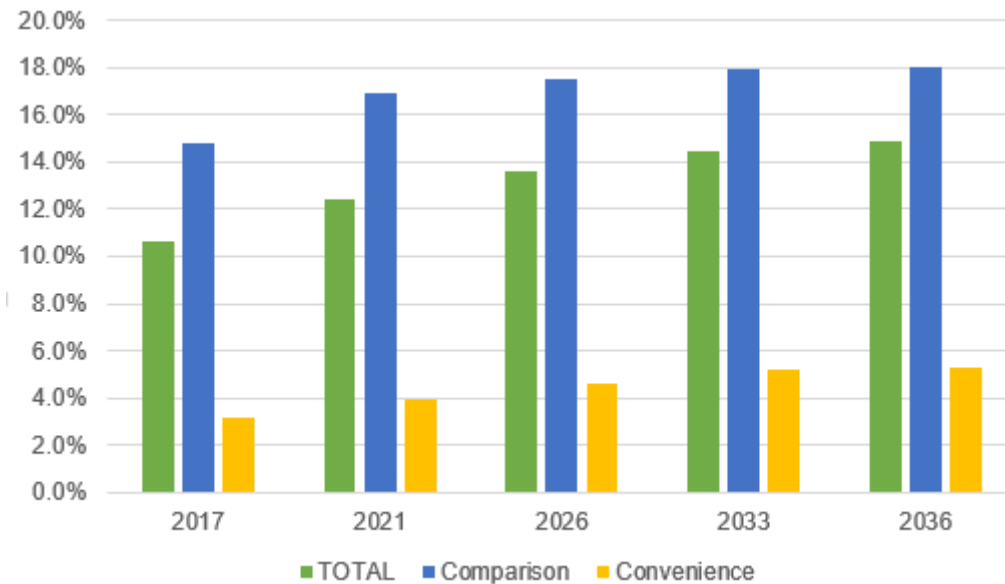
- 3.10 This significant growth is being sustained by new technology (such as browsing and purchasing through mobile phones) and the development of interactive TV shopping. Although Experian forecast that the pace of e-commerce growth will slow after 2020, other commentators suggest that the growth and market share could be higher.
- 3.11 However such forecasts need to be treated with caution, as according to Experian 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 from 'virtual' stores and/or distribution warehouses. On this basis, Experian has adjusted the SFT market shares downwards to reflect the proportion of internet sales sourced from existing stores (see Table 3.3 and Figure 3.2 below).

Table 3.3 Revised forecast growth in SFT's market share of total retail sales

	2017	2021	2026	2033	2036
<b>TOTAL:</b>	<b>10.6%</b>	<b>12.4%</b>	<b>13.6%</b>	<b>14.5%</b>	<b>14.9%</b>
<b>Comparison</b>	14.8%	16.9%	17.5%	17.9%	18.0%
<b>Convenience</b>	3.2%	3.9%	4.6%	5.2%	5.3%

Source: Appendix 3 of Experian Retail Planner Briefing Note 15 (December 2017)

**Figure 3.2: SFT's market share of total retail sales**



- 3.12 Notwithstanding this, there is no question that the digital revolution and growth of online ('virtual') retailing has significantly impacted negatively on Britain's high streets and sales, as it provides local consumers with convenient and often cheaper alternatives to more traditional shops. 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, and the loss of Blockbusters). However this does not mean that other comparison goods categories are immune to the impact of the internet, including clothing and footwear. This is illustrated by the survey-derived market shares for SFT and internet shopping across the defined Study Area and zones (see Section 4).
- 3.13 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; and social media, Skype, email and instant messaging are 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 comprise most of today's high street communities. Yet the success of firms at both ends of the 'divide' is mutually dependent, and is essential to a successful high street.
- 3.14 Notwithstanding the clear and present impact of the digital revolution on how people shop and 'play', some Town Centres should be well positioned to benefit from the growth of new retail related services and multichannel retail, particularly through the provision of convenient 'click and collect' facilities to help drive footfall; whereby customers can browse and order a product on-line, and then collect it from a local store at their convenience. According to research by NEMS Market Research<sup>10</sup>, 48% of online shoppers have at some point made 'click & collect' purchases (i.e. bought or ordered goods online, but then collected the goods themselves). This not only addresses

<sup>10</sup> Usage of Click & Collect by internet shoppers. NEMS Market Research (2016)



the major weakness of online shopping, which is that customers may not be at home when their goods are delivered, but also offers an opportunity for the successful adaptation of traditional high street retailing. John Lewis has led the way in this field and Argos has reported that sales through its 'click & collect' service account for circa one-third of the company's total turnover. Amazon also has an agreement with the Co-operative and Morrisons to locate self-service lockers in local stores. According to research by NEMS Market Research Ltd, a wide range of retailers are rated positively in terms of having a good 'click and collect' service, but a few stand out. For example Argos was rated positively by a third of the people interviewed who have used a 'click & collect', followed by Tesco (27% rated its service as good), ASDA (15%), John Lewis (13%) and Marks & Spencer (7%). The only 'pure' (i.e. non High Street) online retailer that was rated highly was Amazon (7% of those questioned rated Amazon's click-and-collect facilities positively).

- 3.15 Further to this is the potential for 'showrooms' on the high street, where customers can view and test products in-store before purchasing online, for example IKEA. This co-ordinated multi-channel strategy should therefore help to support the vitality and viability of some Town Centres over time, and help drive the demand for retail space from non-traditional retailers, but only where the demand is being directed toward Town Centres and High Streets.

### Floorspace 'Productivity' Growth

- 3.16 Floorspace 'productivity' (or turnover 'efficiency') growth represents the ability of retailers to absorb higher than inflation increases in their costs over time (such as, for example, rents, rates, service charges and staff costs) to help maintain their profitability and viability. Practically, this is achieved by increasing the amount of sales (revenue) within a given retailer's available floorspace (measured in square feet or metres).
- 3.17 It is standard practice for retail planning assessments to make an allowance for the year-on-year growth in the average sales densities of existing and new (comparison and convenience) retail floorspace. However, there is limited evidence detailing actual changes in the turnover and profitability of retailers over time. Furthermore analysis of past data and trends is complicated by the fact that sales density increases have been affected by changes in the use of retail floorspace over the last 20 years; such as, for example, the growth in out-of-centre retailing; Sunday-trading; longer opening hours; and the very strong growth of retail expenditure relative to the growth in floorspace. Following the recession many retailers struggled to increase or even maintain sales density levels and, together with other financial problems, this resulted in some retailers going out of business.
- 3.18 Table 3.4 below sets out the latest sales density growth forecasts for comparison and convenience goods floorspace published by Experian Business Strategies (EBS), based on predicted changes in retail floorspace over time and after making an allowance for 'non-store' (SFT) retailing.

**Table 3.4 Forecast 'productivity' growth rates**

	2014	2015	2016	2017	2021	2026	2020-24	2025-36
<b>Comparison</b>	5.4%	5.3%	4.3%	1.3%	0.9%	1.8%	2.3%	2.2%
<b>Convenience</b>	-2.0%	-1.2%	0.7%	-0.1%	-0.1%	-0.2%	0.0%	0.1%

Source: Figures 4a and 4b, Experian Retail Planner Briefing Note 15 (December 2017)

- 3.19 The forecasts show that the scope for sales density growth is limited for convenience goods retailing. This is mainly due to slow growth in sales volumes and limited additions to the floorspace stock following the shelving of major foodstore expansion programmes by the leading national grocers (i.e. Tesco, Waitrose, Sainsbury's, Morrisons and Asda). Notwithstanding this, the turnover densities of existing food stores in strong trading locations will inevitably be driven upwards where they are serving catchments that are forecast to benefit from strong

population and expenditure growth over the short, medium and long term, and particularly where there is limited or no addition to the floorspace stock.

- 3.20 For comparison goods retailing, the trends towards more modern, higher density stores and the demolition of older inefficient space is forecast to continue, resulting in average growth rates of over +2.3% per annum over the next 15-20 years. However, this is still well below the rate seen during the boom of the early years of this century.
- 3.21 The floorspace 'productivity' growth rates forecast by EBS have been used to inform the retail capacity assessment set out in Section 10 of this study. It should be noted however that we consider that existing retailers and floorspace will have the potential to achieve higher annual revenue growth rates to absorb increasing costs in order to remain viable, and this is especially the case where opportunities for additional new floorspace is limited.

## Changing Retailer Requirements

- 3.22 The economic downturn, the growth in internet shopping and the continued demand for out-of-centre shopping has resulted in national retailers reviewing and rapidly adapting their business strategies, requirements and store formats to keep pace with these dynamic changes in the sector and consumer demand.
- 3.23 This is probably best illustrated by the changes in the grocery sector over the last 2-3 years. Following a sustained period of growth over almost 20 years up to 2009/10, principally driven by new store openings, the focus for the main grocery operators (i.e. Tesco, Sainsbury's, Asda, Waitrose and Morrison's) has now shifted to growing market share through opening new smaller convenience store formats (such as Tesco Express, Sainsbury's Local and Little Waitrose) and online sales. Over this period applications for large store formats have slowed to a virtual standstill and in some cases permissions are not being built out<sup>11</sup>. At the other end of the grocery spectrum, the European-led 'deep discount' food operators (namely Aldi and Lidl) are increasing their market shares through new store openings across the UK. This will inevitably have implications for the scale and type of new floorspace required by food stores in the future.
- 3.24 In the non-food sector, those retailers that experienced significant growth up to 2007/08 have had to adapt to the very different market conditions. The retailers that have not been flexible enough to respond to changing consumer needs, or are being squeezed in the increasingly competitive 'middle ground' between high-end and value retailing, have largely struggled to maintain market share. In some cases, this has resulted in a series of high profile 'casualties' and a number of key retailers have either disappeared from our high streets altogether (e.g. Woolworths, TJ Hughes, Jessops and Jane Norman), or have significantly reduced their store portfolio in centres across the UK (e.g. HMV, GAME etc.). Although the number of retailer 'casualties' has slowed over the last 12-18 months, there are still a number of traditional high street retailers that have recently been forced into administration, most notably BHS.
- 3.25 Research also shows that there is an increasing polarisation and concentration of retailer demand and investment interest in the larger regional and sub-regional centres (i.e. the 'top 25-50' UK centres as defined by Javelin VenueScore rankings). This is because these centres usually have large and established catchment areas, and therefore represent less 'risky' investments in the current uncertain economic climate. These larger centres have also generally benefitted from recent new shopping centre development and investment over the last decade, and are therefore better placed than smaller and medium sized centres to accommodate retailers' requirements for modern larger format units. At the same time, retailer and investment demand is also mainly focussed on the prime retail pitches, with the secondary and tertiary pitches contracting and deteriorating in some centres due to

<sup>11</sup> For example, in 2015 Tesco disposed of some 49 sites with relatively recent permissions for new food stores, including sites in Ipswich, Basingstoke and Dartford.

limited demand, smaller shop units and increasing vacancies. The continuation of these trends will impact on future operator requirements, with retailers looking to satisfy their demand for larger modern premises in prime shopping locations, with strong catchment areas and a good supply of appropriate retail space.

- 3.26 Furthermore, many of the major multiples and traditional high street retailers are changing their store formats and locational requirements. For example, key anchor retailers such as Boots, Next, Mothercare, TK Maxx, John Lewis and Marks & Spencer are actively seeking larger format units to showcase their full product range and to provide an exciting shopper environment backed by the latest (digital) technology. As a result, it is the larger centres and out-of-centre retail parks that are often best placed to meet this demand; as larger units are difficult to accommodate within existing traditional high streets and Town Centres, particularly historic areas characterised by conservation areas and listed buildings. As a result, some traditional high street retailers are moving out of Town Centres to retail parks. For example, over recent years Marks & Spencer has closed a number of traditional variety stores on high streets (including in Harlow, Great Yarmouth and Rugby) and opened new M&S Simply Food stores in out-of-centre locations. M&S has also recently announced a further wave of closures for 2018/19, including the closure of M&S in Andover. This further underlines the growing demand from multiple retailers for larger format shop units, and the need for Town Centres to provide a good mix of large modern units to help attract and retain high street retailers, or potentially risk their relocation to new competing shopping destinations as and when leases expire.
- 3.27 These changes in retailer requirements and market demand will continue to have a significant impact on the UK's Town Centres and high streets, particularly in those cases where retailers make the decision to relocate from Town Centres to out-of-centre locations, or even out of the area altogether.

## Vacancy Levels

- 3.28 The impact of retail closures in Town Centres due to administration (beginning with Woolworths in 2008, BHS in 2016, and Jaeger in 2017) and portfolio rationalisation (such as Clinton Cards planned closure of 120 stores in 2017/18, as well closure of all Banana Republic stores in 2017) has led to a dramatic increase in national vacancy rates.
- 3.29 Experian's figures show that the national average vacancy level (expressed as a proportion of total outlets) more than doubled between 2006 and 2013; from circa 7% to 16%. Although vacancy levels have more recently have fallen back to circa 11.2% in 2017, the national average figure 'masks' the reality for different centres and locations, for example:
- Research by the Local Data Company shows that there is a significant polarisation in vacancy levels between prime and secondary centres, and between centres in the north and south. The generally more 'healthy' centres, closer to London and the south-east have vacancy levels of less than 10%, whereas the more challenging conditions in centres such as Blackpool, Grimsby and Hull is resulting in vacancy levels of over 20%.
  - Since 2012<sup>12</sup> a significant number of shopping centre and high street retail leases have expired as 25 year leases agreed in the late 1980's to early 1990's and more recent sub-10 year leases all reach maturity. In some cases/locations this has helped retailers with their portfolio rationalisation, as they adjust their store requirements for the new multi-channel environment.

<sup>12</sup> Jones Lang LaSalle, Property Predictions, 2012.

- In many centres, there can be as many as 25-30% of occupied shops on temporary short-term lets, with little or no rent being paid<sup>13</sup>.

3.30 Experience shows that long-term vacancies and concentrations of vacant properties in centres can lead to a 'spiral of decline', engender feelings of neglect and lack of confidence in Town Centres, and act as a magnet for crime and antisocial behaviour. Redeveloping and bringing vacant and under-used sites and properties back into use can help stimulate vitality and economic viability, and kick-start local growth<sup>14</sup>. In those cases where vacancies are long-term and units cannot be let, it will be necessary to consider alternative uses and options for redevelopment. This can include temporary uses that ensure Town Centres and frontages remain active, with the potential to accommodate business start-ups, art studios and galleries, community/youth centres, etc. Another option is 'meanwhile uses/leases', which can facilitate temporary occupation of empty buildings while a permanent solution is being found. Furthermore, local planning authorities can provide greater flexibility for changes of use in areas with high vacancy levels, particularly secondary frontages, through local plan policies, area action plans and other planning tools.

## Trends in Retail-Led Investment and Development

- 3.31 The weak UK retail economy, the low growth in retail sales volumes, high vacancy levels and the lack of traditional development funds are all combining with other factors to create a very difficult climate for new shopping centre development and investment. One of the key impacts at the height of the economic recession was to 'weed out' some of the more expensive and unviable development schemes that were in the pipeline before the downturn in 2007/08.
- 3.32 The *Shopping Centre Development Pipeline Report* published by the British Council of Shopping Centres (BCSC – now known as Revo) shows that the UK experienced, on average, nine new centre openings in each of the first 10 years of the 21st century. However, following the development of circa 260,000 sqm in 2009, 232,000 sqm in 2010 and 280,000 sqm in 2011, 2012 was the first year since records began in 1983 that no significant new shopping centres opened. Notwithstanding this, there are more positive recent signs of new shopping centre investment and development activity, with UK-based and international funds seeking assets (principally in prime and secondary locations) that offer the potential for growth. In terms of new development, three significant schemes opened in 2013 with a total floorspace of circa 140,000 sqm (including Trinity Leeds); the Old Market scheme in Hereford opened in 2014; and in 2015 there were a number of significant openings, including Grand Central in Birmingham as part of the New Street station redevelopment and Friars Walk in Newport. Other shopping centre schemes have opened in centres across the UK since 2015, but none are of the scale witnessed during the 'golden age' of shopping centre development between 1997/98 and 2007/08.
- 3.33 Recent trends suggest that average scheme size is generally smaller than previous schemes (i.e. less than 27,870 sqm), apart from in the larger 'top ranking' cities with the strongest catchment populations and expenditure to support new floorspace. Furthermore, recent developments and schemes in the pipeline have a significantly higher proportion of leisure uses and space than earlier shopping centre developments. For example, Land Securities recently reported that leisure space had grown four-fold in their new development schemes over the last 10 years; as illustrated by their major Trinity Leeds scheme which includes a significant leisure and catering offer. In London, the High Street Quarter scheme in Hounslow Metropolitan Centre will also include a significant food and beverage offer, anchored by a multi-screen cinema, with a reduced retail offer.

<sup>13</sup> Sourced from Beyond Retail (2013)

<sup>14</sup> London Assembly Economy Committee: Open for Business. Empty shops on London's high streets GLA, March 2013.

- 3.34 Even smaller schemes, such as those in Hereford and Salisbury, are providing between 5-10 restaurant (Class A3) units. Such demand is especially true in those Town Centres that have wider employment, tourist or other attractions and offer the potential for longer stay shopping. It is apparent that the trend towards more eating out and more informal restaurants and catering outlets across Town Centres is now very much part of new investment and development. This trend clearly has implications for the future planning and development of the Council's main centres and the delivery of a realistic retail vision.
- 3.35 Given that it takes on average over ten years for a Town Centre scheme to be planned and developed, then it follows that it will take a number of years for centres to benefit from the economic upturn and renewed investment and development confidence. Town Centre redevelopment is complex and complicated by fragmented ownership in many centres, which acts as a barrier to site assembly and the creation of new development and infill schemes that might provide the right type of larger format retail units to attract expanding retailers. Small units and fragmented ownership are not conducive to accommodating many of today's modern retailer requirements. As a result, local planning authorities will need to take a more proactive role in attracting and/or delivering new investment and development in Town Centres. This was a key recommendation of the BCSC research 'Enabling Retail Development' (2015), which identified the following interventions by local authorities based on their case study research:
- **Investor:** Newport, Sheffield, Oldham, Walsall
  - **Developer:** Sheffield, Oldham, Bradford, Walsall
  - **Masterplanner/site assembly:** Ealing, Hounslow, Newport
  - **Owner and management company:** Woking
  - **Public Realm delivery:** Hemel Hempstead, Bradford
  - **High Street improvements and grants:** Newport, Hounslow, Bradford
- 3.36 Furthermore, the more challenging retail environment means that those shopping locations outside the 'top 25-50' centres that missed the previous (pre-recession) development cycle may face a long wait for new Town Centre development, as investors look to reduce their exposure and risks. While existing shopping centres may provide the opportunity for asset management by their owners to improve their overall attraction, offer and turnover (such as, for example, through extensions and/or increasing the food, beverage and leisure offer), it can still be problematical and prohibitively expensive to reconfigure units in the more dated early generation shopping centres. In addition, a lack of finance in recent years has severely limited investment in these centres. So, even where there is single ownership and control, activity to create the right type of units for retailers has been restricted. However it is preferable to work with existing schemes, where possible, to avoid simply moving retailers from one scheme to another and creating yet more vacant units.
- 3.37 Even with internet growth, additional floorspace remains one of the primary mechanisms that retailers use to grow profit and if they cannot occupy or adapt existing space, they will often look elsewhere. This means that new retail development solutions are likely to need to become more imaginative in the way in which existing properties (including listed buildings, while mindful of avoiding harm to such heritage assets) are altered in order to help prevent further diversion of trade to out-of-centre locations. Notwithstanding this, the economic rationale for new

floorspace in many Town Centres is much reduced and some commentators<sup>15</sup> argue that the focus will increasingly be on enhancing and updating the existing Town Centre fabric.

## Independents and Street Markets

- 3.38 Multiples continue to be a powerful force within the retail sector, both as marketable brands, and in their ability to secure prime locations in Town Centres. However this does not underestimate or undervalue the important role of small independent shops<sup>16</sup> and street markets, which help to improve consumer choice and convenience to the communities they serve, as well as generating significant benefits for Town Centre economies in terms of local employment and income generation. Furthermore, it is widely accepted that a good mix of independent shops and market stalls help to enhance the character, diversity and vibrancy of Town Centres, preventing the growth of so-called 'clone towns'<sup>17</sup> due to the increasing colonisation of centres by larger chain stores. The homogenisation of the high street is discussed below:

*'...Is the spread of clone towns and the creeping homogenisation of the high street anything more than an aesthetic blight? We think so. Yes, distinctiveness and a sense of place matter to people. Without character in our urban centres, living history and visible proof that we can in some way shape and influence our living environment we become alienated in the very places that we should feel at home.'*  
(New Economics Foundation, *Reimagining the High Street*, 2010)

- 3.39 Notwithstanding this, research shows that the number of small shops in the UK has declined in the past decade. This decline has been caused by multiple factors including changes in shopping behaviour, competition from supermarkets, internet shopping and rising costs (including rents and rates).
- 3.40 In terms of street markets, the 1994 Rhodes Report demonstrated its collective and economic strength. From this report the industry has been successful in demonstrating its national economic value and successive governments have started to value the role of markets as a vibrant and active part of the future of our Town Centres and the high street. This is illustrated by the NPPF (paragraph 23), which places weight on the need to 'retain and enhance existing markets and, where appropriate, re-introduce or create new ones, ensuring that markets remain attractive and competitive'.
- 3.41 The Portas Review<sup>18</sup> also identified markets as an important factor in the future of successful Town Centres. This review produced 28 recommendations for reforms and whilst the success (or otherwise) of the Portas Pilots and other interventions are still the subject of debate, recommendation No 17, a national market day, was grasped by the retail market industry. In May 2012 the first 'Love Your Local Market Fortnight' (LYLM) was rolled out as an annual national celebration of all things positive about retail markets in the UK. The Department for Communities and Local Government (DCLG) have also been very proactive in supporting the positive role of markets in the UK and Town Centre economies.
- 3.42 Retail markets therefore continue to make a meaningful and important contribution to towns and cities across the UK. The successful markets we see today are those which have embraced change and adapted alongside the

<sup>15</sup> English Heritage (2013), *The Changing Face of the High Street: Decline and Revival*

<sup>16</sup> There is no national definition however the Town Centres SPG defines 'small independent shops' as a shop with a gross floorspace of 80 sqm or less.

<sup>15</sup> New Economics Foundation (NEF) *Clone Town Britain Report* (2005 and 2010)

<sup>16</sup> The Portas Review: *An independent review into the future of our high streets* (2011)



town in which they trade; as the demographics of a town change a successful market will reflect this change and continue to cater for and attract the town's residents creating a vibrant and successful market. This will in turn attract visitors from outside the area and increase the value of the market<sup>19</sup>.

- 3.43 In summary, providing for the needs of modern retailers in larger format stores, principally through new retail-led developments, whilst maintaining the viability, representation and mix of independent businesses and market stalls is a difficult balancing act for local planning authorities. It will be a greater challenge going forward with the threat of internet shopping and a fragile economy in the post-Brexit age, but it is vitally important that the diversity of a centre's offer is not undermined by the new retail brands.

## Impact of Out-Of-Centre Retailing

- 3.44 Alongside the dramatic growth in online shopping and sales over the last decade, it is apparent that the appetite from investors and operators for new retail and leisure floorspace in out of centre locations has not diminished.
- 3.45 Research<sup>20</sup> shows that there has been a significant shift of institutional retail investment away from Town Centres over the last 20 years. In 1993, the proportion of investment held out of town was less than a fifth of that in Town Centres; today the value of property owned out of town has overtaken that held in Town Centres.
- 3.46 Larger format units in out-of-centre shopping parks are increasingly attractive locations for more traditional high street retailers, with the benefits of good accessibility, lower costs and ample surface car parking compared with Town Centres. Out-of-centre retailing also accounts for a significant proportion of existing and new retail floorspace and sales in the UK. For example research has highlighted the fact that of the new retail developments approved since the NPPF was published in March 2012, 72% were in out of town locations, 16% were edge of centre and just 12% were in Town Centres.
- 3.47 Although planning policies and more restrictive conditions on what goods can and cannot be sold from some retail warehouses and parks has slowed down the growth of out-of-centre retailing to a degree, the sector continues to mature and move away from 'bulky' goods<sup>21</sup> retailing to the provision of larger stores selling fashion and homewares that compete directly with the high street. Examples include Next at Home (which now includes a significant proportion of fashion sales), John Lewis at Home and Outfit (which includes the Arcadia brands in one store, including Dorothy Perkins, Topshop, Burton, Wallis, etc.).
- 3.48 Continuation of this trend will further challenge the future vitality of many high streets as retailers choose edge and out of centre locations ahead of Town Centres. The impact of these changes will also affect centres differently depending on their function and the future growth in their catchment populations and expenditure. For many towns, the simple fact is that in the future they will require a smaller, more concentrated retail core repositioned for future consumer and retailer needs, and not focused on the past. This will further reinforce the polarisation trend already being witnessed. The impact is likely to be felt across all centres to a greater or lesser extent, manifested through high vacancy rates, falling rent levels, decreasing footfall, weakening multiple retail offer and, potentially, a worsening Town Centre environment.

<sup>19</sup> Recent research documents supporting the benefits of markets can be found via the following link: <http://www.nabma.com/publications/research-documents/>.

<sup>20</sup> Property Data Report 2012, sourced from English Heritage Report (2013), The Changing Face of the High Street: Decline and Revival

<sup>21</sup> 'Bulky' goods retailing is generally defined as comprising DIY goods, furniture and floor coverings, major household appliances and audio-visual equipment.

## Summary

- 3.49 This section has illustrated that existing floorspace in Town Centres faces a myriad of challenges. These will continue to grow over the short, medium and long term. This notwithstanding, for the centres within Test Valley (specifically Andover and Romsey) to perform strongly they will need to embrace the new dynamics and build in resilience to adapt seamlessly to future changes where necessary. There is still a role for existing floorspace and physical 'store based' retailing in Town Centres.
- 3.50 There are positive signs that the UK is emerging from the shadow of the longest and deepest economic downturn in living memory, but it is clear that our Town Centres and high streets post-recession are under pressures to simply retain retail businesses, let alone attract new investment and development.
- First, although the economy in general, and retail sector in particular, is forecast to experience growth over the short to medium term at least, there are risks to these growth forecasts; not least the slowdown in global economies, an increase in interest rates and the potential fallout from Brexit and other global uncertainties arising from international politics.
  - Second, the growth of online shopping is impacting on the vitality and viability of many of Britain's centres and high streets.
  - Third, although the NPPF reinforces the longstanding policy objective of promoting development and investment in Town Centres first, the market appetite for new and extended shopping facilities in out-of-centre locations shows no signs of slowing. The lack of available, suitable and viable sites in Town Centres - and particularly historic centres - to meet the demands of modern retailers and commercial leisure operators for larger format units will inevitably result in an increase in new out-of-centre applications and/or applications to widen 'bulky goods' conditions on existing retail parks.
- 3.51 Within the Test Valley Area, there will be a need to build in resilience to the 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. This is to encourage increased dwell times and to create more purpose in frequenting centres. For example, the introduction of cinemas and more quality food and beverage outlets in-centre over recent years has helped to promote more robust, diverse and viable daytime and evening economies. Further to this, quality street markets, events and promotions can draw new customers to centres and encourage repeat visits.
- 3.52 These trends, and others, are also placing pressures on rental growth and market demand in many centres, particularly the smaller secondary centres and market towns outside the 'top 25-50' shopping locations. This has been further compounded by rising vacancy levels and the loss of key retailers. As a result, the share of non-food retail sales conducted through Town Centre shops has declined; from 64% in 2002 to just over 40% by 2013. Indeed research predicts that by 2020, the impact of declining in-store sales will result in a 31% reduction in high street stores<sup>22</sup>.
- 3.53 As a result a far more uncertain future awaits the next wave of new retail investment and development. The evidence suggests that:
- At one end of the spectrum the larger, more dominant 'top 25-50' **cities and towns** should strengthen their competitive position. Because of their scale and catchment populations they will continue to attract market

<sup>22</sup> Javelin Group (October 2011), 'How Many Stores Will We Really Need?'

interest from high profile domestic and international retailers seeking space, as well as from commercial leisure operators.

- At the other end of the spectrum the smaller **local and neighbourhood centres** will be less affected. They are principally meeting the everyday retail (food), service and community needs of their local ('walk-in') resident catchment populations. It will therefore be important for local planning authorities to protect the important offer, role and function of these smaller centres.
- It is the **medium-sized towns** that occupy the middle ground that are increasingly being squeezed by the dynamic shifts in retailer demand and investment. Historically, such towns have had a reasonably large comparison shopping function, but this is beginning to shrink back because the demand from multiples is slowing and the space offered is often of the wrong size and configuration, and in the wrong location to meet today's retailer requirements. The challenge for local planning authorities will therefore be how to revitalise and regenerate these centres, looking beyond retail as a key driver for growth. This could involve Councils taking more of a lead role in assembling, planning, funding and developing Town Centre regeneration, ranging from investment in the public realm and shop frontages, through to developing new mixed use schemes often in partnership with the private sector.

- 3.54 Notwithstanding these threats, industry experts still predict that the demand from major retailers for new physical space in the right locations with strong catchments will continue, as it still remains one of the primary mechanisms for retailers to 'reach' their customers, to grow their businesses and to increase market share and profitability. Over the short to medium term any increased demand for space from retailers will have to be met by the current retail stock (i.e. existing shopping centres, the high street and out-of-centre facilities). This is because there is limited new retail floorspace in the pipeline in Town Centres and, in any case, it can take a long time to deliver new development on complex Town Centres sites.
- 3.55 Therefore those shopping locations that are able to accommodate and deliver new developments over the next 5-10 years should be in a good position to attract operator interest. However, this will depend on the new retail floorspace being in the right location (i.e. preferably prime shopping locations, with good accessibility, etc.) and having the right size, format and specification to meet the needs of modern retailers. Due care and attention will also need to be paid to ensuring that the new floorspace and tenants complement rather than compete with the centre's existing offer, and strengthen rather than weaken the existing pedestrian circuit so as to generate the maximum benefits for the centre's overall vitality and viability.
- 3.56 In this context, it is clear that the 'top 25-50' prime centres and shopping locations in Britain should continue to flourish once the economy recovers. The greatest challenge facing local planning authorities will be how to revitalise the fortunes of struggling small and medium sized centres and market towns that do not have the critical mass of retail, leisure and other uses to compete for more limited investment and development.
- 3.57 This provides the important background and context for assessing and understanding the potential for new retail investment and development in Test Valley and its main centres over the short, medium and long term.

## 4 CATCHMENT AREA & SHOPPING PATTERNS

- 4.1 This section first defines the Catchment/Study Area that provides the basis for the quantitative and qualitative needs assessment. It then describes the household telephone interview survey (HTIS) and summarises the key headlines of the survey-derived market share analysis for convenience and comparison goods retailing.

### Study Area and Zones

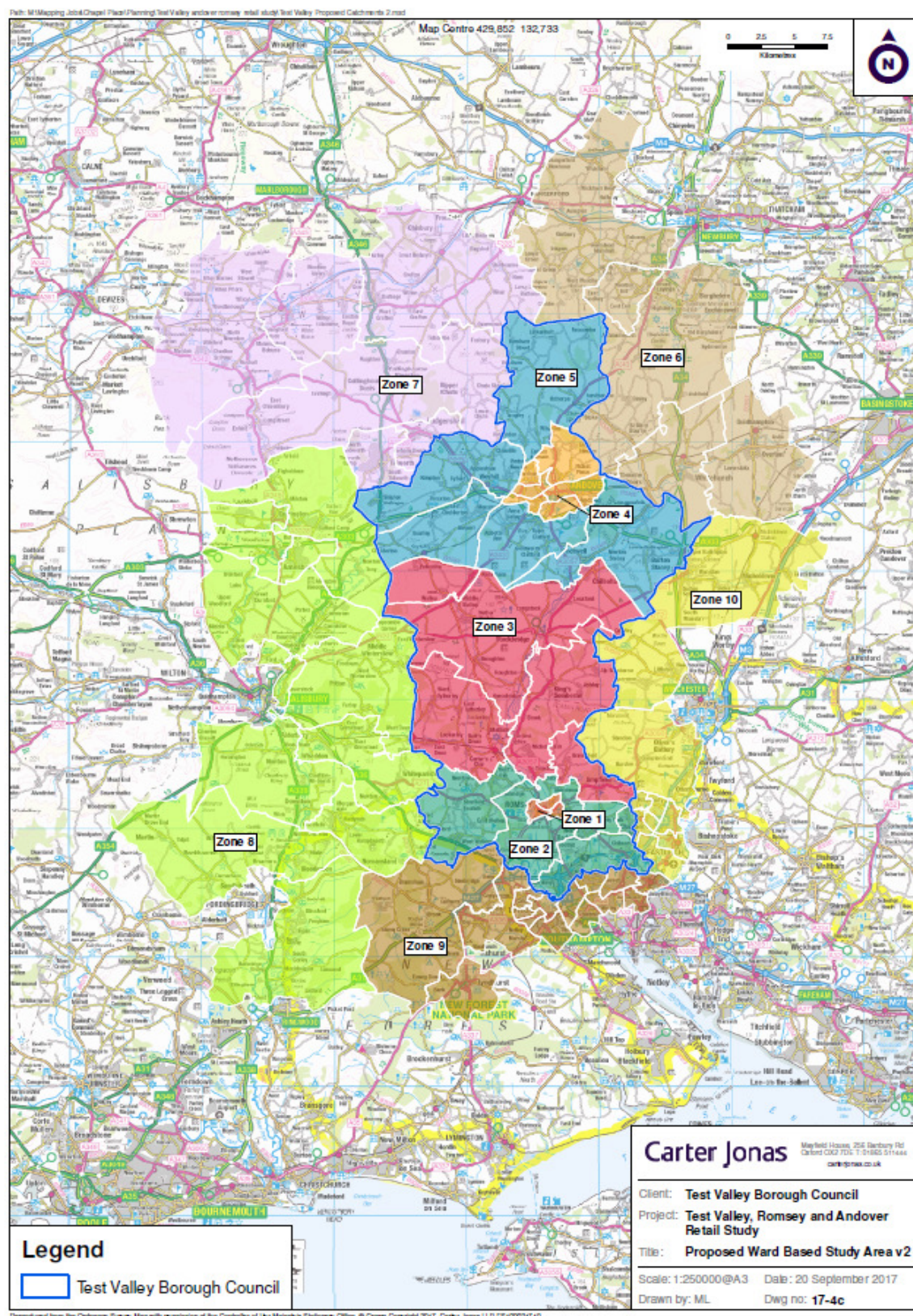
- 4.2 The definition of an appropriate Study ('catchment') Area is an important starting point for any retail and town centre assessment. In this case the Study Area has been defined using Ward geography, and not postcode sector geography as used by the earlier Retail Studies for the Council. This will accurately reflect the local authority boundary (which comprises of wards), and allow comparison and cross-reference of data with other evidence base documents used by the Council.
- 4.3 The Study Area has been sub-divided into 10 zones, which cover the Test Valley Borough Council Area exactly and in full (Zones 1 to 5). It also covers outlying areas including parts of the surrounding local authority areas, namely: West Berkshire Council, Southampton City Council, Wiltshire Council, Basingstoke and Deane Borough Council, Eastleigh Borough Council, New Forest District Council, Winchester City Council (see Table 4.1 below, and **Appendix 1**).

**Table 4.1 Post Code Composition of the Study Area**

Catchment	Wards
Zone 1	Abbey, Tadburn and Cupernham
Zone 2	Chilworth, Nursling, Rownhams, Romsey Extra, Blackwater, North Baddesley, Valley Park,
Zone 3	Broughton and Stockbridge, Ampfield and Braishfield, Dun Valley, Kings Somborne and Michelmersh, and Over Wallop
Zone 4	Alamein, Millway, Harroway, Charlton, Winton and St. Mary's
Zone 5	Bourne Valley, Harewood, Amport, Penton Bellinger and Anna
Zone 6	Burghclere, Highclere and St. Mary Bourne, Whitechurch, Overton, Laverstoke and Steventon, East Woodhay and Kintbury.
Zone 7	The Collingbourne and Netheravon, Burbage and The Bedwyns, Pewsey Vale, Tidworth and Ludgershall and Perham Down
Zone 8	Bulford, Allington and Figheledean, Downton and Ebble Valley, Winterslow, Redlynch and Landford, Alderbury and Whiteparish, Bourne and Woodford Valley, Durrington and Larkhill, Laverstock, Ford and Old Sarum, Amesbury East, Forest North West and Downlands and Forest
Zone 9	Bramshaw, Copythorne North and Minstead, Ashurst, Copythorne South and Netley Marsh, Lyndhurst, Totton South, Totton Central, Totton East, Totton North, Millbrook, Redbridge, Shirley, Coxford, Portswood, Bassett and Swaythling
Zone 10	Eastleigh South, Eastleigh North, Chandler's Ford West, Hiltingbury East, Chandler's Ford East, Hiltingbury West, Wonston & Micheldever and Badger Farm and Oliver's Battery



Figure 4.1. Study Area and Zones



- 4.4 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

### Household Telephone Interview Survey & Market Share Analysis

- 4.5 NEMS Market Research was commissioned to carry out a HTIS across the defined Study Area and zones. The interviews took place between 2<sup>nd</sup> and 13<sup>th</sup> October 2017. The questionnaire was designed by CJ in collaboration with Test Valley Borough Council. The full 'weighted' survey results are set out in **Appendix 10**.
- 4.6 In total, some 1,000 interviews were conducted across 10 zones. This involved structured interviews by telephone with the person responsible for the main household shopping. A number of measures were put in place by NEMS to ensure each sample was representative of the profile of the person responsible for shopping in the household. Responses across the Study Area were further weighted by the population in each zone to ensure that the results of respondents in more sparsely or heavily populated areas were not under or over represented in terms of the market share assessment. This is a standard approach that helps to ensure the survey results provide a robust and realistic picture of shopping and leisure patterns. **Appendix 10** provides a detailed overview of the survey sample size and methodology used to ensure a representative sample of a zone's population profile.
- 4.7 The survey results help to identify broad patterns and preferences for different types of convenience and comparison goods shopping purchases, as well as leisure use across the Study Area. The key findings are used to inform the baseline market share analysis<sup>23</sup> and turnover estimates that underpin the quantitative retail capacity assessment, as well as the qualitative needs assessment.

### Convenience Goods – Market Share Analysis

- 4.8 Convenience goods<sup>24</sup> 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.). The survey-derived market share (%) analysis for all convenience goods shopping is set out in **Table 1 (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 Special Forms of Trading<sup>25</sup> (including internet sales), but exclude 'null' responses (such as 'don't knows', etc.) in accordance with good practice.
- 4.9 The overall market shares in Table 1 have 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 2-3 (Appendix 4)**.
- 4.10 In order to avoid the market share analysis of food shopping patterns being 'skewed' by larger superstores and food stores 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 are set out in Table 4 for 'top up food purchases' and Table 5 for 'other top up food purchases' (**Appendix 4**).

<sup>23</sup> 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.

<sup>24</sup> For the purpose of this retail assessment 'convenience goods' and 'food' shopping have the same meaning.

<sup>25</sup> A more detailed explanation of SFT is set out in Section 3



- 4.11 The responses for 'primary' and 'secondary' food shopping purchase 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 a weighting of 60% for main 'bulk' shopping; 15% for secondary main 'bulk' shopping; 15% for primary 'top-up' shopping; and 10% for secondary 'top-up' shopping.
- 4.12 **Table 4.2** summarises the convenience market share levels by centres and locations across the Study Area. The key findings of are briefly described below.

**Table 4.2: Convenience goods market shares for key centres in the Council Area**

	Study Area	Test Valley Council Area	Andover Primary Catchment - Zones 4 and 5	Romsey Primary Catchment Area - Zones 1 and 2
<b>Andover Total</b>	<b>16.0%</b>	<b>46.7%</b>	<b>88.4%</b>	<b>0.2%</b>
Andover Town Centre	3.8%	12.0%	21.9%	0.1%
Andover Out of Centre	12.3%	34.8%	66.5%	0.1%
<b>Romsey Total</b>	<b>6.8%</b>	<b>16.5%</b>	<b>0.0%</b>	<b>36.3%</b>
Romsey Town Centre	6.3%	14.9%	0.0%	32.3%
Romsey Out of Centre	0.5%	1.6%	0.0%	4.0%
<b>Key Service Centres</b>	<b>0.8%</b>	<b>2.8%</b>	<b>1.6%</b>	<b>1.9%</b>
<b>Rural Villages</b>	<b>0.3%</b>	<b>1.0%</b>	<b>0.6%</b>	<b>0.2%</b>
<b>Test Valley Other Out of Centre</b>	<b>0.2%</b>	<b>0.5%</b>	<b>0.1%</b>	<b>0.0%</b>
<b>TOTAL</b>	<b>24.1%</b>	<b>67.6%</b>	<b>90.8%</b>	<b>38.6%</b>
<b>SFT</b>	<b>5.0%</b>	<b>4.8%</b>	<b>3.8%</b>	<b>6.0%</b>
<b>Other Centres/Stores outside LPA areas</b>	<b>70.9%</b>	<b>27.6%</b>	<b>5.4%</b>	<b>55.4%</b>
Eastleigh	10.8%	9.9%	0.0%	24.4%
Southampton	11.4%	4.5%	0.0%	10.8%
Winchester	5.5%	3.4%	0.6%	3.7%
Chandlers Ford	3.2%	3.0%	0.0%	7.2%
Other	40.0%	6.9%	4.8%	9.3%

Source: Table 1, Appendix 4

- 4.13 In terms of the market share of **Special Forms of Trading** (SFT), and principally internet shopping, **Table 1 (Appendix 4)** shows that SFT's share of all food shopping across the Study Area (i.e. Zones 1-10) is 5.0%. In the Test Valley Council Area (i.e. Zones 1-5) SFT's market share is broadly comparable at 4.8%. The market share does vary across the Study Area, from a low of 1.4% in Zone 10 to 9.0% in Zone 6. In general terms higher SFT market shares in less built up areas correlate to a greater reliance on online grocery shopping, as there is generally less access to foodstore provision compared to more urban areas.
- 4.14 Experian's latest *Retail Planning Briefing Note 15* (RPBN15, December 2017) shows that the national average market share for non-store (SFT) convenience goods retail sales is higher than that for both the Study and Council Area at 10.8% in 2017 (see Section 3). A number of factors may explain this lower than average market share in the Study Area, such as good access to foodstores and the extent/ quality of internet coverage. This highlights that there could be potential for SFT's market penetration to increase in the future as online grocery shopping

becomes more popular and convenient. If this was 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 2031.

- 4.15 Turning to the market share analysis for the **main centres and stores** in the Council's area, **Table 1 of Appendix 4** shows that they are achieving an overall convenience goods market share ('retention level') of 24.1% within the Study Area. However, the main food and convenience stores in the Test Valley Council Area are achieving a good 'retention level' of 67.6% of total available convenience expenditure within the Borough area. Although this is a good retention level in our experience, there could potentially be scope to improve this retention level through new provision; subject to economic need and market demand.

#### **Andover**

- 4.16 Andover Town Centre retains a market share of 12.0% with the Test Valley Council Area; and 21.9% within its Primary Catchment Area (PCA - Zone 4 and 5). Waitrose in the Chantry Centre and the Marks and Spencer's on the High Street are the main convenience shopping facilities.
- 4.17 The key competition comes from the out-of-centre food stores near Andover. These retain 66.5% of convenience trade across the PCA; and 34.8% across the Borough Area. The most popular locations are Tesco Extra, River Way; Aldi, Weyhill Road; Sainsbury's Superstore, Shepherds Spring Lane; and Asda Superstore, Anton Mill Road.
- 4.18 As such, Andover as a whole (in-centre and out-of-centre) retains 88.4% of convenience expenditure within its PCA; and 46.7% in the Test Valley Council Area. Its local retention of 88.4% is positive in our view and suggests a good provision and choice of food and convenience stores.
- 4.19 From the Primary Catchment, only 5.4% of Andover's convenience trade is 'lost' to locations outside of the Test Valley Council Area; namely to Tidworth (1.6%), Salisbury (0.8%), Winchester (0.6%), Basingstoke (0.6%), Amesbury (0.4%), Marlborough (0.4%) and Whitchurch (0.4%).
- 4.20 From the primary catchment, only 3.8% of Andover's convenience trade is accounted for by SFT.
- 4.21 Overall, the market share results would appear to indicate that Andover as a whole has a strong provision, albeit the scale and choice of out-of-centre facilities are superior to those in-centre.

#### **Romsey**

- 4.22 Romsey Town Centre retains a market share of 14.9% within the Test Valley Council Area; and 32.3% within the Romsey Primary Catchment Area (PCA). The main town centre food stores are Aldi, The Hundred (retaining 8.4% of convenience expenditure in the Borough Area) and Waitrose, Alma Road (5.8%).
- 4.23 Romsey's out-of-centre convenience facilities are limited; accounting for only 1.6% of convenience spend in the Test Valley Council Area and 4.0% within its PCA.
- 4.24 As such, within its PCA Romsey's overall provision (in-centre and out-of-centre) retains 36.3% of convenience expenditure; and 16.5% across the Borough Area.
- 4.25 The key competition comes from locations outside of the Borough. The key locations are Eastleigh (drawing 24.4% of the PCA convenience expenditure) and Southampton (10.8%). This is not entirely surprising given the geographical location of Romsey; however it does indicate that is a potential 'gap' in foodstore provision in Romsey (especially when comparing to the performance of Andover).

- 4.26 Finally, the **Key Service Centres** within Test Valley have lower retention rates, given their more localised role and function. Collectively they are achieving a market share of 2.8%; reflecting their relatively limited convenience goods floorspace and the fact that they mainly serve the day-to-day more frequent top-up food shopping needs of their local resident catchment populations. **The Rural Villages** collectively retain 1.0% in the Test Valley Council's Area.
- 4.27 Considering the Study Area as a whole, competing stores outside of the Test Valley Council Area, are achieving a 70.9% market share. However, when considering the Test Valley area only, the leakage to centres outside the area is a much lower, at 27.65%; the key competitor locations being Eastleigh (9.9%), Southampton (4.5%), Winchester (3.4%) and Chandlers Ford (3.0%).

### ***Comparison Goods – Market Share Analysis***

- 4.28 Comparison goods<sup>26</sup> are generally defined as items not obtained on a frequent basis and include clothing, footwear, household and recreational goods (see **Glossary of Terms**). The household survey comprised questions on the main groupings of non-food expenditure, as defined by Experian in the latest Retail Planner Briefing Note, including: 'clothing and footwear'; recording media; electrical goods; books; furniture and carpets; DIY and garden products; medical goods; etc.
- 4.29 **Table 1 (Appendix 5)** shows the market shares (%) for all comparison goods shopping purchases made both within and outside the Study Area, as well as within the Test Valley Borough Council 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 5)**. The market share analysis (%) takes account of the distribution and weight of spend (£) by households on the different comparison goods categories. This ensures that the resultant shares are not 'skewed' by any particular comparison goods expenditure category. This is a standard approach for retail assessments.
- 4.30 As for the analysis of convenience goods, the market shares include expenditure on **Special Forms of Trading (SFT)**, but exclude all 'null' responses. The key findings of the market share analysis are briefly described below.
- 4.31 **Table 1 (Appendix 5)** shows that SFT's share of all non-food shopping across the total Study Area (i.e. Zones 1-10) is 24.4%. The SFT share for the Borough Area (i.e. Zones 1-5) is higher than that of the Study Area, at 29.9%. In comparison, Experian's latest RPB15 shows that the national average market share for non-store (SFT) comparison goods retail sales is 19.7% in 2017. The market shares from the HTIS therefore indicate a higher SFT rate than the national average.
- 4.32 SFT market shares vary for the different zones within the Council Area; from 17.6% in Zone 3, up to 40.1% in Zone 4. On the basis that Zone 4 covers the immediate catchment area of Andover, this unusually high SFT retention rate could be explained by a number of factors:
- Andover is well connected logistically for internet distribution facilities, meaning that delivery of goods is easy;
  - The existing shopping and service facilities could have a well-established "click and collect" function;
  - There is a gap in the existing comparison shopping facilities (such as quality, number and scale). This would force the local population to shop on-line (as well as to look to other centres to cater for their needs).

<sup>26</sup> Please note that comparison goods and non-food shopping have the same meanings.

- 4.33 The table below summarises the comparison goods market shares for the main centres and shopping locations both within and outside the Borough and wider Study Area. The full tabulated results are set out in Appendix 5.

**Table 4.3: Comparison goods market shares for key centres in the Council Area**

	Study Area	Test Valley Council Area	Andover Primary Catchment Area - Zones 4 and 5	Romsey Primary Catchment Area - Zones 1 and 2
<b>Andover Total</b>	<b>8.1%</b>	<b>21.3%</b>	<b>39.6%</b>	<b>0.0%</b>
Andover Town Centre	4.5%	12.0%	21.6%	0.0%
Andover Out of Centre	3.6%	9.2%	18.1%	0.0%
<b>Romsey Total</b>	<b>2.4%</b>	<b>6.2%</b>	<b>0.0%</b>	<b>12.7%</b>
Romsey Town Centre	2.4%	6.2%	0.0%	12.7%
Romsey Out of Centre	0.0%	0.0%	0.0%	0.1%
<b>Key Service Centres</b>	<b>0.2%</b>	<b>0.4%</b>	<b>0.1%</b>	<b>0.8%</b>
<b>Rural Villages</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Test Valley Other Out of Cen</b>	<b>1.8%</b>	<b>1.2%</b>	<b>0.0%</b>	<b>3.1%</b>
<b>TOTAL</b>	<b>12.5%</b>	<b>29.1%</b>	<b>39.8%</b>	<b>16.6%</b>
<b>SFT</b>	<b>24.4%</b>	<b>29.3%</b>	<b>36.3%</b>	<b>24.8%</b>
<b>Other Centres/Stores outside LPA areas</b>	<b>63.1%</b>	<b>41.6%</b>	<b>23.9%</b>	<b>58.6%</b>
Eastleigh	5.5%	4.2%	0.1%	9.9%
Salisbury	8.3%	4.0%	4.6%	1.6%
Southampton	23.8%	16.7%	3.5%	30.1%
Winchester	4.7%	5.1%	3.7%	4.7%
Basingstoke	2.5%	3.9%	7.9%	0.0%
Other	18.3%	7.6%	4.1%	12.2%

Note: Figures may not add up due to rounding

- 4.34 The table shows that the Borough's main centres and out-of-centre stores and shopping facilities are achieving an overall 'retention level' of 12.5% within the total Study Area (Zones 1-10) and a higher retention within the Borough Area (Zones 1-5) at 29.1%
- 4.35 Turning to the market shares for the Borough's main centres, the following patterns have been identified.
- Andover**
- 4.36 Andover Town Centre retains only 12.0% of comparison expenditure with the Test Valley Council Area; and 21.6% with its PCA (Zones 4 and 5).
- 4.37 Andover Town Centre faces significant competition from:
- **SFT** – which accounts for 29.3% of the trade in the Borough Area, and 36.3% in the PCA;

- **Retail facilities outside of the Test Valley Council Area** - with Basingstoke, Salisbury, Southampton, and Winchester being the main competitors, taking 41.6% of the trade in the Borough Area and 23.9% in the PCA; and
- Its immediate **out-of-centre facilities** – including Churchill Retail Park and Enham Arch Retail Park draw 18.1% of the comparison expenditure in the PCA.

4.38 This would suggest that Andover Town Centre has a gap in comparison floorspace provision, and opportunities to improve quality and choice of provision should be explored to help the centre 'claw back' shoppers and trade.

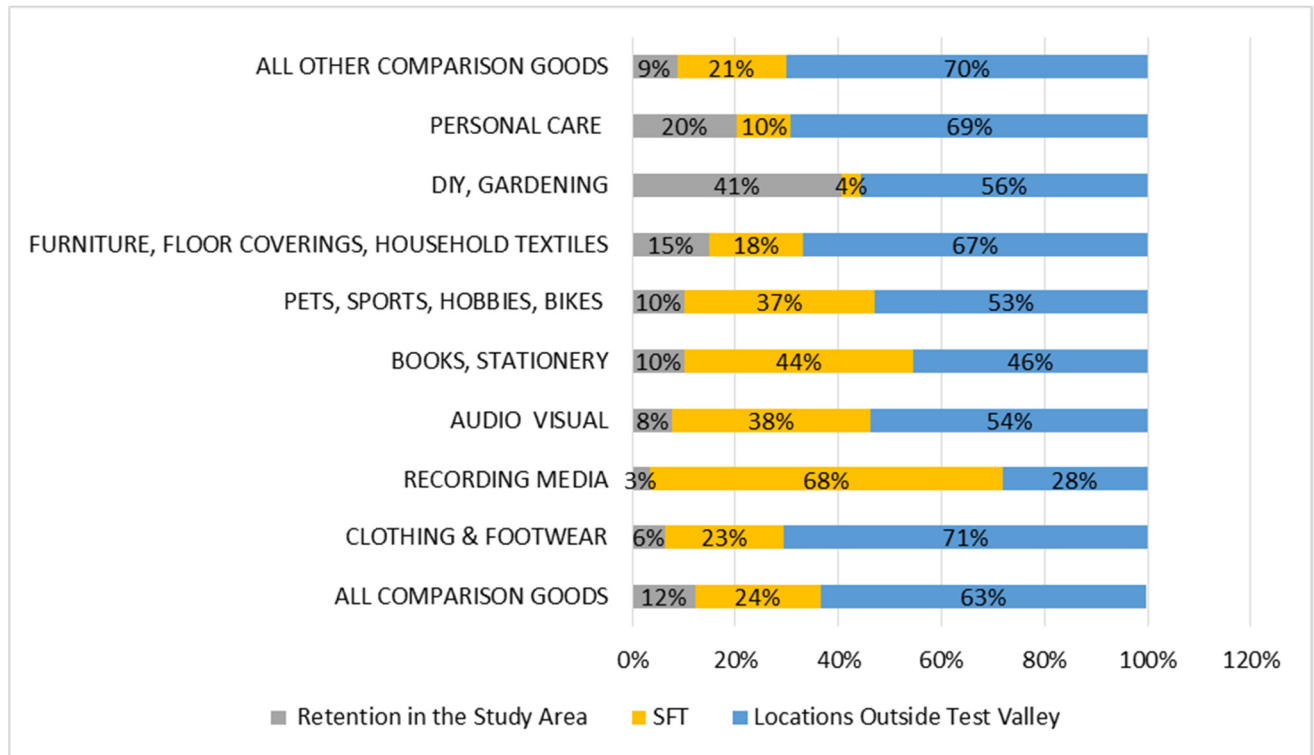
### **Romsey**

- 4.39 Romsey Town Centre has a lower market share of 6.2% within the Test Valley Borough Area than Andover (12%). Within Romsey's Primary Catchment Area (PCA - Zones 1 and 2) the Town Centre retains 12.7% of comparison expenditure. This reflects the scale and range of the town's non-food offer.
- 4.40 There are limited comparison facilities out-of-centre, drawing only 0.1% market share from the PCA. They do not register a market share within the Borough Area.
- 4.41 As such, the key competition comes from retail facilities outside the Borough. For example, the PCA experiences 58.6% 'leakage' of comparison expenditure; principally to shops and stores in Eastleigh (9.9%), Hedge End (5.5%) and Southampton (30.1%). Given Romsey's geographic position and its role and function as a market town, it is not surprising that expenditure is leaking to these larger and higher order centres.
- 4.42 The SFT accounts for 24.8% of all comparison expenditure in the PCA. This is higher than the national average of 19.7%.
- 4.43 Based on the above, given the high level of leakage and the market share for online shopping, it would appear that there are gaps in the Town Centre's comparison offer. This is explored in more detail throughout this Study.

### **Study and Borough Area**

- 4.44 The HTIS shows that from across the Study Area, competing locations outside of the Borough Area draw a 63.1% of the comparison goods market share. In comparison, when considering the Test Valley Council Area on its own, the market share to competing locations is lower at 41.6%. The main competing comparison retail locations are Southampton, Eastleigh, Salisbury and Winchester.
- 4.45 The figure below shows the market shares for the Council's main centres and stores (aggregated), other centres and SFT/internet shopping for residents in the Study Area and the Borough Area only for different categories of comparison goods expenditure. This figure summarises the survey-derived results set out in Tables 2-10 (**Appendix 5**).

Figure 4.2: Comparison Goods Market Shares for the Study Area (Zones 1-10)



4.46 Figure 4.2 shows that from across the Study area, the highest proportion of expenditure outflow is in the categories of:

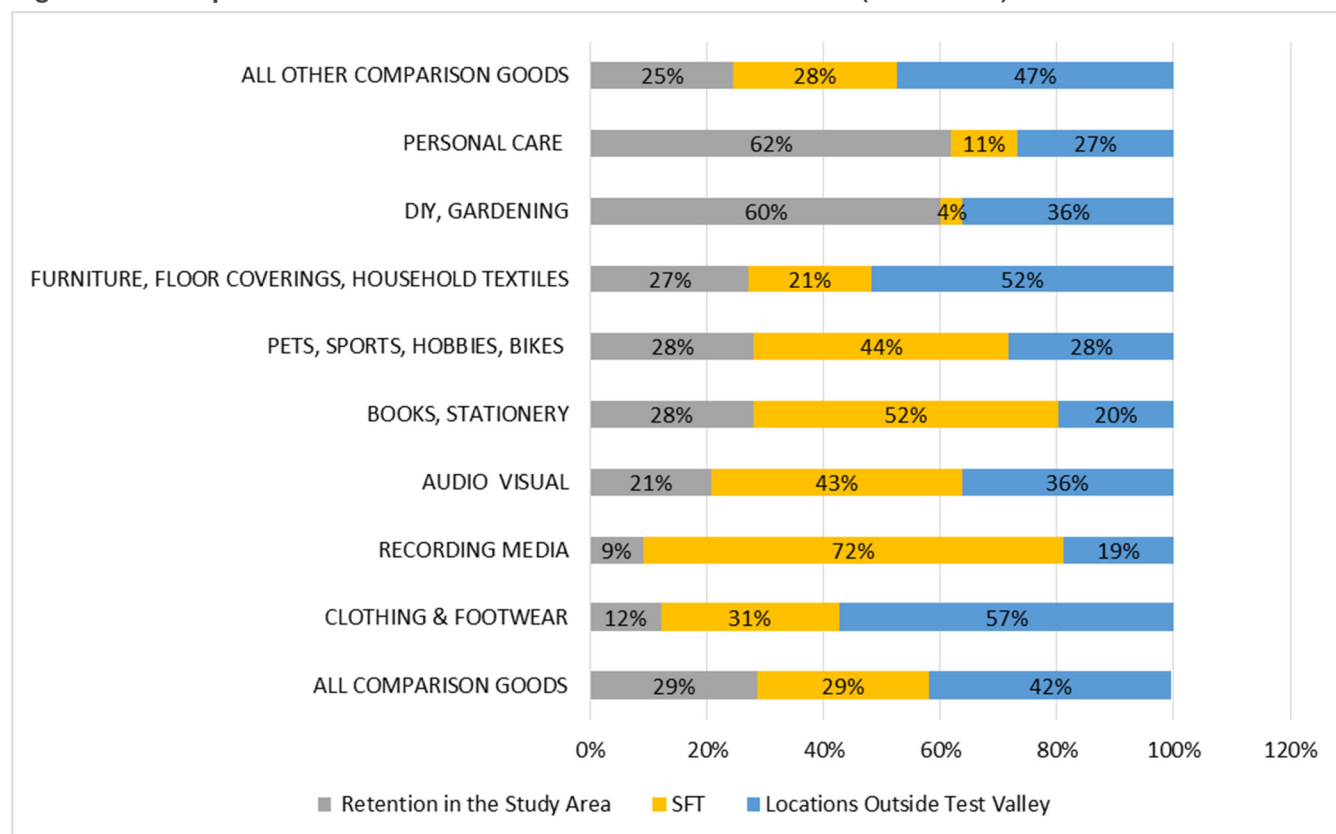
- “Clothing and Footwear” (71%);
- “All Other Comparison Goods” (70%);
- “Personal Care” (69%); and
- “Furniture, Floor Coverings, Household Textiles” (67%).

4.47 In contrast, “DIY, Gardening” has the highest expenditure retention rate (41%).

4.48 Online shopping dominates “Recording Media” (64.7%), and “Books and Stationery” (45.0%) categories.



Figure 4.3: Comparison Goods Market Shares for the Council Area (Zones 1- 5)



- 4.49 From within the Council Area (Zones 1 to 5) there is a strong retention of expenditure in the “Personal Care” (62%) and “DIY, Gardening” (60%) categories. In contrast, retention is lowest for “Recording Media” goods, which is largely explained by the strong market share of SFT sales (72%). Internet shopping also acts as the main competitor for “Books and Stationery” retailers, with a market share of 52% of expenditure being spent online.

## Summary

### Convenience

- 4.50 The convenience shopping in the Test Valley area can broadly be divided into two Primary Catchment Areas (PCA), as follows:
- 4.51 **Andover** Town Centre retains a market share 21.9% within its Primary Catchment Area (Zones 4-5). The key competition comes from the out-of-centre convenience facilities near Andover, which draw 66.5% of convenience trade across the PCA. A limited amount of the convenience expenditure in the PCA is spent online (3.8%), and flows to locations outside of the Test Valley Council Area (5.4%). Overall, the results would indicate that Andover as a whole has a strong provision, albeit the out-of-centre facilities are superior to those in-centre.
- 4.52 **Romsey** Town Centre retains a market share 32.3% within its Primary Catchment Area (Zones 1-2). The key competition comes from locations outside of the Borough area, such as Eastleigh and Southampton, which are achieving a total market share of 55.4% within the PCA. This is not entirely surprising given the geographical location of Romsey; however it does indicate there could be a potential ‘gap’ in foodstore provision in Romsey (especially when compared with the performance of Andover).

- 4.53 In terms of food purchased online, SFT's market share within the Study Area and the PCAs is much lower than the national average (of 10.8% in 2017). A number of factors may explain this, such as good access to foodstores and the extent/ quality of internet coverage. This highlights that there could be potential for SFT's market penetration to increase in the future as online grocery shopping becomes more popular and convenient.

### ***Comparison***

- 4.54 The comparison shopping in the Test Valley area can broadly be divided into two sections: the PCA of Romsey (Zones 1 and 2), and the PCA of Andover (Zones 4 and 5).
- 4.55 **Andover** Town Centre achieves a market share of 21.6% within its PCA (Zones 4-5). However it faces significant competition from online shopping (with a market share of 36.3% in the PCA); retail facilities outside of the Test Valley Council Area, such as Basingstoke, Salisbury, Southampton, and Winchester (drawing market share of 23.9%); and immediate out-of-centre facilities, such as Churchill Retail Park and Enham Arch Retail Park ( market share of 18.1%). This would suggest that Andover Town Centre has a quantitative and qualitative gap in comparison floorspace provision, and there could be opportunities to potentially 'claw back' shoppers and trade to the Town Centre. This is discussed further in Section 8.
- 4.56 **Romsey** Town Centre retains a comparison market share of 12.7% within its PCA (Zones 1-2). This is relatively low and reflects the scale and range of its non-food offer. The key competition comes from retail facilities outside the Test Valley Council Area; with a 58.6% leakage of comparison expenditure from the PCA to shopping locations and stores, principally Eastleigh, Hedge End and Southampton. The SFT accounts for 24.8% of all comparison expenditure in the PCA, which is much higher than the national average of 19.7%. It would appear that there is a potential 'gap' in the Town Centre's non-food offer, even taking account of Romsey's geographic position and its role and function as a market town in the Borough's retail hierarchy
- 4.57 Finally, SFT's market share for the Test Valley Borough Area (i.e. Zones 1-5) is higher than that of the Study Area, at 29.9%; and is much higher than the national average of 19.7% in 2017.

## 5 IN-CENTRE SURVEY RESULTS

- 5.1 This section sets out the key findings from the in-centre survey results for Andover and Romsey Town Centres. The detailed in-centre survey tabulations can be found in **Appendix 11**.

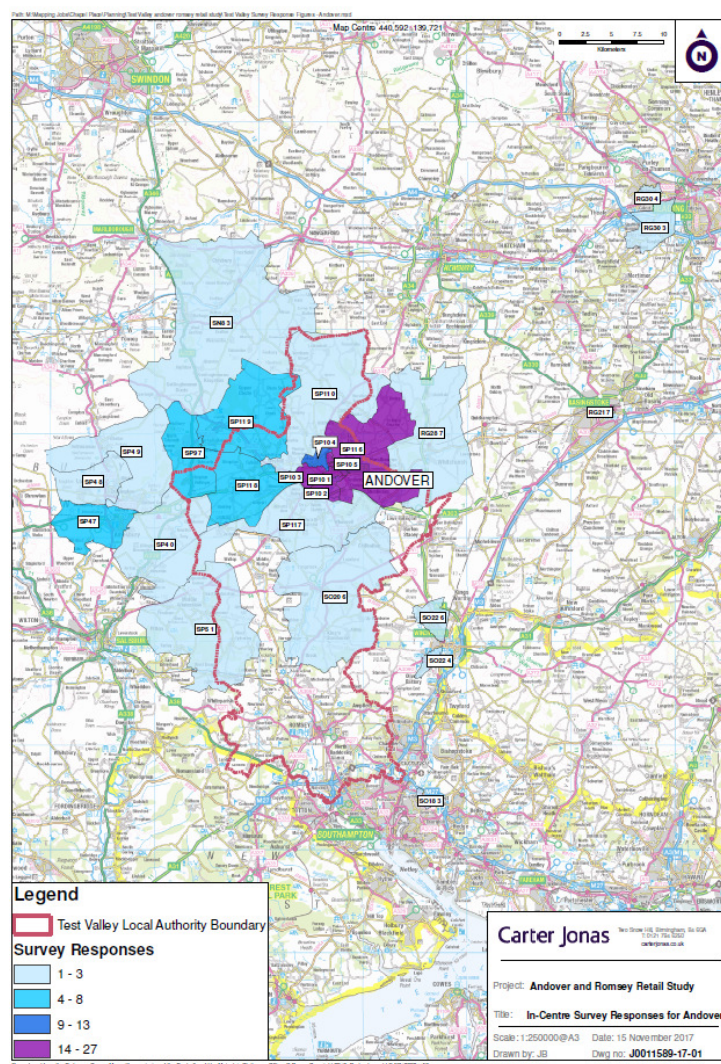
### Method

- 5.2 Carter Jonas prepared the content and scope of the survey questionnaire, and this was agreed with the local planning authority. NEMS Market Research ('NEMS') were subsequently commissioned to undertake some 298 face-to-face interviews (197 in Andover and 101 in Romsey), between Monday 2<sup>nd</sup> October and Wednesday 18<sup>th</sup> October 2017. The standard method and approach employed by NEMS is set out in Appendix 11 to this Study.

### Catchment Area / Draw

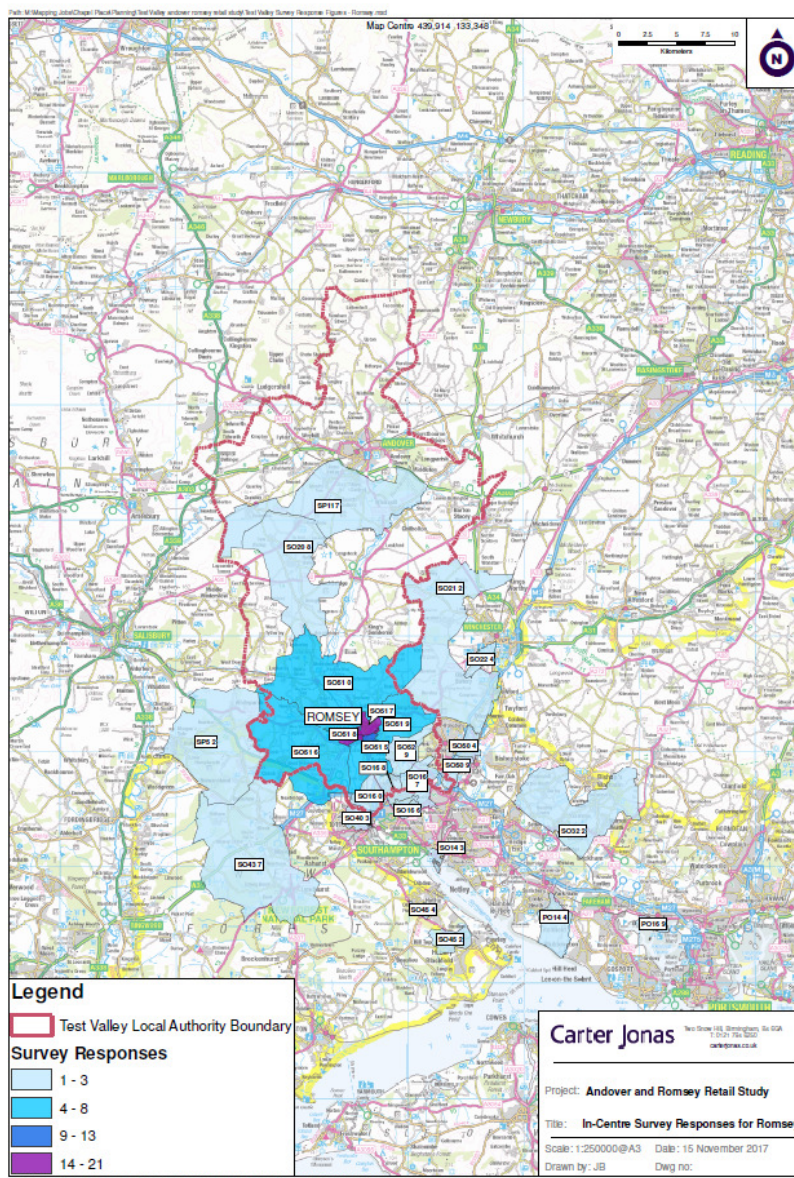
- 5.3 Figures 5.1 and 5.2 below show where the respondents from the in-centre surveys reside. For both surveys, the majority of respondents reside near Andover and Romsey respectively. The draw of shoppers/visitors to both centres weakens with increasing distance/travel-time.

**Figure 5.1: Where respondents to the survey in Andover reside**





**Figure 5.2: Where respondents to the survey in Romsey reside**



## Socio-Economic Profile of Shopper and Visitors to Centres

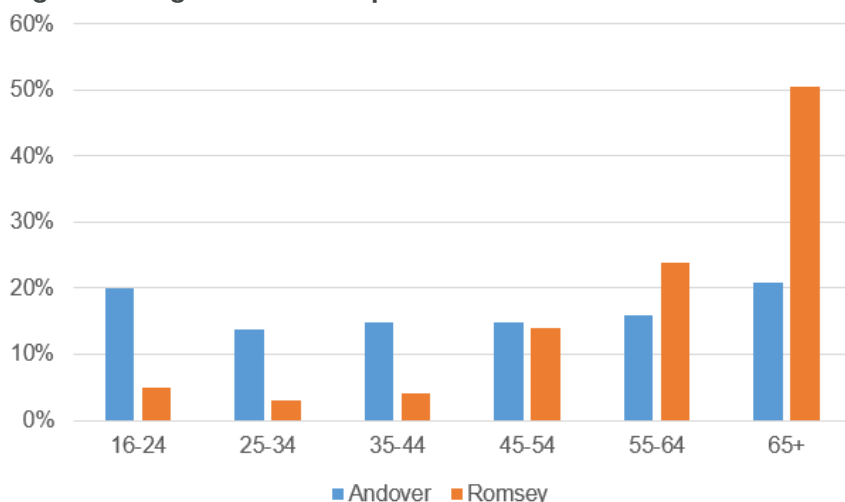
- 5.4 The socio-economic profile of the respondents in the surveys for both centres was broadly determined by asking the occupation of the chief wage earner of each household. The responses were then coded by NEMS into socio-economic categories.
- 5.5 The table below shows the socio-economic profiles of respondents to the surveys conducted in Andover and Romsey Town Centre. These figures have been benchmarked against the wider areas of Andover and Romsey (within a 10 miles radius), and the national UK average.

**Table 5.1: Socio-Economic Profile of Respondents**

Social Grade	NEMS In-Centre Survey (%)		EGi Town Reports (%)			
	Andover Respondents	Romsey Respondents	Andover (within a 10 mile radius)	Romsey (within a 10 mile radius)	Test Valley Average	UK National Average
A1: Higher & intermediate managerial, administrative, professional occupations	16.3%	38.6%	26.7%	25.3%	30.0%	22.3%
B1: Supervisory, clerical & junior managerial, administrative, professional occupations	28.6%	35.6%	33.9%	31.9%	31.2%	30.9%
C1: Skilled manual occupations	30.6%	9.9%	21.2%	20.3%	20.4%	20.9%
DE: Semi-skilled & unskilled manual occupations, Unemployed and lowest grade occupations	24.0%	14.9%	19.0%	22.6%	18.3%	25.9%

Source: NEMS in-centre surveys (2017), EGi Town Report for Andover and Romsey (prepared 2nd January 2018), EGi Town Report for Test Valley (prepared 2nd August 2016)

- 5.6 As the table above shows, there is a significantly greater proportion of higher social grades (A1 – B1) within the wider population of **Andover** (26.7% for A1 and 33.9% for B1), compared to the respondents from the in-centre survey (16.3% for A1 and 28.6% for B1). Additionally, there is a higher proportion of respondents from the in-centre survey who are of a lower social grade (30.6% for C1 – 24.0% for DE), when compared to the wider population in Andover (21.2% for C1 and 19.0% for DE). This suggests that Andover is not attracting shoppers who are of a higher social grade. This may be reflective of its shopping offer, which is discussed later in the report.
- 5.7 The survey respondents within **Romsey** are of a higher social grade (38.6% for A1 and 35.6% for B1), in contrast to the wider population (25.3% for A1 and 31.9% for B1). Similarly, there is a lower percentage of respondents who are of a low social grade (9.9% for C1 and 14.9% for DE), in contrast to the wider population of Romsey (30.3% for C1 and 22.6% for DE). In contrast to Andover, this suggests that Romsey is attracting shoppers who are of a higher social grade, and reflects the quality, rather than necessarily the scale, of the shopping offer. This is discussed later in the report.
- 5.8 When the social grades A1-B1 are benchmarked against the Test Valley average (31.2%), there is a greater proportion of survey respondents in Romsey that have a higher social grade (74.2%), in contrast to Andover (44.9%). When social grades C1-DE are benchmarked against the Test Valley average (38.7%), there is a lower proportion of survey respondents in Romsey that have a low social grade (46.8%), in contrast to Andover (54.6%). As mentioned above, these results are reflective of the quality of the shopping offer in both Andover and Romsey.
- 5.9 When benchmarking social grades A1-B1 against the national average (53.2%), there is a greater proportion of respondents in Romsey that have a higher social grade (74.2%), in contrast to Andover (44.9%). When benchmarking social grades C1-DE against the national average (46.8%), there is a lower proportion of respondents in Romsey that have a low social grade (24.8%), in contrast to Andover (54.6%). This again suggests that Andover overall is attracting shoppers of a lower social grade, in contrast to Romsey which is attracting shoppers of a higher social grade. These results are reflective of the shopping offer in both centres. This will be discussed further later in the report.
- 5.10 Figure 5.3 below illustrates the age profile of the respondents within Andover and Romsey.

**Figure 5.3: Age Profile of respondents**

- 5.11 In summary, the figure shows that the respondents in Andover have a younger age profile than those interviewed in Romsey. For example, some 50.5% of respondents in Romsey were aged 55+, which compares with 23.8% for Andover. In contrast, 19.9% in Andover were aged between 16 and 44 years, compared with 5.0% in Andover. The younger age profile in the case of Andover and older age profile for Romsey will necessarily reflect the type and quality of retail and leisure uses to meet the local demand.

## Mode of Travel

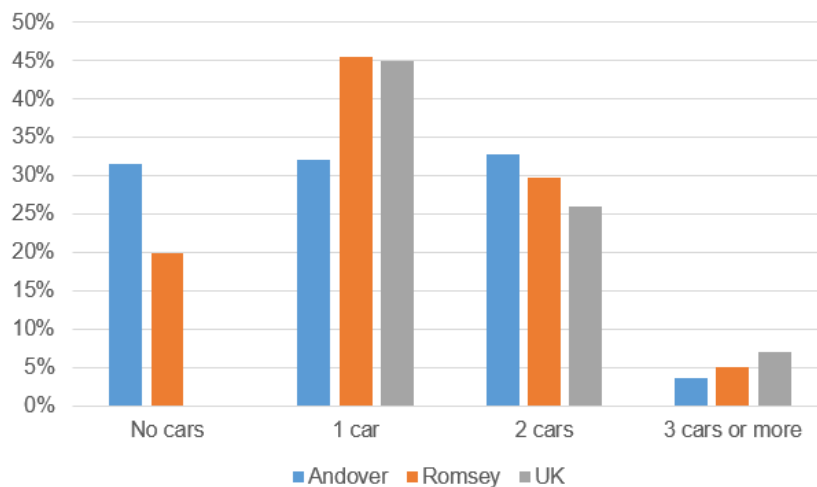
- 5.12 The table below summarises how people travelled to the respective centres ('mode of travel') on the day of the interviews.

**Table 5.2: Mode of travel to Andover and Romsey Town Centres**

Mode of travel	Andover	Romsey
Car (as driver or passenger)	46.4%	62.4%
Bus / Coach	19.9%	8.9%
Bicycle	3.6%	2.0%
Train	0.5%	2.0%
Taxi	1.5%	0%
Walk	27.6%	24.8%
Other	0.5%	0%
TOTAL	100.0%	100.0%

- 5.13 As the table shows, the most popular mode of travel for both centres is by car; although this mode is more prominent in Romsey (62.4%) than Andover (46.4%). Figure 5.4 shows there is a slightly higher car ownership in Romsey with the majority of respondents owning one car (45.5%), in contrast to Andover (32.1%). Both centres are above the national average (sourced from ONS 2016) for owning two cars, with more respondents in Andover (32.7%), compared to Romsey (29.7%). Comparison with the UK car ownership average also shows that Romsey is more in line with the national average, whereas Andover is slightly below average. This also underlines the findings of Table 5.1 which shows that Romsey has, on average, a more affluent profile than Andover.



**Figure 5.4: Car ownership in Andover and Romsey benchmarked against the UK<sup>27</sup>**

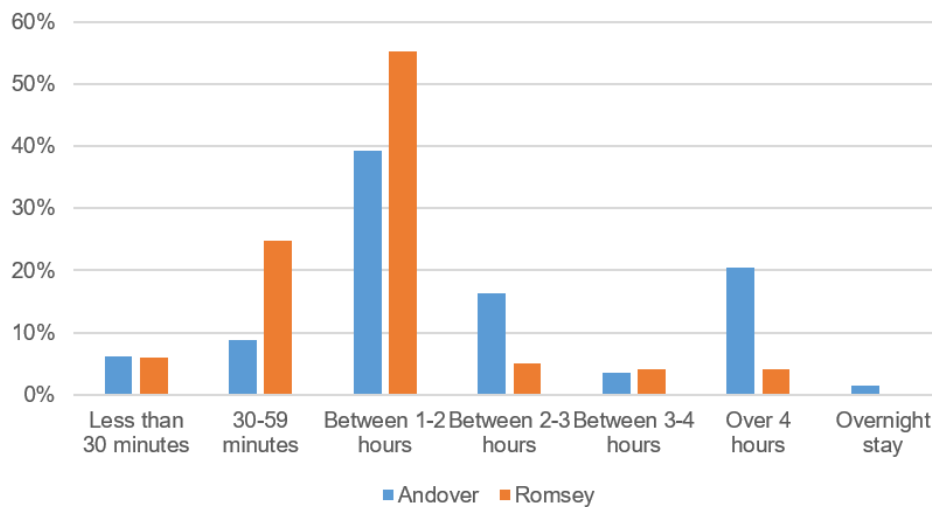
Notes: No data was available for 'no cars' in the UK and hence why this bar is missing.

- 5.14 Looking at public transport, the table also shows that a higher proportion of respondents in Andover travelled by bus on the day of their interview (19.9%), compared with Romsey (8.9%). This is to be expected given that Andover has a better network and choice of public transport; for example, Andover has 34 bus routes, whereas Romsey only has 16 (see Section 9).
- 5.15 Finally, approximately one in four of respondents in both Andover (24.8%) and Romsey (27.6%) walked to the centre on the day of their interview. This demonstrates a local catchment/trade draw patterns for both centres, and the fact that they have an important role and function serving the day-to-day needs of the resident populations living within easy walking distance.

### Length of stay

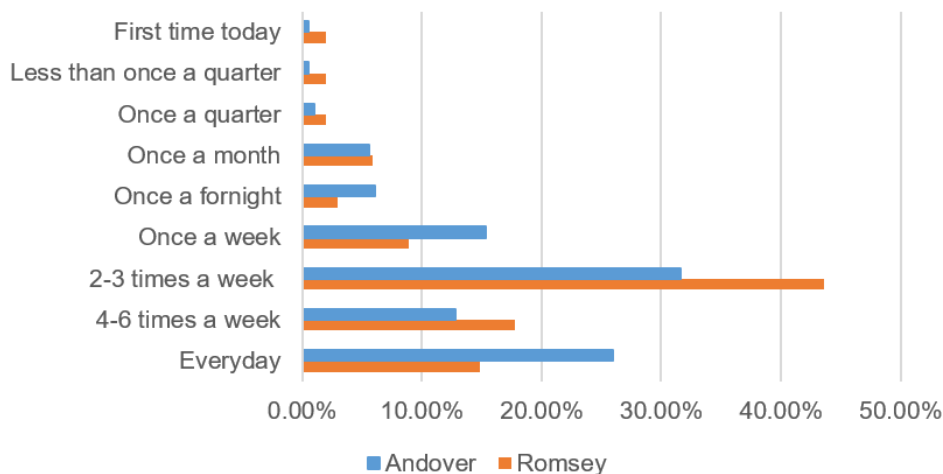
- 5.16 Respondents were asked how long they intend to stay in Andover or Romsey on the day of their visit. The results are summarised in Figure 5.5 below.
- 5.17 The responses for both Andover and Romsey were very similar. In summary, the majority of respondents visited between 1-2 hours; although there was a higher proportion staying for this length of time in Romsey (55.4%) than Andover (39.9%). Approximately one in five respondents in Andover (20.4%) stated that they spend over 4 hours, compared to just 4.0% for Romsey. This reflects the greater scale and choice of shopping, leisure, service and other facilities in Andover compared with Romsey. It also aligns with the fact that shoppers in Andover have a greater tendency to link their main shopping trip with other activities (see Figure 5.9 below). It may also reflect the fact that more people work in Andover (18.4%), in contrast to Romsey (8.9%) (see Table 5.3 below).

<sup>27</sup> UK data for "no cars" is not available

**Figure 5.5 Length of stay within Andover and Romsey**

## Frequency of Visits

5.18 Respondents were also asked how often they visit Andover or Romsey. The results are summarised in Figure 5.6 below.

**Figure 5.6 Frequency of visits in Andover and Romsey**

5.19 For both centres, the majority of respondents visited either:

- every day (14.9% for Andover and 26% for Romsey);
- 2-3 times a week (43.6% for Andover and 31.6% for Romsey);
- 4-6 times a week (17.8% for Andover and 12.8% for Romsey); and
- Or once a week (17.8% for Andover and 12.8% for Romsey).

5.20 A higher proportion of those interviewed in Romsey visit less often, with 2.0% visiting for the first time. This probably reflects the fact that Romsey has a greater tourist attraction and stronger visitor economy in contrast to

Andover. This is also underlined by the fact that a higher proportion of respondents visit Andover every day, in contrast to Romsey. This is explained by the fact that a higher number of respondents (63.7%) work in Andover, compared with Romsey (43.3%).

## Main Reason for Visit

- 5.21 Respondents were asked the main reason they visited either Andover or Romsey on the day of the interview. Table 5.3 illustrates this.

**Table 5.3: Main reasons respondents visit either Andover or Romsey (on the day of the interview)**

Andover	Romsey
To work (18.4%);	To work (8.9%);
To shop for food (17.3%) and non-food items at the shops (14.8%);	To shop for food (23.8%) and non-food goods at the shops (18.8%);
To visit services, such as banks, building societies, hairdressers, etc. (9.7%);	To visit services, such as banks, building societies, hairdressers, etc. (26.7%);
As a day visitor to the town (3.6%);	To eat out (3.0%);
To visit the library (5.1%); and	To visit the library (6.9%); and
For socialising (14.8%).	For socialising (7.9%).

- 5.22 In summary, the results suggest that Romsey is generating more trips for shopping and services. In contrast to, Andover has a wider attraction for work, for socialising and for the day visitor to the town.

## Main Types of Shops Visited

- 5.23 Respondents were asked the main type of shops they had visited, or were most likely to visit on the day of their interview. These are illustrated in the table below:

**Table 5.4: Main type of shop**

Andover	Romsey
Food and grocery (51.5%);	Food and grocery (40.9%);
Clothing and footwear (12.1%);	Other specialist non-food goods (34.1%);
Other specialist non-food goods (9.1%);	Clothing and footwear (6.8%); and
Furniture, DIY and decorating goods (3.0%);	Gifts and antiques (2.3%).
Carpets and soft furnishings (1.5%); and	
Arts and crafts (1.5%).	

- 5.24 The level of diversity in Andover is unsurprising given that the centre has a reasonable representation of food and convenience stores, as well as the Chantry Centre for comparison shopping.
- 5.25 The popularity of the specialist non-food goods in Romsey contrasts with Andover and reflects the relatively high level of specialist independent businesses represented in the Town Centre.

## Main Shops Visited

- 5.26 In terms of responses for the main non-food shopping within Andover and Romsey, the top five most visited retailers (above 5.0%) are listed in Table 5.5 below.

**Table 5.5: Main Retailers People visited in Andover and Romsey**

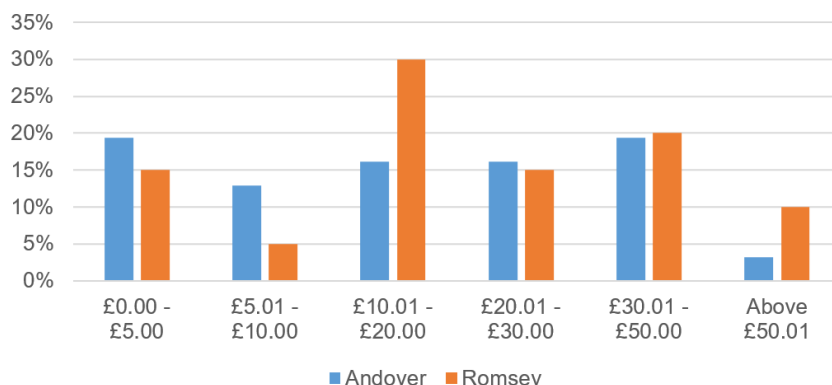
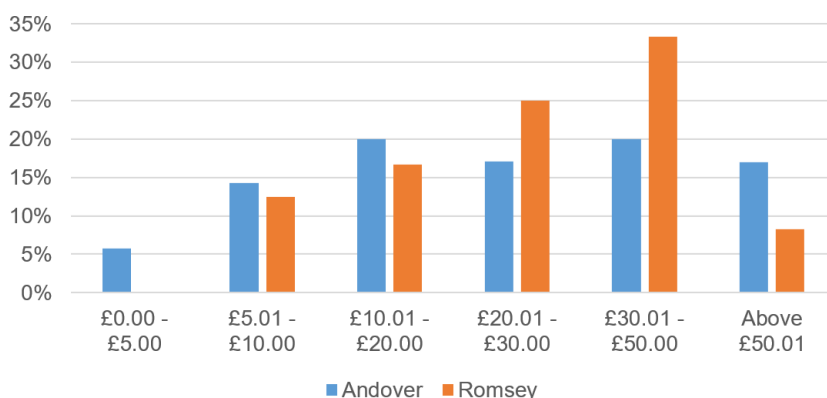
Andover	Romsey
<b>Main Non-Food Retailer's People Visit</b>	
Wilko (25.8%)	Boots (45.0%)
Boots (16.1%)	Bradbeers (25.0%)
Poundland (12.9%)	Superdrug (25.0%)
WHSmith (6.5%)	WHSmith (15.0%)
Charity Shops (6.5%)	McColls (15.0%)
EE (6.5%)	Holland and Barrett (10.0%)
Waterstones (6.5%)	M&Co (10.0%)
Bon Marche (6.5%)	Aldi (5.0%)
	Carphone Warehouse (5.0%)
<b>Main Food Retailer's People Visit</b>	
<u>Andover Stores</u>	<u>Romsey Stores</u>
M&S Food (28.6%)	Waitrose (66.7%)
Waitrose (28.6%)	Aldi (33.3%)
Asda (25.7%)	Co-op (16.7%)
Sainsbury's (20.0%)	Market (4.2%)
Iceland (17.1%)	<u>Andover Stores</u>
Lidl (17.1%)	Kathmandu Variety Stores (4.2%)
Tesco (5.7%)	Aldi (4.2%)
Aldi (2.9%)	
Market (2.9%)	
<u>Romsey Stores</u>	
Aldi (2.9%)	
Waitrose (2.9%)	

5.27 In summary, the table shows the importance of national multiple retailers, and particularly food stores, in helping to generate trips to both centres, and underpinning their overall vitality and viability as shopping locations. For example, the most popular stores in Romsey are Waitrose, Boots, Aldi, Bradbeers, Superdrug and Co-op. For Andover, the most popular stores are M&S Simply Food, Waitrose, Wilko, Asda, Sainsbury's, Iceland, Lidl, Boots and Poundland.

5.28 The results also show the relative popularity of the value/discount stores in Andover; including Wilko and Poundland.

### Spending Levels in Andover and Romsey

5.29 Figures 5.7 and 5.8 below illustrate the spending levels in Andover and Romsey.

**Figure 5.7: Spending Levels in Andover and Romsey for Non-Food****Figure 5.8: Spending Levels in Andover and Romsey for Food Items**

5.30 Figure 5.7 shows there is a higher non-food spending power within Romsey, with almost one in three shoppers (30.0%) spending between £10.01 and £20.00 on non-food items, compared with 16.1% for Andover. Furthermore, some 13.0% of respondents in Andover indicated they would spend nothing in the Town Centre on the day of their trip, compared with 0.0% for Romsey.

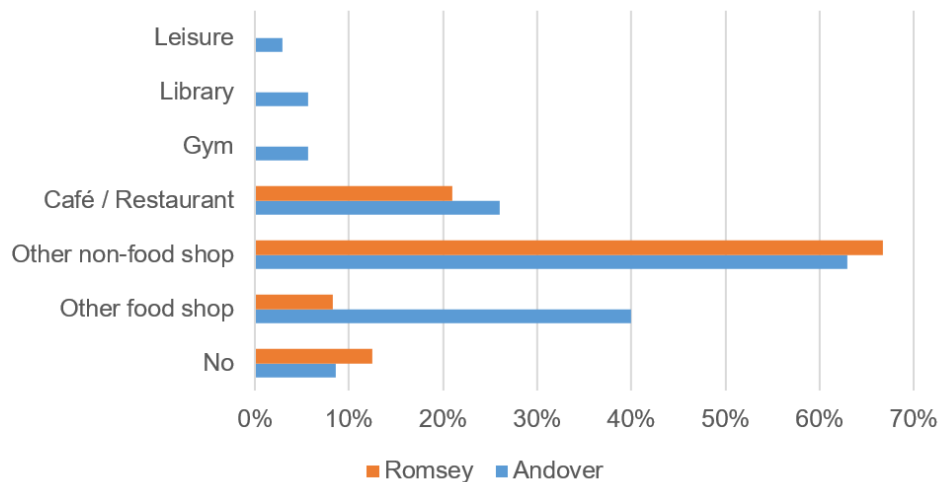
5.31 In terms of spending on food (see Figure 5.8), there is a similar pattern for both centres. The main differences are that one in three shoppers (33.3%) in Romsey spend between £30.01 and £50.00 on food items, compared with one in five (20.0%) for Andover. However, a higher proportion of shoppers in Andover spend more than £50 on food items (17.0%), compared with Romsey (8.0%). This reflects of the greater scale and choice of food and convenience stores in Andover.

### Linked Trips in Andover and Romsey

5.32 Figure 5.9 shows the level of linked trips in Andover and Romsey.

5.33 In summary Andover has a higher proportion of linked trips. The majority of respondents link their shopping trip with either other food and non-food shops, or visiting a café/restaurant. A further 6.0% of respondents link their shopping trip with the gym or visiting the library.



**Figure 5.9: Linked Trips with Main Food Shopping**

- 5.34 For Romsey, none of the respondents linked their main food shopping trip with the gym, library or other leisure uses, as these are currently lacking within the Town Centre. The majority of respondents (67%) claimed to link their trip with other non-food shopping.

## Respondents views of Andover and Romsey

- 5.35 Table 5.6 outlines the key factors respondents liked about Andover and Romsey.

**Table 5.6 Likes and Dislikes within Andover and Romsey**

Andover		Romsey	
Likes	Dislikes	Likes	Dislikes
20-30% response rate			
Near / convenient	General lack of independent shops	Character / atmosphere Historic Buildings / Tourist Attractions Feels safe / absence of threatening individuals or groups	
10-20% response rate			
Easy walking distance Pedestrianised streets Not too crowded Character / atmosphere Friendly	General lack of multiple shops Specified shop absent - Clothing	Near / convenient Nice busy feel General cleanliness of shopping streets Nor too crowded Selection of independent / specialist shops Nice street furniture / floral displays	Difficulties in parking
0-10% response rate			
Good public transport links Parking is easy	Parking is expensive Dirty shopping streets	Easy walking distance Parking is easy	Location of parking Parking is expensive

Parking is cheap	Lack of police present	Ease of access to all	Poor public transport links
Pedestrianised streets	Shops too small	Presence of police	Road congestion
Ease of access to all	Inadequate places to eat	Quality of shops	General lack of choice of multiple shops
General cleanliness of shopping streets	Everything	Presence of large supermarket	General lack of independent shops
Feels safe / absence of threatening individuals or groups	Antisocial behaviour	Selection of multiple shops	Lack of parking
Nice street furniture / floral displays	Specified shop absent – department store	Lack of congestion on roads	Too many charity shops
Selection of multiple shops	Specified shop absent – Primark	Little pedestrian traffic	Uneven paving
Selection of independent / specialist shops	Homelessness	Range of places to eat out	
Quality of shops	Too many coffee shops	Range of services	
Prices are competitive	Too many empty shops	Everything	
Range of places to eat out		Church	
Range of services		Friendly	
Everything			
Peaceful / quiet			
The river			

- 5.36 In summary, a higher proportion of respondents in Andover appeared '*dissatisfied*' with the centre than for Romsey.
- 5.37 For both centres, respondents generally expressed concerns with regard to **parking**. This was a key issue for respondents in Romsey who identified difficulties in finding parking spaces, the location of car parks and the price of parking generally.
- 5.38 For Andover the majority of respondents (23.0%) highlighted the lack of independent shops. In contrast, some one in four of respondents (26.0%) **liked** the fact that the centre is near and convenient<sup>28</sup> to where they live.
- 5.39 For Romsey, a higher proportion of respondents (30.0%) also **liked** the character and atmosphere of the centre; the historic buildings / tourist attractions; and the fact that the centre "*feels safe*" and there is no perceived threat from individuals or groups;

## Potential Improvements to Andover and Romsey

- 5.40 The table below outlines the top ten improvements identified by the respondents for each centre.

**Table 5.7 Key Improvements for TVBC**

Andover	Romsey
Better choice of shops in general (42.9%)	Better choice of shops in general (8.9%)
Better quality of shops (34.7%)	More priority of pedestrians (8.9%)
More children's play areas (4.6%)	Cheaper parking (5.9%)
Better street markets (3.1%)	Less traffic / congestion (5.0%)
Cheaper rent (3.1%)	Remove litter more often (4.0%)

<sup>28</sup> "Near and/or convenient" refers to either the respondent's home or place or work.

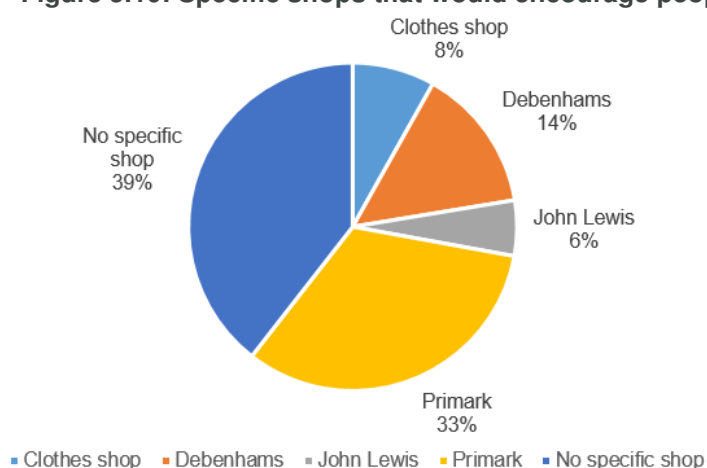
More public events (2.6%)	Better pavements (3.0%)
Remove litter more often (2.6%)	Less charity shops (3.0%)
More shelter from wind / rain (2.6%)	Better quality of shops (2.0%)
More restaurants / places to eat (2.0%)	More leisure facilities (2.0%)
Improve appearance / environment of centre (2.0%)	More accessible car parking (2.0%)

- 5.41 There is a clear difference in the potential improvements identified for Andover and Romsey, and specifically with regard to the perceived need for a better choice/quality of shops. For example, some 8.9% of respondents in Romsey identified the need to improve the choice of shops in general, whereas a considerable 42.9% of respondents in Andover expressed concerns over the choice of shops.
- 5.42 This is further underlined by the fact that 34.7% of respondents commented that the quality of shops in Andover should be improved. This suggests that there is a potential need to improve the range and quality of Andover's shopping offer; although this will clearly be subject to the forecast need for new retail and market demand from retailers for representation in the town.

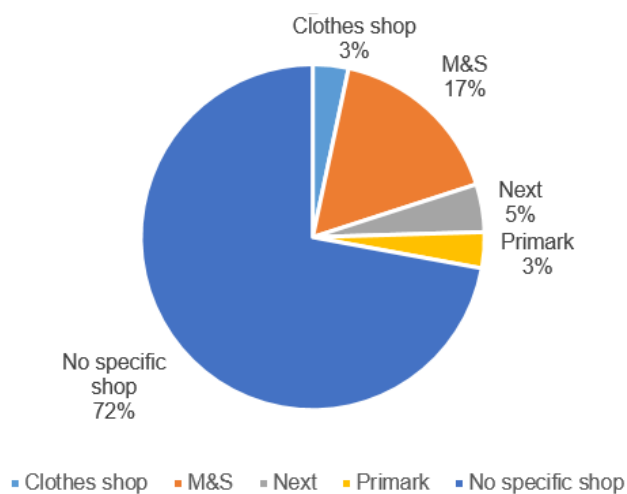
### Retailer 'Gap' Analysis

- 5.43 Respondents were also asked if there are specific retailers not currently represented in either centre that would encourage them to visit either Andover (Figure 5.10) or Romsey (Figure 5.11) more often than they currently do.
- 5.44 As the figures show, there is a greater level of overall satisfaction with current provision in Romsey; with some 72.0% of respondents claiming they do not need another shop to encourage them to visit the Town Centre (compared with a 39% 'satisfaction level' for Andover).
- 5.45 In contrast, some one in three respondents (33.3%) in Andover identified that Primark<sup>29</sup> would be beneficial, compared with only 3% in Romsey who identified the same retailer.

**Figure 5.10: Specific shops that would encourage people to visit Andover**



<sup>29</sup> It should be noted that commercial agents (Goadsby) indicated that there are no requirements for a Primark to enter Andover.

**Figure 5.11: Specific shops that would encourage people to visit Romsey**

## Competing Shopping Destinations

- 5.46 Respondents in both centres were also asked what other retail parks and competing centres they also normally visited. The results are set out in Table 5.8 below.

**Table 5.8: Retail Parks or Other Centres Respondents Visit**

Andover		Romsey	
Retail Park: (% of respondents)			
Andover Churchill Retail Park (Andover)	2.0%	None mentioned	
Andover Enham Arch Retail Park (Andover)	2.0%		
Northern Avenue Retail Park (Andover)	1.0%		
Solstice Retail Park (Amesbury)	2.0%		
Brighton Hill Retail Park (Basingstoke)	5.6%		
Hatch Warren Retail Park (Basingstoke)	4.1%		
Channel Retail Park (Eastleigh)	1.0%		
Southampton Road Retail Park (Salisbury)	2.0%		
Other Retail Parks	1.5%		
Other Centres: (% of respondents):			
Basingstoke	16.3%	Eastleigh	3.0%
Newbury	3.1%	Salisbury	11.8%
Salisbury	15.3%	Southampton	30.7%
Southampton	7.4%	Winchester	17.8%
Winchester	9.7%	Andover	1.0%
Bristol	1.0%	Chichester	1.0%
Reading	1.0%	Fareham	2.0%
Don't visit	25.0%	Hedge End	2.0%
		Horsham	1.0%
		Lymington	1.0%

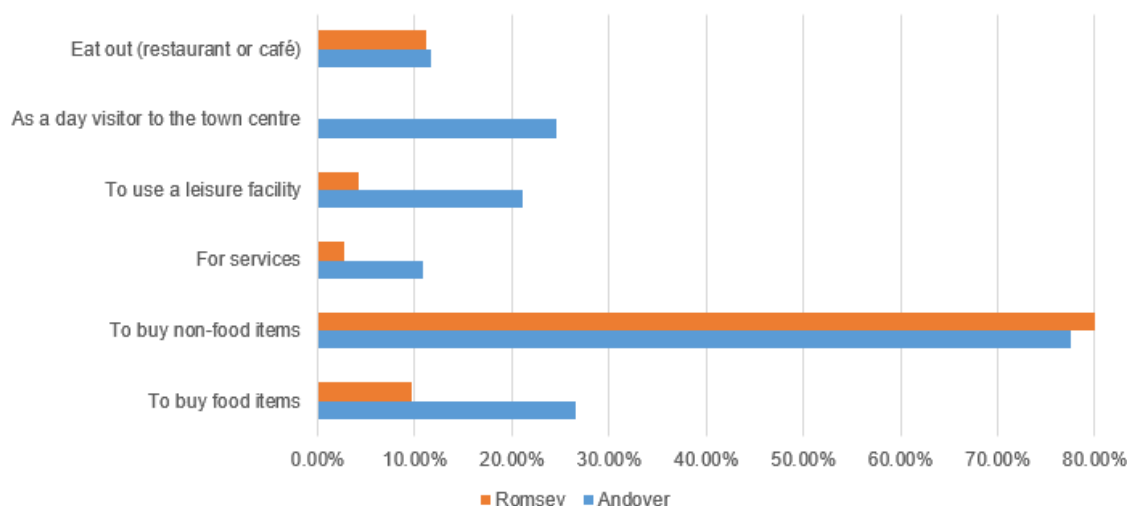
		Don't visit	27.7%
		Don't know	1.0%
<b>TOTAL</b>	<b>100.0%</b>		<b>100.0%</b>

- 5.47 For Andover, a larger proportion of respondents visited retail parks and/or other centres, whereas for Romsey no specific retail park was mentioned. However, it should be noted that over 30.0% of respondents in Romsey visit Southampton town centre once a month. This is unsurprising given the close proximity between the two centres.

## Why Respondents Shop Elsewhere

- 5.48 The top five reasons respondents visit these other centres or retail parks are set out in Figure 5.12 below.

**Figure 5.12: Top Reasons Respondents Shop in Other Retail Parks or Centres**



- 5.49 As the figure shows, there is a higher leakage of respondents from both towns visiting competing shopping destinations to purchase non-food items; 77.6% for Andover and 81.9% for Romsey.
- 5.50 A higher proportion of respondents in Andover also visited competing shopping destinations to either use a leisure facility (21.1%), for services (10.9%), or to purchase food items (26.5%). Furthermore, one in four of respondents in Andover (24.5%) also visited other Town Centres as part of day trips.
- 5.51 Respondents from both centres stated that they visited the retail parks or other centres due to the following reasons:

**Table 5.9: Reasons respondents visited retail parks and other centres**

Andover Respondents	Romsey Respondents
Better choice and quality of shops	Better choice and quality of shops
Better non-food shopping	Better non-food shopping
Better food shopping	Better range of places to eat and drink
Better range of places to eat and drink	Street markets or farmers markets
Street markets or farmers markets	Cheaper and more available car parking
More available car parking	Close to family
Close to family	For a change

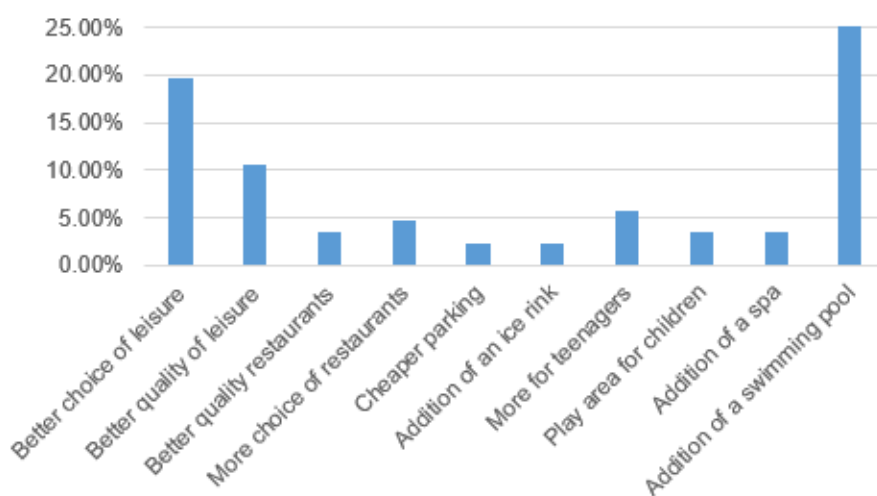


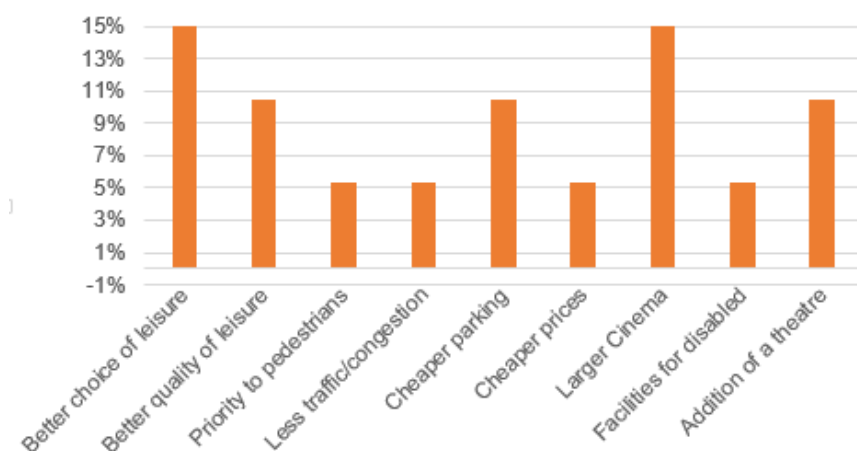
For a change	Leisure facilities
	Pedestrianised street

### Provision of Leisure facilities

- 5.52 In terms of leisure facilities, some 43.9% of the respondents in Andover identified that the Town Centre is lacking a leisure centre (14%), swimming pool (41.9%) and amenities for children (12.8%). However it is important to note that the leisure centre in Andover is currently being redeveloped (Ref: 16/03191/FULLN) and a temporary swimming pool is being used as a replacement for the time being. This probably explains why some respondents identified that a swimming pool was “*absent*” from the Town Centre.
- 5.53 For Romsey, 75% of respondents identified that the Town Centre generally has good leisure facilities. Of the people that did identify ‘gaps’ in provision; for example, some 68.4% stated a cinema, 15.8% identified a leisure centre and 10.5% respectively wanted a theatre and health and fitness club. Notwithstanding these responses, the Romsey Sports Centre (on Southampton Road) and Plaza Theatre (on Winchester Road) are both located a short distance from the Town Centre.
- 5.54 Respondents were also asked how Andover and Romsey could be improved in terms of their leisure offer. The results are summarised by Figures 5.13 and 5.14 below.

**Figure 5.13: Potential improvements for leisure provision in Andover**



**Figure 5.14: Potential improvements for leisure provision in Romsey**

- 5.55 For Andover, one in four (25.6%) of respondents wanted a swimming pool (25.6%), followed by a better choice (19.8%) and quality (10.5%) of leisure facilities.
- 5.56 For Romsey, the main identified need was for a larger cinema (31.6%), followed by a generally better choice (15.8%) and quality (10.5%) of leisure. Cheaper parking (10.5%) and a theatre (10.5%) were also identified.

## Street Markets

- 5.57 With regards to markets, some 77.2% of respondents visit the market in Romsey, and 72.4% visit the market in Andover. The table below also shows the factors respondents most liked about the markets, and the potential for improvements:

**Table 5.10: Markets in Andover and Romsey – Top reasons for visiting and improvements**

Top Ten Reasons People visit the Markets	
Andover Markets	Romsey Markets
Variety of stalls (40.1%)	Character of market (38.5%)
The food stalls (29.6%)	Variety of stalls (25.6%)
Quality of food products (23.2%)	Quality of food products (20.5%)
Character of market (12.0%)	Nice busy feel (16.7%)
Different types of markets (9.9%)	Nice street furniture / floral displays (15.4%)
Near / Convenient (6.3%)	The food stalls (14.1%)
Cheap (4.9%)	Different types of markets (14.1%)
Pedestrianised streets (4.2%)	Near / Convenient (12.8%)
The non-food stalls (3.5%)	Frequency of market (12.8%)
Seating around market (2.8%)	Quality of non-food products (9.0%)
Top Five Improvements to the Markets	
Nothing (32.7%)	Nothing (59.4%)
Variety of stalls (23.5%)	Don't know (15.8%)
A larger market (22.4%)	A larger market (15.8%)
More events (12.8%)	Variety of stalls (8.9%)
Quality of stalls (7.1%)	Different types of markets (3.0%)

- 5.58 In summary, there are some similarities between what respondents like and dislike about each market in both centres:
- For Andover, the key “likes” primarily consisted of the variety of stalls (40.1%), the food stalls (29.6%) and the quality of the food products (23.2%).
  - For Romsey, the main “likes” were the character (38.5%), variety (25.6%) and quality (20.5%).
- 5.59 With regards to the improvements, the majority of respondents claimed nothing needed improving. This was significantly higher for respondents in Romsey (59.4%) than Andover (32.7%). This suggests that Romsey has higher quality markets. This is reinforced by the fact that respondents in Andover predominantly commented on the offer including the variety, size, number of events and quality.

## Summary

- 5.60 In summary, it appears that respondents are generally more satisfied with the overall shopping and leisure offer in Romsey than for Andover. This is explained, in part, by the high quality shopping environment, the more affluent customer profile, the strong visitor economy and the relatively good range and choice of shops and leisure services in Romsey for a centre of its size.

## 6 BUSINESS SURVEY RESULTS

- 6.1 This section sets out the key findings of the business survey results for Andover and Romsey. The detailed in-centre survey tabulations can be found in **Appendix 12**.

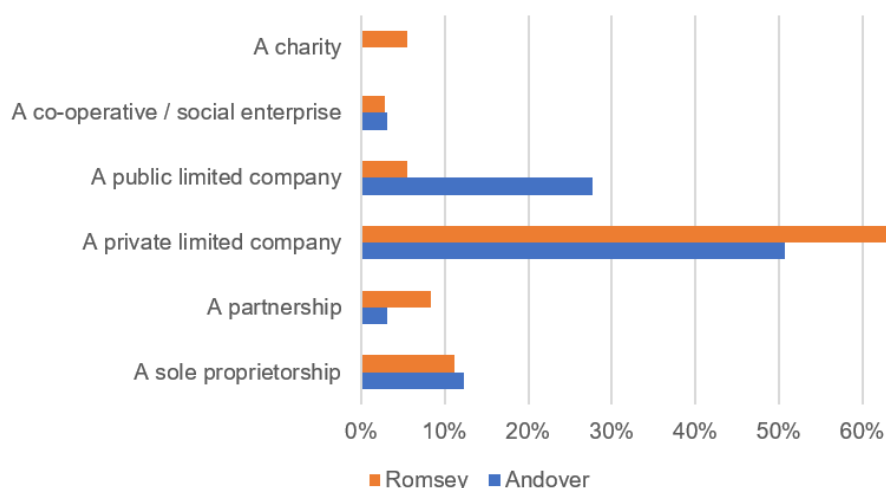
### Method

- 6.2 The standard method and approach employed by NEMS is set out in **Appendix 12** to this Study. A total of 101 businesses within the Town Centres (65 in Andover and 36 in Romsey) were involved in the telephone surveys. The interviews took place from 28<sup>th</sup> September – 5<sup>th</sup> October 2017. The nature and key purpose of these surveys was to understand how the businesses are performing in Andover and Romsey, and how these centres can facilitate or constrain growth.

### Types of Business

- 6.3 Figure 6.1 below summarises the types of businesses that responded to the survey.

**Figure 6.1: Business Responses in Andover and Romsey**



- 6.4 As the figure shows, the main responses were from private limited companies<sup>30</sup> in Andover (50.7%) and Romsey (63.8%). A relatively high number of public limited companies<sup>31</sup> also responded to the survey in Andover (28%) compared to Romsey (5.0%).
- 6.5 Of the companies in the Town Centres, 83.3% in Romsey, and 84.6% in Andover, have a website to generate business.

<sup>30</sup> A private limited company is a type of privately held small business entity, in which owner liability is limited to their shares. These are typically small businesses such as independent retailers in market towns.

<sup>31</sup> A public limited company is a company which is typically a large and well known business such as a manufacturer or chain of retailers.

- 6.6 In terms of the type of businesses operating from each premises, the figure below shows that the majority who responded to the survey were either a food or non-food retailer, or they were a type of industry<sup>32</sup>.

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<sup>32</sup> 'Industry' was categorised in the business centre for the following responses: source and supply engineered components; agricultural merchants; consulting engineers; bearings supplier; construction project management; construction; instrumentation engineers; drill bore holes for water supply; construction; joinery; shop fitters; industrial design and manufacture; solar panels installation; glazing; and building.

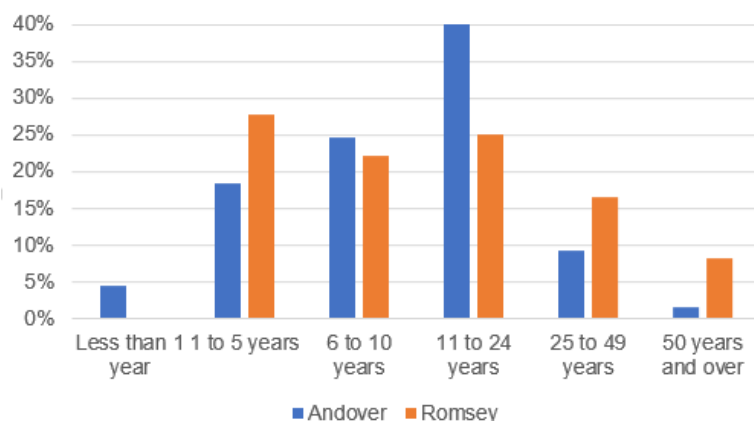


**Table 6.1 Types of businesses operating from premises**

Type of Business	Andover	Romsey
Food retail	4	3
Non-food retail	16	10
Coffee shop	0	1
Restaurant	0	0
Fast food restaurant	2	0
Pub / Bar	5	1
Bank	1	0
Other financial service	2	1
Recreation	3	1
Leisure	0	0
Legal Services	0	0
Other service	2	2
Industry	11	4
Transport / logistics	3	0
Council office / advice centre	0	0
Other office use	3	2
Other	0	0
Broadcast consultancy	1	0
Business skills / training provider	3	1
Car repairs / vehicle restorer	2	2
Digital marketing	1	0
Diving / marine contractor	0	1
Estate agent / property developer	1	2
Facilities management services	0	1
Fence / gate supplier	1	0
Funeral directors	0	2
Health & safety consultancy	1	0
IT services / software developer	0	2
Recruitment agency	1	0
Security management	1	0
Veterinary surgery	1	0

### Time Businesses Have Been Operating in Centres

6.7 Figure 6.2 below illustrates the length of operation for businesses in Andover and Romsey.

**Figure 6.2: Length businesses have been operating**

- 6.8 The results are relatively similar for both Andover and Romsey; with a slightly higher number of businesses operating over 25 years in Romsey (8.0%). There are a higher number of businesses in Andover (40.0%) operating between 11 to 24 years.

### Size of Businesses

- 6.9 Table 6.2 below shows the floorspace for those businesses that responded to the survey in Andover and Romsey.

**Table 6.2: Floorspace of premises in Andover and Romsey**

Floorspace	Andover	Romsey
Less than 9.29 sq.m.	3.1%	2.7%
9.29 to 46.45 sq.m.	3.1%	5.5%
46.46 to 92.90 sq.m.	6.1%	2.7%
92.91 to 185.80 sq.m.	3.1%	2.0%
185.81 to 464.50 sq.m.	3.1%	8.3%
464.51 to 929 sq.m.	0.0%	0.0%
More than 929 sq.m.	4.6%	0.0%
Don't know	76.9%	77.7%

- 6.10 In summary there are a higher number of businesses operating from premises of more than 929 sqm in Andover (4.6%). For Romsey, 8.3% of businesses operate from premises between 185.8 and 464.5 sqm.

### Main Reasons why Businesses located in Andover and Romsey

- 6.11 The table below lists the top ten reasons why businesses located to either Andover or Romsey.

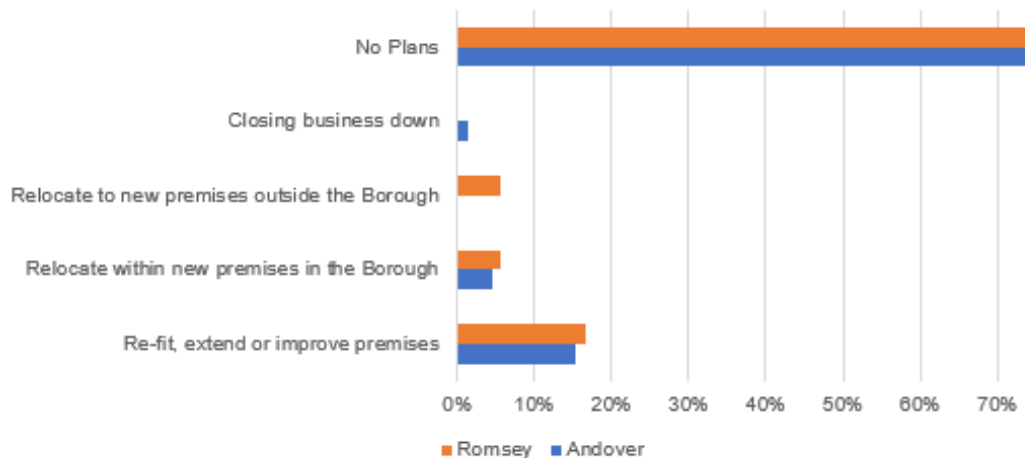
**Table 6.3: Top ten reasons businesses located to Andover and Romsey**

Top ten reasons businesses located to Andover and Romsey	
Andover	Romsey
To be within Town Centre (21.54%)	Located close to where I / staff / owners live (25.0%)
Business already set up when I took over (15.4%)	Business already set up when I took over (19.4%)
Located close to where I / staff / owners live (10.7%)	To be within Town Centre (8.3%)
Serves local market (9.23%)	Premises the right size (8.3%)
Good accessibility (7.69%)	Serves local market (5.6%)
Premises the right size (6.2%)	I work from home (5.6%)
I work from home (6.2%)	High level of pedestrians past premises (5.6%)
Affordable rent (4.62%)	Affordable rent (2.7%)
High level of pedestrians past premises (4.62%)	Good accessibility (2.7%)

- 6.12 The main reasons identified were to be close to the Town Centre and in a convenient location for owners, staff and customers/clients. For Andover some 21.5% of businesses were located in the Town Centre, which is higher than for Romsey (8.3%).

### Future Business Plans

- 6.13 Figure 6.3 below illustrates the future plans for businesses in Andover and Romsey.

**Figure 6.3: Future plans for businesses in Andover and Romsey**

- 6.14 The results were very similar for both Andover and Romsey; with nearly 75.0% of businesses having no future plans. On a positive note, over 15% of businesses stated they would either re-fit, extend or improve their premises within Andover and Romsey. Additionally, it is worth mentioning that only a small percentage intended to close in Andover (1.5%), and only 5.5% in Romsey intend to relocate outside the Borough.

### Key Constraints to Growth

- 6.15 The table below summarises the most important issues that businesses considered would potentially constrain their operation and performance.

**Table 6.4: Issues that constrain the operation and performance of businesses**

Issues that constrain the operation and performance	
Andover	Romsey
Level of trade, lack of visitors and customers (8.9%)	Poor accessibility (16.6%)
Poor accessibility (7.9%)	Availability of business and customer car parking (8.3%)
Quality and size of premises (4.6%)	Level of trade, lack of visitors and customers (8.3%)
Shortage of skilled labour (4.6%)	Staff recruitment and retention (5.5%)
Availability of business and customer car parking (1.5%)	Business rates (2.7%)
Business rates (1.5%)	

- 6.16 Similar themes/issues in both centres included poor accessibility, low level of trade, parking provision and business rates.

### Actions to Facilitate Growth

- 6.17 The table below shows what actions businesses think could potentially be implemented to facilitate business growth in Andover and Romsey.

**Table 6.5: Actions needed to facilitate growth**

Andover	Romsey
Expanding the business (7.69%)	Reduce road closures (13.04%)
Finding suitable larger premises (7.69%)	Complete the road works (8.70%)
Improve the apprentice schemes / practical skills training (7.69%)	Offer free parking (4.35%)
Reduce business rates (7.69%)	Allow security cameras to be installed as the current landlord won't allow them (4.35%)
Attract more customers (3.85%)	Better opportunities for marketing / advertising (4.35%)
Better access to apprentices (3.85%)	Conduct road repairs outside of normal business hours (4.35%)
Complete the road works (3.85%)	Fix the pavements (4.35%)
Convert part of the dual carriageway to a normal road to help access (3.85%)	Help on how better to market the company (4.35%)
Customers having more disposable income (3.85%)	Improve our fundraising skills (4.35%)
Having a better range of shops within the area (3.85%)	Improve our staff recruitment advertising (4.35%)
Improve the local schools (3.85%)	Less militant policing of parking (4.35%)
Improved security within the Town Centre (3.85%)	More people living locally with the qualifications needed (4.35%)
Installing safety barriers at the top of the access road to Weyhill Road, Andover (3.85%)	Open more shops in smaller towns (4.35%)
Make businesses only use their fair share of parking spaces (3.85%)	Reduce business rates (4.35%)
Move the stall across to the other side (3.85%)	Reduce the cost of larger premises (4.35%)
Offer more parking spaces (3.85%)	Reducing the impact of things we can't control like Brexit / recessions (4.35%)
Reducing the cost of car parking (3.85%)	
Reducing the impact of online companies reducing our customer base (3.85%)	

- 6.18 For Andover, the most frequent responses were:

- Business expansion;

- Finding larger premises;
- Improving skills; and
- Reducing business rates.

6.19 For Romsey, the most common responses consisted of:

- Reducing road closures; and
- Completing road works.

## Andover Town Centre

6.20 The following summarises the responses to the business survey for Andover Town Centre only, specifically with regard to:

- Business perceptions of the relative ‘strengths’ and ‘weaknesses’ of the Town Centre;
- The performance of Andover Town Centre over the last year; and
- Business perceptions of how Andover has improved and declined.

### *Strengths and Weaknesses of Andover as a Business Location*

6.21 Table 6.6 below summarises the ‘strengths’ and ‘weaknesses’ of Andover as a business location based on the responses to the survey.

**Table 6.6: Strengths and Weaknesses of Andover**

Aspect	Strength	Weakness
Good road network	92.3%	6.1%
Employees live in area	83.0%	10.7%
Easy for employees to get to	81.5%	12.3%
Local demand for product/service	81.5%	16.9%
Easy for customers to get to	73.8%	20.0%
Availability of car parking	64.6%	30.7%
Presence of other businesses	60.0%	35.3%
Good bus services	55.3%	30.7%
Good rail services	55.3%	32.3%
Room to expand	52.3%	40.0%
Affordable rents	50.7%	33.8%
Affordable premises for expansion	40.0%	47.6%
The variety of shops	36.9%	53.8%

6.22 In summary, the responses show that the main ‘strengths’ of the centre as perceived by businesses include:

- The good road network (i.e. accessibility to centre); which was identified as a strength by 90.0% of businesses, with under 10% identifying it as a weakness;
- The number of employees living in the local area (83.1%) and the easy access for these employees to the centre (82.0%);
- The easy/convenient access to the centre (81.0%); and
- The good local demand for products and services (81.0%).

6.23 The relative 'weaknesses' of the centre which do not benefit businesses as much include:

- The lack of variety of shops (53.0%);
- The lack of affordable premises for expansion (48.0%); and
- The limited space/room to expand in existing premises (40.0%).

6.24 The table below summarises how the businesses that responded to the survey rated different aspects of the Town Centre's offer, economy and environment; ranging "very good" to "very poor".

**Table 6.7: Business Rating of Town Centre Offer, Environment and Economy**

Aspect / Issue	Very good	Quite good	Neither good/ poor	Quite poor	Very poor	Don't know	N/A
Rents	4.6%	18.5%	7.6%	18.5%	13.8%	27.7%	9.2%
Business rates	1.5%	15.4%	10.7%	12.3%	16.9%	33.8%	9.2%
Availability of business / customer parking	15.4%	38.5%	27.6%	7.6%	3.1%	4.6%	3.1%
Traffic circulation	10.7%	46.2%	20.0%	12.3%	6.2%	3.1%	1.54%
Safety during the daytime	33.8%	40.0%	15.4%	4.6%	1.5%	4.6%	0.0%
Safety during the evenings and at night	20.0%	33.8%	13.8%	13.8%	1.5%	15.4%	1.5%
Range of shops and services available	7.6%	15.4%	12.3%	29.2%	33.8%	1.5%	0.0%
Quality of shops and services available	7.6%	15.4%	20.0%	24.6%	30.7%	1.5%	0.0%
Places to eat or drink	13.8%	30.7%	20.0%	10.7%	15.4%	9.2%	0.0%
Street furniture and landscaping	13.8%	38.5%	24.6%	10.7%	6.2%	6.2%	0.0%
Liveliness / street life / character	10.7%	29.2%	21.5%	26.2%	4.6%	7.7%	0.0%
Level of street cleansing and litter	23.1%	49.2%	16.9%	4.6%	0.0%	6.2%	0.0%
Town Centre management and maintenance	10.7%	47.7%	13.8%	3.1%	1.5%	23.1%	0.0%
Condition / appearance of buildings	12.3%	50.7%	21.5%	10.7%	1.5%	3.1%	0.0%
General shopping environment	13.8%	32.3%	24.6%	16.9%	9.2%	3.1%	0.0%
Marketing / promotion	6.2%	21.5%	10.7%	26.1%	15.4%	20.0%	0.0%
Interest shown by landlord owners	3.1%	10.7%	16.9%	10.77%	13.8%	41.5%	3.1%
The way businesses work together	9.2%	23.1%	13.8%	13.8%	12.3%	23.1%	4.6%
The quality of parks and open spaces	20.0%	40.0%	26.2%	4.6%	0.0%	7.7%	1.5%
Town Centre events	12.3%	36.9%	18.5%	9.2%	10.7%	10.7%	1.5%



6.25 The following aspects/issues received the most positive rating (ranging from very good – quite good):

- Safety during the daytime;
- The quality of parks and open spaces;
- The level of street cleaning and no litter;
- The condition/appearance of buildings; and
- The traffic circulation.

6.26 In comparison the following aspects/issues received a less positive rating (ranging from quite poor – very poor):

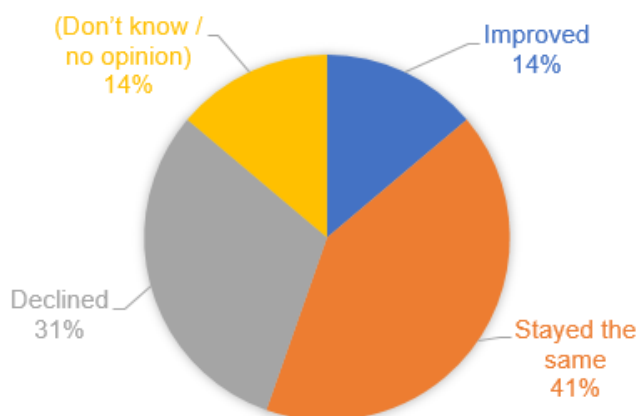
- The liveliness, street life and character;
- The range of shops and services;
- The quality of shops and services; and
- The marketing and promotion of the town.

6.27 It is clear that the public realm is a positive aspect of Andover with regards to open spaces, buildings and street cleanliness, in contrast to the shopping and service facilities with regards to the range and quality which received a high volume of negative responses.

#### ***Performance of Andover Town Centre***

6.28 The figure below summarises business perceptions of the changing performance of Andover Town Centre over the last year.

**Figure 6.4: Performance of Andover Town Centre over the last year**



6.29 The majority of respondents identified that the Town Centre has stayed the same (41.0%). However, only 14.0% stated that the centre has improved, compared with almost one-third (31.0%) who indicated that it has declined.

6.30 Table 6.8 summarises why businesses think Andover has 'improved' and 'declined' over the last year.

**Table 6.8: Ways in which Andover has improved and/or declined over last 12 months**

Areas of improvements	Areas of decline
The redeveloped shopping centre looks good (22.2%)	Too many shops have closed / are closing (70.0%)
Improved organisation / maintenance (22.2%)	Poor range of shops (25.0%)
Good festivals (11.11%)	Too many poor quality shops (20.0%)
Good range of different shops (11.1%)	Too many charity shops (15.0%)
Has a better atmosphere now (11.1%)	Lack of investment (10.0%)
Less vacant units on the industrial estates (11.1%)	Business rates have increased (5.0%)
Lots to do in the town (11.1%)	Homeless people in the Town Centre (5.0%)
More goods and services available (11.1%)	Leisure centres have closed / are closing (5.0%)
New businesses have opened (11.1%)	Less people visiting the Town Centre (5.0%)
The refurbishments have been good (11.1%)	No improvements have been made in the last 20 years (5.0%)
The town hall <sup>33</sup> redevelopment is good (11.1 %)	Not enough things to do in the centre (5.0%)
	Poor quality pavements (5.0%)
	Poor range of places to eat out (5.0%)
	Too many betting shops (5.0%)
	Too many coffee shops (5.0%)

6.31 As the table shows the main areas of decline identified include:

- Shop closures (70.0%);
- The poor range of shops (25.0%);
- The poor quality of the shops (20.0%); and
- The number of charity shops (15.0%).

6.32 The main improvements identified include:

- The redeveloped shopping centre (22.2%) and refurbishments more generally; and
- The organisation and maintenance of the Town Centre (22.2%).

### ***Shopping and Service Offer in Andover***

6.33 When asked as to the shopping and service offer in Andover Town Centre, the majority of respondents noted the balance between large and small shops is uneven. They specifically mentioned the following:

- There are not enough large chain stores (53.8%)
- There are not enough small independent shops (47.6%)
- There is a good balance between small and large shops (27.69%)

<sup>33</sup> This could potentially refer to the Lower High Street Enhancement Scheme or the lower Guildhall as there is no Town Hall in Andover.

## Romsey Town Centre

6.34 The following section summarises the responses to the business survey for Romsey Town Centre, specifically with regard to:

- Business perceptions of the relative 'strengths' and 'weaknesses' of the Town Centre;
- The performance of Romsey Town Centre over the last year; and
- Business perceptions of how Romsey has improved and declined.

### *Strengths and Weaknesses of Romsey as a Business Location*

6.35 Table 6.9 below summarises the 'strengths' and 'weaknesses' of Andover as a business location based on the responses to the survey.

**Table 6.9: Strengths and Weaknesses of Romsey**

Romsey	Strength	Weakness
Good road network	83.3%	13.9%
Easy for employees to get to	77.7%	16.6%
Employees live in area	77.7%	16.6%
Easy for customers to get to	69.4%	22.2%
Availability of car parking	66.6%	30.5%
Local demand for product/service	66.6%	27.7%
Presence of other businesses	61.1%	36.1%
Good rail services	58.3%	30.5%
The variety of shops	58.3%	36.1%
Affordable rents	50.0%	44.4%
Good bus services	50.0%	41.6%
Room to expand	44.4%	50.0%
Affordable premises for expansion	38.8%	58.3%

6.36 In summary, the responses show that the main 'strengths' of the centre as perceived by businesses include:

- The good road network (i.e. accessibility to centre); which was identified as a strength by 83.3% of businesses, with 13.8% identifying it as a weakness;
- The number of employees living in the local area (77.7%) and the easy access for these employees to the centre (77.7%), as well as customers (69.6%);
- The good local demand for products and services (66.6%); and
- Presence of other businesses (61.1%)

6.37 The relative 'weaknesses' of the centre which do not benefit businesses as much include:

- The space (50.0%) and affordability of premises to facilitate expansion of businesses (58.3%);

- Affordable rents (44.4%); and
- Good bus services (41.6%).

6.38 The table below summarises how the businesses that responded to the survey rated different aspects of the Town Centre's offer, economy and environment; ranging "very good" to "very poor".

**Table 6.10: Aspects which may or may not benefit businesses in Romsey**

Aspects	Rating (number of respondents)						
	Very good	Quite good	Neither good/poor	Quite poor	Very poor	Don't know	N/A
Rents	5.6%	16.7%	11.1%	5.6%	19.4%	38.9%	2.8%
Business rates	8.3%	19.4%	5.6%	5.6%	33.3%	27.8%	0.0%
Availability of business / customer parking	16.7%	16.7%	8.3%	33.3%	16.7%	8.3%	0.0%
Traffic circulation	8.3%	19.4%	11.1%	30.6%	27.8%	2.8%	0.0%
Safety during the daytime	61.1%	19.4%	11.1%	0.0%	5.6%	2.8%	0.0%
Safety during the evenings and at night	38.9%	36.1%	5.6%	2.8%	5.6%	11.1%	0.0%
Range of shops and services available	11.1%	55.6%	11.1%	11.1%	8.3%	2.8%	0.0%
Quality of shops and services available	13.9%	52.8%	16.7%	8.3%	5.6%	2.8%	0.0%
Places to eat or drink	41.7%	38.9%	8.3%	2.8%	2.8%	5.6%	0.0%
Street furniture and landscaping	19.4%	52.8%	8.3%	13.9%	2.8%	2.8%	0.0%
Liveliness / street life / character	22.2%	47.2%	11.1%	5.6%	11.1%	2.8%	0.0%
Level of street cleansing and litter	27.8%	58.3%	11.1%	0.0%	0.0%	2.8%	0.0%
Town Centre management and maintenance	19.4%	50.0%	11.1%	5.6%	2.8%	11.1%	0.0%
Condition / appearance of buildings	30.6%	44.4%	13.9%	2.8%	5.6%	2.8%	0.0%
General shopping environment	22.2%	52.8%	11.1%	8.3%	2.8%	2.8%	0.0%
Marketing / promotion	13.9%	36.1%	8.3%	5.6%	16.7%	19.4%	0.0%
Interest shown by landlord owners	2.8%	16.7%	13.9%	2.8%	11.1%	50.0%	2.8%
The way businesses work together	13.9%	36.1%	11.1%	2.8%	11.1%	22.2%	2.8%
The quality of parks and open spaces	47.2%	38.9%	8.3%	0.0%	0.0%	5.6%	0.0%
Town Centre events	41.7%	44.4%	0.0%	2.8%	2.8%	8.3%	0.0%

6.39 The following aspects/issues received the most positive rating (ranging from very good – quite good):

- Safety during the daytime;
- The quality of parks and open spaces;
- Town Centre events;
- Places to eat and drink;
- Safety during the evenings and nights; and
- Condition and appearance of buildings.

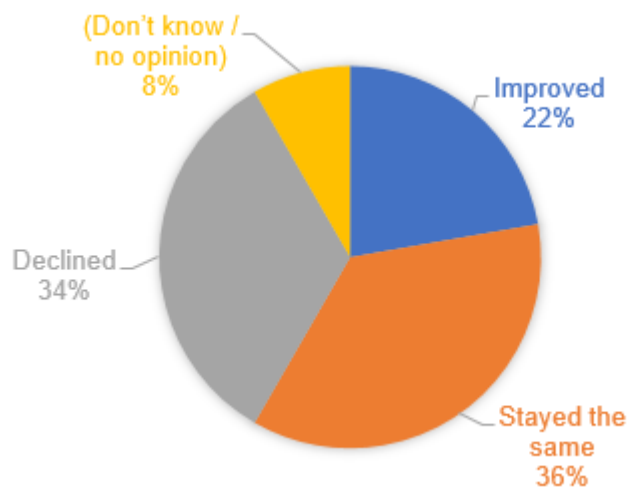
6.40 In comparison the following aspects/issues received a less positive rating (ranging from quite poor – very poor):

- The availability of businesses and customer parking;
- Traffic circulation;
- Range of shops and services available;
- Business rates;
- Marketing and promotion

#### ***Performance of Romsey Town Centre***

6.41 The figure below summarises business perceptions of the changing performance of Andover Town Centre over the last year.

**Figure 6.5: Performance of Romsey Town Centre over the last year**



6.42 Similar to Andover, the majority of respondents identified that the Town Centre has stayed the same (36%). Over a third indicated that the centre has declined (34.0%) and only 22.0% stated the centre had improved.

6.43 Table 6.11 summarises why businesses think Romsey has 'improved' and 'declined' over the last year. A higher proportion of responses in Romsey identified areas for improvement in contrast to Andover.

**Table 6.11 Ways in which Romsey has improved and declined**

Ways in which Romsey has improved over last 12 months	Ways in which Romsey has declined over last 12 months
Busier / more people are visiting (37.5%)	Less people visiting the Town Centre (33.3%)
Good range of different shops (25.0%)	Traffic congestion (33.3%)
Church Street improvements look good (25.0%)	Road works has stopped people coming into the town (16.6%)
Good public transport links (12.5%)	Not enough banks (8.3%)
Good range of places to eat out (12.5%)	The Church Street improvements are dangerous, not wide enough for two cars to pass now (8.3%)
Good range of pubs (12.5%)	The new pedestrianisation near the Abbey is dangerous as it's shared space (8.3%)
Loading bay at the back now has a No Parking sign which has helped (12.5%)	Too many shops have closed / are closing (8.3%)
The Hundred improvements look good (12.5%)	
The pavements have improved (12.5%)	

6.44 It should be noted that these top two responses contradict one another, as the majority of respondents identified Romsey has improved by an increase in the amount of visitors (37.5%), and a similar proportion also identified that Romsey has declined by a decrease in amount of visitors (33.3%).

6.45 As the table shows the main areas of 'decline' identified include:

- The decrease in the amount of visitors to the Town Centre (33.3%);
- Traffic congestion (33.3%); and
- Road works which has stopped visitors coming into the town (16.6%).

6.46 The main improvements identified include:

- The increase in visitors and overall business (37.5%);
- The improvements to Church Street (25.0%); and
- The good range of different shops (25.0%).

### ***Shopping and Service offer in Romsey***

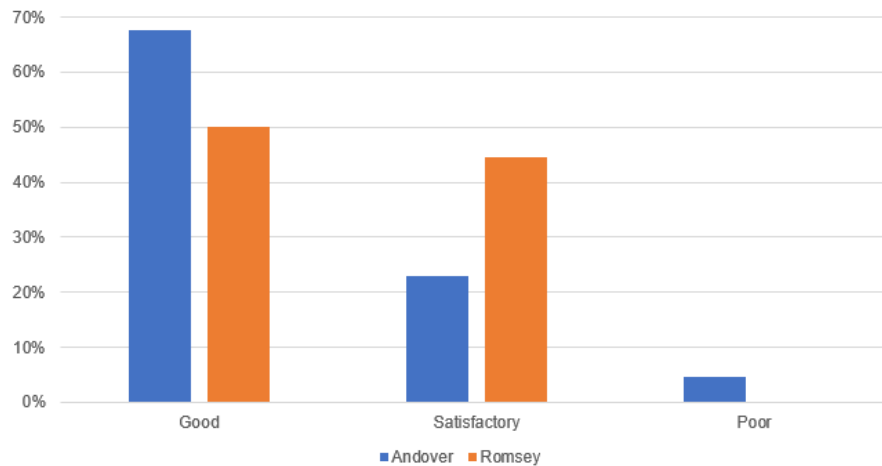
6.47 When asked over the shopping and service mix within Romsey Town Centre, the majority of respondents noted the balance between large and small shops is uneven. They also noted the following:

- There is not enough large chain stores (25.0%)
- There is not enough small independent shops (44.4%)
- There is a good balance between small and large shops (33.3%)

### **Business Performance**

6.48 Figure 6.6 below illustrates the business performance in Andover and Romsey.



**Figure 6.6: Business Performance in Andover and Romsey**

- 6.49 A higher proportion of businesses in Andover (67.6%) identified a 'good' level of performance, in contrast to Romsey with only 50%. However, no businesses in Romsey identified a 'poor' performance, which contrasts with 3.1% of businesses in Andover. A higher number of businesses identified a 'satisfactory' level of performance in Romsey (42.0%); in contrast to Andover (21.0%).

## Trading Performance

- 6.50 Figure 6.7 and 6.8 below illustrates the trading performance in Andover and Romsey.

**Figure 6.7: Past and Future Trading Performance in Andover****Figure 6.8 Past and Future Trading Performance in Romsey**

- 6.51 There was a similar pattern for both Andover and Romsey, with a slightly higher number of businesses in Andover identifying an improvement in future trading performance (59.0%), in contrast to Romsey with 50.0%.

## Benefits to the Businesses

- 6.52 Table 6.12 below illustrates the potential benefits to the business in Andover and Romsey using a scale from 1 - 5; with 1 referring to a 'little' and 5 referring to 'a lot'.

**Figure 6.12: Set of measures which help businesses in Andover and Romsey**

Measure	1	2	3	4	5
Streetscape improvements (e.g. paving, street furniture, signage)	45.6%	8.9%	14.9%	13.9%	11.9%
Street cleaning and environmental services	35.6%	6.9%	19.8%	19.8%	13.9%
Shop front improvements	34.7%	10.9%	24.8%	15.8%	8.9%
Security measures such as CCTV and policing	26.7%	5.0%	23.8%	11.9%	27.7%
Pedestrianisation	43.6%	8.9%	15.8%	19.8%	6.9%
Better arrangements for receiving deliveries	38.6%	9.9%	15.8%	14.9%	16.8%
Improved customer parking	32.7%	2.0%	18.8%	14.9%	28.7%
Events and special promotions	30.7%	11.9%	16.8%	15.8%	19.8%
Better marketing & promotion of the centre in general	22.8%	14.9%	12.9%	17.8%	27.7%
An effective Town Centre forum where businesses can be heard	19.8%	9.9%	16.8%	17.8%	26.7%
Business support/advice	24.8%	8.9%	22.8%	18.8%	17.8%
Assistance in the recruitment & retention of staff	34.7%	12.9%	21.8%	13.9%	11.9%
Improved activities by the Council	25.7%	9.9%	29.7%	14.9%	14.9%
Businesses more involved in Town Centre management	26.7%	5.9%	19.8%	15.8%	24.8%

- 6.53 There was a higher proportion of responses in which measures only contributed 'a little' to the businesses in Andover and Romsey. The main responses consisted of: streetscape improvements; pedestrianisation; better arrangements for receiving deliveries; street cleaning and environmental services; and shopfront improvements. This is to be expected given these are minor improvements to the overall appearance of the Town Centre.
- 6.54 The measures that most benefit businesses in Andover and Romsey consisted of: improved customer parking; better marketing and promotion; an effective Town Centre forum where businesses can be heard; businesses more involved in Town Centre management; and security measures such as CCTV and policing. This is again unsurprising given that these measures could potentially contribute to the performance of the businesses.
- 6.55 It should be noted that the Andover BID is aiming to improve the business district for Andover through strategies such as marketing and enhancing the Town Centre environment. The measures that were shown to benefit the businesses were thus similar to the aims and objectives of the Andover BID.

## Summary

- 6.56 In summary, there was a variety of responses recorded for business across Andover and Romsey. These will be discussed in terms of similarities and differences. Factors affecting businesses in Andover and Romsey will also be summarised separately.

6.57 Similarities:

- The majority of responses to the survey were by private limited companies.
- Nearly 75.0% of businesses in Andover and Romsey had no future plans to expand.
- Only 15.0% of businesses in both centres stated they would either re-fit, extend or improve their premises.
- Businesses in Andover and Romsey decided to locate to each centre as they were convenient for owners, staff and customers/clients.
- Similar issues constraining the operation of business performance in Andover and Romsey concerned accessibility; the level of trade, lack of visitors and customers; parking and business rates.

6.58 Differences:

- Within Andover, a higher proportion of businesses were located in the Town Centre.
- In Romsey a higher proportion of businesses have been operating for a longer period of time (more than 25 years) compared with Andover.
- The businesses in Andover are generally larger in terms of floorspace (over 929 sqm) than in Romsey.
- With regards to limitations on the centres, businesses in Romsey identified road closures and road works.
- For Andover the main limitations included: expansion of the business; finding larger premises; improving skills and reducing business rates.
- A higher proportion of businesses in Andover identified a 'good' level of performance (67.6%), in contrast to Romsey (50.0%).
- A higher number of businesses identified a 'satisfactory' level of performance in Romsey (42.0%); in contrast to Andover (21.0%).

6.59 Businesses in Andover:

- Aspects which were found to benefit businesses in Andover included: the road network; ease for employers and customers; and the local demand for products and services.
- Issues which were found to not benefit businesses in Andover included: the variety of shops; and the room and affordability to expand premises.
- Respondent's mentioned the following positive aspects of Andover Town Centre: the good road network (i.e. accessibility to centre) (90.0%); the number of employees living in the local area (83.1%); the easy access for these employees to the centre (82.0%); and the good local demand for products and services (81.0%).
- Respondent's mentioned the following negative aspects of Andover Town Centre: the lack of variety of shops (53.0%); the lack of affordable premises for expansion (48.0%); and the limited space/room to expand in existing premises (40.0%).

- With regards to the performance of Andover Town Centre, 41.0% of businesses stated it has stayed the same; 31.0% noted decline; and 13.8% mentioned it has improved.
- The survey highlighted the following with regards to improvements in Andover Town Centre: the organisation and maintenance of the Town Centre; the redeveloped shopping centre; and the refurbishments.
- The survey highlighted the following with regards to how Andover Town Centre has declined: the poor range of shops; the number of charity shops; and the poor quality of the shops.

#### 6.60 Businesses in Romsey:

- Aspects which were found to benefit businesses in Romsey include: the road network (i.e. accessibility to the centre) (83.3%); the number of employees living in the local area (77.7%); and ease for employers (77.7%) and customers (69.6%) to get to; the good local demand for products and services (66.6%); and presence of other businesses (61.1%).
- Issues which were found to not benefit businesses in Romsey included: the room (50.0%) and affordability of premises to facilitate expansion of businesses (58.3%); affordable rents (44.4%); and good bus services (41.6%).
- Respondent's mentioned the following positive aspects of Romsey Town Centre: safety during the daytime (61.1%); the quality of parks and open spaces (47.2%); Town Centre events (41.7%); places to eat and drink (41.7%); safety during the evenings and nights (38.9%); and the condition and appearance of buildings (30.6%).
- Respondent's mentioned the following negative aspects of Romsey Town Centre: the availability of businesses and customer parking (33.3%); traffic circulation (27.8%); range of shops and services available (11.1%); business rates (33.3%); and marketing and promotion (16.7%).
- With regards to the performance of Romsey Town Centre, 36.0% of businesses stated it has stayed the same; 34.0% noted decline; and 22.0% mentioned it has improved.
- The survey highlighted the following with regards to improvements in Romsey Town Centre: busier atmosphere and more people visiting; and the improvements to Church Street.
- The survey highlighted the following with regards to how Romsey Town Centre has declined: traffic congestion; less people visiting the Town Centre; and road works which stop people visiting Romsey.

## 7 TOWN CENTRE HEALTH CHECKS: METHODOLOGY

- 7.1 Sections 8 and 9 provide detailed health check assessment for main centres in Test Valley, as follows:
- Andover Town Centre (Section 8)
  - Romsey Town Centre (Section 9)
- 7.2 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.
- 7.3 In accordance with the PPG (paragraph 005 Reference ID: 2b-005-20140306), there are a number of indicators that are widely used (where the information exists) to help assess and monitor the overall health and performance of centres. Some of the indicators 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;
  - Perception of safety and occurrence of crime; and
  - State of Town Centre environmental quality.
- 7.4 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 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 Councils' main Town Centres, as referenced throughout the report. The general methodology is set out below.

### Engagement of Key Stakeholders

- 7.5 As part of undertaking the Town Centre health checks, we have been asked by the Councils to contact a number of key stakeholders. Carter Jonas sought to contact all organisations/representatives on the list, in the time given. The table below shows the key stakeholders with whom a successful engagement was held. The engagement exercise was undertaken by both email and/or telephone calls, as well as business workshops for both Andover and Romsey that took place on 28<sup>th</sup> and 29<sup>th</sup> November 2017 respectively.

**Table 5.2: List of Stakeholders**

Consulted over the phone	
Stakeholder	Function
Mark L. Edgerley	Romsey Town Centre Manager
Gemma Thompson	Andover Town Centre Manager
Hendry Taylor	Hampshire Chamber of Commerce, Andover Committee Chairman
Mark Baulch	Hampshire Chamber of Commerce, Andover Committee (assisting with development of proposed Andover BID)
Ben Collins	Central Management Solutions (for Andover BID)
Consulted at Andover Workshop	
Stakeholder	Function
David Gleave	Test Valley Borough Council
Hendry Taylor	Hampshire Chamber of Commerce, Andover Committee Chairman
Gemma Thompson	Andover Town Centre Manager
Christine Mellor	David Mellor Jewellers
Greg Power	Travelling Cupcake
Mark Leech	White Hart Hotel
Josh Aldred	Test Valley Borough Council
Lisa Armstrong	Chair of Andover steering group
Stephanie Briggs	La Di Da interiors
David Bibby	Test Valley Borough Council
David Stanbridge	Tip Top Balloons
Adam Philips	It's the Money Guy
Consulted at Romsey Workshop	
Mark Edgerley	Town Centre Manager, Romsey Town Council
Cllr John Parker	Romsey Town Council
Malcolm Smith	Photoflair
Debbie Clemett	Kit and Caboodle
David Reading	Greenhill Patchwork
Peter Speirs	Romsey Chamber of Commerce
Mary Greggains	Made Marion
John Shone	Local Resident
Paul Lewis	Bradbeers
Richard Jordon-Baker	Broadlands

## Retail Composition & Diversity of Uses

- 7.6 The Town Centre health check assessments have been informed by analysis of Experian Goad reports for each Town Centre. 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 sub-categories.

- 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**

- 7.7 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.
- 7.8 It should be noted that where Experian Goad data is relied on for composition, the area surveyed by Goad is not necessarily identical to the Councils' identified Town Centre boundaries. As such, it is possible that the number of units set out in our analysis may not relate directly to the Councils' defined centre boundaries.
- 7.9 The floorspace figures shown in the report are also derived from the relevant Goad Plan which shows 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.

### **Vacancies**

- 7.10 The number and scale of vacancies in a centre, and the length of time properties have been vacant, represents a key performance indicator (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.
- 7.11 The data for vacancies has been collected from the GOAD Category Reports (June and September 2016), and commentary has been provided on the vacancy data as surveyed by the Council in May 2017.

### **Multiple and Independent Retailers**

- 7.12 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**

- 7.13 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 23 of the NPPF, existing markets should be retained and enhanced and, where appropriate, new ones should be created, ensuring that markets remain attractive and competitive.

## **Retailer Demand and Requirements**

- 7.14 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 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.

## **Prime Zone A Rents**

- 7.15 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 was only available for Andover, and not Romsey. Therefore, an assessment of Prime Zone A rents and yields is only provided where available.

## **Customer Views and Behaviour**

- 7.16 Our assessment of customers' views and behaviours draws on the findings of the household survey and in-centre surveys. The household survey comprised in total 1,000 interviews across ten zones and asked specific questions regarding respondents likes and dislikes about Andover and Romsey. These interviews took place from 2<sup>nd</sup> – 13<sup>th</sup> October 2017. The full 'weighted' survey results are set out in **Appendices 10 and 11**.
- 7.17 The in-centre surveys were commissioned specifically for Andover and Romsey, as these are the two main Town Centres in the Council Area. A total of 298 interviews were carried out (197 in Andover and 101 in Romsey). These interviews took place from 2<sup>nd</sup> – 18<sup>th</sup> October 2017. Respondents were asked a range of questions to better understand the overall attraction and performance of the main centres; including questions on the purpose of their visit, mode of travel, duration and frequency of visits, and likes and dislikes about the centre.

## **Environmental Quality**

- 7.18 Environmental quality represents a key performance indicator (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, as well as stakeholder consultation.

## **Accessibility**

- 7.19 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 the survey evidence, along with our own research and 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. Consultation with key stakeholders has supplemented our research.

## **Out of Centre Provision**

- 7.20 Out of centre provision has been determined using a number of sources. For example, Completely Retail<sup>34</sup> is a comprehensive retail database, has been referenced to identify the location, scale and operators trading outside of the main centres. We have also referred to the results of the household survey and consultation with key stakeholders.

## **New Investment & Potential Development**

- 7.21 Carter Jonas has relied on the Councils to identify new investments and potential development opportunities within the Council Area. This has also been supplemented by consultation with key stakeholders, as well as a review of relevant planning history.

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<sup>34</sup> A data source which includes information on every shopping centre and retail park in the UK.

## 8 ANDOVER TOWN CENTRE – HEALTH CHECK ASSESSMENT

### Context

- 8.1 Andover is a historic market town located in Northern Test Valley. During the 18<sup>th</sup> century, the town was an important stop-route for stagecoaches between London, Salisbury and Exeter. Andover is located 15 miles from Winchester, 18 miles from Basingstoke and 25 miles from Southampton. It is served by a train station which is within walking distance from the Town Centre.
- 8.2 The key Town Centre facilities are concentrated on High Street and Bridge Street/London Street. The Town Centre is anchored by the Chantry Shopping Centre which was built in the late 1960s and extended in 1989. It includes the town's key retailers such as New Look, The Body Shop, Boots, Waterstones and other major multiple retailers.
- 8.3 Andover is ranked 190<sup>th</sup> in the 2017 Javelin Venuescore<sup>35</sup>. This is an improvement from 2007 when it was ranked 205<sup>th</sup>. Table 8.1 outlines the ranking position of surrounding competing centres. All of these competing centres are positioned higher in terms of their location grade<sup>36</sup> and are significantly larger in terms of size and retail offer.

**Table 8.1: Competing Centres**

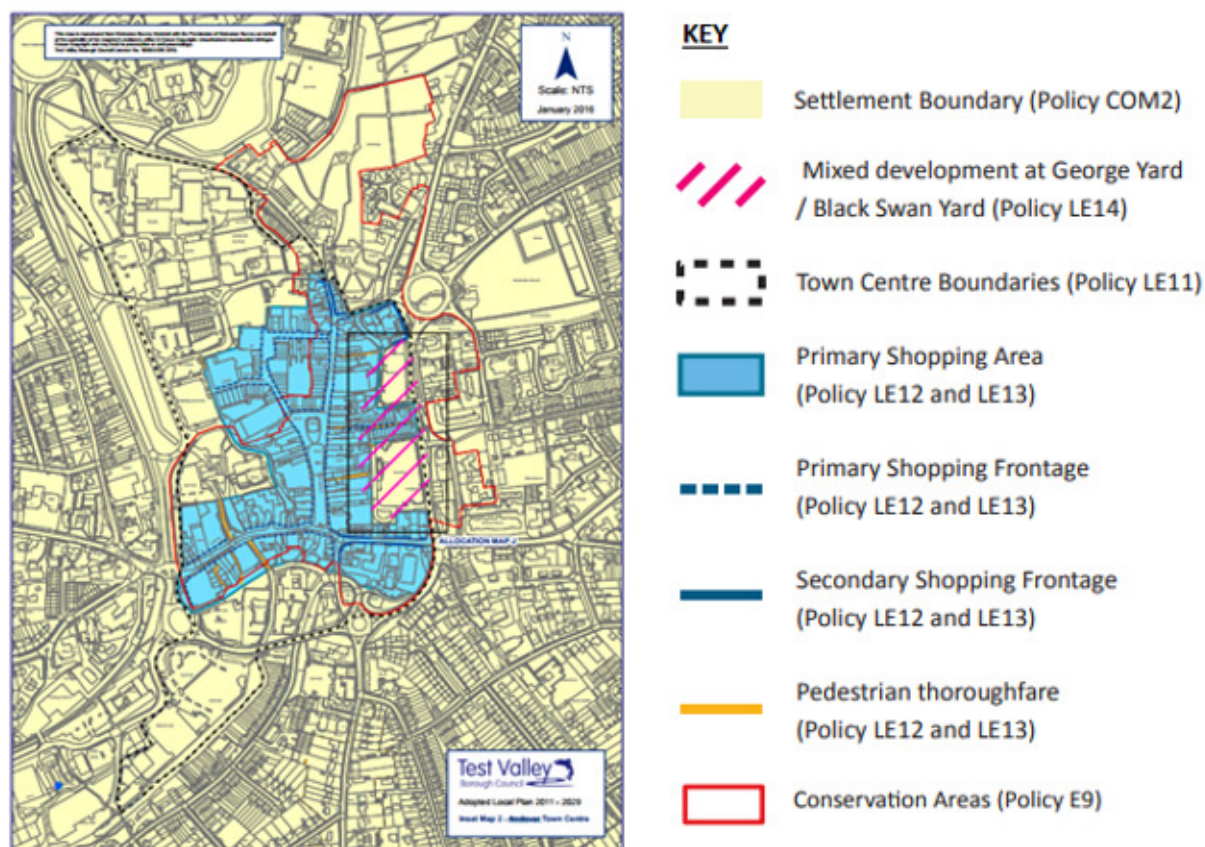
Town Centre	Location Grade	Venuescore Rank
Southampton	Major Regional	20
Basingstoke	Regional	58
Salisbury	Regional	94
Winchester	Regional	125
Andover	Sub-Regional	190
Romsey	District	666

- 8.4 Andover is designated as a Major Centre in the Revised Local Plan (DPD) (2016) settlement hierarchy, and the extent of the Town Centre is defined in the Council's Proposals Map (Inset Map 2): This is reproduced below.

<sup>35</sup> Venuescore is Javelin Group's annual ranking of the UK's top 3,000+ retail venues based on provision of multiple retailers including anchor stores, fashion operators, and non-fashion multiples, where each operator is given a weighted score to reflect its overall impact on shopping patterns and the attraction of centres. The Market Position Index measures the degree to which the centre's offer has a high-end or discount focus (High=Bias towards High-end retailers; Low=Bias towards Discount-oriented retailers)

<sup>36</sup> Javelin Venuescore category

Figure 8.1: Plan of Andover Town Centre



8.5 Based on our assessment, the Primary Shopping Area of the Town Centre can be divided into the following areas:

- **High Street** is the main focal point of the centre that hosts a number of main Town Centre uses and key retailers such as Superdrug, Barclays Bank and Caffé Nero, and the Chantry Shopping Centre. Being predominantly pedestrianised, High Street hosts a number of community events, and the regular markets – the area around the Guildhall acts as a focal point of the Town Centre, with the Time Ring (a public art feature) illustrating important historic moments within Andover.
- **The Chantry Shopping Centre** is the only shopping centre located within Andover. It is primarily owned by Aviva with the Council owning a 30.0% share. It is located in the northern area of the Town Centre and hosts the following retail: New Look, The Body Shop, Boots, Waterstones and other major multiple retailers.
- **Bridge Street / London Street** runs west to east through the Town Centre. **Bridge Street** is a primary shopping frontage and hosts Sainsbury's, Iceland Foods, a Wilko, a post office, and food and beverage amenities such as fast food outlets and drinking establishments. A ten-pin bowling facility is also located above Wilko. **The Bridge Street Mall** is located off Bridge Street between the Kathmandu Variety Store and Martin & Co. estate agent. It is a small parade of retail units (4 in total) and is predominantly vacant. **London Street** is a secondary frontage hosting a number of leisure facilities including restaurants (cuisines such as fish and chips; Italian and Chinese), and drinking (such as pubs and the 'Plush' Nightclub).

8.6 The rest of the Town Centre is divided into the following areas:

- **The Future Cultural Quarter of Andover** – This is located in the north of the Town Centre (within Town Centre Boundary), between West Street and Charlton Road. The key uses consist of leisure facilities including: the Andover Leisure Centre which is currently being redeveloped; the Lights Theatre; and Andover College. In general, we consider that the area is currently relatively isolated from the rest of the Town Centre's main areas of activity, in particular from the Primary Shopping Area (PSA). This could prevent the area from reaching its full potential as the Cultural Quarter for Andover and there would therefore be value in improving linkages.. We would therefore recommend that a Masterplan is produced to improve the legibility of the area and wider connections to the PSA and rest of the town, as well as to potentially consider the introduction of other leisure uses here.
- **Anton Mill Road** is located within the TCB but not within the PSA. It hosts Asda Superstore, and Odeon Cinema. These benefit from a large car park. The River Anton runs south east of the Asda store and provides habitats to local wildlife.

8.7 It should be noted at the outset that this health check assessment primarily focuses on the PSA as identified by the Test Valley's Policies Map, although we do provide commentary on the surrounding areas where relevant.

## Retail Composition & Diversity of Uses

8.8 Table 8.2 summarises the composition of the centre's retail mix and diversity of uses. The composition is based on the latest Experian Goad Category Report (June 2016) and Figure 8.2 illustrates the extent of the Goad coverage. It should be noted that the area surveyed by Goad is not identical to the Councils' identified Town Centre Boundary (TCB). As a result it is possible that the number of units set out in our analysis may not relate directly to the Councils' defined centre boundary. Below we set out the key differences:

- The Goad boundary extends wider than the TCB: the Goad boundary includes the residential area bound by Adelaide Road and Eastfield Road, to the east of A3057; the residential area bound by Dene Road, Love Lane and Old Winton Road, south east of A3057; and area North West of the Asda superstore and west of the A3057.
- The Town Centre boundary goes beyond the Goad boundary, to cover area south west of the Asda superstore; and land west and North West of the Lights Theatre.
- It should be noted that, the Goad boundary includes the PSA in its entirety.



Figure 8.2: Area covered in the Experian Goad Category Report

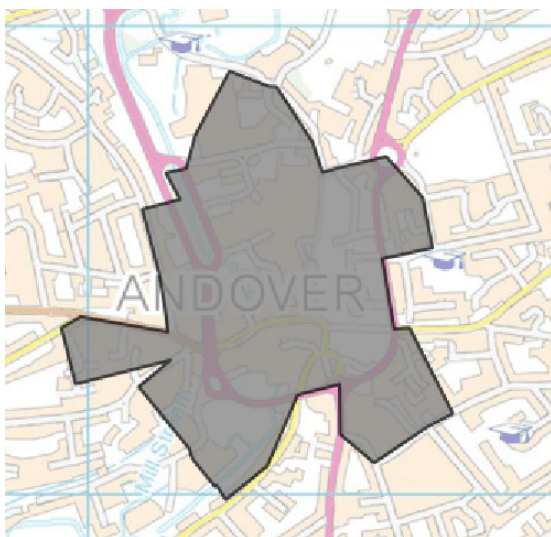


Table 8.2: Retail and Service Composition at 2016

Category	No. of Outlets	% of Total Outlets	UK Average 2016 %	Floorspace	% of Total Outlets	UK Average 2016 %
Convenience	22	7.4%	8.7%	19,072	27.9%	35.1%
Comparison	91	30.7%	31.3%	11,092	16.3%	15.2%
Retail Service	47	15.8%	14.4%	3,539	5.2%	6.8%
Leisure Service	71	23.9%	23.8%	22,612	33.2%	24.9%
Financial & Business Service	39	13.2%	10.4%	6,475	9.5%	7.7%
Vacant	26	8.8%	11.1%	5,360	7.8%	9.5%
<b>TOTAL</b>	<b>296</b>	<b>100%</b>	<b>100%</b>	<b>68,150</b>	<b>100%</b>	<b>100%</b>

Source: Experian Goad Category Report (28<sup>th</sup> June 2016). Please note that figures may not sum due to rounding.

### **Convenience Offer**

- 8.9 There are 22 convenience units in Andover Town Centre according to the latest Experian Goad Category Report. This represents 7.4% of total units and is below the national average of 8.7%.
- 8.10 There are 6 key convenience anchors, namely:
- Sainsbury's (located on Bridge Street);
  - Waitrose (located in the Chantry Shopping Centre);
  - Lidl (located on West Street);
  - Iceland Foods (located on Bridge Street); and
  - M&S Foodhall (located on High Street), which is part of the wider M&S comparison store.
- 8.11 It is noted however that the M&S store in the town may be closing, as a part of the wider business decision by the operator to close 14 stores across the country. This follows on from a disappointing Christmas (2017/18) period for M&S, when sales of both food and clothing fell, and reflects its national business strategy to move away from 'bricks and mortar' for "clothing and home sales". We understand that at the time of preparing this study the

operator was in discussion with the Council. Also we understand that M&S has stated that the Andover store was underperforming in terms of its fashion offer, although the food section was doing well. M&S are keen, we understand, to have a Simply Food presence in Andover, but have indicated to the Council that their current premises are not fit for that purpose. It has been agreed that they will work in partnership with the Council in their search for the right replacement store in the right location.

- 8.12 There is a large Asda Superstore located outside, but within 300m of the PSA on Anton Mill Road, which is relatively well connected to the rest of the PSA (this store is walkable from the Town Centre, despite the cut off from the A3057). The results of the in-centre survey show that it is one of the most popular food stores in the town centre. However, the results of the household survey indicate that 75% of those visiting Asda for their main food shop do not combine their trip with a visit to the rest of the centre. As such, it would appear that there is not such a strong functional 'linked trip' relationship between the PSA and the Asda. This Asda Superstore retains a market share of 9.0%.
- 8.13 As reported in Section 4, the household survey shows that Andover Town Centre is achieving a 21.9% market share in its PCA (Zones 4-5). Waitrose and M&S are the main attractors and are achieving market shares of 12.8% and 5.4% respectively. The household survey results also show that Andover's out-of-centre stores are achieving a much higher retention rate of 66.5% within the PCA. The most popular out-of-centre stores are:
- Tesco Extra, River Way (retaining 28.8% across the Primary Catchment Area);
  - Aldi, Weyhill Road (10.2%); and
  - Sainsbury's Superstore, Shepherds Spring Lane (9.1%).
- 8.14 In terms of the in-centre results, a larger proportion of respondents stated that they visit Andover Town Centre for a food and grocery shop (50.1%). This level of patronage is unsurprising given that Andover has a good representation of convenience goods within the Town Centre.
- 8.15 According to the Experian Goad Category Report, there are also four bakers and confectioners (Travelling Cupcake, on Bridge Street and a Greggs located on High Street).
- 8.16 Overall, we consider that Andover has a good foodstore and convenience provision. There is a wide offer that ranges from budget food store retailers such as Lidl, to high end convenience retailers such as Waitrose and M&S. Table 8.5 highlights there is interest for a FarmFoods to enter Andover. This would further help to build upon the strong convenience offer already present in the town.

### ***Comparison Offer***

- 8.17 According to the Goad Category Report, Andover has 91 comparison outlets. This represents 30.7% of the town centres total outlets, which is below the national average of 31.3%. The current floorspace provision represents 27.9% of total floorspace in the centre, which is also below the national average of 35.1%.
- 8.18 There is a reasonable representation across the majority of the comparison (Goad) categories, when compared to the national average, given the town's role and function in the retail hierarchy, and its status as a Market Town.
- 8.19 In terms of its overall non-food provision the key headlines are:
- There is a relatively high number of **charity shops** (including brands such as Age UK, British Heart Foundation and Cancer Research UK), with 12 outlets in Andover. This represents 4.0% of the total

comparison units, which is significantly above the national average of 2.7%. If more charity shops were to enter Andover, it could result in an over concentration of uses and detract from the retail offer and diversity.

- There are a number of prominent **fashion retailers**: including Clarks; New Look; Dorothy Perkins; The Body Shop and Topshop/Topman. It should however be noted that whilst the number of units in the ladies wear and accessories category is at 2.7% which is broadly consistent with the national average of 2.1%, there is a shortage of units in ladies/menswear and accessories<sup>37</sup> (0.3%) compared to the national average (1.6%). The centre could therefore potentially benefit from improvements to its fashion offer: either by attracting typical high-street fashion retailers, and/or by seeking to establish a niche/ boutique high-end independent offer. It should be noted the engagement with stakeholders and respondents from in-centre survey (33.3%) stated that the introduction of Primark would encourage them to visit the centre. However, it should be noted that the feedback from CJ's commercial agents and local agents (Goadsby) indicates that there are no outstanding requirements from Primark for representation in Andover.

8.20 The household survey results show that Andover Town Centre is achieving a comparison market share of 12.0% within the Borough Area. The Town Centre's retention rate is higher in the PCA (Zones 4-5) at 21.6%. A further 18.1% of expenditure in the PCA is going to out-of-centre stores (mainly comprising Churchill Retail Park and Enham Arch Retail Park); 36.3% to SFT/online shopping; and 23.9% to key competitor locations, principally Basingstoke, Salisbury, Southampton, and Winchester.

8.21 In terms of the in-centre survey results, the top three major retailers visited in Andover Town Centre by respondents are Wilko (25.8%), Boots (16.1%) and Poundland (12.9%). This suggests there is currently a higher demand for budget/value end retailers.

8.22 In summary, we consider that Andover has an adequate comparison offer. Whilst the evidence shows there is a high representation of national multiples, in qualitative terms there would appear to be potential scope to attract new high street fashion brands which sell both women's and men's clothing. This was also highlighted by the feedback from the stakeholder consultation. There is also an opportunity to enhance the quality of the independent offer. However this is all dependent on market demand from operators for representation in the Town Centre.

### **Service Offer**

8.23 Service businesses are defined by Experian Goad include retail, professional and financial services. These are discussed below:

- There are 47 **retail service** units. This represents 15.9% of total outlets and is slightly above the national average (14.4%). The types of retail services largely consist of health and beauty retailers (32 outlets - mainly independent hair salons), opticians (5 outlets including a Specsavers; Vision Express and Boots Opticians) and travel agents (4 outlets including a Thomas Cook and a TUI Holiday Store). Furthermore, there is a post office located Bridge Street, opposite the Sainsbury's and Iceland Foods, and a dry cleaners.
- With regards to **leisure services**, there are 71 units. Current provision of 23.9% is in line with the national average (23.8%). The types of leisure services predominately consist of fast food and take away outlets (19 outlets including multiples such as McDonald's, Domino's and KFC), restaurants (12 outlets serving a range of cuisines such as Thai, Asian, Italian and English) and cafés (13 outlets which mainly consists of independent operators as well as multiples such as Caffè Nero and Costa Coffee). There are two nightclubs located on London Street (Cameo and Vinyl and Plush). There is also a ten-pin bowling located above the Wilko store. Other key facilities which are located outside the PSA include The Lights Theatre on West

<sup>37</sup> i.e. shops which sell both women's and men's clothing i.e. Topshop/Topman, Primark, Hollister, Jack Wills etc

Street and one Odeon cinema located above the Asda superstore. It is noted that Andover's leisure facilities are currently scattered around the centre, and the centre could benefit from establishing a "cluster" especially to aid the evening economy. Our engagement with stakeholders highlighted there is a lack of family-friendly restaurants and chain restaurants.

- There are 39 **financial and business services** units. This represents 13.2% of the total units which is above the national average of 10.4%. In terms of floorspace, Andover also exceeds the national average of 7.7% with 6,475 sqm which represents 9.5% of the total floorspace. This sector is dominated by property services such as retail banks (8 units including Natwest, Barclays, TSB, HSBC, Halifax and Santander); financial services (4 units); employment and career services (4 units); and legal services (7 units).

8.24 Given the role and function of Andover Town Centre, we consider the service offer is good, with the majority of uses in line with or above the national average. The overall quality of services within Andover is reasonable, with 10.5% of respondents in the in-centre survey stating that Andover could be enhanced by improving the quality of services.

### **Vacancies**

8.25 According to the Experian Goad Category Report, and as summarised by the table below, there are 26 vacant units in Andover Town Centre. This represents a vacancy level of 8.8%, which is below the national average of 11.2%. Furthermore, the 5,360 sqm of vacant floorspace also represents a vacancy level (7.9%) below the national average (11.2%).

**Table 8.3: Vacant Units and Floorspace in Andover Town Centre**

	<b>Vacant Units</b>	<b>% of Total</b>	<b>2016 GOAD UK Average</b>
Number of Units	26	8.8%	11.2%
Floorspace (sqm)	5,360	7.9%	11.2%

8.26 In comparison, the Council's own survey of the Town Centre conducted in 2017 (including primary and secondary frontages) identified some 33 vacant units within Andover Town Centre, which is equivalent to a vacancy rate of 11.8% and is slightly above the national average.

8.27 As mentioned in paragraphs 8.8 and 8.9 above, the area surveyed by Goad is not necessarily identical to the Councils' own survey data/Town Centre boundary. This explains the difference in the number of vacant units.

8.28 Although vacancy levels are below the national averages, our site visit identified two areas that we consider are struggling in terms of the cluster of vacancies:

- The Chantry Shopping Centre - 6 vacant units which represent 7.5% of the total units in the Chantry Centre); and
- The Bridge Street Mall - where 3 units out of 4 are vacant and the frontages are poor.

8.29 In our view these locations represent opportunities to increase activity (for example by redeveloping the sites, or by seeking operators to locate here), as the vacancies do detract from the visual appearance of the area as a whole.

## Multiple and Independent Retail Representation

- 8.30 The Experian Goad Category Report identified that there are 113 multiple retailers in Andover Town Centre, which represents 38.1% of the total units. This includes a number of prominent names such as Sainsbury's; Tesco; Waitrose, Marks & Spencer; Iceland Foods; Lidl; WH Smith; Clarks and New Look.
- 8.31 The table below outlines multiple operators within Andover. The in-centre survey identified a need for larger brands (such as Primark<sup>38</sup>) to help raise the centre's attraction and offer.

**Table 8.4: Multiple Operators**

Category	No. of Outlets	% of Total Outlets	UK Average 2016 %
Comparison	51	45.2%	42.7%
Convenience	12	10.6%	11.2%
Retail Service	11	9.7%	9.2%
Leisure Service	20	17.7%	21.5%
Financial & Business Service	19	16.8%	15.2%
<b>TOTAL</b>	<b>113</b>	<b>100%</b>	<b>100%</b>

- 8.32 The Town Centre also has a strong independent retail and service offer, particularly focussed along Bridge Street and London Street. This frontage includes independent cafés and restaurants, as well as bars and public houses. The independent stores and shops all contribute significantly to the overall diversity, vitality and viability of the Town Centre's offer. There is potential to increase the quality of these independent operators; and introduce more niche independent retailers to build on Andover's quaint character.
- 8.33 In summary, we consider there is a relatively good mix of multiple and independent retailers.

## Markets and Events

- 8.34 Andover Town Centre hosts a number of markets within the open space on the High Street:
- **Regular Andover Street Market:** This has 30 stalls and operates twice weekly every Thursday and Saturday and is held within the High Street. It offers the following produce: fruit and vegetables; a burger van; fresh eggs; a pet stall; fresh cakes and pastries; clothes; and rugs. It has been noted by various consultees that the market, its current state detracts from the Town Centre and creates a negative perception overall. The management is lacking and the quality of produce offered is of low quality. As such, the improvement of the market should be a priority for the centre.
  - **Andover Farmer's and Crafts Market:** This operates on the third Sunday of every month from February to December. It sells a range of food, craft, gifts and plant goods. Our engagement with stakeholders emphasised that the addition of craft market stalls would enhance the offer within Andover Town Centre.
  - **Small Business Fairs:** This operated on the 5 May and 8 September 2017 in Andover High Street. This event provided the opportunity for local companies to promote their business and for residents to understand the type of businesses.

<sup>38</sup> As noted above there is no current requirement from Primark for representation in Andover.

- **August Four Fun Fridays:** This is run by the Lights Theatre and includes street entertainment such as 2D chalk painting, storytelling, face painting, art workshops, live music and competitions for families. It is run every August on every Friday.
- **Christmas Lights Switch On:** This event is held every year in Andover High Street and includes a firework display, music, hot food, face painting and rides, to countdown the switching on of the Christmas Lights. Our engagement with stakeholders highlighted that whilst the event was popular and well attended, there was limited associated trade to the “permanent” Town Centre vendors due parking restrictions and the lack of evening economy uses.

8.35 Apart from the Regular Andover Street Market, the other markets and events are popular within the local community. However, our own research indicates that obtaining information about these is somewhat difficult and as such better marketing would be beneficial.

## Retail Demand & Requirements

8.36 Table 8.5 below sets out the retail requirements as listed by the Requirement List (November 2017).

8.37 In summary, there are 11 operators with published requirements for representation in Andover, equivalent to a total floorspace of 3,074 sqm gross. These include leisure operators (such as Taco Bell; ‘INnOUT’ and Three Jones); charity shops (such as Cats Protection and RSCPA); a Lidl; a gym; and a card shop (Cards Direct).

**Table 8.5: Retailer Requirements**

No.	Size of Unit (Max)		Operator	Category
	Sqm	Sq ft		
1	371	3,990	Anytime Fitness	Leisure / Gym
2	278	2,990	Cats Protection	Welfare Charity
3	111	1,190	Cards Direct	Greeting Cards
4	157	1,680	Just Tyres	Vehicle / Motor Accessories
5	557	5,995	FarmFoods	Frozen Food Specialist
6	70	753	Taco Bell	Restaurant and Take Away
7	50	538	Evapo	E-cigarette shop
8	334	3,595	IN ‘n’ OUT	Fast Food Outlet
9	929	10,000	Lidl	Supermarket
10	78	839	RSCPA	Welfare Charity
11	139	1,500	Three Joes	Pizza Restaurant
Total	3,074	33,070		

## Prime Zone A Rents

8.38 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. For Andover Town Centre, the



evidence on changes in Prime Zone A (ZA) rents has been obtained from PROMIS which collects commercial data from property agents for key UK centres.

- 8.39 In the middle of 2017, agent sources estimated prime rents in Andover at £50 per square foot for Zone A. This represented no change since the end of 2016. The level of prime rents in the town remains 37.5% below the pre-recession peak of £80 per square foot for Zone A. The figures below illustrate the level of Prime Zone A Rents.
- 8.40 Table 8.6 below compares Prime Zone A rents with other centres nearby. Given the much higher statues of the nearby centres, it is not surprising that Andover has much lower Prime Zone A rents.

**Table 8.6: Prime Zone A Rents compared with other centres**

Centres	Prime Zone A Rents per square foot
Southampton	£350
Winchester	£190
Basingstoke	£160
Andover	£50

## Environmental Quality

- 8.41 Andover is a historic market town, which has its own unique character and a good sense of place. The focal point of the centre is the public space between Andover Guildhall and the High Street. This area is predominantly pedestrianised, and hosts a number of events (such as the markets and Christmas Lights switch on) which also contribute to vitality of the area. The Time Ring, a public art feature, illustrates Andover's history. The centre also benefits from a number of historic buildings that contribute well to the overall environment.
- 8.42 The centre is generally clean and tidy throughout; street lighting and litter bins are distributed across the centre. The majority of building facades are well kept, and the Chantry Centre has also recently benefitted from investment in its external facade and frontages. We also note that signage improvements are planned to take place in January 2019 as part of the Andover Wayfinding Scheme. This will improve the legibility of the centre.
- 8.43 The in-centre survey results suggest that visitors are generally pleased with the environment; only 2.0% suggested that the appearance of Andover needs to be improved.
- 8.44 In terms of the key shortcomings, it is considered that the Chantry Centre is now rather dated in its layout and unit sizes, and hence does not create an ideal shopping environment for modern retailers. There are also a number of vacancies within the shopping centre that detract from the overall shopping experience, and most likely reflect the limited size and configuration of the units. Similarly, The Mall, which is predominantly vacant, also detracts from the environmental quality; the overall appearance is underutilised and low in quality. Overall, these areas weaken the environmental quality and offer of Andover.
- 8.45 In our view the centre would also benefit from more seating and green landscaping (e.g. trees) to help 'soften' the overall environment.

## Accessibility & Pedestrian Flows

- 8.46 Andover is served by a railway station situated in the centre of town which is run by South Western Railway. This provides connections to Exeter, Salisbury, Basingstoke and London Waterloo. Based on the information provided

by Hampshire County Council<sup>39</sup>, Andover also benefits from 34 buses with main bus routes connecting the town and wider areas such as Picket Twenty, Charlton, the Portway Business Park, Anna Valley, Sheep Fayre and the Walworth Business Park. There is also a coach service providing connections to Salisbury, Andover, Heathrow Airport and London.

- 8.47 In terms of legibility and pedestrian flows, The Guildhall acts a focal point for the Town Centre as the extent of the large building provides the user with a sense of place. Across the centre however, accessibility is adequate with pavements and pedestrianised streets. The centre currently lacks in signage which makes it difficult for visitors to navigate around the centre. As mentioned above however, this is being improved with the Andover Wayfinding Scheme in 2019.
- 8.48 Table 8.7 below outlines that Andover Town Centre benefits from 11 short stay and 4 long stay car parks. The largest car park with 578 spaces is the Chantry Centre. For short to medium stay tariffs, the length of stay ranges from 30 minutes (50p) – all day (£5.90). For long stay tariffs, the length of stay ranges from 30 minutes (50p) – all day (£4.40). The majority of the car parks have motor cycle and disabled facilities available (excluding West Street Medium Stay, AMC Medium Stay, Anton Mill Road Long Stay and The Acre Long Stay). Parking is free after 4pm and on Sundays and Bank Holidays.

**Table 8.7: Car Parking in Andover**

Short Stay	
Black Swan Yard Short Stay (112 spaces)	Marlborough Street Medium Stay (48 spaces)
Town Mills Short Stay (65 spaces)	South Street Medium Stay (66 spaces)
Borden Gates Short Stay (82 spaces)	West Street Medium Stay (51 spaces)
Anton Mill Road Medium Stay (460 spaces)	Leisure Centre Medium Stay (39 spaces)
George Yard Medium Stay (230 spaces)	AMC Medium Stay (44 spaces)
Chantry Centre Medium Stay (578 spaces)	
Long Stay	
Shepard's Spring Lane Long Stay (215 spaces)	Anton Mill Road Long Stay (33 spaces)
Winchester Road Long Stay (80 spaces)	The Acre Long Stay (20 spaces)

- 8.49 The in-centre survey results highlighted that only 2.6% of respondents like the ease of access within Andover. In addition, 2.3% stated that Andover could be improved by introducing cheaper car parking.
- 8.50 Our engagement with stakeholders also identified the need for improvements to the car parking payment system to incorporate payment on exit, as this would allow greater flexibility for shoppers on their trips and potentially lengthen dwell times. The centre could also benefit from greater parking signage. It was also noted that the free evening parking (currently after 4 pm) should start earlier in the day to correspond better with 'school-runs'.
- 8.51 The consultation with the stakeholders also identified that whilst the centre is often open in the evenings, the pedestrian flow is limited. This is both due to the lack of awareness of the current opening hours, and the current limited evening economy.
- 8.52 Our observation of the centre on our site visit highlighted that the Leisure Centre and the Lights Theatre (i.e. the Future Cultural Quarter of Andover) are currently relatively isolated from the rest of the Town Centre's main areas of activity, and in particular from the PSA. As such the pedestrian connectivity is limited. This could prevent the area from reaching its full potential as the Cultural Quarter for Andover and there would therefore be value in

<sup>39</sup> Andover Travel Guide: <http://documents.hants.gov.uk/passenger-transport/AndoverTravelGuide.pdf>

improving linkages.. We would therefore recommend that the legibility of the area and wider connections to the PSA and rest of the town are improved.

- 8.53 Overall, it considered that Andover has good accessibility by all modes of transport, and pedestrian flows appear adequate. However, the parking management system should be improved to allow flexibility and retain customers; and the centre should seek to improve pedestrian flows in the evenings.

### Customer Views and Behaviour / Household Survey

- 8.54 Sections 5 and 6 of this study provided a detailed analysis of the views of both customers and businesses with regard to strengths and weaknesses of Andover as a shopping location, and the potential scope for improvements. The following provides a brief overview of the responses to the household survey in terms of what people 'like' about the centre, and how it could be improved.
- 8.55 In terms of what people 'like' about Andover Town Centre, the most frequently raised themes are shown in Table 8.8.

**Table 8.8: Key features respondents liked about Andover Town Centre**

Aspects	Responses from the Primary Catchment Area	Responses from the Study Area
Nothing / very little	38.3%	35.5%
Close to home	30.9%	20.8%
Compact	9.5%	6.1%
Attractive environment / nice place	6.4%	5.7%
Traditional	5.5%	4.6%
Good range of non-food shops	5.5%	5.7%
Easy to park	2.5%	5.8%

- 8.56 As Table 8.8 shows, the majority of respondents from within the Primary Catchment Area (PCA) indicated that they did not have anything in particular that they liked about Andover Town Centre (38.3%). The second popular response indicated that respondents visit Andover because it is close to home (30.9%). Other common responses for both respondents within the Primary Catchment Area include the fact that the town is compact (9.5%) and has an attractive (6.4%) and traditional (5.5%) environment. Similar responses were also recorded for respondents from the wider Study Area.
- 8.57 Respondents were also asked what, if any, improvements to Andover would encourage them to visit more often. Table 8.9 provides a summary of the most frequently suggested improvements.

**Table 8.9: Key improvements for Andover Town Centre**

Aspects	Responses from the Primary Catchment Area	Responses from the Study Area
More National Multiple Shops / High Street shops	36.2%	9.9%
More independent shops	25.5%	6.7%
Nothing	23.8%	57.9%
More / better comparison retailers (i.e. non-food)	12.8%	3.0%
More / better value or affordable shops	9.8%	1.4%
Needs a refurb	5.0%	0.9%
A department store	3.9%	0.6%
Don't know	1.6%	20.4%

- 8.58 As Table 8.9 shows, the majority of respondents across the Study Area stated that more national multiple shops or high street shops would improve the town (36.2%). Similarly, respondents also noted a need for more independent shops (25.5%), non-food comparison retailers (12.8%), and affordable, value-led retailers (9.8%). The majority of respondents from the wider Study Area stated that 'nothing' (57.9%) would improve the centre, or they could not think of any improvements (20.4%).

## Out of Centre Provision

- 8.59 There are a number of out-of-centre shopping locations in Andover, namely:
- **Churchill Retail Park, Northern Business Park and Enham Arch Retail Park:** These are located north east of the TCB, adjacent to the Enham Arch roundabout. Tenants are primarily within the bulky goods retailers or large format retailers categories (such as: Halfords; Currys PC World; Carpet Right; Bensons for Beds; Homebase; Wickes and The Range); supermarkets (Sainsbury's and Tesco Extra) associated restaurants (such as McDonald's and KFC). Other retailers include: TK Maxx; Next; Pets at Home; and Brantano.
  - Other out-of-centre provision includes: the **Andover Trade Park on Joule Road** (including retailers such as: Toolstation; McDonald's; IN'nOUT'; and YESSS Electrical); and the **Commercial Centre at Picket Piece** which has commercial and industrial units as well as office space. Furthermore, there are also stand-alone out-of-centre food stores including the Co-operative Food (located on London Road and Charlton Road); Tesco Express (located on Cricketers Way and Weyhill Road); an Aldi located on (Weyhill Road); a SPAR (located on Charlton Road).
- 8.60 As highlighted in Section 4, Andover Town Centre faces significant competition from the out-of-centre offer, which currently draws 18.1% of the comparison expenditure in the PCA.

## New Investment & Potential Development

- 8.61 The main new investments and potential development/allocations in Andover which we were made aware of by the local planning authority at the time of preparing this study included the following:

### *In-Centre Proposals*

- a. **George Yard / Black Swan Yard** – This is a Council owned site and is allocated under **Policy LE14** for comparison retail together with office, housing (100 units), leisure and car parking to the

east of the Town Centre. This site currently consists of two public car parks, with shops and offices located on Union Street which provides pedestrian links to the high street. There are no relevant planning permissions/applications in place.

- b. **Andover Wayfinding Scheme (2019)** – This scheme seeks to improve the signage in Andover Town Centre in January 2019, which forms part of the wider aim of the Hampshire Wayfinding approach.

### ***Strategic Housing Allocations***

- c. As discussed on Section 2, Policy COM1 in the Local Plan seeks the provision of 6,444 new homes in Andover by 2026. The following key sites are to play a major role in meeting this aspiration: **Land at Picket Piece** (allocated under **Policy COM6**), **Land at Picket Twenty** (allocated under **Policy COM6A**) and **East Anton**.

### ***Other Potential Opportunities in the Town Centre:***

- a. **The Bridge Street Mall and the Borden Gates Car Park** – Some three out of four units in the Mall are currently vacant. This significantly detracts from the physical environment of Andover. Borden Gates car park is located adjacent to The Mall, and is Council owned. With a good geographical relation to the PSA, these two sites could together create an opportunity for redevelopment / regeneration.
- b. **The Chantry Shopping Centre** – As mentioned previously, this shopping centre has a relatively large number of vacant units. The addition of retail and leisure uses into vacant units would significantly enhance the shopping centre as a whole.
- c. **Cultural Quarter** – As mentioned previously, this area is envisioned to become the Cultural Quarter of Andover to include: The Lights Theatre, Andover Leisure Centre, which is currently under redevelopment (Ref: 16/03191/FULLN), Andover College, Former Magistrates Court and the River Anton. We would recommend that a Masterplan is drawn up to guide the development of this area, covering the appropriate uses, the legibility of the area and the need to improve the wider connections to the PSA.

## **Summary**

8.62 In summary, the health check assessment has demonstrated that although Andover is a relatively healthy centre, it is clearly vulnerable to further impacts from the continued growth of online shopping and competition from out-of-centre stores and centres located both within and outside the Borough area. The recent announcement that Marks & Spencer is to close its store in the town centre is a major concern and will inevitably impact on the centre's overall vitality and viability and turnover performance; including the additional loss off footfall and linked trip expenditure to other shops and businesses in the town.

8.63 The key strengths and weaknesses of the centre are summarised below:

- It has a strong convenience provision. There is a wide offer including Lidl, Asda, Waitrose and M&S; and a number of smaller independent retailers including bakers and confectioners; grocers and delicatessens; and health foods (including a Holland and Barrett). The convenience offer is also supplemented by the markets.

- The comparison provision is adequate. Whilst the evidence shows there is a relatively good representation of national multiples, in qualitative terms there would appear to be more potential for more high street fashion brands that sell both women's and men's clothing. However this will be subject to market demand from potential retailers for representation in the town, and the availability and suitability of premises and/or sites to meet any demand. We consider that there is also an opportunity to enhance the quality of the independent offer.
- The Town's services provision is relatively good, with the majority of uses in line with or above the national average. The current leisure offer is being improved with the redevelopment of the leisure centre (Ref: 16/03191/FULLN). However, it is noted that Andover's leisure facilities are currently scattered around the centre, and the centre could benefit from establishing a food and beverage "cluster" or "focus", especially to aid the evening economy. In qualitative terms the centre also lacks family-friendly restaurants.
- The centre is performing adequately in terms of vacancy levels. Experian has identified a vacancy level of 8.8%, which is below the national average, while the Council's own survey of a slightly wider Town Centre area identified a slightly above national average vacancy rate of 11.8%. There are two areas with a relatively high concentration of vacant units: the Chantry Shopping Centre and The Bridge Street Mall. These locations represent potential opportunities to improve the shopping and town centre environment, and increase activity and footfall (for example by redeveloping the sites and/or by attracting new operators).
- There is a relatively good mix of multiple and independent retailers. It would be however beneficial to introduce multiple mid-range operators that would raise the profile of the centre. It would also be beneficial to increase the quality of the independent operators, and introduce more niche independent retailers to build on Andover's quaint character.
- Andover hosts a number of events and promotions. These should continue to be encouraged, supported by better marketing. In our judgement the Andover Street Market should be significantly improved by raising the quality of goods sold, and by establishing a more holistic management.
- Andover is a historic market town, which has its own unique character and a good sense of place, and overall a pleasant environment. However, it is considered that the Chantry Centre is now rather dated in its layout, and hence does not create an ideal shopping environment. There are also a number of vacancies within the shopping centre that detract from the overall shopping experience. Similarly, The Bridge Street Mall, which is predominantly vacant, also significantly detracts from the environmental quality. Furthermore, the overall appearance is underutilised, and low in quality. Overall, these areas weaken the environmental quality of Andover. The centre could also benefit from more seating, and green landscaping (e.g. trees) to help 'soften' the environment.
- Andover has good accessibility by all modes of transport, and pedestrian flows appear adequate. However, stakeholder feedback has suggested that the parking management system could be improved (for example, by incorporating payment on exit). The pedestrian flow in the evenings is limited, despite the centre staying open. This could be improved by seeking further evening leisure uses (that are well connected with the main shopping facilities), and by better marketing of the centre to raise awareness of the later opening hours.
- There are two strategic housing allocations surrounding Andover Town Centre, namely: Land at Picket Piece (allocated under Policy COM6) and Land at Picket Twenty (allocated under Policy COM6A). East Anton is also referred to in the local plan as a site for housing development. These potential developments

will add pressure to Andover Town Centre, specifically in terms of the demand for new retail, leisure and service uses.

- The vision to establish a *Cultural Quarter* around The Lights Theatre and Andover Leisure Centre is currently informal. We would recommend that a Masterplan is drawn up to guide the development of this area, covering the appropriate uses, the legibility of the area, and the need to improve the wider connections to the PSA.
- It should also be noted that the Andover BID<sup>40</sup> is currently consulting with Town Centre businesses on the types of services that will help to solve local issues such as, for example, marketing, parking management and new developments.
- In terms of customer demographics, Section 5 highlighted from the in-centre survey that there is a greater proportion of shoppers in Andover who are of a lower social grade (30.6% for C1 – 24.0% for DE), in contrast to the higher social grades (16.3% for A1 and 28.6% for B1) in the wider catchment. This suggests that Andover Town Centre could do more to draw shoppers and visitors who are of a higher social grade, whilst meeting the needs of its 'core' customers.

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<sup>40</sup> A BID is led and funded by businesses that would oversee Town Centre management within a defined area. The revenue generated by the initiative will be invested in activities and services which are decided by participating organisations to promote the town centre and its businesses.



## 9 ROMSEY TOWN CENTRE – HEALTH CHECK ASSESSMENT

### Context

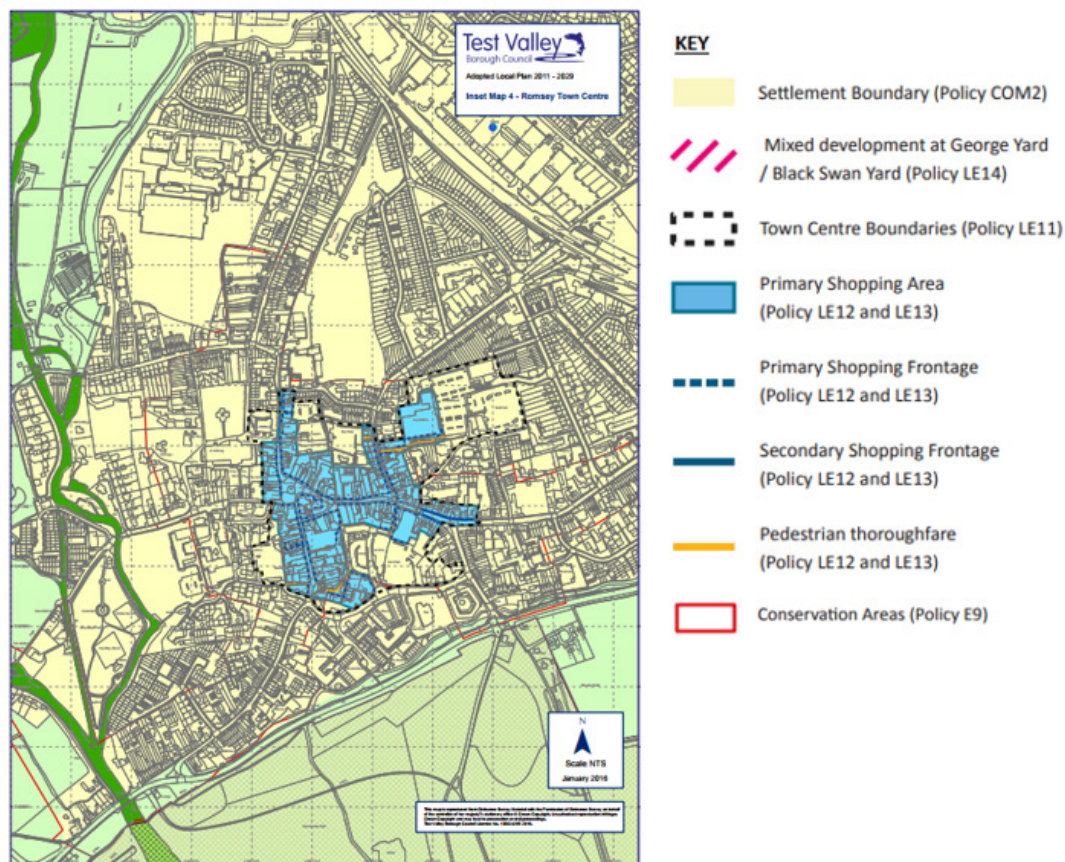
- 9.1 Romsey is a small and compact market town located in southern Test Valley. It is a historic town and benefits from medieval architecture, most notably The Romsey Abbey (which dates back to 907 AD during the Anglo-Saxon times) and King John's House (which was the main building in the town during the 13th century in a major medieval complex). These act as major attractions for Romsey's tourism and visitor economy and contribute to the overall character of the town.
- 9.2 Romsey is located 7 miles from Southampton, 11 miles from Winchester and 17 miles from Salisbury. It is served by a train station, which is within walking distance from the Town Centre. It is anchored by the Bradbeers department store, as well as Waitrose (located on Alma Road); and an Aldi (located on The Hundred).
- 9.3 Romsey is ranked 666<sup>th</sup> in the 2017 Javelin Venuescore ranking of all town and shopping centres. It has fallen slightly in the rankings since 2007, when it was 644<sup>th</sup>. Table 9.1 outlines the ranking position of Andover (190<sup>th</sup>) and nearby centres in neighbouring authorities. All of these higher order centres have a greater scale, range and choice of retailing than Romsey.

**Table 9.1: Competing Centres**

Town Centre	Location Grade	Venuescore Rank
Southampton	Major Regional	20
Basingstoke	Regional	58
Salisbury	Regional	94
Winchester	Regional	125
Andover	Sub-Regional	190
<b>Romsey</b>	<b>District</b>	<b>666</b>

- 9.4 Romsey is designated as a Major Centre in the Revised Local Plan (DPD) (2016) settlement hierarchy, and the extent of the Town Centre is defined in the Council's Proposals Map (Inset Map 4): This is reproduced below for ease of reference:

Figure 9.1: Plans of Romsey Town Centre



9.5 Based on our assessment, the Primary Shopping Area (PSA) of the Town Centre can be divided into the following areas:

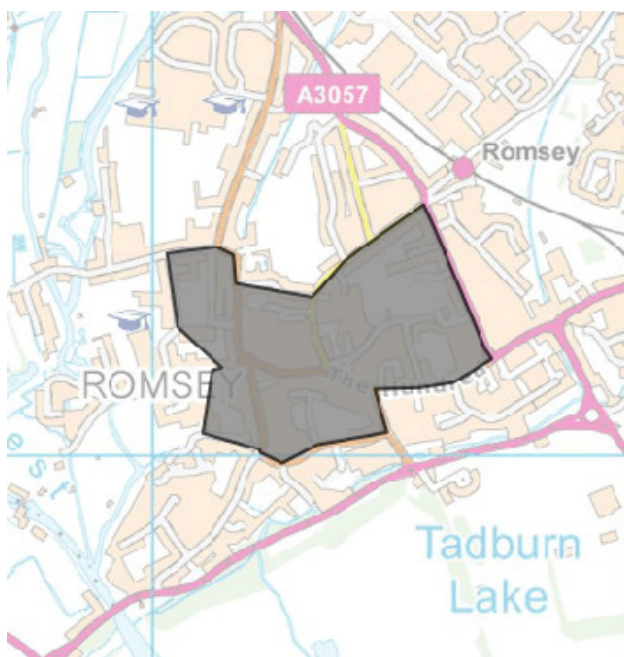
- **The Hundred** is the main shopping street where multiple retailers are located such as: New Look, Fat Face, Clarks and Holland and Barrett. A baker is also located here as well as bars, drinking establishments and restaurants (including cuisines such as Indian and Thai), a Superdrug, and convenience uses (including an Aldi). Most notably this includes the department store Bradbeers which hosts the following: homeware; fashion accessories; a hair and beauty salon; menswear; and a self-service restaurant. The majority of the Hundred is allocated as a Primary Shopping Frontage (PSF), excluding the east end of the street which is a secondary frontage. The Corn Market is located off the Hundred and is where the markets are held including a regular and farmers market.
- **Market Place** is the focal point of the Town Centre that acts as a landmark. Market Place also hosts the Town Hall.
- **Church Street, Bell Street and Latimer Street** are narrow streets in nature and host a range of Town Centre uses. In summary: - Latimer Street provides a pedestrianised access to Waitrose; Church Street provides access to the town's key historic features, including the Romsey Abbey and King John's House, as well as the Tourist Information Centre and the Council's Offices; and Bell Street is a narrow street and provides a secondary entrance to the Bradbeers department store.

9.6 It should be noted at the outset that this health check assessment primarily focuses on the town's Primary Shopping Area (PSA) as identified by the Policies Map.

## Retail Composition & Diversity of Uses

- 9.7 Table 9.2 summarises the composition of the centre's retail mix and diversity of uses. The composition is based on the latest *Experian Goad Category Report* (September 2016). Figure 9.2 illustrates the extent of the area covered by Experian Goad. It should be noted that the area surveyed by Goad is not identical to the Councils' identified Town Centre Boundary (TCB). As a result it is possible that the number of units set out in our analysis may not relate directly to the Councils' defined centre boundary. The key difference is that the Goad boundary covers the TCB and the PSA in their entirety, as well as areas beyond these.

**Figure 9.2 Area covered in the Experian Goad Category Report (2016)**



**Table 9.2: Current Retail and Service Offer**

Category	No. of Outlets	% of Total Outlets	UK Average 2016 %	Floorspace	% of Total Outlets	UK Average 2016 %
Comparison	58	33.7%	31.3%	10,442	35.5%	35.1%
Convenience	15	8.7%	8.7%	5,444	18.5%	15.2%
Retail Service	32	18.6%	14.4%	2,173	7.4%	6.8%
Leisure Service	32	18.6%	23.8%	6,939	23.6%	24.9%
Financial & Business Service	25	14.5%	10.4%	3,298	11.2%	7.7%
Vacant	10	5.8%	11.2%	1,068	3.6%	9.5%
<b>TOTAL</b>	<b>172</b>	<b>100%</b>	<b>100%</b>	<b>29,364</b>	<b>100%</b>	<b>100%</b>

Source: GOAD (29<sup>th</sup> September 2016). Please note that figures may not fully add up to 100% due to rounding.

### **Convenience Offer**

- 9.8 There are 15 food and convenience stores in Romsey Town Centre according to Experian. This represents 8.7% of total units and is in line with the national average of 8.7%.

- 9.9 With regards to floorspace, however, Romsey is above the national average (15.2%); the 5,444 sqm of (Goad) floorspace represents 18.5% of the centre's total floorspace. This reflects the scale of its two key anchor foodstores; namely Waitrose (located on Alma Road) and Aldi (located on The Hundred). According to Experian there are also:
- Three bakers and confectioners (including: Reeve the Baker; Humbugs Confectionary Shop Ltd; Angelcake; and The Daisy Cake Company Ltd)
  - Three grocers and delicatessens (including: Long's Farm Shop); and
  - Two health food stores (including a Holland and Barratt).
- 9.10 Romsey Town Centre retains a market share of 32.3% within the Romsey Primary Catchment Area. Aldi, The Hundred and Waitrose, Alma Road act as the main town centre convenience shopping facilities.
- 9.11 In terms of the in-centre results, a larger proportion of respondents stated that they visit Romsey for a food and grocery shop (40.9%). The main food retailers that respondents visit are Waitrose (66.7%); Aldi (33.3%); Co-op (16.7%) (located on the Hundred); and the Market (4.2%).
- 9.12 The convenience offer is also supplemented by two markets. The regular market takes place every Tuesday, Friday and Saturday. The farmers' market takes place on the first Sunday of every month. Both of these sell a wide range of food produce, including fruit, vegetables and meat.
- 9.13 Our consultation with some of the town's main stakeholders indicated that, in qualitative terms, the centre's convenience offer is good, albeit the centre could benefit from a mid-range supermarket.
- 9.14 Romsey's out-of-centre foodstores are limited, and only account for only 4% of convenience expenditure within its PCA. The key foodstore competition comes from locations outside of Test Valley Council; namely Eastleigh and Southampton.
- 9.15 Whilst overall, we consider that Romsey Town Centre has a relatively good food and convenience store provision, there would appear to be potential to improve the choice on offer by introducing a mid-range supermarket that is not currently represented in the Town Centre. However this will be subject to the findings of the economic need assessment and the market demand from operators for representation in the Town Centre.

### ***Comparison Offer***

- 9.16 According to the Experian, Romsey has 58 comparison outlets. This represents 33.7% of the total number of units, which is above the national average of 31.3%. In terms of floorspace, comparison retail is in line with the national average (35.1%); with the 10,442 sqm of (Goad) floorspace representing 35.5% of total floorspace in the Town Centre.
- 9.17 There appears to be a reasonable representation across the (Goad) comparison sub-categories when compared to the national average; particularly when considered in terms of the role and function of Romsey in the retail hierarchy and its proximity to larger competing centres, including Winchester and Southampton. The key headlines are summarised as follows:
- The comparison offer is anchored by the Bradbeers department store, which offers homeware goods, fashion and beauty, jewellery and soft furnishings. The department store adds to the attraction and character of the centre. In terms of the in-centre results, Bradbeers was visited by a significant 25.0% of respondents as part of their main non-food shop.

- There is also a good range of multiple retailers selling ladieswear and accessories; including brands such as New Look; FatFace; M&Co; Clarks; and Wallis. This offer could be strengthened by attracting other higher end multiple fashion retailers, subject to market demand and the provision of suitably sized units in prime locations.
- There is an under-provision in the menswear and accessories category, especially when compared to ladieswear. This was also identified as a 'gap' in provision by stakeholders.
- There is a good representation of independent comparison retailers including a bridal boutique; jewellery stores; a dress shop; a fashion accessories shop; and a chinaware shop. Although the range of the independent offer is strong, this could be further improved, subject to market demand, by introducing higher-end independent stores that focus on high quality merchandise and the niche / boutique offer.
- There is an over representation of charity shops (11 outlets) including: Marie Curie; Oxfam; and the Salvation Army. This represents 6.4% of the total comparison units, which is significantly above the national average of 2.7%. However, the consultation from the stakeholders highlighted that these are of high quality and do make an important contribution to the centre's overall vitality and viability as a shopping location.

9.18 For comparison goods, the household survey indicates that Romsey Town Centre's non-food offer is achieving a market share within the Primary Catchment Area (PCA) of 12.7%. Within the zones that make up the PCA it is achieving a stronger market share in Zone 1 (25.2%) than in Zone 2 (7.5%).

9.19 Romsey's out-of-centre comparison facilities are limited and are only achieving a 0.1% market share from the PCA based on the household survey results. Overall, the HTIS shows that from within its PCA Romsey (in-centre and out-of-centre) retains 12.7% of comparison expenditure, with a substantial 58.6% leakage to larger shopping locations and centres outside of the Borough Area; principally (Eastleigh (9.9%), Hedge End (5.5%) and Southampton (30.1%). SFT also accounts for a 24.8% market share within the PCA.

9.20 In terms of the in-centre survey results, the top three major retailers visited by respondents are Boots (45.0%); Bradbeers (25.0%); and WHSmith (15.0%). One of the key improvements mentioned by respondents included enhancing the choice of shops in general. A further 14.9% of respondents mentioned that having a Marks & Spencer in the town would encourage them to visit Romsey more often. However, based on their recent performance and decisions to close stores in a number of centres across the UK, including Andover, it is highly unlikely that Marks & Spencer will be seeking representation in Romsey.

9.21 In summary, we consider Romsey's comparison offer to be of a good quality. There could be potential for the town to attract more multiple fashion retailers to help raise its attraction and profile, as well as strengthen its quality independent niche and boutique offer. This will be subject to market demand and the provision of suitable accommodation in the prime shopping areas.

### ***Service Offer***

9.22 Service businesses are defined by Experian as including retail, professional and financial services. These main provision in Romsey is as follows:

- There are 32 **retail services** which represents 18.6% of the total units. This is above the national average of 14.4%. In terms of floorspace, retail services are above the national average (6.8%) with 2,173 sqm representing 7.4% of the total floorspace. The retail services primarily consist of health and beauty (20 units including independent operators which provide beauty services for nails, hair and skin), opticians (6 units including Specsavers and Boots Opticians); travel agents (2 units including Purely Maldives Ltd and



the Co-operative Travel); and dry cleaners (2 units both of which are independent). A post office is also present on Church Street, and acts a major attraction of the centre. Overall, here is a good range of retail services.

- There are 32 **leisure services**. This represents 18.6% of total outlets in the centre, which is below the national average (23.8%). Romsey's total service floorspace of 6,939 sqm represents 23.6% of total floorspace, which is also below the national average (24.9%). The leisure services predominately consist of cafés (7 units) (which are largely independents), restaurants (7 units) (ranging in cuisines including: French; Italian; Indian and Thai); fast food takeaways (5 units) (including major operators such as Domino's, Subway and McDonald's); and public houses (4 units) (which are largely independents).
- There are 25 **financial and business services** units. This represents 14.5% of the centre's total units which is above the national average of 10.4%. In terms of floorspace, Romsey's provision is also above the national average. This sector is dominated by property services such as estate agents (11 units); financial services (2 units); legal services (2 units); and retail banks (5 units) (including: TSB Bank; Barclays; Nationwide and Natwest).

9.23 In addition to the leisure services not defined by Experian, Romsey also benefits from historic and heritage amenities, including King John's House (a heritage centre and accredited museum with a tearoom that provides historical talks, art exhibitions, craft events and role play events); and Romsey Abbey (which provide guided tours). These contribute to the tourist function of the centre.

9.24 There are no sport and leisure facilities, cinemas (albeit the Town Hall occasionally host independent film viewings), theatres or bingo and amusement amenities. The in-centre survey results highlighted these shortcomings with 68.4% of respondents noting the absence of a cinema; 15.8% of respondents commenting on the lack of a leisure centre; and 15.8% of respondents indicating there is no theatre<sup>41</sup>. The consultation with the stakeholders also highlighted that the centre currently lacks leisure provisions that would appeal to the younger generation.

9.25 Overall, given the size of Romsey Town Centre, we consider the range of services is a good. However, the leisure services could be improved by introducing evening economy uses and services that appeal to younger age groups (such as a small cinema for example).

## Vacancies

9.26 As the table below shows there are 10 vacant units in the Town Centre according to the GOAD Category Report. This represents 5.8% of the total units and is significantly below the national average of 11.2%. In terms of floorspace, the picture is similar with 11,500 sqm of vacant floorspace, representing 3.6% of total floorspace which also below the national average of 9.5%.

**Table 9.3 Current Retail and Service Offer – Floorspace**

	Vacant Units	% of Total	2016 GOAD UK Average
Number of Units	10	5.8%	11.2%
Floorspace (sqm)	11,500	3.6%	9.5%

Source: GOAD (2016)

<sup>41</sup> It is noted that the Romsey has an out of centre Plaza Theatre which is a very popular facility, and hosts a number of entertainment events such as concerts, theatre productions and comedy shows.

- 9.27 The Council's own audit of the centre's primary and secondary frontages (conducted in October 2017) identified only 5 vacant units in Romsey. This represents a vacancy rate of 2.7%, and is significantly below the national average. As mentioned in paragraph above, the area surveyed by Goad is not necessarily identical to the Councils' own survey data/Town Centre boundary. This explains the difference in the number of vacant units.
- 9.28 We understand from the stakeholder workshop that Romsey typically experiences short term vacancies, and leases (which typically extend to between 3 – 5 years) are taken up quickly by new owners. This pattern means that there is usually only a 3–4 month gap of vacant units.

## Multiple and Independent Retail Representation

- 9.29 Experian identified some 60 multiple retailers in Romsey Town Centre, which represents 34.8% of the total units. This includes a number of prominent names such as Boots; Waitrose; New Look; Carphone Warehouse; Clarks; Clintons; and Superdrug. Table 9.4 sets out the multiple operators within Andover by category.

**Table 9.4: Multiple Operators by Category**

Category	No. of Outlets	% of Total Outlets	UK Average 2016 %
Comparison	26	43.3%	42.7%
Convenience	7	11.6%	11.2%
Retail Service	6	10.0%	9.2%
Leisure Service	8	13.3%	21.5%
Financial & Business Service	13	21.6%	15.2%
<b>TOTAL</b>	<b>60</b>	<b>100%</b>	<b>100%</b>

- 9.30 The Town Centre also has a strong independent retail and service offer, and this is mainly located along the streets of Church Street, Bell Street and Latimer Street. This offer includes independent cafés/ restaurants/ takeaway operators, health and beauty services and fashion and shoes retailers. The independent stores and shops all contribute significantly to the overall diversity, vitality and viability of the Town Centre, and form part of its character.
- 9.31 However, our own research showed that there is currently no centralised publically available source which lists and describes the retail offer in Romsey (i.e. a website, or an interactive plan). In our opinion, this does not aid the promotion of Romsey as a shopping destination. As such, we would recommend better marketing, specifically in relation to the independent offer.
- 9.32 In summary, we consider there is a good mix of independent and multiple retail operators located within Romsey Town Centre, where the predominate independent offer characters the centre. It is considered that better marketing the centre (i.e. by raising awareness of the centre's offer and mix), would be highly beneficial to help attract new shoppers and visitors.

## Markets and Events

- 9.33 Romsey Town Centre hosts a number of markets:
- **Romsey Regular Market:** This operates every Tuesdays, Fridays and Saturdays. This market is held in the Cornmarket. This has a range of stalls and offers the following: bread, olives, street food, Greek cuisines, cheeses, cakes, flowers, carpets and outdoor clothing. As of April 2018 the market is going into



partnership with the Town Council to help promote the market and link it to other activities. This market contributes positively to Romsey's vitality and viability, and its growth should be encouraged.

- **Hampshire Farmers' Market** operates on the first Sunday of every month in Alma Road car park. It is run by Hampshire Farmers' Market and has a range of stalls that offer the following: local reared meat; dairy products; fruit and vegetables; wool and coppice goods and other seasonal produce from Hampshire. It attracts a large amount of visitors (approximately 3,000 – 3,500 every month).
- **The Romsey Antiques, Collectables and Decorative Arts Market** is a biannual event that was held on 14<sup>th</sup> May 2017 and 15<sup>th</sup> October 2017. This is located in over 5 places in the Town Centre (including the Corn Market, Church Halls, Town Hall, King Johns House, Council Offices). This market sells a range of antiques, collectables and decorative arts.
- As of March 2018, a **French Pilot Market** will be running, selling a range of food and prepared food and produce from Brittany. This will be like a continental market / French Flea Market and will potentially run 3 – 4 times a year. This was set up by the traditional onion seller from the Regular Market. This will act as a major attraction for visitors. The consultation with stakeholders indicated that these events would benefit from better marketing.
- **Teenage Market** operates on the first Sunday of every month from May to September. It provides an opportunity for teenagers to showcase their creative talents.
- **The Inside Out Art Trail** was held on 2<sup>nd</sup> July 2017. It gave artists an opportunity to showcase established and emerging talents inside and out across Romsey Town Centre. It also gave the public a chance to purchase the artwork. The trail is an event which will take place in the Town Hall, Abbey Hall, Corn Market, Bus Station railings, the Signal Box, Rum's Eg (Community Arts Project), Abbey South Garth and Plaza Theatre.

9.34 Overall, Romsey has a strong variety of markets and events that positively contribute to its overall attraction, offer and health. The pilot market could benefit from better marketing to ensure that this is well advertised and attended.

## Retailer Demand & Requirements

9.35 Table 9.5 sets out the retail requirements as listed by the Requirement List (November 2017). In summary, there are 2 operators: The Works and Snap Fitness with published requirements equivalent to a total floorspace of 481 sqm gross. Table 10.4 Retail Requirements in Romsey Town Centre.

**Table 9.5: Retailer Requirements**

No.	Size of Unit (Max)		Operator	Category
	Sqm	Sq ft		
1	111	1,194	The Works	Books, arts and crafts
2	370	3,980	Snap Fitness	Leisure / Gym
Total	481	5,174		

Source: The Requirement List (2017)

## Prime Zone A Rents

9.36 Information on Prime Zone A Rents for Romsey was not available at the time of preparing this study.

## Environmental Quality

- 9.37 Romsey is a historic Town Centre that has an individual character and an attractive and pleasant environment, all set within a conservation area. The significant medieval architecture contributes to the overall character of the centre and the 'sense of place'; most notably Romsey Abbey which dates back to 907 AD during the Anglo-Saxon times. The well-connected streets that link towards Market Place reinforce this 'sense of place' and attract visitors to the hub of activity within Cornmarket.
- 9.38 The majority of the facades and frontages in the centre are well maintained, with historic buildings contributing to the sense of place. Furthermore, Romsey is generally clean and tidy throughout and has an adequate provision of street furniture with planting, street lighting and litter bins distributed across the centre.
- 9.39 The in-centre survey results suggest that visitors are generally pleased with the environment, with positive comments on the feeling of safety and absence of threatening individuals (24.8% of respondents); the general cleanliness of shopping streets (18.8% of respondents); and the nice street furniture and floral displays (17.8% of respondents).
- 9.40 The key shortcoming of the centre at present are the ongoing road works (associated with the road improvement and enhancement schemes), which detract from the centre's appearance and generate the traffic congestion.

## Accessibility & Pedestrian Flows

- 9.41 Romsey is served by a railway station situated north east of the Town Centre, which is run by Great Western Railway and South Western Railway. This provides connections to Portsmouth, Salisbury, Eastleigh, Southampton and Cardiff. There are 16 buses in Romsey, providing connections to Southampton, and Winchester. The bypass road (A3090) is located south of the Town Centre and provides connections to the A27 and the M27 to Southampton, Eastleigh and Winchester.
- 9.42 The centre also benefits from good legibility, with Market Place acting as the focal point. However, signage could be improved throughout the Town Centre, and the centre would generally benefit from a plan showing the retailer composition of the centre.
- 9.43 It is noted that Hampshire County Council and Test Valley Borough Council are implementing the *Environment Enhancement Schemes* which focus on Church Street (complete); Bell Street (underway); and Market Place (proposed for 2019). This scheme seeks to improve the accessibility for pedestrians and cyclists, reduce traffic speeds and enhance the landscaping of the Town Centre.
- 9.44 The consultation with the key stakeholders highlighted their concerns that the ongoing road works and associated congestion had negatively impacted on pedestrian flows across the centre, and the overall performance. The in-centre survey indicated that 6.9% of respondents thought road congestion was an issue for the Town Centre.
- 9.45 Based on our observation, the centre benefits from a reasonable pedestrian flow, with the main concentration taking place near Waitrose and The Hundred. As noted by the in-centre survey, 19.8% of respondents found the centre to be "near" and "convenient", and 9.9% found the centre to be easily accessible by walking.
- 9.46 Table 9.6 outlines the car parks located within Romsey. For short to medium stay tariffs, the length of stay ranges from 30 minutes (50p) – all day (£5.90). For long stay tariffs, the length of stay ranges from 30 minutes (50p) – all day (£4.40). All the car parks have motor cycle and disabled facilities available. Parking is free after 4pm and on Sundays and Bank Holidays

**Table 9.6: Car Parking in Romsey Town Centre**

Short Stay	Long Stay
Broadwater Road (84 spaces)	Princes Road (45 spaces)
Church Road (20 spaces)	Alma Road (202 spaces)
Newton Lane (70 spaces)	Romsey Rapids (252 spaces)
Lortemore Place (109 spaces)	
Crosfield Hall (118 spaces)	

- 9.47 Our engagement of the stakeholders however found that the car parking payment system should be improved to incorporate payment on exit, so that to allow greater flexibility for the shoppers. The centre could also benefit from greater parking direction signage. It was also noted that the free evening parking (currently after 4 pm) should start earlier in the day to correspond better with school-runs.
- 9.48 Overall, it considered that Romsey has good accessibility by all modes of transport, and pedestrian flows appear adequate. However, the parking management system should be improved to allow flexibility and retain customers.

### Customer Views and Behaviour / Household Survey

- 9.49 We have drawn on the findings of the household telephone interview survey (HTIS) to help gauge customers' views and perceptions of the Town Centre as a place to shop and visit for a range of leisure uses and other activities.
- 9.50 In terms of what people 'like' about Romsey Town Centre, the most frequently raised themes are shown in Table 9.7.

**Table 9.7: Key features respondents liked about Romsey Town Centre**

Aspect	Responses from the Primary Catchment Area	Responses from the Study Area
Close to home	41.8%	12.9%
Attractive environment / nice place	20.1%	32.7%
(Nothing / very little)	15.0%	7.6%
Compact	12.6%	16.7%
Good range of independent shops	10.1%	13.9%
Easy to park	7.3%	4.0%
The street markets	6.2%	4.1%
Quiet	3.0%	9.8%
Traditional	1.4%	14.6%

- 9.51 As Table 9.7 shows, the majority of respondents from within the Primary Catchment Area indicated that they visit Romsey because it is close to home (41.8%). The next most popular responses included its attractive environment (20.1%); the fact that it is compact and easy to get around (12.6%); and it has a good range of independent shops (10.1%).
- 9.52 Respondents were also asked what, if any, improvements to Romsey would encourage them to visit more often. Table 9.8 provides a summary of the most frequently suggested improvements.

**Table 9.8: Key improvements for Romsey Town Centre**

Aspect	Responses from the Primary Catchment Area	Responses from the Study Area
More / better parking	13.0%	5.8%
More national multiple shops / High Street shops	9.1%	3.4%
More / better comparison retailers (i.e. non-food shops)	7.6%	1.1%
Better access by road	6.1%	1.1%
More independent shops	5.4%	2.6%
Free car parking	3.5%	1.9%

- 9.53 As Table 9.8 shows, the majority of respondents across the Study Area stated that parking should be enhanced (13.0%). Following this, they identified the need for more national multiple shops (9.1%) and comparison retailers (7.6%), as well as better access by road (6.1%).

### Out-of-Centre Provision

- 9.54 As the survey results show, Romsey does not have an extensive out-of-centre retail provision. There are a few small-scale out-of-centre food and convenience stores around Romsey; namely: a number of Co-op stores (located on Botley Road, Saxon Way, Winchester Hill, Warren Gardens and Abbotswood); a Premier Store (located on Viney Avenue); and a SPAR garage as part of petrol station (located on Greatbridge Road).

### New Investment & Potential Development

- 9.55 The main known investments and potential developments/allocations within Romsey at the time of preparing this study are highlighted below.

#### *In-Centre Commitment*

- a. **Environment Enhancement Schemes**– This scheme seeks to improve the accessibility across the Town Centre. Works are being undertaken at Church Street (complete); Bell Street (underway); and Market Place (proposed for 2019). It will seek to improve the accessibility for pedestrians and cyclists; reduce traffic speeds; and enhance the Town Centre environment.

#### *Strategic Housing Allocations*

- b. **Policy COM3: New Neighbourhood at Whitenap, Romsey:** sets out the proposal for a new neighbourhood of approximately 1,300 dwellings together with a range of facilities. A local centre is also proposed to comprise a number of uses, to meet the needs of the new community.

### Summary

- 9.56 In summary, the health check assessment has demonstrated that overall Romsey is a healthy and vital centre, and is fulfilling its role and function in the Borough's network and hierarchy of centres.
- 9.57 The key strengths and weaknesses of the centre include the following:
- Romsey Town Centre has a good food and convenience offer that is broadly in line with the (Goad) national average. The key foodstores that anchor the centre include Waitrose and Aldi. There is also a number of bakers, grocers/delicatessens; and health food stores (as defined by Experian Goad). The convenience

offer is also supplemented by the markets. Notwithstanding this, there would appear to be the potential to improve the qualitative offer by introducing a mid-range supermarket subject to market demand.

- The convenience offer is enhanced by the regular street markets and the Farmers market located in Corn Market. Together these markets make an important contribution to the centre's overall offer and unique attraction. The markets should be retained and enhanced where possible.
- The comparison offer in Romsey Town Centre is above the national average and it has a good representation of key multiple retailers as well as independent stores and the Bradbeers department store. In general terms there is also a good representation across the different (Goad) sub-categories, albeit in qualitative terms the centre lacks fashion stores for men, and teenagers/young adults. Based on our observations, we recommended that Romsey should seek to host more higher-end fashion retailers to raise its profile, as well as to continue to build and improve its independent niche and boutique offer, subject to market demand and the provision of suitably-sized premises in prime locations.
- Give the size of Romsey Town Centre and its role and function we consider that the range of services is a good. However, in qualitative terms the leisure services could be improved by introducing more evening economy uses and an offer that appeals more to the younger generation (such as a cinema etc.).
- Vacancy levels are low, and there is no significant concentration of empty units. This is a further positive indicator of the centre's overall attraction, vitality and viability.
- The Town Centre is dominated by independent businesses and retailers. This gives Romsey its character and contributes positively to its overall attraction, health and vitality. There are also a number of prominent national brands. Overall, there is a good mix of multiple and independent retailers. It is considered that better marketing of the centre (i.e. to raising awareness of its mix and offer), would be highly beneficial.
- Romsey has a strong variety of Town Centre events that positively contribute to its overall health. The pilot market could benefit from better marketing to ensure that this is well advertised and attended.
- There are two retailers with published requirements for representation in Romsey. However, the Town Centre is largely compact which will act as a barrier to future development and investment. It is also located in a conservation area and is characterised by listed buildings, which further limits the potential for new redevelopment and investment in the heart of the Town Centre.
- Romsey Town Centre has a welcoming and attractive environment. It has many historic buildings, and its relatively compact structure and historic nature contributes to the sense of place, character and the aesthetic and visual amenity. Romsey Abbey and King John's House are significant historic assets to the Town Centre.
- The centre has good accessibility, pedestrian flows and legibility. The ongoing public realm improvements will further enhance the environmental quality of the Town Centre and contribute to the sense of place.
- The current parking payment system should be improved to incorporate payment on exit as well as the addition of car park direction signage at the main gateways to the town. The free evening parking should begin earlier (before 4pm) to correspond better with school-runs.
- The strategic housing allocations at Whitenap (Policy COM3), near Romsey, seeks to deliver approximately 1,300 dwellings together with a range of facilities, as well as a local centre to meet the needs of the new

community. This development could add pressure to Romsey Town Centre, specifically the comparison and service sector.

## 10 COMPARATOR CENTRES

- 10.1 This section compares Andover and Romsey town centres with selected benchmark centres. The aim of this ‘comparator analysis’ is to identify “gaps” in the current retail and leisure provision of both centres; and to help understand and inform what lessons can be learned from the benchmark centres that may help to improve the overall health of Andover and Romsey, and specifically their attraction and performance.

### Methodology

- 10.2 It was agreed with the Council that both Andover and Romsey would each be compared with two other centres. The associated benchmark centres were selected using a variety of criteria including:
- centres with a higher Javelin Venuescore and market position ranking, providing an ‘aspirational’ context to the gap analysis<sup>42</sup>;
  - centres with a similar Venuescore ‘age position classification’;
  - centres with a similar geographical position, primary located in the south and east of England; and
  - centres where Carter Jonas has previously advised on retail and town centre strategies, as this provides a further insight into the local context and how the centres are performing against a range of different indicators.
- 10.3 As the table below shows, in this case we have benchmarked Andover against Yeovil and Bury St Edmunds; and Romsey with Petersfield and Sherborne.

**Table 10.1: Benchmark Centres**

Town	Local Authority	Location Grade	Region	Javelin 2016 Rank	Fashion Orientation Index (Avg=100)	Foodservice Orientation Index (Avg=100)	Tourist Orientation Index (Avg=100)	Market Position Index (Avg=100)	Market Position Classification	Fashion Position Index (Avg=100)	Fashion Position Classification	Age Position Classification
<b>Andover</b>	<b>Test Valley</b>	<b>Sub-Regional</b>	<b>South East</b>	<b>190</b>	<b>95</b>	<b>73</b>	<b>81</b>	<b>95</b>	<b>Middle</b>	<b>100</b>	<b>Updated Classic</b>	<b>Mid</b>
Yeovil	South Somerset	Regional	South West	160	142	77	127	99	Middle	101	Fashion Moderate	Mid
Bury St Edmund	St. Edmundsbury	Regional	East Of England	113	142	116	197	113	Upper Middle	95	Updated Classic	Old
<b>Romsey</b>	<b>Test Valley</b>	<b>District</b>	<b>South East</b>	<b>666</b>	<b>69</b>	<b>93</b>	<b>93</b>	<b>104</b>	<b>Middle</b>	<b>86</b>	<b>Traditional</b>	<b>Old</b>
Petersfield	East Hampshire	Major District	South East	416	52	72	113	107	Middle	84	Traditional	Old
Sherborne	West Dorset	District	South West	710	98	85	79	122	Upper Middle	84	Traditional	Old

- 10.4 The rest of the section provides an overview of the relative attraction and composition of these comparator centres from a retail perspective, and compares these with Andover and Romsey.

### Bury St Edmunds

- 10.5 Bury St Edmunds is located on the A14 trunk road some 45 km from Cambridge in the west and 44 km from Ipswich to the south east. It is a historic market town of national significance, dating back to 12th Century. The majority of the town centre is covered by a Conservation Area, and a range of historic buildings can be found within the centre. In terms of its shopping and commercial leisure offer, Bury St Edmunds is a thriving centre,

<sup>42</sup> Javelin’s Venuescore ranking is the weighted count of multiple retailers in a given location. The Market Position Index is a measure of the degree to which a centre’s offer has a high-end or discount focus (High=Bias towards High-end retailers; Low=Bias towards Discount-oriented retailers).



characterised by a good mix of high street multiples and independent shops, as well as a very popular street market.

- 10.6 Our review and assessment of the town's relative health and performance is informed by the "*West Suffolk Retail and Leisure Study 2016*", which was prepared by Carter Jonas. The main headline findings are as follows.
- 10.7 **The Old Town** comprises the centre's historic shopping streets, and comparable to Andover in terms of its broad layout and configuration. The main section of the Old Town is focused around a traditional market square, which is somewhat similar to the pedestrianised section of the High Street outside of the Guildhall. Here a twice-weekly street market takes place. It is one of the key attractions of Bury St Edmunds. Additionally a number of events are hosted here throughout the year including a popular Christmas market. The Old Town area is anchored by Marks & Spencer and an independent Department store (Palmers), and hosts a number of other prominent retailers (such as JD Sports, Superdrug, WHSmith and Boots), as well as some high quality independent stores. Indeed, the town's independent retail and service offer is strong, particularly along the secondary streets. This includes independent cafés/restaurants/take away operators, health and beauty services (hairdressers, barbers, beauty salons, nail bars) and fashion and shoe retailers. The independent stores and shops all contribute significantly to the overall diversity, vitality and viability of the town centre's offer.
- 10.8 **The Arc Shopping Centre** opened in March 2009 and has further extended the main (historic) shopping area westwards and significantly improved the scale and quality of the town's offer. It includes 37 shops, residential units, a concert hall (the Apex) and over 850 car parking spaces. The scheme has enabled the centre to increase the amount of national multiple retailers by providing modern larger format units, which are more suitable to the needs of such retailers. As well as reintroducing Debenhams (75,000 sqft) to the town, the Arc has been highly successful in attracting a number of high quality multiple fashion clothing and footwear retailers; including Topshop, Hobbs, Fat Face, New Look, River Island, and H&M. Many of the retailers in the Arc were newcomers to the town centre where there is likely to be preference to locate next to anchor stores (i.e. Debenhams). There are also numerous bars, cafes and restaurants, several with outside seating areas, which add to the vibrancy of the shopping area. On the back of this scheme and other investments/ initiatives the wider town centre has also successfully attracted new retail and leisure brands into previously vacant units. The Arc Shopping Centre is now one of the main shopping destinations in the town centre.
- 10.9 The **Market** is also one of the most successful traditional street markets in the country. The market comprises over 80 stalls with approximately 1,600 sqft of stall frontages on Saturdays, and slightly less on Wednesdays. The market sells a wide variety of goods, including fresh fruit and vegetables, clothes, hardware, fabric, pet foods, flowers, seafood, shoes and other speciality goods. There are also a number of hot food vendors (including hog roast, burgers and crêpes) and we understand the market has a license to sell alcohol. The market attracts many visitors, not just from the immediate locality but also from across East Anglia, with coaches bringing tourists in on market days. The market is well managed and marketed, and there is plenty of information available on the internet to promote it. The market is of a high quality, it is very successful and a major attraction; positively contributing to the unique character of Bury St Edmunds and its wide ranging shopping and food and beverage offer.
- 10.10 To the west of the Arc, on the edge of the Town Centre there is also a "**leisure hub**" that is anchored by a multiscreen cinema (Cineworld), supported by a number food and beverage uses. This area is somewhat comparable to the existing cinema in Andover, or potentially the envisaged cultural quarter to the north of Andover's PSA; on the basis that it is within the walking distance from the PSA but is not necessary well connected to it (there is a car park and a main road segregates the two areas). As such, we understand, this is used somewhat independently of the main town centre.

- 10.11 Bury St Edmunds also benefits from an attractive, historic and green environment, characterised by the Abbey Gardens, which although not within the Town Centre boundary, is well connected to the shopping area and provides a pleasant recreational space for town centre visitors. It is noted that Andover currently lacks a recreational space.
- 10.12 Based on the above, we consider that the key lessons that can be applied to Andover from Bury St Edmunds are as follows:
- Invest in modern shopping premises to attract high-end fashion retailers, with a prominent anchor.
  - Ensure that the existing town centre adapts by focusing on attracting a high-quality independent offer.
  - Ensure a well-integrated and attractive shopping environment and public realm.
  - Place weight on investment in an attractive and proactively managed market, supported by a series of town centre events and promotions.
  - Establish a well-integrated recreation space.
  - Ensure adequate leisure facilities.

## Petersfield

- 10.13 Petersfield is a market town located in East Hampshire, some 17 miles north of Portsmouth, and is located in the South Downs National Park. Many people visit Petersfield for leisure activities and to enjoy its cultural and built heritage (estimated at 3.5m day trips to the area annually).
- 10.14 Our assessment is informed in part by the “*Petersfield Neighbourhood Development Plan*” (2015), supplemented by our own research. The following sets out our understanding of the key characteristics of Petersfield’s offer.
- 10.15 The profile of Petersfield’s shops has changed over the years, reflecting the general upheavals on high streets across the country over the last decade, mainly due to the increased use of the internet for day-to-day items and shopping as a leisure activity. Petersfield has adapted relatively well by offering increased numbers of unique shops that appeal to leisure shoppers at weekends and leisure-based services such as beauty, hairdressing and cafés. At the same time it has managed to retain some its key multiples, such as Phase Eight, Joules, Fat Face and Monsoon, that help to drive trips and footfall. This trend is expected to continue with standard shops being replaced with quality, niche retail and leisure outlets.
- 10.16 Petersfield’s historic centre attracts visitors to enjoy food and drink in attractive and pleasant surroundings. The town is well equipped with pubs, restaurants and cafés, many of which now offer outdoor seating around the Market Square. Festivals, events and specialist markets have helped to promote the concept, and the Market Square has proved a great asset to the town which has assisted and improved its retail offer. Seasonal festivals and events strengthen the town’s community spirit, provide a focus for people from the surrounding area and also make Petersfield a destination in its own right for people visiting the South Downs.
- 10.17 Based on the above, we consider that the key lessons that can be learned from Petersfield are as follows:
- Adapt to the changing high street by introducing more unique shops and leisure based uses; and at the same time seek to retain and attract a number of key multiple comparison (ideally fashion) anchors.

- Utilise the market square to its full potential to create interest and activity to complement the wider shopping and service offer.
- Host festivals, events and specialist markets to create more reasons to visit the centre, and diversity the customer base.

## Yeovil

- 10.18 Yeovil is the largest town in South Somerset. The town serves as the District's commercial and administrative centre and provides facilities and services for the wider hinterland. In retail terms Yeovil is designated as a *Principal Settlement* at the top of the settlement hierarchy.
- 10.19 To inform our assessment we have reviewed the recent "*South Somerset Retail and Main Town Centres Uses Study*" (2017) and also undertaken our own research to better understand the key attractions and offer in Yeovil Town Centre. The following sets out our summary of the headline findings, and our main recommendations
- 10.20 The **Quedam Shopping Centre** acts as the main comparison anchor. Originally built in 1984, it benefitted from a £4m refurbishment in 2015 by the new owners. This primarily consisted of securing new double height frontages with high specification finishes to all store units, and the enhancement of entrances, directories and signage packages. These works allowed the shopping centre to secure high profile national retailers such as H&M, Topshop and JD Sports in newly created modern units to enter the Yeovil market. It is not surprising that since 2014 the centre's Venuescore ranking has improved from 165<sup>th</sup> to 160<sup>th</sup>. Other prominent fashion retailers in the centre include River Island, Monsoon and Primark.
- 10.21 The other key element of Yeovil is the presence of an active team of local retailers that seeks to promote the centre and drive its health. Specifically "*Love Yeovil*" is a group of local businesses from the retail, leisure, culture and services sector who together contribute financially to provide core funding for the promotion and development of the Town Centre. The group works with South Somerset District Council, Yeovil Town Council and the Parish Council. It meets regularly to action ways of promoting and improving the Town Centre. The key aims are to attract people to Yeovil and encourage them to buy into retail, leisure and culture offerings; and to encourage a sense of pride amongst those who live and work in Yeovil. The Team has an active Facebook page, as well as Twitter and Instagram; and provides news and updates on upcoming events, deals and offers for shopping, eating and entertainment.
- 10.22 It should also be noted that South Somerset District Council, in partnership with consultants and a number of key partners have produced, a number of vision documents (namely *Yeovil: Your Somerset Town Centre of Choice* (undated) and *Yeovil Refresh "Town Centre Strategy"* (February 2018)) that explore in detail opportunities to invest in Yeovil's future and guide development, creating a vibrant place to live, work, learn and visit.
- 10.23 Based on the evidence and research, we consider that the key lessons that can be learned from Yeovil are as follows:
- Provide modern format units, attractive shopping frontages and pleasant surrounding public realm to help attract new retailers and upgrade "tired" shopping centres.
  - Establish partnerships of local retailers to promote and improve the Town Centre.
  - Create detailed Town Centre Strategies to identify investment opportunities and guide future development.

## Sherborne

- 10.24 Sherborne is a historic market town located in the north of the West Dorset district. It is known for its high quality built heritage and the attractions of Sherborne Abbey and Sherborne School. The town centre is situated within a Conservation Area and the majority of the buildings of Medieval and Georgian architecture in the town centre are listed.
- 10.25 To inform our assessment we have reviewed the “*Joint Dorset Town Centres & Retail Study*” prepared by Carter Jonas in 2018 for North Dorset, West Dorset and Weymouth & Portland Councils. As part of the study we undertook our own research and site visits to better understand the attraction, health and performance of Sherborne. The following provides the headline findings of our review.
- 10.26 In brief, Sherborne is characterised by a diverse range and choice of quality independent retailers. They sell a range of goods such as clothing, gifts and homeware. This independent offer is complementary to the high street retailers also located in the centre; including Joules, Fat Face, Crew Clothing Company and Mountain Warehouse. The variety of independent and multiple retailers appeal to both residents’ and visitors’ needs, and are appropriate for a centre of its size, role and function.
- 10.27 The traditional and historic built environment of the town centre helps to attract both visitors and residents alike to Sherborne. Shops fronts and facades are well-maintained throughout the centre. The painted wooden shop fronts characterising the prime retail pitch along Cheap Street add to the overall attraction of the centre. Overall, the quality of Sherborne’s public realm is considered exceptional, with enhancements such as decorative bunting as well as hanging baskets (introduced through funding generated by ‘*Sherborne in Bloom*’) helping to create an aesthetically pleasing town centre environment.
- 10.28 Based on the above, the key lessons that can be learned from Sherborne are as follows:
- Adapt to the changing role of retail by introducing more quality independent shops and high street retailers that are commensurate with the size of the centre and the local populations’ needs, as well as a wider visitor and tourist market.
  - Use public realm enhancement schemes to help create an appealing town centre environment and public realm which attracts both visitors and residents to the centre

## Andover Gap Analysis

- 10.29 In simple terms a “*gap*” analysis of comparator centres can help to identify those retailers and leisure operators not currently represent in the subject town. It represents an “*aspirational list*” of target operators, as there is no guarantee that: (i) the identified operators have requirements for the town centre; and (ii) there are suitable and viable units/sites in the subject town that can meet their needs.
- 10.30 In this case we have compared the prominent national retail and leisure operators present in Bury St Edmunds and Yeovil town centres respectively, to those in Andover. The tenant mix data for Bury St Edmunds and Yeovil has been sourced from Experian Goad, and is based on the respective centre surveys undertaken by Experian in March 2017 and September 2016 (the latest available surveys at the time of writing). The operator (‘*facia*’) data for Andover was provided by the Council, and is based on their own audit of the centre’s primary and secondary frontages conducted in October 2017.
- 10.31 When comparing Andover to Bury St Edmunds and Yeovil, it should also be noted at the outset that both Bury St Edmunds and Yeovil are much larger centres. Andover has 230 town centre operators, whereas Bury St Edmunds

has 489, and Yeovil has 442. As such, these centres would be expected to host a wider variety of retail, leisure and service operators.

- 10.32 On this basis, we have identified that Bury St Edmunds has 80 prominent national retail and leisure operators that are currently not present in Andover. Of these, we consider that 35 could potentially be targeted by Andover given its current role and function, and the desired future status. These are set out in the table below.

**Table 10.2: Bury St Edmunds Operators that could be targeted for Andover**

No	Fascia	Good Category	Good Sub Category
1	Cotswold	Comparison	Clothing General
2	H&M	Comparison	Clothing General
3	Joules	Comparison	Clothing General
4	White Stuff	Comparison	Clothing General
5	Jones Bootmaker	Comparison	Footwear
6	Neal's Yard Remedies	Retail Service	Health & Beauty
7	Fat Face	Comparison	Ladies & Mens Wear & Acc.
8	Jaeger Outlet	Comparison	Ladies & Mens Wear & Acc.
9	River Island	Comparison	Ladies & Mens Wear & Acc.
10	Accessorize	Comparison	Ladies Wear & Accessories
11	East	Comparison	Ladies Wear & Accessories
12	Hobbs	Comparison	Ladies Wear & Accessories
13	Jigsaw	Comparison	Ladies Wear & Accessories
14	Monsoon	Comparison	Ladies Wear & Accessories
15	Seasalt	Comparison	Ladies Wear & Accessories
16	Paperchase	Comparison	Newspapers & Stationers
17	Ryman	Comparison	Newspapers & Stationers
18	ASK	Leisure Services	Restaurants
19	Bill's	Leisure Services	Restaurants
20	Byron Proper Hamburgers	Leisure Services	Restaurants
21	Cafe Rouge	Leisure Services	Restaurants
22	Carluccio's	Leisure Services	Restaurants
23	Frankie & Benny's	Leisure Services	Restaurants
24	Giraffe	Leisure Services	Restaurants
25	Nando's	Leisure Services	Restaurants
26	Prezzo	Leisure Services	Restaurants
27	Wagamama	Leisure Services	Restaurants
28	JD	Comparison	Sports, Camping & Leisure Goods
29	L'Occitane	Comparison	Toiletries, Cosmetics & Beauty Products
30	The Perfume Shop	Comparison	Toiletries, Cosmetics & Beauty Products

- 10.33 We have also identified that Yeovil has 63 prominent national retail and leisure operators that are currently not present in Andover. Of these, we believe that 24 operators could potentially be targeted for Andover given its current role and function, and the desired future status. This shortlist of operators is set out in the table below.

The identified operators are primarily within the comparison category (with the majority being fashion retailers) and in the leisure category (with all being restaurants and cafés).

**Table 10.3: Yeovil Operators that could be targeted for Andover**

No	Fascia	Goad Category	Goad Sub Category
1	Starbucks	Leisure Services	Cafes
2	H&M	Comparison	Clothing General
3	Primark	Comparison	Clothing General
4	Saltrock	Comparison	Clothing General
5	Trespass	Comparison	Clothing General
6	Robert Dyas	Comparison	Department & Variety Stores
7	River Island	Comparison	Ladies & Mens Wear & Acc.
8	Monsoon	Comparison	Ladies Wear & Accessories
9	Laura Ashley	Comparison	Ladies Wear & Accessories
10	Wallis	Comparison	Ladies Wear & Accessories
11	Accessorize	Comparison	Ladies Wear & Accessories
12	Ryman	Comparison	New sagents & Stationers
13	Majestic Wine Warehouse	Convenience	Off Licences
14	Prezzo	Leisure Services	Restaurants
15	ASK	Leisure Services	Restaurants
16	Frankie & Benny`s	Leisure Services	Restaurants
17	MFA Bowl	Leisure Services	Sports & Leisure Facilities
18	JD	Comparison	Sports, Camping & Leisure Goods
19	The Perfume Shop	Comparison	Toiletries, Cosmetics & Beauty Products

10.34 The identified operators are split between the comparison category (with the majority being fashion retailers) and leisure services. This reinforces the findings of the health check for Andover (Section 8) which found that the town centre could benefit from improvements to its fashion offer. The centre also lacks family-friendly restaurants.

10.35 It should also be noted that the following retailers are present both in Bury St Edmunds and Yeovil, but not in Andover: namely Argos, Blacks, H&M, River Island, Accessorize, Bonmarche, Monsoon, Ryman, ASK, Frankie & Benny`s, Pizza Hut, Prezzo (although the owners have recently announced the closure of a number of restaurants across the UK), JD and The Perfume Shop.

## Romsey Gap Analysis

10.36 As part of the “gap” analysis we have compared the prominent national retail and leisure operators present in Sherborne and Petersfield town centres to those in Romsey. The data for Petersfield and Sherborne was sourced from Experian Goad, and is based on the respective centre surveys undertaken by Experian in October 2016 and February 2016 (latest available surveys at the time of writing). The data for Romsey was provided by the Council, and is based on the Council's own audit of the centre's primary and secondary frontages conducted in October 2017.

10.37 It should be noted at the outset of our assessment that both Petersfield and Sherborne are broadly comparable in size to Romsey. Romsey has some 116 town centre operators (‘fasciae’) of which around 60 are national multiples. In comparison Sherborne has 210 of which only 49 are national multiples and Petersfield has 250 of which 49 are national multiples. As such, it is expected that the centres should have a similar composition.



- 10.38 On this basis, we have identified that Petersfield hosts 29 prominent national retail and leisure operators that are currently not present in Romsey. We consider that 13 of these could realistically be targeted by Romsey given its current role and function, and the desired future status. These are set out in the table below.

**Table 10.4: Petersfield Operators that could be targeted by Romsey**

No	Fascia	Goad Category	Goad Sub Category
1	Thorntons	Convenience	Bakers & Confectioners
2	Joules	Comparison	Clothing General
3	Robert Dyas	Comparison	Department & Variety Stores
4	Laura Ashley Home	Comparison	DIY & Home Improvement
5	Crew Clothing Co	Comparison	Ladies & Mens Wear & Acc.
6	Monsoon	Comparison	Ladies Wear & Accessories
7	Phase Eight	Comparison	Ladies Wear & Accessories
8	Accessorize	Comparison	Ladies Wear & Accessories
9	Majestic Wine Warehouse	Convenience	Off Licences
10	PizzaExpress	Leisure Services	Restaurants
11	ASK	Leisure Services	Restaurants

- 10.39 Our assessment has also identified that Sherborne hosts 19 prominent national retail and leisure operators that are currently not present in Romsey. We consider that of these some four operators could realistically be targeted by Romsey. These are set out in the table below.

**Table 10.5: Sherborne Operators that could be targeted by Romsey**

No	Fascia	Goad Category	Goad Sub Category
1	Joules	Comparison	Clothing General
2	Crew Clothing Co	Comparison	Ladies & Mens Wear & Acc.
3	Phase Eight	Comparison	Ladies Wear & Accessories

- 10.40 The identified operators are all fashion retailers, primarily aimed at a more affluent shopper. All of these operators are also present in Petersfield.
- 10.41 Given that the overall target list of retailers not present in Romsey (13) is relatively short, we consider that overall Romsey has a broadly comparable national representation to that of Petersfield and Sherborne.

## Summary

- 10.42 In summary, the comparator analysis has identified that all the four case study centres selected have, to vary degrees, benefitted from new public and private sector investment in their shopping and town centre environments over recent years. This has ranged from major investment in new modern shopping centres (such as The Arc in Bury St Edmunds), to the refurbishment of existing centres to create larger format units (such as The Quedam Centre in Yeovil). Centres have also benefitted from investment in shopping frontages and the public realm. In turn, this has generated business and investor confidence in the centres, and helped to attract new retailers and leisure operators. The centres have also benefitted from co-ordinated management and marketing, and a joined-up events programme. In the case of Bury St Edmunds the street market is also a key component of the centre's overall attraction and success.

- 10.43 Although the 'gap' analysis has identified a number of retailers and brands that are represented in the four comparator centres that would normally be expected to trade from Andover and Romsey. However, this is clearly dependent on market demand and providing the right accommodation in the right locations that meets the needs of these prospective tenants. The 'gap' analysis also has to be considered in the context of current retail trends, whereby retailers are reducing their presence on many high streets due to the impact of online shopping and wider economic forces.
- 10.44 Notwithstanding this, it is apparent that investment in a town's shopping offer, frontages and public realm can help to create a 'sense of place', and also generate consumer, business and investment confidence in centres. In turn, this can help to attract new independent and multiple business to take space in a centre.
- 10.45 We therefore recommend that more detailed market testing be undertaken to gauge the level of market demand in the Borough's main centres, and the potential actions and investment that will be needed to attract new retailers and businesses to the centres, and to retain existing retailers and businesses.

## 11 QUANTITATIVE RETAIL NEEDS ASSESSMENT

- 11.1 This section sets out the results of the quantitative retail needs ('capacity') assessment for new retail (comparison and convenience goods) floorspace in the Test Valley Borough Council area covering the period from 2017 to 2036; further broken down into sub-periods (i.e. 2021, 2026 and 2031). This assessment updates and supersedes the findings of the Council's previous evidence-based studies.

### The CREAT<sup>e</sup> Model: Key Baseline Assumptions & Forecasts

- 11.2 The CREAT<sup>e</sup> economic capacity model has been specifically designed and developed by Carter Jonas over a number of years to assess the capacity for and impact of new retail (convenience and comparison goods) development and investment.
- 11.3 The (Excel-based) model adopts a transparent 'step-by-step' approach in which all the key assumptions and forecasts can be easily tested, in accordance with good practice advice. The model draws on the market share analysis derived from the household telephone interview to help inform the assessment of the current turnover and trading performance of existing centres, shops and stores at the base year.
- 11.4 It has been assumed for the purpose of the capacity assessment that the local retail markets in the local authority area are in '*equilibrium*' at the base year. In other words all existing centres and stores are broadly assumed to be trading in line with their expected ('benchmark') turnover levels at the base year. This approach is reasonable, robust and realistic in this case as it reflects the impact of the economic downturn and the significant growth in internet sales on the trading levels and performance of retailers and stores across the UK. It also reflects the potential impact of Brexit on the economy and retail sector going forward. Further to this, there is no qualitative evidence from the health check assessments to clearly show that any of the main centres and stores in the local authority areas are significantly over-trading or under-trading at the base year (2017).
- 11.5 On this basis any residual expenditure available to support new retail floorspace over the development plan period will be derived from the difference between the forecast growth in 'current' (survey-derived) turnover levels (based on population and expenditure growth), and the constrained growth in 'benchmark' turnovers<sup>43</sup> based on applying robust year-on-year 'productivity' ('efficiency') growth rates to all existing and new retail floorspace<sup>44</sup>.
- 11.6 It is important to restate that 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 (see PPG, para 003). Notwithstanding this, the Council will need to take account of the forecast capacity for new retail floorspace over the plan period to inform its policy making and site allocations, as the NPPF (paragraph 23) states that local planning authorities should meet the need for retail and town centre uses 'in full' (see Section 2 of this study).
- 11.7 The updated capacity forecasts set out in this section are intended as a broad guide to enable the Council to assess the broad strategic options for the spatial distribution of new retail-led floorspace and development over

<sup>43</sup> In this case, under the 'equilibrium' approach, the 'benchmark' turnovers at the base year (2017) are assumed to be the 'current' turnovers derived from the market share analysis.

<sup>44</sup> The 'efficiency' growth rates are informed Experian's latest *Retail Planner Briefing Note* (Figures 4a and 4b). These year-on-year turnover growth rates help to maintain the viability and vitality of existing centres and stores over time, particularly against the backdrop of increasing occupancy costs (e.g. rents, business rates, service charges, etc.) and labour costs. It should be noted that individual centres, stores and shopping facilities will be capable of achieving higher and/or lower annual 'efficiency' growth depending on a range of trading factors (including the size, quality and type of retail floorspace). In this case we have assumed slightly higher turnover 'efficiency' growth levels for existing and committed floorspace in the local authority areas for the period 2025-2036 than forecast by Experian (see Section 3 of this study for a more detailed explanation).

the plan period, and to make informed policy choices about where any forecast need should be met, in accordance with the advice set out in the NPPF (paragraph 24). It follows that the allocation of sites to meet any identified need over the next five years, and over the lifetime of the development plan, 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 to accommodate the forecast needs.

- 11.8 The key steps in the retail capacity assessment, and the main assumptions and forecasts underpinning the CREATE Model are described in more detail below.

## Base Year Population and Projections

- 11.9 The 2017 ('base year') population estimates and projections (to 2021, 2026, 2031 and 2036) for the Study Area and zones have been sourced as follows.

- For Wards located within Hampshire County Council (i.e. comprising the Test Valley Council Area entirely), the population figures have been taken from Hampshire County Council's 2016-based *Small Area Population Forecasts* (SAPF) (2016-2023). These figures have then been forecast forward by Carter Jonas on pro-rata basis up to 2036, using SAPF average year-on-year growth rates between 2016-2023.
- For the remaining Wards, the population figures have been sourced from Experian's '*Retail Planner Reports*' using CJ's (Experian-based) *MMG3 Geographic Information System* (GIS)). The population figures are based on the latest ONS Sub-National Population Projections, although they do not take account of the impact of local housing-led policy allocations on potential population growth. The population projections for zones are derived from Experian's revised '*demographic component model*' and take into account mid-year age and gender estimates. The population is projected forward year-on-year based on Government population projections for local authority areas in England. The yearly components of population change that are taken into account include the birth rate (0-4 age band), ageing, net migration, death rates, etc.

- 11.10 **Table 1 (Appendices 2 and 3)** sets out the base year population for the Study Area and 10 study zones. It shows that there are estimated to be some 461,138 people living in the defined Study Area at 2017. Of these, 125,195 people reside within the Council's administrative boundary. The population projections show a total population growth of +11.6% (+53,634 people) across the Study Area to 514,772 by 2036.

## Base Year Expenditure Per Capita and Forecasts

- 11.11 Tables 2 and 3 set out the expenditure per capita estimates for convenience goods (**Appendix 2**) and comparison goods (**Appendix 3**) for each of the study zones; after making an allowance for special forms of trading (SFT)<sup>45</sup>.
- 11.12 The base year (2017) average expenditure per capita figures have been derived from our in-house Experian MMG3 GIS. The expenditure per capita figures by zone have then been grown year-on-year based on the latest forecasts set out in Experian *Retail Planner Briefing Note 15* (RPBN) published in December 2017. As described in Section 3, Experian forecast more limited year-on-year growth in convenience and comparison goods expenditure than previous forecasts.
- 11.13 Our allowance for SFT at the base year has been informed by the results of the household survey. The survey-derived shares have necessarily been adjusted downwards to reflect the fact that a proportion of online sales are

<sup>45</sup> SFT comprises non-store sales via the internet, mail order, stalls and markets, door-to-door and telephone sales.

still sourced from traditional stores rather than from dedicated ('dotcom') warehouses<sup>46</sup>. This is in compliance with the advice set out in Experian's 2017 RPN15. The adjusted market share analysis shows that SFT's current share of available expenditure in the total Study Area is 18.3% for comparison goods in 2017, which is much above the national average figure of 14.8% identified by Experian (for 2017). For convenience goods the locally adjusted SFT market share is 1.5%, which is lower than the national average of 3.2% (in 2017).

- 11.14 The base year SFT market shares have then been projected forward to 2036 informed by Experian's national forecasts as set out in RPN15. It should be noted that if the growth in SFT market shares is higher for the Borough area than forecast by Experian then this will effectively reduce the residual expenditure capacity available to support new retail floorspace over the plan period.

### Total Available Expenditure

- 11.15 **Tables 2 and 3 (Appendix 2 and Appendix 3)** set out the total available retail expenditure for convenience and comparison goods respectively in the Study Area and zones (excluding SFT). This is derived by multiplying the population and average expenditure per capita levels together. The expenditure forecasts show that for:

- **Convenience Goods** expenditure is forecast to increase by +11.6% (+£117.3m) within the Study Area, from £1,011.2m in 2017 to £1,128.5 by 2036. For the Council Area total convenience expenditure is forecast to increase over the same period by +21.5% (+£59.3m).
- **Comparison Goods** expenditure is forecast to increase by +87.5% (+£1,264.5m) within the Study Area, from £1,445.9m in 2017 to £2,710.5m by 2036. For the Council Area the total comparison expenditure is forecast to increase over the same period by +102.6% (+£424.7m).

- 11.16 The growth in available comparison goods expenditure significantly outstrips convenience goods spend up to 2036. This effectively means that there should be greater capacity potential for new comparison goods floorspace over the forecast period 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)

- 11.17 **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 6**) and comparison goods (**Table 1, Appendix 7**) to exclude SFT<sup>47</sup>.

- 11.18 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' (2017) trading performance for the main centres and stores across the Council Area 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.

<sup>46</sup> Drawing on Experian's latest research we have assumed that some 25% of SFT convenience goods sales and 70% of comparison goods sales are sourced from traditional ('physical') retail space.

<sup>47</sup> 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.

- 11.19 For both convenience and comparison goods the 'baseline' turnovers are projected forward to 2021 (Table 3), 2026 (Table 4), 2031 (Table 5), 2036 (Table 6) assuming no changes in market shares.
- 11.20 This '*constant market share approach*' is standard practice for retail capacity and impact assessments. However, the Council will be aware that it is a highly theoretical in that it does not, for example, take account of the potential impact of new retail investment and development (both within and outside the Council Area) on existing shopping patterns and market shares over time.

### **'Inflow' (Trade Draw)**

- 11.21 In order to provide a complete picture of the current trading (turnover) performance of the main centres and stores in the Council Area we have necessarily made informed judgements with regard to the likely 'inflow' (trade draw) from outside the Study Area. In the absence of detailed published turnover and trade draw information at the local level, our judgements have been informed by previous studies and retail assessments, as well as the survey and health check evidence. The 'inflow' assumptions also take account of:
- the scale, offer and location of all existing centres and stores in the Council Area;
  - the likely extent of their catchment areas;
  - the competition from centres, stores and shopping facilities outside the Council Area and the wider Study Area; and
  - the likely retail expenditure derived from people who live outside the Study Area (including visitors and commuters) to main centres and stores in the Council Area.
- 11.22 Although the assessment of 'inflow' is not a straightforward exercise, due to the complex nature of overlapping catchments and shopping patterns, it is reasonable to assume that the Council's main centres will draw a proportion of their turnovers from outside the widely defined Study Area. On the other hand the local centres and smaller villages will generally draw the majority of their shoppers and trade from within their more localised catchments, with limited or no 'inflow' from outside the Study Area.
- 11.23 The 'inflow' of convenience goods expenditure to the main centres and stores from outside the wider Study Area will also be more limited than for comparison goods, as households generally carry out their main food shop at their more local and convenient stores, and do not generally travel longer distances for food purchases.
- 11.24 To inform our judgment of the likely inflow figures we have reviewed a number of different sources and evidence, including: the 'inflow' figures that were assumed by previous retail studies for Test Valley and neighbouring authorities; the results of the In-centre surveys showing where people visiting Andover and Romsey live; and our general observation of the role and function of the centres and retail destinations in the Borough based on the health check assessments (see Sections 8 and 9).
- 11.25 On this basis we have assumed that 5% of the Andover Town Centre's total comparison trade is drawn from outside the Study Area, and 10% of Romsey Town Centre's total comparison trade is drawn from outside the Study Area. Romsey's assumed 'inflow' is higher than for Andover as we believe Romsey's shops and stores benefit from more visitor and tourist expenditure due its historical attractions and specialist shops and services.
- 11.26 In terms of convenience trade, we have assumed that a smaller proportion of Andover Town Centre's (5%) and Romsey's turnover (3%) is drawn from outside the Study Area. This reflects the fact that food and convenience



shopping purchases are usually more localised, and households generally gravitate to the nearest and most convenient stores where they live and/or work.

- 11.27 Based on the (survey-derived) market analysis and the 'inflow' assumptions, **Table 1** sets out the revised (survey-derived) 'current' turnover levels for convenience goods (**Appendix 8**) and comparison goods (**Appendix 9**) for the Council's main centres.

## Retail Floorspace Commitments & Allocations

- 11.28 **Table 2** of **Appendices 8** and **9** set out the major known commitments and policy-led floorspace allocations in the Council Area. This is based on the information provided by the Council, and our forecasts of the likely convenience goods and comparison goods turnovers of the new floorspace, taking into account the available floorspace and turnover evidence, and our own judgements.

### *Comparison Commitments*

- 11.29 The main retail floorspace with planning permission and/or under construction in the Borough area are:

- **Picket Twenty New Local Centre** (TVN.09275) - Erection of 1,200 residential units, community facilities, education, retail, offices, recreational areas and associated highway works. We have been advised by the Council that local centre will comprise a comparison floorspace of 300 sqm net.
- **East Anton Local Centre** (15/00729/FULLN) - Erection of a two and a half storey, mixed use building comprising of 760 square metres (gross internal area) commercial floorspace (Use Classes A1, A2, A3, A5 and B1a), and 20 dwellings, a local recycling centre, access, car and cycle parking, waste storage, and associated infrastructure and landscape. We have been advised by the Council that the comparison floorspace element of the local centre will extend to circa 150 sqm net.

### *Convenience Commitments*

- **Picket Twenty New Local Centre** (TVN.09275) – As above. We understand from the Council that the local centre is likely to be anchored by a Coop foodstore with an estimated convenience sales area of 375 sqm net.
- **Picket Piece New Local Centre** (10/00242/OUTN) - Outline permission for a mixed use development comprising up to 530 dwellings, a local centre offering community facilities and retail units, public open space, vehicular, pedestrian and cycle access and landscaping. We have been advised by the Council that the convenience element will have a sales area of 182 sqm net.
- **East Anton Local Centre** (15/00729/FULLN) – As above. We understand that the local centre is likely to be anchored by a Coop foodstore with a net sales area of 408 sqm.
- **82 Salisbury Road** (15/03026/FULLN) - Demolition of existing premises and erection of single storey building to provide a convenience retail unit (Use Class A1) with a sales area of c.372 sqm net, and likely to be occupied by Co-op. The scheme also comprises two hot food takeaway units (Use Class A5) parking, car parking, installation of plant and associated works.
- **Weyhill Services** (14/02116/FULLN and 14/02115/FULLN) - Demolition of former roadside services and construction of petrol filling station, forecourt and canopy, amenity building with convenience store and two A1 units and two ATM's, HGV canopy, Drive Thru' Coffee Shop, car parks and HGV spaces, landscaping

and associated ancillary works 24 hours. We understand that the permitted scheme will be anchored by a Spar convenience store, with a gross sales area of 508 sqm.

- 11.30 Our assessment of the baseline convenience and comparison turnovers of the main commitments have been projected forward to 2036 by applying a standard floorspace “*productivity*” growth rate (also referred to as “*turnover efficiency*”) informed by Experian’s RPN15. As described in Section 3 (Table 3.4) Experian forecast annual average growth of around +2.2% for comparison goods between 2025-2036, and a nominal +0.1% growth for convenience goods.
- 11.31 In summary, we forecast that all the known retail commitments at the time of preparing this Study will achieve a total convenience goods turnover of £14.3m in 2021, increasing to £14.4m by 2036, based on Experian’s ‘productivity’ growth rate for existing and new retail floorspace (**Appendix 8**).
- 11.32 We also forecast that all the comparison goods floorspace commitments will achieve a total combined turnover of £2.9m in 2021, increasing to £4.0m by 2036 (**Appendix 9**).

## Test Valley Capacity Forecasts

- 11.33 The ‘global’ (Borough-wide) capacity forecasts for new retail floorspace in the Council Area up to 2036 are set out in Table 3 for convenience goods (**Appendix 8**) and comparison goods (**Appendix 9**).

### Convenience Goods Capacity

- 11.34 In order to assess the potential capacity for new convenience goods floorspace up to 2036 we have necessarily tested two trading scenarios for different types and formats of food/convenience retailing in order to convert the residual expenditure (after taking account of new commitments) into a (net) sales area figure:
- **“Superstore format’ trading scenario”** – we have first assumed that the residual expenditure could support one of the ‘top 6’ foodstore operators (i.e. Tesco, Sainsbury’s, Asda, Morrison’s, Waitrose and Marks & Spencer), which together could achieve an average sales density of approximately £12,000 per sqm in 2017 (2015 prices) based on the latest Mintel UK Retail Rankings; and
  - **“Supermarket/discounter” trading scenario** – we have also tested the impact on the capacity forecasts of assuming the residual expenditure is taken up by a supermarket (e.g. Co-op, Bugden’s, etc.) and/or ‘discount’ retailer (principally Aldi and Lidl) trading at a slightly lower average sales levels of circa £7,500 per sqm in 2017. However, it should be noted that both Aldi and Lidl have increased their company average sales densities significantly over recent years due to their expansive store opening programmes and their increasing market share of the grocery sector. If this trend continues then we consider that the gap between the ‘top 6’ grocers and the main discounters will narrow further over time.
- 11.35 As stated previously, it has been assumed that the local retail market is in ‘*equilibrium*’ at the base year. There is no qualitative evidence to show that existing stores/floorspace are significantly over and/or under trading. We have also allowed for the year-on-year growth in the turnover ‘efficiency’ (floorspace ‘productivity’) of all new and existing convenience floorspace in line with the latest forecasts set out in Experian’s RPN15 (Figure 4a).
- 11.36 Table 3 (**Appendix 8**) sets out and explains the key steps underpinning the convenience goods capacity assessment.
- 11.37 The table below summarises the convenience goods capacity forecasts in Tables 4-10 (Appendix 8) for new ‘*superstore format*’ floorspace:

**Table 11.1: Convenience Goods Capacity (Net) – New Superstore Format (sqm)**

	2021	2026	2031	2036
<b>Andover Town Centre</b>	<b>145</b>	<b>262</b>	<b>393</b>	<b>529</b>
<b>Romsey Town Centre</b>	<b>148</b>	<b>310</b>	<b>468</b>	<b>633</b>
Key Service Centres	-614	-588	-562	-534
Rural Villages	-1	-1	-1	-1
Test Valley Out of Centre	2	451	951	1,467
<b>TOTAL CONVENIENCE GOODS CAPACITY</b>	<b>-320</b>	<b>434</b>	<b>1,249</b>	<b>2,093</b>

- 11.38 The forecasts show no capacity for new floorspace at 2021 after allowing for all known committed floorspace. There is limited capacity for new convenience goods floorspace in the Borough area at 2021 of 434 sqm net, and this increases to 1,249 sqm net by 2026. The Borough-wide capacity increases thereafter to 2,093 sqm net in 2036.
- 11.39 For the main centres in the Council Area, the majority of the capacity is forecast for Romsey Town Centre (633 sqm by 2036), and Andover Town Centre (529 sqm by 2036). This level of floorspace could possibly support a supermarket, or extensions to existing stores, or smaller convenience store formats. There is no capacity for new convenience goods floorspace in the Borough's Key Service Centres and Rural Villages. The existing out-of-centre foodstores generate capacity for 1,467 sqm at 2036, although this should be directed to town and edge of centre locations first in accordance with the sequential approach.
- 11.40 Turning to the forecast capacity for new '*supermarket/discounter format*' floorspace, the summary table below also shows no capacity at 2021, but increasing to 3,349 sqm at 2036. This scope of capacity could potentially support at least two supermarkets or discounter foodstores (i.e. Aldi or Lidl) over the plan period.

**Table 11.2: Convenience Goods Capacity (Net) – New Supermarket / Discounter Format (sqm)**

	2021	2026	2031	2036
<b>Andover Town Centre</b>	<b>232</b>	<b>418</b>	<b>628</b>	<b>846</b>
<b>Romsey Town Centre</b>	<b>237</b>	<b>497</b>	<b>748</b>	<b>1,013</b>
Key Service Centres	-983	-941	-899	-855
Rural Villages	-1	-1	-2	-2
Test Valley Out of Centre	4	721	1,522	2,347
<b>TOTAL CONVENIENCE GOODS CAPACITY</b>	<b>-511</b>	<b>694</b>	<b>1,998</b>	<b>3,349</b>

- 11.41 For the Borough's main centres, the majority of the capacity is forecast for Romsey Town Centre (1,013 sqm by 2036), and Andover Town Centre (846 sqm by 2036). There is no capacity for new convenience goods floorspace in the Borough's Key Service Centres and Rural Villages. The existing out-of-centre foodstores generate a capacity for 2,347 sqm at 2036, and this should be directed to town and edge of centre sites first.

- 11.42 In line with the NPPF (paragraph 23), and the requirement to “*meet needs in full*” over the plan period, we advise the Council that they should seek to identify and allocate sites ideally in or on the edge of the main town centres that have the potential to accommodate the forecast capacity up to at least 2031, and preferably beyond this to 2036.

### ***Comparison Capacity***

- 11.43 **Table 3 (Appendix 9)** sets out the total residual capacity for new comparison goods floorspace in the Borough area after allowing for the turnover of all known commitments.
- 11.44 The table below summarises the comparison goods capacity for the Borough and its main centres over the plan period.

**Table 11.3: Comparison Goods Capacity (Net) by Locations (sqm)**

	2021	2026	2031	2036
<b>Andover Town Centre</b>	<b>535</b>	<b>1,749</b>	<b>3,278</b>	<b>4,938</b>
<b>Romsey Town Centre</b>	<b>183</b>	<b>762</b>	<b>1,455</b>	<b>2,207</b>
Key Service Centres	21	79	147	221
Test Valley Out of Centre	170	1,543	3,259	5,121
<b>TOTAL COUNCIL COMPARISON GOODS CAPACITY</b>	<b>909</b>	<b>4,134</b>	<b>8,139</b>	<b>12,487</b>

- 11.45 The capacity forecasts are based on the reasonable and robust assumption that new floorspace will achieve an average sales levels of circa £6,000 per sqm in 2017<sup>48</sup>. It is also assumed that all new and existing floorspace will experience a year-on-year growth in turnover ‘efficiency’ (floorspace ‘productivity’) in line with the latest forecasts set out in Experian’s *Retail Planner Briefing Note 15* (Figure 4b).
- 11.46 The table shows that, after allowing for all known comparison floorspace commitments, there is limited Borough-wide capacity for 909 sqm net by 2021. The capacity is forecast to increase to 4,134 sqm in 2026, 8,139 sqm net by 2031 and 12,487 sqm net by 2036. The majority of the Borough’s comparison capacity is forecast for Andover and Romsey, and is also being generated by existing out-of-centre locations.
- 11.47 In Andover there is a potential need for 1,749 sqm net in 2026, increasing to 4,938 sqm net by 2036. In Romsey, the forecast need is lower at 762 sqm net in 2026, increasing to 2,207 sqm net by 2036. For both centres the forecast need over the short (up to 2021) to medium term (up to 2026) could potentially be met through infill development, the take-up of vacant space, and/or change of use applications. However, given the scale of need forecast up to 2036, we advise that the Council will need to identify a site or sites in and/or on the edge of Andover and Romsey to meet the forecast need in full over the plan period in compliance with the NPPF (paragraph 23).

<sup>48</sup> The average sales density of circa £6,000 per sqm at 2017 is assumed to be broadly equivalent to the average sales performance of retail units in prime shopping locations, and has been informed by different research evidence including the latest Mintel UK Retail Rankings Report. However, average turnover levels do inevitably 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 Councils will therefore need to take this into account when considering applications for different operators and different types of retail floorspace in edge and out of centre locations. For example ‘bulky goods’ DIY retail warehouse operators typically trade at lower average sales levels, whereas electrical goods retailers and some fashion operators can achieve much high average turnover levels.

- 11.48 Further to this capacity, the Borough's existing out-of-centre comparison goods floorspace is generating capacity for 1,543 sqm in 2026, increasing to 5,121 sqm by 2036. In line with the "town centre first" approach, the Council should seek to meet this forecast need within and on the edge of existing centres first.
- 11.49 Although the forecast capacity for new comparison goods floorspace in the Borough's other smaller centres is more limited over the plan period, the Council will nevertheless still have to consider how best to meet this need as part of its plan-making. In our view, without carrying out a more detailed assessment of the availability and suitability of sites, we consider that in the case of these smaller centres this need could be met through infill development and/or change of use applications.

## Summary

- 11.50 In summary there is no forecast Borough-wide capacity for new convenience goods floorspace over the short term to 2021, and limited capacity for new comparison goods retail space (909 sqm net). Over the plan period, up to 2036, capacity increases to between 2,093 sqm and 3,349 sqm net for convenience floorspace (depending on whether the sales area is for superstore-format or supermarket/discounter stores), and to 12,487 sqm net for comparison goods retailing.
- 11.51 The forecast need is predominantly focussed in the Borough's two main centres. However, significant floorspace capacity for convenience and comparison goods retailing is also being generated by existing out-of-centre stores and shopping locations.
- 11.52 The NPPF (paragraph 23) requires that all needs are met in full over the plan period and are not compromised by limited site availability.
- 11.53 Although some of this need could potentially be met in existing centres through the take-up of vacant units, infill developments and changes of use, we nevertheless advise the Council that it will need to carry out a more detailed assessment of the availability and suitability of sites in and on the edge of centres to accommodate the forecast need/capacity; including the potential to expand centres to ensure a sufficient supply of sites.
- 11.54 If the Council is not able to identify and allocate sites in and on the edge of centres to accommodate the forecast need, then it will have to consider how to best meet the need on sites that are well connected to the Borough's main town centres and that will help to maintain and enhance their overall vitality and viability.

## 12 COMMERCIAL LEISURE NEEDS

- 12.1 The NPPF (paragraph 23) states that in drawing up Local Plans to ensure the vitality of town centres, local planning authorities should promote competitive Town Centres that provide customer choice and a diverse retail offer which reflects the individuality of Town Centres.
- 12.2 Against this background, 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.
- 12.3 However, forecasting the need for new commercial leisure uses is more complicated and problematic than for retailing, as the sector is highly complex and dynamic, and particularly sensitive to changes in economic, demographic, lifestyle and fashion trends. Consequently, the methods and approaches developed to forecast the need for new commercial leisure floorspace and uses are more wide-ranging and less sophisticated than for retail capacity forecasts.
- 12.4 The NPPF recommends that need assessments for new leisure uses and floorspace should take account of both quantitative and qualitative considerations (paragraph 161). In this context our analysis focuses on the following key elements:
- A review of the key trends driving market demand in the sector over the last decade;
  - An audit of existing commercial leisure uses in the Council Area to help identify any marked 'gaps' in provision;
  - A review of the results of the household survey to understand current commercial leisure participation rates and preferences across the Study Area; and
  - A broad economic assessment of the need for new additional leisure facilities across the main centres based on different datasets and accepted approaches.
- 12.5 For the purpose of our assessment we have necessarily focussed on the main commercial leisure uses that are widely accepted as making a significant contribution to the overall vitality and viability of Town Centres; namely food and beverage uses (Class A3-A5), cinemas and health clubs and gyms, and to a lesser extent ten-pin bowling, casinos and bingo halls.
- 12.6 Detailed tables on forecast commercial leisure capacity, including projections on expenditure and need are set out below.

### Leisure Expenditure Growth

- 12.7 Like the retail market, the commercial 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 leisure sector has not been immune to the impact of the recent economic downturn, leisure activities remain an important lifestyle choice for many consumers who are prioritising leisure over other areas of spending.
- 12.8 The table below shows the UK average expenditure per head per annum on commercial leisure services and the average for the defined 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 12.1: Estimates of Expenditure per Capita on Leisure Services in 2017 (£ per annum)**

ZONE:	Accommodation	Cultural services	Games of chance	Hairdressing salons & personal grooming	Recreational & sporting services	Restaurants, cafes, etc.	TOTAL
Zone 1	300	333	163	117	148	1080	2141
Zone 2	374	405	153	139	197	1268	2535
Zone 3	436	410	138	156	233	1382	2755
Zone 4	235	319	153	91	123	989	1910
Zone 5	374	378	149	136	202	1275	2514
Zone 6	384	390	150	137	202	1284	2547
Zone 7	284	310	156	99	144	1093	2086
Zone 8	326	332	154	114	169	1184	2279
Zone 9	245	303	152	90	124	1061	1975
Zone 10	310	354	150	115	160	1147	2236
<b>Study Area Average</b>	<b>327</b>	<b>353</b>	<b>152</b>	<b>119</b>	<b>170</b>	<b>1176</b>	<b>2298</b>
<b>Test Valley Average</b>	<b>344</b>	<b>369</b>	<b>151</b>	<b>128</b>	<b>181</b>	<b>1198</b>	<b>2371</b>
<b>Study Area Average % of Total</b>	<b>14.2%</b>	<b>15.4%</b>	<b>6.6%</b>	<b>5.2%</b>	<b>7.4%</b>	<b>51.2%</b>	<b>100.0%</b>
<b>Test Valley Average % of Total</b>	<b>14.5%</b>	<b>15.6%</b>	<b>6.4%</b>	<b>5.4%</b>	<b>7.6%</b>	<b>50.5%</b>	<b>100.0%</b>

- 12.9 The table below shows the current leisure spend projections by Experian Business Strategies (EBS) as set out in *Retail Planner Briefing Note 15* (December 2017). EBS forecasts show slow or negative growth over the short term (2016-2018), before stabilising over the long term (from 2019) to between +1.1% and 1.2% per annum. This forecast growth is higher than annual average historic growth rates for the period 1997-2015, when there was no growth in leisure spend.

**Table 12.2: Actual & Forecast Growth in UK Leisure Spend (% per annum)**

	2015	2016	2017	2018	2019	2020-2024	2025-2036
Leisure Spend Growth (%)	1.7	0.7	0.3	-0.1	0.8	1.1	1.2

Source: Experian Business Strategies, Retail Planner Briefing Note 15 (December 2017), Figure 1a and 1b

- 12.10 The base year expenditure per capita levels for leisure (Table 12.1) have been projected forward to 2036 using Experian's forecast annual growth rates (Table 12.2), and then applied to the projected population for each Study Zone (based on Table 1, Appendix 2) to identify the total available expenditure on leisure and recreation goods and services (Table 12.3).

**Table 12.3: Total Forecast Growth in Commercial Leisure Expenditure: 2017 – 2036 (£m)**

ZONE:	2017	2021	2026	2031	2036	Change: 2017-2036	
						(£m)	(%)
Zone 1	32.3	33.7	35.8	38.3	41.0	8.7	27.1%
Zone 2	79.1	89.7	104.6	120.8	138.7	59.6	75.4%
Zone 3	38.9	40.0	42.0	44.4	46.9	8.0	20.7%
Zone 4	93.3	104.0	116.2	131.1	147.4	54.1	58.0%
Zone 5	40.2	41.0	43.0	45.2	47.5	7.3	18.2%
Zone 6	63.1	68.9	75.7	84.1	93.1	30.1	47.7%
Zone 7	72.9	76.9	83.6	90.7	98.4	25.5	34.9%
Zone 8	137.0	144.3	156.4	169.3	182.7	45.7	33.4%
Zone 9	292.3	304.8	325.0	348.6	373.8	81.5	27.9%
Zone 10	152.2	160.6	173.8	188.7	204.9	52.6	34.6%
<b>Study Area</b>	<b>1001.2</b>	<b>1063.8</b>	<b>1156.1</b>	<b>1261.3</b>	<b>1374.4</b>	<b>373.2</b>	<b>37.3%</b>
<b>Test Valley</b>	<b>283.7</b>	<b>308.2</b>	<b>341.5</b>	<b>379.8</b>	<b>421.6</b>	<b>137.9</b>	<b>48.6%</b>
<b>Andover PCA</b>	<b>111.3</b>	<b>123.3</b>	<b>140.4</b>	<b>159.2</b>	<b>179.7</b>	<b>68.4</b>	<b>61.4%</b>
<b>Romsey PCA</b>	<b>133.5</b>	<b>145.0</b>	<b>159.2</b>	<b>176.3</b>	<b>194.9</b>	<b>61.5</b>	<b>46.0%</b>

Note: All monetary figures are expressed in 2015 prices.

12.11 As Table 12.3 shows, the available commercial leisure expenditure across the defined Study Area is forecast to increase by 37.3% (+£373.2m) up to 2036; and within the Borough area the available commercial leisure expenditure forecast to increase by 48.6% (+£137.9m) up to 2036. The table above shows that in the Test Valley Borough area there will be £421.6m of available leisure expenditure by 2036.

12.12 Looking at the individual leisure services, the Table 12.4 below sets out the forecast expenditure growth in each leisure service.

**Table 12.4: Test Valley - Leisure Spend by Type 2017 - 2036**

	Test Valley Area: Total Leisure Spend (£m)					Change:	
	2017	2021	2026	2031	2036	(£m)	(%)
Accommodation	39.8	43.2	47.8	53.1	58.8	£19.0	47.9%
Cultural services	45.1	49.0	54.4	60.6	67.3	£22.2	49.3%
Games of chance	19.0	20.7	23.0	25.6	28.4	£9.4	49.5%
Hairdressing salons & personal grooming	14.9	16.2	17.9	19.9	22.1	£7.2	48.1%
Recreational & sporting services	20.9	22.7	25.1	27.9	30.9	£10.0	47.8%
Restaurants, cafes, etc.	144.0	156.4	173.3	192.8	214.0	£70.0	48.6%
<b>Total</b>	<b>283.7</b>	<b>308.2</b>	<b>341.5</b>	<b>379.8</b>	<b>421.6</b>	<b>£137.9</b>	<b>48.6%</b>

12.13 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. This highlights the potential to enhance the scale and quality of Class A3-A5 uses in the centres within the Borough's main centres over the plan period, subject to market demand and the availability of suitable accommodation.

12.14 Against this background, the following commentary identifies the potential 'gaps' in the commercial leisure offer of the Council's main centres and the likely need for new uses and facilities over the forecast period.

## Cinema Capacity

12.15 Although cinema audiences grew significantly during the 1990s, the UK cinema market has traditionally been dominated by a handful of operators namely Cineworld (the UK's largest operator, with over a quarter of the cinema box office market), Odeon/UCI; Vue and Showcase (the UK arm of National Amusements of the USA).

There was significant consolidation in the UK market in 2012 when Odeon acquired the BFI Southbank and a site from AMC; Vue acquired the Apollo cinema chain; and Cineworld acquired Picturehouse.

- 12.16 According to research by Dodona (a specialist market research consultancy in the cinema industry) at the end of 2016, the UK had 766 cinemas and 4,015 screens. This was 140 more screens than 2014. Approximately three-quarters (77%) of the screens are in multiplexes. It should be noted that the number of cinemas has fluctuated, with a low of 697 in 2006 and a high of 769 in 2012. This has been influenced by the increase in the number of multiplex screens and the loss of 'traditional' cinemas. The rest of the market is mainly represented by smaller multiplex operators and independents which tend to operate non-multiplex cinemas (i.e. less than six screens) and screens in mixed-use venues (such as arts centres); including The Light, Curzon and Everyman cinemas. Everyman cinema reported in early 2017 that demand for its "*home from home*" experience is growing around the UK with new opening planned for 2018 venues in York, Liverpool and Newcastle, as well as London's Borough Market in 2020.
- 12.17 The cinema industry has not been immune from the recession and there have been some closures since 2008, although the majority have been smaller art centre venues rather than the larger chains. Notwithstanding this, the industry generally appears to be in good health and the UK is the second largest consumer market for filmed entertainment in the world after the USA. The latest research shows that box office revenue in 2016 in the UK exceeded £1bn for the fifth year in succession, based on 168.3m admissions. Overall the cinema sector has remained relatively resilient in the prevailing economic and consumer environment.
- 12.18 In recent years, cinema operators have also introduced changes to the cinema experience, including premium seating areas and better quality refreshments, such as alcohol and higher quality food. For example, Vue Cinemas introduced their '*Evolution*' concept, which provides a mix of seating types comprising bean bags and sofas, as well as regular seats. Cineworld has also introduced the '*Screening Room*' concept, characterised by leather chairs and table service.
- 12.19 The most recent change to the industry – the transition to digital cinema technology – was one of the most fundamental shifts in the history of the sector, and has allowed the traditional cinema offer to expand to give audiences even greater choice in what they see. There has also been a growth in smaller (Digital) cinemas to serve smaller catchment areas. These Digital cinemas are more flexible and less "space-hungry", as they do not require the large shopping auditoriums needed to accommodate traditional projectors. There are therefore opportunities for modern cinema offer to be provided in existing buildings. Examples include the HMV in Wimbledon which has a small Curzon cinemas above the store; Genesis in Whitechapel; The Grosvenor in Glasgow; Watershed in Bristol and the Lynton Cinema in Lynton.
- 12.20 At the other end of spectrum, smaller, boutique cinemas are also performing well. Focused on comfort, often by offering higher quality food, alcohol and larger reclining seats, and holding special screening events, these cinemas typically appeal to demographic that differs to that of the multiplexes. However, a further category of film screening has started to emerge: event cinema. Mirroring trends in retail, people are prepared to pay significantly more for a unique, bespoke film experience – particularly one that lends itself to be shared on social media such as Secret Cinema.
- 12.21 Turning to the cinema provision in the Study Area, the key commercial purpose built cinemas are listed in the table below:

**Table 12.5: Commercial Cinemas in the Study Area**

Venue	Screens
<b>Cinemas located in Test Valley</b>	
Odeon, Andover – Anton Mill Road	5 screens
<b>Main Cinemas located outside Test Valley</b>	
Vue, Eastleigh – Wells Place	9 screens
Showcase Cinema de Lux, Southampton	10 screens
Odeon (IMAX), Southampton – West Quay Road	13 screens
Harbour Lights Picturehouse, Ocean Village	2 screens
Odeon, Basingstoke	10 screens
Everyman, Winchester	2 screens
Cineworld, Southampton	5 screens
Odeon, Salisbury – New Canal	5 screens
Cineworld, Whiteley	9 screens
Vue, Basingstoke	10 screens
Vue, Newbury	7 screens

12.22 Additionally, independent cinemas within the Study Area include, amongst others:

**Table 12.6: Independent Cinemas in the Study Area**

Venue	Screens
<b>Cinemas located in Test Valley</b>	
Romsey Town Hall Cinema	1 screen
Stockbridge Community Cinema	1 screen
<b>Main Cinemas located outside Test Valley</b>	
The Phoenix, University of Southampton (1 screen);	1 screen
Sonar Film, Solent University (1 screen); and	1 screen
Berry Theatre, Hedge End (1 screen)	1 screen

12.23 The table below is based on the analysis of the household survey (HTIS) results, and sets out the market share levels of individual cinemas in the Test Valley area, as well the cinema trade 'leakage' to locations outside the Borough.

Table 12.7: Cinema Facilities in the Study Area

Venue	Screens	Andover (Zones 4 and 5)	Romsey (Zones 1 and 2)	Test Valley (Zones 1-5)	Study Area
<b>Test Valley Cinemas</b>					
Odeon, Anton Mill Road, Andover	5	94.9%	0.0%	54.2%	24.0%
Stockbridge Community Cinema, Stockbridge	1	0.0%	0.0%	0.2%	0.1%
Romsey Town Hall Cinema, Market Place, Romsey	1	0.0%	0.5%	0.2%	0.1%
<b>Test Valley Total</b>	<b>7</b>	<b>94.9%</b>	<b>0.5%</b>	<b>54.6%</b>	<b>24.2%</b>
<b>Popular Cinemas outside of Test Valley</b>					
Vue, Swan Centre, Eastleigh	9	0.0%	45.5%	17.9%	20.7%
Showcase Cinema de Lux, West Quay, Southampton	10	0.0%	18.2%	7.2%	9.3%
Odeon (IMAX), Leisureworld, West Quay Road, Southampton	13	0.3%	12.6%	6.9%	17.0%
Harbour Lights Picturehouse, Maritime Walk, Southampton	2	0.0%	12.3%	4.6%	4.2%
Odeon, Churchill Way West, Basingstoke	10	3.1%	0.0%	2.1%	1.9%
Everyman, Southgate Street, Winchester	2	0.5%	3.0%	1.9%	1.6%
Cineworld, Ocean Village, Southampton	5	0.0%	4.6%	1.7%	3.8%
Odeon, New Canal, Salisbury	5	0.6%	0.7%	1.5%	9.5%
Vue, Festival Place, Festival Way, Basingstoke	10	0.6%	0.0%	0.3%	0.8%
Vue, Cheap Street, Newbury	7	0.0%	0.0%	0.0%	1.9%
Empire, Greenbridge Retail Park, Drakes Way, Swindon	12	0.0%	0.0%	0.0%	3.0%
Cineworld, Whiteley Shopping Centre, Whiteley Way, Whiteley, Fareham	9	0.0%	2.6%	1.0%	0.3%
Other Venues	N/A	0.0%	0.0%	0.2%	1.7%
<b>Popular Cinemas outside of Test Valley Total</b>	<b>94</b>	<b>5.1%</b>	<b>99.5%</b>	<b>45.4%</b>	<b>75.9%</b>
<b>TOTAL</b>	<b>101</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Household Survey (NEMS)<sup>49</sup>

## 12.24 The key findings are discussed below:

- **Andover's** cinemas have a retention rate of 54.6% in the Test Valley Area. This is primarily due to the presence of the large Odeon above the Asda Store located on Anton Mill Road (5 screens). Within Andover's PCA, the Odeon cinema achieves a high market penetration of 94.9%. This is very positive and means that it is the main venue for cinema goers in the PCA.
- **Romsey** does not benefit from a commercial cinema. The only cinema facility is provided within Romsey Town Hall and this operates every Monday. As such it is not surprising that within Romsey's PCA (Zones 1 and 2), 95.5% of population travel outside of the Borough for their cinema needs. The HTIS shows that they key cinema destination are those in Southampton and Eastleigh, with the Vue Cinema in Eastleigh (45.5%) and the Showcase Cinema de Lux in Southampton (18.2%) being the main cinemas visited.

12.25 A standard accepted approach used to assess the current level of cinema provision and future needs is based on national and regional 'screen density' averages (i.e. the number of screens per unit of population). According to Dodona, in 2015, the UK average was 6.3 screens per 100,000 people, up from 6.1 screens in 2014.

12.26 The table below shows the requirement for additional cinema screens in the Borough, based on applying the wider Study Area retention rate of 54.6% to the forecast growth in the Test Valley area population.

<sup>49</sup> Question 30 in Household Survey (NEMS)

**Table 12.8: Potential Capacity for New Cinema Screens – Study Area: 2017-2036**

	2017	2021	2026	2031	2036
Study Area Population	125,195	132,454	138,746	145,546	152,346
Retention within study area based on survey results <b>54.6%</b>	68,376	72,340	75,776	79,490	83,204
<b>Potential Cinema Catchment Population</b>	<b>68,376</b>	<b>72,340</b>	<b>75,776</b>	<b>79,490</b>	<b>83,204</b>
Cinema Screen Density (screens per 100,000 persons) based on Southern Region	6.3	6.3	6.3	6.3	6.3
<b>Cinema Screen Potential</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Existing Screens</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
<b>Commitments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Screen Potential</b>	<b>-3</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>

Note: the Retention rate is based on the results of the THS for Question 30 "Where do you or members of your household normally go to the cinema?"

Notes: Screen density is used to measure screen provision in a given area. Existing cinema screens account for key cinema facilities only. The net screen potential is derived by subtracting the number of existing screens from the cinema screen potential. Also, figures may not sum precisely due to rounding.

- 12.27 The table shows that there is no quantitative need for new cinema screens over the study period to 2036. However, given the current limited provision in Romsey, we consider that there could be a qualitative need to provide a cinema in the town centre. This would obviously be dependent on market demand and identifying a suitable building or development opportunity to accommodate a new cinema offer.

## Eating & Drinking Out

- 12.28 The food and beverage sector, including restaurants, cafes, bars and pubs (Class A3, A4, and A5), provide an increasingly important part of the town centre's wider offer and economy. They also complement other town centre uses, particularly shops, offices and cinemas, helping to lengthen 'dwell times' (the time people spend in centres) and increase expenditure as part of the same trip.
- 12.29 As highlighted above and in Section 3, average household expenditure on leisure services in the UK is largely dominated by eating and drinking out. This sector has remained buoyant over time and the year-on-year forecasts for growth by Experian are strong.
- 12.30 The following provides a summary of some of the key trends driving changes in the food and beverage sector over recent years.
- **Pubs and Wine Bars** - pub operators have widened their food and non-alcoholic beverage offer, resulting in the growth of so-called "gastro-pubs" in competition with more established restaurants, and the rise in 'micro pubs'. Notwithstanding this the sector has also been characterised by increasing consolidation and closures. Recent research by CAMRA also suggests that on average around 21 pubs closed every week in the UK. The sale of pubs for conversion to alternative uses has also increased over recent years, particularly for convenience retailing (e.g. Tesco Express and Sainsbury's Local).
  - **Restaurants** – this sector has also 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 take-aways and deliveries. At the same time 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. Recent successes include Bill's and Cote, with branded restaurants increasing their share in the market. There has also been a growth in 'all-you-can-eat' style restaurants which are aimed at offering value for money (examples include the Taybarns brand owned by Whitbread). In broad terms, and according to recent research, future F&B growth is most likely to be dominated by multiple operators



expanding their presence across the UK. Notwithstanding this, there is recent evidence that some restaurant operators are struggling in the current market for a number of reasons, including rising overheads impacting on their profitability, and are rationalising their existing portfolio. For example TPG Capital announced in February 2018 that it is to close up to one-third of its Prezzo restaurants in the UK and all of its Chimichanga restaurants. Byron Burgers and Jamie's Italian are also undergoing similar restructuring to remain solvent in the current market.

- **Cafés/Coffee Shops** – This sector has experienced strong growth over the last five years. According to Mintel research, the UK coffee shop market rose by 37%, up from £2.4 billion in 2011 to reach £3.4 billion in 2016. What is more, between 2015 and 2016 sales increased by 10.4% – the biggest year-on-year boost witnessed in the last five years. The market is forecast to grow by a further 29% between 2017-2022, to reach an estimated value of £4.3 billion. With some 22,845 outlets, the total UK coffee shop market grew by 6% in 2016. Costa Coffee, Starbucks Coffee Company, and Caffè Nero remain the UK's leading chains with a 53% share of the branded coffee shop market. Market leader Costa operates 2,121 UK outlets, adding 129 units in 2016. Starbucks and Caffè Nero operate 898 and 650 UK outlets respectively. Leading chains continue to expand and enjoy positive like-for-like sales growth, albeit at a slowing pace. However small and medium sized boutique chains such as Coffee#1, Joe & the Juice, and Taylor St. Baristas are gaining momentum and driving the comparable sales growth across the sector, ahead of the leading chains. Increased merger and acquisition activity throughout 2016 also highlighted the relative strength of the vibrant coffee shop market in the UK. For example, Whitbread's 49% acquisition of Pure, Tchibo's acquisition of Matthew Algie, and Caffè Nero's purchase of Harris+Hoole has resulted in further market convergence. Notwithstanding the rise of the multiples, there has also been growth in independent and specialist cafés and coffee houses, particularly those serving a more luxury or specialist offer (e.g. organic and Fairtrade). The strong independent coffee sector has fuelled many new start-up businesses in centres. While many forecasters considered the café market to be saturated a few years ago, Allegra reveals that after 18 years of considerable continued growth, the coffee shop market is one of the most successful in the UK economy and is set to outnumber pubs by 2030.

12.31 The household survey identified where people living in the Study Area currently chose to eat and drink, and whether there are potential 'gaps' in the current offer. The survey shows that 67.1% of respondents from the Study Area visit restaurants and cafes, and 57.0% visit pubs/ bars/ nightclubs<sup>50</sup>.

12.32 The survey also assessed the frequency of eating out in restaurants and cafes. The findings are as follows:

- Within the **Study Area**, 34.1% of respondents eat out in restaurants and cafes once a fortnight, 23.7% once a month; 16.5% once a week; and 14.1% visit once every two months.
- Within **Andover Primary Catchment Area**: 25.8% of respondents eat out once a fortnight, 23.2% once a month, and 17.9% once a week.
- Within **Romsey Primary Catchment Area**: 29.6% of respondents eat out once a month, 26.8% once a fortnight, and 23.9% once a week.
- Within **Test Valley**: 25.8% of respondents eat out once a fortnight, 25.2% once a month, and 19.7% once a week.

<sup>50</sup> Question 26 in the Household Survey (NEMS)

12.33 The table below is also based on the analysis of the HTIS, and sets out the market shares for restaurants and places to eat in the Borough and its main centres, as well the 'leakage' to locations outside the Borough.

**Table 12.9: Eating Out Market Shares**

Location	Andover (Zones 4 and 5)	Romsey (Zones 1 and 2)	Test Valley (Zones 1-5)	Study Area
Andover Town Centre	67.4%	0.0%	31.4%	8.2%
Romsey Town Centre	0.0%	50.0%	24.1%	6.9%
Test Valley Other Locations	10.0%	1.0%	8.6%	4.0%
<b>Test Valley Total</b>	<b>77.3%</b>	<b>51.0%</b>	<b>64.2%</b>	<b>19.1%</b>
<b>All Other Locations Outside Test Valley</b>	<b>22.7%</b>	<b>49.0%</b>	<b>35.8%</b>	<b>80.9%</b>
<b>Top 5 Locations Outside Test Valley</b>				
Southampton City Centre	0.0%	15.4%	6.6%	16.2%
Chandlers Ford Town Centre	0.0%	7.8%	3.7%	4.8%
Eastleigh Town Centre	0.0%	1.8%	0.7%	3.7%
Totton Town Centre	0.0%	0.0%	0.0%	3.8%
Winchester City Centre	8.6%	5.6%	8.6%	8.0%
Salisbury City Centre	1.8%	1.1%	1.9%	6.4%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

12.34 The key findings are as follows:

- **Andover Town Centre** retains 67.4% of people in the Andover PCA, with the majority of the residual population choosing places to eat in their local centres (approximately 10%, shown as "Test Valley Other Locations" in the table above); or traveling to Winchester (8.6%), which is unsurprising given its geographical proximity. The in-centre survey results highlighted that 4.9% of respondents would like a better choice of restaurants, and that 19.9% would like a better choice of leisure facilities in Andover Town Centre. As such, this would indicate the need for a qualitative and quantitative improvement in the food and beverage sector.
- **Romsey Town Centre** achieves a slightly lower (50%) market share in its defined PCA than Andover. The majority of the remaining population choose to eat out in locations outside of Test Valley. Of these the most popular are Southampton (15.4%), Chandlers Ford (7.8%), and Winchester (5.6%). This is not surprising given the geographical proximity of these location and their higher position in the settlement hierarchy. The in-centre survey results highlighted that 15.0% of respondents indicated that a better choice of leisure facilities was needed in Romsey Town Centre. As such, this would also appear to indicate the need for a qualitative and quantitative improvement in Romsey's food and beverage offer.

12.35 Turning to the potential need for new F&B uses (floorspace), the table below shows that the total available expenditure for food and drink in 2017 is £144m. The HTIS has indicated that centres from within the Test Valley Area collectively have a relatively strong retention level (64.2%) for eating and drinking out from within the Study Area. An appropriate strategy should seek to maintain this market share as a minimum 'target' and, if possible, increase the market share over the forecast period to 2036.

12.36 On this basis, the available expenditure has been projected forward to 2036 and any residual expenditure available to support new A3-A5 floorspace over the development plan period will be derived from the difference between the forecast growth in 'current' (survey-derived) turnover levels and the growth in assumed 'benchmark' turnovers after applying robust year-on-year 'productivity' ('efficiency') growth rates to all existing floorspace of 1% per annum.

- 12.37 The resulting residual expenditure has been converted into floorspace projections using a 2017 average sales density of £5,000 per sqm (inflated by 1% per annum over the period to 2036). This reflects our judgement of the potential average turnover levels achieved by food and beverage operators across the UK, based on the available evidence and market intelligence.
- 12.38 The analysis also takes in to account the extant commitments for Picket Piece New Local Centre (10/00242/OUTN) which allows for approximately 100 sqm net of food and beverage space; and for Weyhill Services (14/02116/FULLN and 14/02115/FULLN), where the food and beverage floorspace could be approximately 212 sqm net.
- 12.39 The table below summarises the high level capacity forecasts for new Class A3-A5 floorspace on this basis.

**Table 12.10: Need for Food & Beverage Floorspace in Test Valley – Projected Gross Floorspace (sqm)**

	2017	2021	2026	2031	2036
<b>Total Available F&amp;B Expenditure in Test Valley Area (£m)</b>	144.0	156.4	173.3	192.8	214.0
Current Retention Rate	64.2%	64.2%	64.2%	64.2%	64.2%
<b>Current retained turnover (£m)</b>	92.4	100.4	111.3	123.8	137.4
<b>Benchmark turnover (£m)</b>	92.4	96.2	101.1	106.2	111.7
<b>NET RESIDUAL (£m)</b>	<b>0.0</b>	<b>4.3</b>	<b>10.2</b>	<b>17.5</b>	<b>25.7</b>
<b>Turnover of Committed Floorspace (£m)</b>		<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>1.9</b>
<b>NET RESIDUAL EXPENDITURE AFTER COMMITMENTS: (£m)</b>		<b>1.6</b>	<b>8.5</b>	<b>15.7</b>	<b>23.8</b>
<b>Capacity (sq m net) based on a sales density of: £5,000/sqm net</b>		325	1,697	3,145	4,763
<b>Capacity (sq m gross) based on a sales density of: £5,000/sqm gross</b>		<b>464</b>	<b>2,424</b>	<b>4,493</b>	<b>6,804</b>

Note: the Retention rate is based on the results of the HTIS for Question 40 "What location (e.g. town centre, street/area, shopping centre, retail/ leisure park) do you or members of your household normally go to for eating out (e.g. cafes and restaurants)?"

- 12.40 Assuming 'equilibrium' at the base year and constant market shares over the forecast period, we forecast capacity for between 464 sqm gross in 2021 increasing to 6,804 sqm gross by 2036. In compliance with the objectives of the NPPF, this forecast need should be directed to town centres within Borough first to help increase competition and choice, underpin their daytime/evening economies and enhance their overall vitality and viability.

## Health & Fitness Need

- 12.41 The health and fitness market has generally performed well during the economic downturn. The latest statistics from the Leisure Database Company (LDC)<sup>51</sup> show that over the twelve month period to March 2017, the industry has grown its total market value by 6.3% to £4.7 billion, and its member base by 5.1% to 9.7million. According to the LDC there were an estimated 6,728 fitness facilities in the UK up from 6,435 facilities in 2016, which represented a 4.6% net increase from the previous year. The main operators in the market currently include:
- Esporta, Greens & David Lloyd Leisure – at the premium end of the market focus on health, racquet and tennis clubs;

<sup>51</sup> Leisure Database Company : The 2017 State of the UK Fitness Industry Report

- Virgin Active & Nuffield Health (previously Cannons) – dominate the mid-range family-oriented health and fitness market; and
- LA Fitness, Fitness First and Bannatyne's Health Clubs – operate smaller in-centre clubs at the more value end of the market.

- 12.42 However, the most significant growth in the sector in recent years has been fuelled by value and budget operators. The new wave of ("no frills") fitness clubs is growing steadily and lead by Pure Gym with 176 gyms in 2017. Other popular low cost brands include Anytime Fitness, EasyGym, Fitness 4 Less, Fitspace, TruGym and SimplyGym. The low cost business models is based on 24-hour opening, discounted monthly subscriptions (of between £10 and £20 on average) and 'pay as you go' membership. According to LDC, and in 2017, the low cost gym sector accounted for 15% of total private clubs and 35% of private sector membership.
- 12.43 Overall, the proportion of the population in 2017 with a gym membership in the UK was estimated at 14.9%, up from 14.3% in 2016 and 13.7% in 2015. According to LDC, the average number of members per club in the UK is estimated to be 1,426, which takes into account the average for independent venues (726 per club) and leisure chains (2,198 per club). For the larger fitness chains (e.g. David Lloyds, Virgin, LA Fitness, etc.) the average club membership increases to 2,897, while budget chains are even higher at 3,452 members.
- 12.44 The rapid growth of this sector has also been characterised by a marked shift in the location of clubs from out-of-centre locations to town centres, often as part of wider mixed use developments. This can help to create a wider range of attractions and activity in town centres, particularly in the evenings and at weekends.
- 12.45 Table 12.11 summarises the current representation of the main national, regional, independent, privately-owned, as well as Council-owned leisure centres health and fitness operators across Andover and Romsey. The table shows a large proportion of private sector leisure centres and fitness centres. There is a low representation of national multiple operators within the Study Area, and a high number of small independent facilities.

**Table 12.11: Leisure Centres and Fitness Clubs**

Type	Centre	Name	Private Sector	Public Sector
Leisure Centre	Andover (In-Centre)	Charlton Lakeside		/
		Andover Leisure Centre		/
	Romsey (Out-of-Centre)	Romsey Sports Centre		/
		Romsey Rapids	/	
	Other Locations in Test Valley	Knightwood Leisure Centre		/
		CrossFit Blockhouse	/	
		Kick-Box-Keep-Fit	/	
Ashtanga Yoga Andover		/		
Fitness Centre	Andover (Out-of-Centre)	Fevo Gym	/	
		Snap Fitness Andover	/	
		Caffrey's Gym	/	
		Energies Fitness Clubs	/	
		Reasons Fitness LTD	/	
		AFS CrossFit	/	
		Progress Fitness	/	
		Red Hot Gym Club	/	
		Redrice Hearlth and Fitness	/	
		PrettyFit	/	
		Attiva Health Clubs	/	
		Salto Fitness	/	

<b>Romsey (Out-of-Centre)</b>	CrossFit Romsey	/	
	Starlight Trampoline and Gymnastics Club	/	
	Curves Romsey	/	
	SO51 Fitness and Wellbeing	/	
	Yoga For Everyone	/	
	Gentle Yoga	/	
	Pilates Works	/	
	Individually Unique Ltd Toning Tables	/	
	Physically Free	/	
	Pranamay (Massage and Yoga)	/	
<b>Other Locations in Test Valley</b>	BodyPlus	/	
	3D Health and Fitness	/	
	Studio Yoga	/	
	Sarah Bristow Yoga Classes	/	
	Middle Wallop Gym	/	

12.46 In terms of fitness/health activity participation rates, the household survey results show that 24.7% of respondents in the Study Area visited a gym, health club or sport facility. The findings are as follows:

- Within the **Study Area**, 75.5% visit more than once a week and 15.4% visited once a week.
- Within **Andover Primary Catchment Area**: 91.3% visit more than once a week; 7.3% visit once a week; and 0.5% every month.
- Within **Romsey Primary Catchment Area**: 80.5% visit more than once a week; 12.8% visit once a week; and 2.7 % every month.
- Within **Test Valley**: 75.5% visit more than once a week; 15.4% visit once a week; and 1.5% every month.

12.47 The table below is based on the household survey analysis, and sets out the retention levels of the health and fitness facilities in the Test Valley Area, as well the trade leakage to locations outside the Council Area.

Table 12.12: Health and Fitness Facilities within the Study Area

Location	Andover (Zones 4 and 5)	Romsey (Zones 1 and 2)	Test Valley (Zones 1-5)	Study Area
<b>Andover</b>	<b>85.5%</b>	<b>0.0%</b>	<b>50.9%</b>	<b>13.0%</b>
Reasons Fitness, Parnell Court, Andover	26.6%	0.0%	14.3%	3.4%
Snap Fitness, Munros Corner, New Street, Andover	22.8%	0.0%	11.9%	2.8%
Energie Fitness Clubs, Anton Trading Estate, Anton Mill Road, Andover	15.4%	0.0%	8.5%	3.0%
Andover Leisure Centre, West Street, Andover	9.0%	0.0%	6.6%	1.6%
Salto Fitness, Charlton Road, Andover	6.3%	0.0%	3.3%	0.8%
Other	5.3%	0.0%	6.4%	1.5%
<b>Romsey</b>	<b>4.2%</b>	<b>40.7%</b>	<b>18.5%</b>	<b>14.3%</b>
The Rapids/Romsey Rapids, Southampton Road, Romsey	3.6%	23.2%	11.2%	7.7%
Cross Fit, Romsey Ind. Estate, Romsey	0.0%	8.2%	3.3%	0.8%
Academy Studios, Romsey Industrial Estate, Greatbridge Road, Romsey	0.0%	3.9%	1.6%	0.4%
Curves, Station Approach, Romsey	0.6%	1.2%	0.8%	0.2%
Ampfield Golf & Country Club, Winchester Road, Romsey	0.0%	0.6%	0.3%	0.1%
Other	0.0%	3.5%	1.4%	5.2%
<b>Other Locations in Test Valley</b>	<b>2.9%</b>	<b>0.0%</b>	<b>1.5%</b>	<b>0.4%</b>
<b>Test Valley Total</b>	<b>92.5%</b>	<b>40.7%</b>	<b>71.0%</b>	<b>27.7%</b>
<b>Locations Outside Test Valley</b>	<b>7.5%</b>	<b>59.3%</b>	<b>29.0%</b>	<b>72.3%</b>
3D Health & Fitness, Trafalgar Close, Chandlers Ford	0.0%	3.9%	1.6%	0.4%
Chilworth Golf Club, Main Road, Southampton	0.0%	4.2%	1.7%	0.4%
Curves Womens Gym, Upper Market Street, Eastleigh	0.0%	4.2%	1.7%	0.4%
David Lloyd Southampton West End, West End, Southampton	1.8%	17.2%	7.9%	2.5%
David Lloyd, Frogmore Lane, Nursling, Southampton	0.0%	6.0%	2.4%	4.8%
Fleming Park Leisure Centre, Passfield Avenue, Eastleigh	2.1%	12.1%	5.9%	7.7%
Knightwood Leisure Centre, Knightwood Road, Valley Park Chandlers Ford	0.0%	2.6%	1.1%	0.9%
Parkwood Health & Fitness, London Road, Salisbury	2.4%	0.0%	1.2%	0.7%
The Club, Best Western, Chilworth Manor, Chilworth	0.0%	7.1%	2.8%	0.7%
Totton Health And Leisure Centre, Water Lane, Totton, Southampton	0.0%	0.0%	0.0%	19.2%
Other Locations Outside Test Valley Subtotal	1.2%	2.1%	2.7%	34.6%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

12.48 The key findings are discussed below:

- **Andover** has a good retention rate of health and fitness users, with 85.5% of the population in its PCA choosing local facilities. The most popular facilities are Reasons Fitness (26.6%) and Snap Fitness (22.8%). Both of these are located out of centre. It is noted that the in-centre Andover Leisure Centre recorded a 9.0% market share; whilst this is relatively low it is probably explained by its ongoing refurbishment.
- **Romsey** has a lower market share (40.7%) of health and fitness use within its PCA. The majority (59.3%) of health and fitness use is leaking to locations outside of the Borough. The most popular facilities are David Lloyd in Southampton (17.2%) and Fleming Park in Eastleigh (12.1%). This may indicate there is a lack of branded health and fitness facilities within Romsey; and/or the fact that a significant proportion of Romsey's residents work in Southampton and Eastleigh and use the local gym facilities due to convenience. It should be noted that the in-centre survey results found that 15.8% of respondents identified that the Romsey Town Centre is lacking a leisure centre (15.8%) and a health and fitness club (10.5%). As such it would appear that there is a qualitative need for health and fitness facilities in Romsey.



## Bingo & Gambling Needs

- 12.49 Gambling represents a significant element of the leisure industry. The main sectors of the gambling industry comprise 'games of chance' (i.e. bingo clubs, casinos, betting shops, amusement arcades, etc.). We briefly describe the key trends in this sector and the forecast need/ demand for new facilities in the Study Area, if any, based on the available evidence.
- 12.50 In terms of **Bingo Halls**, the latest research by The Gambling Commission (Industry Statistics November 2015) indicates that there are over 599 licensed premises in operation in the UK, which is a reduction from 653 recorded in 2014. Gala Leisure and Mecco Bingo are the leading operators accounting for over a third (36.9%) of all premises. Research by Mintel indicates that the industry has experienced a fall in revenues and admissions over recent years as a result of legislative changes (such as the ban on smoking in public places), the impact of the economic downturn and the growth of online gaming. 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. The above has resulted in the closure of many bingo halls across the UK.
- 12.51 For **Casinos** research shows that there were some 147 venues in the UK in September 2015. The number of premises has remained fairly static over the past five years. This sector is dominated by two companies: the Rank Group (incorporating Grosvenor Casinos and Gala Coral Casinos) and Genting UK. There has been consolidation of the sector in the past few years, with acquisitions such as Rank Group's purchase of Gala Coral Casinos making it the largest operator in the UK. While casino attendance has grown from 18.24m in 2012 to 20.44m in 2015, attendance dropped by 2.6% from 2014 (20.99m). The increase in attendance since 2012 is largely explained by larger new casino venues granted licences under the 2005 Gambling Act. As far as we are aware there is no casino facility located within the LPA area. The nearest commercial casinos are in Newbury (Casino Slots); Reading (Genting and Grosvenor Casino); Southampton (the Genting and Grosvenor Casino) and Bournemouth (the Genting, Grosvenor Casino, Absolute Fun Casino and Viva Las Vegas).
- 12.52 **Betting shops** do represent a growing market in the gambling sector and are ever present on the UK's high streets. There are approximately 9,000 betting shops in the UK, of which around half are operated by Ladbrokes and William Hill. Regulatory changes in 2015 led to a fall in revenue and profit. In response, William Hill announced their intention to close 150 of their 2,300 outlets. As gambling activities continue their shift to online channels, demand for physical outlets could dampen in the future. The presence of betting shops in high streets is a contentious issue, particularly the perceived social issues that are linked to this particular activity (e.g. anti-social behaviour) and their concentration in deprived areas. The Government has recognised that betting shops have specific impacts and in 2016 reclassified betting shops from A2 to Sui Generis use. This reclassification gave local authorities greater control on managing the number of outlets and therefore greater potential to limit impacts associated with betting shops.
- 12.53 The household survey results indicate that visiting bingo halls, casinos and/or bookmakers is not an important activity for respondents living within the Study Area since only 4.8% take part in this activity. In terms of participation rates across the Study Area, findings are as follows:



- Within the **Study Area**, 34.5% visit once a week; 19.3% visit once a month; 9.5% visit once a year; 8.2% visit every six months; 5.3% visit more than once a week; 3.7% visit once a fortnight; and 2.9% visit once every two months.
- Within **Andover Primary Catchment Area**, 27.4% visit once a week; 27.4% visit once fortnight; 27.1% visit once a month; and 11.9% visit every six months.
- Within **Romsey Primary Catchment Area**, 9.7% visit once a week; 58.5% visit every two months; and 31.8% visit once a year or less.

12.54 The table below is based on the household survey results, and sets out the market share of the bingo halls, casinos and bookmaker facilities in the Borough, as well as the leakage to locations outside the Borough.

**Table 12.13: Bingo Halls, Casinos and Bookmakers**

Location	Andover (Zones 4 and 5)	Romsey (Zones 1 and 2)	Test Valley (Zones 1-5)	Study Area
<b>Andover</b>	<b>80.0%</b>	<b>0.0%</b>	<b>63.2%</b>	<b>23.6%</b>
<b>Romsey</b>	<b>0.0%</b>	<b>9.7%</b>	<b>1.8%</b>	<b>0.3%</b>
<b>Test Valley Total</b>	<b>80.0%</b>	<b>9.7%</b>	<b>65.0%</b>	<b>23.9%</b>
<b>Locations Outside Test Valley</b>	<b>20.0%</b>	<b>90.3%</b>	<b>35.0%</b>	<b>75.2%</b>
Gala Bingo, Basingstoke	12.7%	0.0%	10.0%	3.5%
Gala Bingo, Salisbury	7.3%	0.0%	5.8%	10.2%
Gala Bingo, Southampton	0.0%	58.5%	11.0%	36.5%
Genting Casino, Southampton	0.0%	0.0%	0.0%	4.9%
Leo Leisure, Eastleigh	0.0%	0.0%	0.0%	3.6%
Other	0.0%	31.8%	8.2%	16.5%
<b>Internet / Online</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.9%</b>
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

12.55 The key findings are discussed below:

- **Andover** retains 80% of the gambling population in its PCA. This is positive.
- **Romsey** on the other hand only retains 9.7% of its gambling population, with the majority (90.3%) choosing to gamble outside the Test Valley Area (mainly in Southampton and Eastleigh).
- **Online** gambling is surprising low with only 0.9% of respondents from the Study Area using the internet for these leisure activities. This figure is primarily driven by the population in Zone 6 – this is a rural area and is unlikely to have easy access to gambling facilities.

12.56 In our judgement, there is no demonstrable need to enhance existing provision to improve competition and choice at the local level; although this will be subject to market interest and demand from other bingo and casino operators seeking representation in the Borough and its main centres. If demand arises in the future, we advise that this should be directed to the town centres first in accordance with national and local plan policy. Given that current trends for bingos and casinos show activity moving online instead of physical venues, future demand for new venues is expected to be very limited.

## Other Commercial Leisure Needs

- 12.57 Other commercial leisure facilities can be grouped together under 'family entertainment' venues which include paid activities that appeal to adults and children; such as, for example, tenpin bowling, roller skating, ice skating, and similar uses.
- 12.58 **Tenpin bowling** is possibly the most popular of this category and has been established as a commercial leisure activity in the UK for over 40 years. It remains a strong family and group activity. Research shows that there are currently over 321 bowling centres in the UK. This sector benefitted from a period of growth from the mid-1990s onwards, 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. It is the critical mass of leisure uses under one roof or as part of leisure parks that helps to underpin the viability of ten-pin bowling centres, which can struggle as standalone attractions. Examples of the smaller specialist operators include All Star Lanes which operates five bowling venues in the UK (four in London and one in Manchester) and largely targets 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, small scale cinema and a venue for bands and live performers/comedy nights.
- 12.59 The household survey indicates that 18.1% of respondents from the Study Area partake in family entertainment activities. Family activities are carried out less frequently than other leisure activities, with 38.8% of respondents from the Study Area carrying out family 'activities' once every six months and 19.7% once every two months. Only 5.3% of respondents the Study Area visit family attractions once a week and 13.3% visit once a month.
- 12.60 The table below is based on the analysis of the HTIS, and sets out the retention levels of family attractions in the Test Valley area, as well the leakage to locations outside the Council Area.

**Table 12.14: Family Entertainment Venues**

Location	Andover (Zones 4 and 5)	Romsey (Zones 1 and 2)	Test Valley (Zones 1-5)	Study Area
<b>Test Valley</b>	<b>56.7%</b>	<b>0.0%</b>	<b>37.9%</b>	<b>9.1%</b>
Andover	56.7%	0.0%	37.9%	9.1%
<b>Locations Outside Test Valley</b>	<b>43.3%</b>	<b>100.0%</b>	<b>62.1%</b>	<b>90.9%</b>
Basingstoke	43.3%	0.0%	30.7%	11.8%
Southampton	0.0%	55.4%	16.1%	40.5%
Eastleigh	0.0%	39.7%	11.7%	24.3%
Swindon	0.0%	0.0%	0.0%	2.5%
Winchester	0.0%	4.9%	1.9%	8.3%
Salisbury	0.0%	0.0%	0.0%	1.3%
Other	0.0%	0.0%	1.7%	2.2%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- 12.61 The key findings are discussed below:

- **Andover** retains 56.7% of expenditure in its PCA. We understand that the Riverside Bowling, located on Bridge Street, is the only family entertainment facility in Andover. Nearly half of the expenditure from Andover's PCA is spent in locations outside Test Valley. The most popular facility visited by respondents within Andover's PCA is Basingstoke: this is primarily split between the facilities in the town centre, and the out of centre Hollywood Bowl in Basingstoke. Respondents residing in the PCA were asked in the

household survey if there are any potential improvements that could be made, with regards to the leisure provision in Andover: in terms of family attractions, respondents indicated that the wider variety and choice of children's amenities (3.6%); and an ice rink (1.5%) would benefit the centre. The in-centre survey indicate that some 12.7% of respondents in Andover would like more amenities for children.

- **Romsey** does not retain any expenditure within its PCA, with all the residents visiting attractions outside Test Valley. The key attractions are those in Southampton (55.4%) and Eastleigh (39.75), with bowling facilities being specifically popular. Respondents residing in the PCA were asked in the household survey if there are any potential improvements that could be made, with regards to the leisure provision in Romsey. In terms of family attractions, respondents indicated that an ice rink (0.5%) would benefit the centre.

12.62 As such, there is a qualitative gap in the family entertainment facilities in both Andover and Romsey. Such facilities should be encourage to locate in the town centres.

## Cultural Activities

12.63 Cultural activities include a broad range of activities that are focused on the arts and historic attractions. For the purpose of this assessment, consideration is given firstly to the provision of theatres and music venues, and secondly, historic/cultural attractions. The current provision of cultural venues (including theatres, music venues, museums, and art galleries) is set out in the table below:

**Table 12.15: Cultural Facilities in Test Valley**

Venue Type	Town	Name
<b>Theatre and Music</b>	Andover	The Lights
	Romsey	Plaza Theatre
<b>Historical &amp; Cultural</b>	Andover	Andover Museum and Museum of the Iron Age Museum of Arm Chaplaincy
	Romsey	King Johns House Museum Romsey Abbey Rum's Eg Gallery

### *Theatres and Music Venues*

12.64 The results of the household survey indicate that 40.6% of respondents from the Study Area visit theatres and music venues (10.9% in Andover PCA; 13.5% in Romsey PCA and 1.2% for the Test Valley Area).

12.65 The table below shows where respondents living in the Study Area go to visit theatres and music venues.

**Table 12.16: Theatres and Music Venues**

Location	Andover (Zones 4 and 5)	Romsey (Zones 1 and 2)	Test Valley (Zones 1-5)	Study Area
<b>Test Valley</b>	<b>28.1%</b>	<b>9.9%</b>	<b>17.9%</b>	<b>5.5%</b>
Andover	28.1%	0.0%	13.2%	3.8%
Romsey	0.0%	9.9%	4.6%	1.7%
<b>Locations Outside Test Valley Subtotal</b>	<b>71.9%</b>	<b>90.1%</b>	<b>82.1%</b>	<b>94.5%</b>
Mayflower Theatre, Southampton	12.3%	60.5%	34.2%	40.9%
Central London / West End	43.0%	10.3%	27.5%	20.4%
Salisbury Playhouse, Malthouse Lane, Salisbury	1.8%	0.0%	1.9%	10.5%
Nuffield, Southampton	0.6%	10.7%	5.7%	5.1%
Theatre Royal, Winchester	6.2%	0.0%	4.3%	2.7%
Other	8.0%	8.6%	8.5%	15.0%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

12.66 The key findings are discussed below:

- **Andover** has relatively respectable retention rate of 28.1% within the PCA especially given that this is achieved by only one venue (the Lights Theatre in the centre). Unsurprisingly, there is a large “leakage” to locations outside Test Valley, namely the West End in Central London (43.0%); the Mayflower Theatre in Southampton (12.3%); and the Theatre Royal in Winchester (6.2%). The leakage to these locations is unsurprising given their extensive offer and close proximity to Andover.
- **Romsey** has a low retention rate of 9.9% within its PCA, with only one venue Plaza Theatre on Winchester Road. The majority of respondents from the PCA visit locations outside Test Valley, namely the Mayflower Theatre in Southampton (60.5%); and the West End in Central London (10.3%). Again, this leakage to these locations is unsurprising given their extensive offer and close proximity to Romsey. It should be noted that 10.5% of respondents from the in-centre survey indicated that an additional theatre would benefit Romsey. This, combined with the household survey results suggest that Romsey has a limited theatre provision.

### ***Historical and Cultural Attractions***

12.67 The results of the household survey indicate that 23.8% visit museums, galleries and places of historical or cultural interest (6.6% visit in Andover PCA; 7.6% visit in Romsey PCA; and 7.0% visit from the Test Valley area).

12.68 The table below is based on the analysis of the HTIS, and sets out the retention levels of museums, galleries and places of historical or cultural facilities in the Test Valley Area, as well the trade leakage to locations outside the Council Area.

**Table 12.17: Historical and Cultural Attractions**

Location	Andover (Zones 4 and 5)	Romsey (Zones 1 and 2)	Test Valley (Zones 1-5)	Study Area
<b>Test Valley Locations</b>	<b>30.5%</b>	<b>3.0%</b>	<b>13.7%</b>	<b>2.5%</b>
Andover	30.5%	0.0%	12.0%	2.0%
Romsey	0.0%	3.0%	1.6%	0.5%
<b>Locations Outside Test Valley</b>	<b>69.5%</b>	<b>97.0%</b>	<b>86.3%</b>	<b>97.5%</b>
Central London / West End	49.1%	44.9%	45.2%	39.1%
Winchester	10.7%	1.1%	6.7%	3.8%
Southampton	0.0%	29.9%	18.1%	12.5%
Salisbury	4.8%	0.0%	1.9%	6.1%
Weyhill	4.8%	0.0%	1.9%	0.3%
Other	0.0%	21.1%	12.5%	35.7%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

12.69 The key findings are discussed below:

- **Andover** retains 30.5% of expenditure in its PCA, which is respectable given that this is generated by only one venue, Andover Museum. The remaining expenditure (69.5%) is lost to attractions outside Test Valley, with nearly half visiting the West End in Central London (49.1%).
- **Romsey** retains only 3.0% of expenditure in its PCA, which is to be expected given there is only one museum in Romsey (King Johns House) and the Romsey Abbey. The remaining expenditure (97.0%) is lost to attractions outside Test Valley, namely the West End in Central London measured by its market share (44.9%) and the Sea City Museum in Southampton (26.6%).

12.70 This would suggest that there is a potential gap in provision of historical and cultural attractions in Andover, and a definite need to increase the number/quality of such attractions in Romsey.

## Hotel Provision

12.71 Table 12.18 below outlines the hotel provision in the Test Valley area.

**Table 12.18: Hotel Provision across the Study Area**

Town	Hotel	Price
Andover Urban Area	The Star and Garter	£40
	White Hart	£45
	Best Western Andover Hotel	£48
	Old Grange B&B	£75
	Premier Inn	£69
	Travelodge Andover	£69
	Garden Cottage B&B	£80
	White Horse Inn	£73
Romsey Urban Area	The White Horse	£170

	The Palmerston Rooms B&B	£80
	The Cromwell Arms Pub & Hotel	£75
	Ranvilles Farm House	£80
	Richmond Lane Guest House	£70
Stockbridge Urban Area	The White Hart	£79
	The Grozvenor	£58
	The Three Cups Inn	£100
	The Peat Spade Inn	£79
Newton Urban Area	Ha'penny Acre B&B	£85
	Woodpackers B&B	£92
Ampfield Urban Area	The Potters Heron Hotel	£57
Amport Urban Area	The Hawk Inn	£94
Grateley Urban Area	Gunville House B&B	£75
Barton Stacey Urban Area	Travelodge Barton Stacey	£33

Source: Carter Jonas' own research

12.72 Overall, there is a slightly greater concentration of hotel provision in Andover, in contrast to Romsey. The key findings are discussed below:

- **Andover** - the majority of hotels are mid-range (indicated by price) independent operators. There are two national budget operators, namely Premier Inn at West Portway Industrial Estate and Travelodge at Andover Business Park. The provision within Andover Town Centre is similar, the majority of hotels being located in public houses.
- **Romsey** - the hotel provision is of higher quality to Andover (as indicated by price and overall quality). The provision within Romsey Town Centre is also considered to be of a good quality. For example the White Horse, a historic inn located on Market Place, and The Palmerston Rooms, a traditional Edwardian lodge located on Palmerston Street.

12.73 It is important that the Council considers marketing and promoting the attractions to help draw year-round trips to these venues. In this way there may be potential opportunities for growth in this sector. We therefore recommend that the Council undertake an assessment of the current supply of hotel rooms, occupancy rates and revenue generated (RevPAR) to get an understanding of current performance and any potential for growth.

## Conclusion

12.74 Our review of the commercial leisure sector focuses on updating the quantitative need for new cinema screens and food and beverage provision, as well as the qualitative offer of health and fitness facilities, bingo and gambling activities, family entertainment venues, theatres and music venues, historical and cultural attractions, and hotels.

12.75 The commercial leisure industry faces considerable challenges and pressures. It is clear that consumers are becoming increasingly selective in terms of how they spend their discretionary leisure spending. There will also be a continued increase in at-home activities due to the advanced in computers, tablets, television, gaming, and

audio technology. The challenge for town centres and leisure operators in the future is to attract customers away from their homes.

- 12.76 Our review indicates that there is a currently an adequate provision of leisure facilities in the Borough, but there are areas that are in need for improvement.
- 12.77 In terms of **cinema provision**, the assessment found that the Odeon cinema (5 screens) in Andover acts as one of the key attractions, retaining a significant proportion of the population in the Andover PCA (94.9%) – this is very positive. Romsey on the other hand does not benefit from a commercial cinema; and the only cinema facility is that within Romsey Town Hall which operates every Monday. As such it is not surprising that within Romsey's Primary Catchment Area 95.5% of population travel outside of the Test Valley Area for their cinema needs. This level of "leakage" indicates that in qualitative terms Romsey lacks a cinema. Our quantitative assessment, however, found that there is no capacity for additional cinema screens across the Council Area. If demand from operators does exist, this should be directed to town centres first (and ideally into Romsey) in accordance with national and local policy objectives.
- 12.78 Looking at **eating and drinking out**, the household survey has indicated that centres in the Borough collectively have a relatively strong retention level (64.2%) for eating and drinking out from within the wider Study Area. However, within both Andover and Romsey there is need for a qualitative and quantitative improvement in the food and beverage sector. The quantitative assessment shows that across the Council Area, there is capacity for new food and beverage floors for between 464 sqm gross in 2021 increasing to 12,300 sqm gross by 2036. In compliance with the objectives of the NPPF, this forecast need should be directed to town centres within Test Valley first to help increase competition and choice, and to help underpin their daytime/evening economies.
- 12.79 Our assessment of the **health and fitness facilities** across the Council Area shows that Andover has a strong provision on the basis that 85.5% of the population in its PCA is choosing to use local facilities. Romsey on the other hand is 'losing' 59.3% of health and fitness expenditure to locations outside of the Test Valley Area. This may indicate there is a lack of branded health and fitness facilities within Romsey. The in-centre survey results also confirm that Romsey Town Centre lacks health and fitness facilities. As such it would appear that there is a qualitative need for health and fitness facilities in Romsey.
- 12.80 In terms of **bingo and gambling activities**, the household survey results indicate that visiting bingo halls, casinos and/or bookmakers is not an important activity for respondents living within the Study Area. In our judgement, there is no demonstrable need to enhance existing provision to improve competition and choice at the local level, although this will be subject to market interest and demand from other bingo and casino operators. If demand arises in the future, we advise that this should be directed to the town centres first in accordance with national and local plan policy. Given that current trends for bingos and casinos show activity moving online instead of physical venues, future demand for new venues is expected to be very limited.
- 12.81 Looking at **family entertainment**, our analysis of the existing provision shows that nearly half of the expenditure from Andover's PCA is spent in locations outside Test Valley, and primarily in Basingstoke; Romsey does not retain any expenditure within its PCA, with all the residents visiting attractions outside Test Valley. The key attractions are those in Southampton and Eastleigh with bowling facilities being particularly popular. As such, there is a qualitative gap in the family entertainment facilities available in both Andover and Romsey. Such facilities should be encouraged to locate in the town centres.
- 12.82 An assessment of **cultural activities** (such as theatres, music venues, historical and cultural attractions) was carried out as part of the Study. This highlighted that there is a potential gap in provision of historical and cultural



attractions in Andover, and a definite need to increase the number/quality of such attractions in Romsey. Romsey also has a limited theatre provision.

- 12.83 In terms of **hotels**, the provision across Test Valley is characterised by independent operators. Looking at the individual centres, the provision in Andover is considered to be mid-range, whereas in Romsey, the offer is of a higher quality. To help maintain and enhance the visitor and tourist economy across the Study Area and its main centres, Test Valley Borough Council should proactively seek to increase hotel and visitor/tourist accommodation in the main centres, subject to market demand. To further help inform the proactive planning and development of new accommodation we recommend that a more detailed hotel needs assessment is undertaken.

## 13 SHOPPING FRONTAGES & BOUNDARIES POLICY CONTEXT

### Shopping Frontages & Boundaries National Policy and Context

- 13.1 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 23) to define the extent of Town Centres and Primary Shopping Areas (PSAs), based on a clear definition of primary and secondary frontages in designated centres, and set policies that make clear which uses will be permitted in such locations.
- 13.2 The NPPF (Annex 2) defines primary and secondary frontages as follows:
- **Primary Shopping Frontages (PSFs)** - likely to include a high proportion of retail uses, which may include food, drinks, clothing and household goods.
  - **Secondary Shopping Frontages (SSFs)** - provide greater opportunities for a diversity of uses such as restaurants, cinemas and businesses.
- 13.3 The difference between the definition of the Primary Shopping Area and Town Centre Boundary is defined by NPPF (Annex 2) as follows:
- **Primary Shopping Area (PSA)** - the area where retail development is concentrated and generally comprises the PSFs and those SSFs which are “adjoining and closely related to the primary shopping frontage”.
  - **Town Centre Boundary (TCB)** – defined as the area on the local authority’s proposal map, including the primary shopping area and areas predominantly occupied by main Town Centre uses within or adjacent to the primary shopping area.
- 13.4 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 24-27).
  - 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 and up to 300 metres of the primary shopping area”. For all other main Town Centre uses it is a location “within 300 metres of a Town Centre boundary”; and for office development, it includes “locations outside the Town Centre but within 500 metres of a public transport interchange”. The NPPF states that 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 24).
  - Third, defining the extent of the PSF and PSA for Town Centres will also enable local planning authorities to manage Permitted Development Rights (PDR), principally from retail to residential use.
- 13.5 It is against this policy background and guidance that we have necessarily reviewed and identified the extent of each centre’s primary and secondary shopping frontages, PSA and Town Centre Boundaries. Our assessment has been based by our health checks and site visits of the main centres during 2017.

### **Frontage Policy Trends**

13.6 To inform this Study we have reviewed the Development Plan Documents that have been adopted by other Local Planning Authorities in 2015 and 2016. This was done in order to understand how frontage policies are dealt with by others and to establish general trends for dealing with this matter. The following Local Plan Documents have been found particularly useful as part of the exercise, reflecting a variety of types of frontage policies:

- Chorley Local Plan 2012-2026 Site Allocations and Development Management Policies Development Plan Document, adopted in July 2016.
- Tunbridge Wells Borough Site Allocations Local Plan, adopted in July 2016
- Hinckley and Bosworth Borough Council Local Plan 2006 – 2026 Site Allocations and Development Management Policies DPD, adopted in July 2016.
- North Somerset Council Development Management Policies Sites and Policies Plan Part 1, adopted in July 2016.
- Fareham Local Plan Part 2: Development Sites and Policies, adopted in June 2015.
- Rochford District Council adopted its Rochford Town Centre Area Action Plan in April 2015.
- South Ribble Borough Council adopted its Local Plan in July 2015.

13.7 As part of this review, it has been recognised that in general, recently adopted policies seek to control the combination of retail and Town Centre uses as defined by the Framework. The following three trends in frontage policies have been identified:

#### **1. Minimum Threshold Policy**

13.8 A minimum threshold policy can be adopted to control the composition of the shopping frontages in centres. This is where certain Use Classes, typically non-A1 uses, are not permitted if they would result in the reduction of A1 uses below a certain level. This can either be a measured proportion of a particular frontage of a certain area of the centre (i.e. the length of individual shop fronts compare to the total frontage length, or the number of units measured against the number of units in a particular frontage) or the centre as a whole.

13.9 The minimum threshold can be set to any use, which the Council desires to maintain, or a combination of uses.

13.10 Such approach is very precise in application and monitoring, but does not offer the flexibility that may be desired to adapt to changing Town Centre trends and consumer demands and habits. As such, the use of these types of policies is increasingly becoming less popular with Local Planning Authorities. Nevertheless, as an example the following recently adopted development plan documents contain this type of policies:

- Broadland District Council, Development Management DPD, 2015 – see Policy R1
- London Borough of Brent, Local Plan, 2016 – see policy DMP2
- Newham Council, Newham's Local Plan Detailed Sites and Policies Development Plan Document, 2016 – see policy SP10

#### **2. Criteria-based Policy**

13.11 In seeking to control the composition of the shopping frontages in their centres, it is possible to employ a number of criteria, which would need to be met before certain uses are permitted. This would typically apply to non-A1 uses or even the wider “Town Centre uses” as defined by the Framework. The latter is more commonly employed for Secondary Frontages, however not in all cases.

13.12 The wording of the qualifying criteria differs depending on the Local Planning Authority to reflect their local circumstances. However, below we provide examples of the themes that such policies cover:

- a. Permit proposals where they do not adversely impact either individually or cumulatively, on the function, vitality and viability of a particular type of frontage, specific area of the centre or the centre as a whole. or
- b. Permit proposals where they maintain and enhance the vitality of the particular type of frontage, specific area of the centre or the centre as a whole for example by:
  - i. Promoting evening and daytime economy;
  - ii. Providing for (independent) retailers that contribute to the overall vitality of the centre;
  - iii. Not resulting in such a concentration/ excessive concentration as to lead to a significant interruption in the shopping frontage, reducing its character/ attractiveness/ function. Some local plans defined “concentration” by stating a maximum number of adjoin units in the same Use Class;
  - iv. Retaining active shop window display;
  - v. Opening (staying open) between certain hours;
  - vi. Promoting diversity of offer/ extend the range of activities available to shoppers/ other uses as to enhance the experience of visiting the centre;
  - vii. Increasing footfall/ not resulting in the reduction of footfall;
  - viii. Not resulting in an over proliferation of any one use type;
  - ix. Maintaining the dominant shopping character;

13.13 As an example, the following recently adopted development plan documents contain these types of policies:

- Chorley Council, Local Plan 2012-2026 Site Allocations and Development Management Policies, 2016 – see Policy EP6.
- North Somerset Council, Development Management Policies Sites and Policies Plan Part 1, 2016 – see Policy DM63
- Fareham Local Plan Part 2: Development Sites and Policies, 2015 – see Policies DSP21, DSP22
- Hinckley and Bosworth Borough Council, Local Plan 2006 – 2026 Site Allocations and Development Management Policies DPD, 2016 – see Policy DM22
- Blackburn with Darwen Borough Council, Local Plan Part 2 Site Allocations and Development Management Policies, 2015 – see Policy 27

- Bristol City Council, Bristol Central Area Plan, 2015 – see Policies BCAP16, BCAP 17
- Taunton Deane Borough Council, Taunton Deane Adopted Site Allocations and Development Management Plan, 2016 – see Policy TC1

### 3. Hybrid Threshold and Criteria Policy

13.14 In seeking to control the composition of the shopping frontages, it is possible employ a combination of the above options. For example the following Local Plan documents use “hybrid” frontage policies:

- Tunbridge Wells Borough Site Allocations Local Plan , July 2016 - see Policies CR5 to CR12
- Hackney Council, The Hackney Development Management Local Plan, 2015 – see Policy DM9
- Hastings Borough Council, Hastings Development Management Plan, 2015 – see Policy SA1
- South Ribble Borough Council, Local Plan, 2015 – see Policy E3
- Rochford District Council, Rochford Town Centre Area Action Plan, 2015 - see Policy 2

13.15 In order to allow for more flexibly it is common for the minimum A1 Use Class threshold to be supplemented by an “exception” policy where other Use Classes are allowed subject to passing a set of criteria. It should also be noted that in such hybrid cases some policies do not set a fixed threshold, but rather encourage achieving / maintaining a certain threshold.

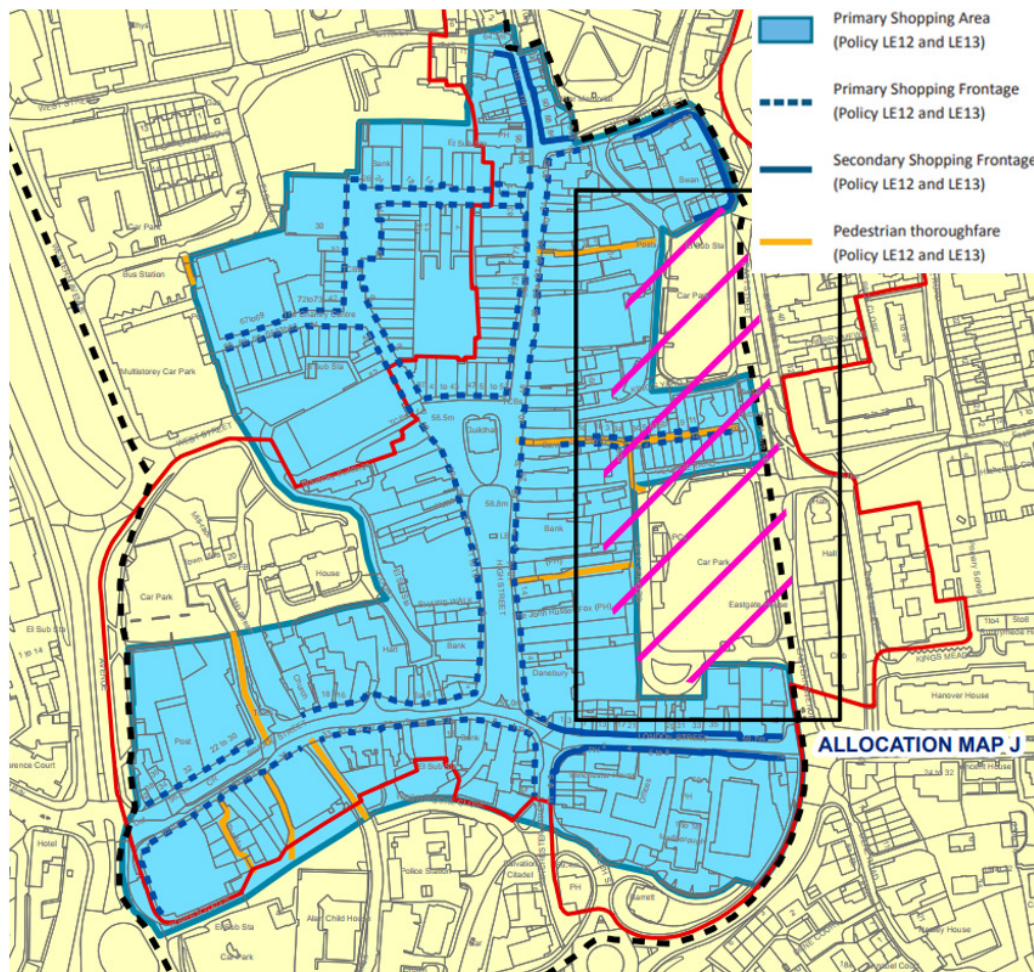
13.16 It is also possible to supplement a minimum A1 Use Class threshold with criteria based policies, where a proposal would have to pass both sets of tests before being permitted. This is considered to be a very rigid approach that allows for no flexibility.

## Test Valley Council’s Current Policy Context

### *Andover*

13.17 The Council’s Proposals Map (Inset Map 2) outlines the Primary Shopping Frontages (PSF) and the Secondary Shopping Frontages (SSF) for Andover. This is reproduced below.

Figure 13.1 - Andover Primary Shopping Area



13.18 We have considered whether extent of the PSA, the PSF and SSF are appropriate in terms of broadly reflecting the NPPF definitions. To do so we have analysed the data provided by the Council that looks at the Use Class composition of Andover, based on the Council Audit dated October 2017.

13.19 The figure below shows the Use Class Composition of Andover in 'heat map' form.



Figure 13.2 – Use Class Composition of Andover



- 13.20 In general terms, it is considered that the extent of the PSA, the PSF and SSF are appropriate and broadly reflect the NPPF definitions. However, we would recommend that the boundaries are reviewed when the Council considers the availability and suitability of sites to accommodate the identified retail and leisure needs.
- 13.21 As part of this Study we have also reviewed the relevant frontage policies. **Policy LE13** “Ground Floor Uses in Andover” of the adopted Local Plan seeks to control the uses within the ground floor units within the Primary and Secondary Shopping Frontages fronting a street or pedestrian thoroughfare:

*“Only shops (Class A1 use), financial and professional services (Class A2 use), restaurants and cafes (Class A3 use), drinking establishments (Class A4 use), and hot food takeaways (Class A5 use) will be permitted within the ground floor units within the primary and secondary shopping frontages fronting a street or pedestrian thoroughfare (see Map 2).*

*Within the primary shopping frontages of Andover, the use of ground floor units fronting a street or pedestrian thoroughfare for financial and professional services (Class A2 use), restaurant and cafes (Class*



A3 use), drinking establishment (Class A4 use) and hot food takeaways (Class A5 use) will be permitted provided that:

a) the proposed use would not result in the number of units in non shop (non-Class A1) use exceeding the proportion of 30%: or

b) the proposed use would not result in a concentration of more than three consecutive units in non shop (non-Class A1) use.”

13.22 The table below sets out the Use Class composition of Andover, based on the Council Audit dated October 2017.

**Table 13.1 – Andover PSA Use Class Composition**

LOCATION	A1 USE	A2 USE	A3 USE	A4 USE	A5 USE	Other	TOTAL	Vacant
Primary Shopping Frontage								
Number	141	24	21	6	8	17	217	31
%	65%	11%	10%	3%	4%	8%	100%	
% of Non Class A1		35%						
Secondary Shopping Frontages								
Number	12	16	5	4	7	17	61	8
%	20%	26%	8%	7%	11%	28%	100%	

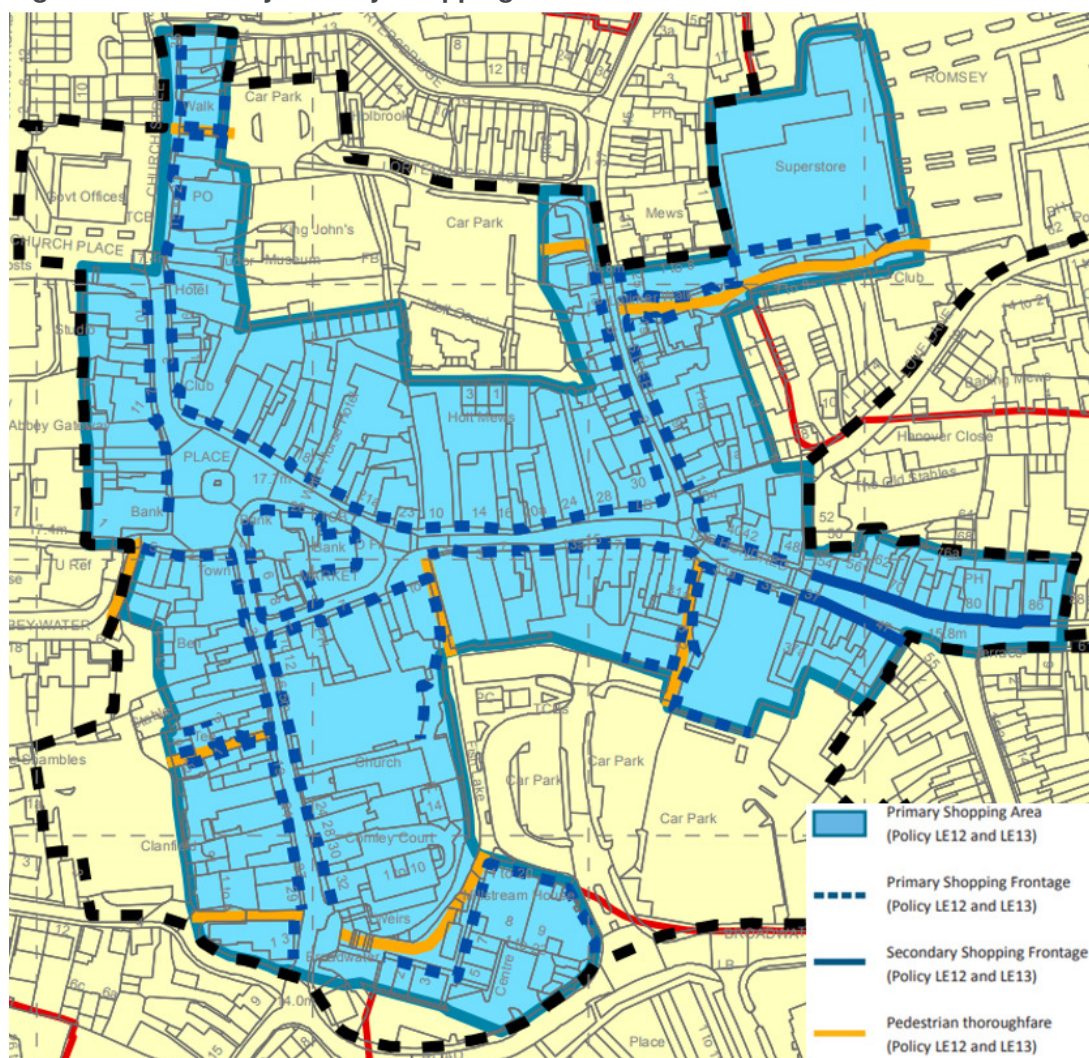
Source: Test Valley Council's survey of Andover Town Centre, October 2017

- 13.23 Within the Primary Shopping Frontage (PSF), the non-A1 uses currently account for 35% of all the uses at ground floor. As such, in line the criteria (a) of Policy LE13, planning applications for financial and professional services (Class A2 use), restaurant and cafes (Class A3 use), drinking establishment (Class A4 use) and hot food takeaways (Class A5 use) would be refused.
- 13.24 Section 8 looks at the health of Andover. One of its key findings was the fact that Andover's leisure facilities are currently scattered around the centre, and the centre could benefit from establishing a “cluster”, especially to aid the evening economy. The area to the south of the Guildhall building (all part of the PSF) is a prime location in our view for establishing a leisure cluster: it acts at the focal point of the town centre, and has the physical space to allow the “spilling out” of the uses onto the street (for example via alfresco dining).
- 13.25 As such, we consider that Policy LE13, as currently worded, prohibits the establishment of better leisure facilities (primarily in A3 and A4) which could improve the appeal of the centre. We would, therefore, recommend that the policy is amended so that it allows more flexibility. For example, this could be done by setting a policy specifically to the High Street (south of Guildhall), that will encourage leisure uses and allow flexibility, as well as the appropriate concentration of A3 (cafes and restaurants) and A4 (pubs and bars) uses in this area (for example, by looking at the wider effect it would have on the Town Centre).
- 13.26 We consider that that current wording of the Policy LE13 could continue to apply to the rest of the PSA, but with the addition of an “exception” element, where uses that maintain and enhance the vitality of the centre are encouraged, subject to passing a set of criteria. For example, Policy LE13 currently does not allow any D2 uses in the PSA. Uses such a gyms, cinemas, exhibition halls and galleries could acts as great footfall generators.

**Romsey**

13.27 The Council's Proposals Map (Inset Map 4) outlines the Primary Shopping Frontages (PSF) and the Secondary Shopping Frontages (SSF) for Romsey. This is reproduced below.

**Figure 13.3 - Romsey Primary Shopping Area**



13.28 We have considered whether the extent of the PSA, the PSF and SSF are appropriate in terms of broadly reflecting the NPPF definitions. To do so we have analysed the data provided by the Council that looks at the Use Class composition of Romsey, based on the Council Audit dated October 2017. The 'heat map' figure below shows the distribution of uses across the town.

Figure 13.4 – Use Class Composition of Romsey



- 13.29 In general terms, based on the current composition, we consider that the frontage allocations are generally appropriate, although we advise that Latimer Street and Latimer Walk should fall within SSF. However, we would recommend that the boundaries are reviewed further as part of an exercise where the Council considers the appropriate sites to accommodate the identified retail and leisure needs (see Section 11).
- 13.30 As part of this Study, we have also reviewed the relevant frontage policies. Policy LE12 “Ground Floor Uses in Romsey” of the adopted Local Plan seeks to control the uses within the ground floor units within the primary and secondary shopping frontages fronting a street or pedestrian thoroughfare:

*“Only shops (Class A1 use), financial and professional services (Class A2 use), restaurants and cafes (Class A3 use), drinking establishments (Class A4 use), and hot food takeaways (Class A5 use) will be permitted within the ground floor units within the primary and secondary shopping frontages fronting a street or pedestrian thoroughfare (see Map 4).*

*Within the primary shopping frontages of Romsey, the use of ground floor units fronting a street or pedestrian thoroughfare for financial and professional services (Class A2 use), restaurant and cafes (Class A3 use), drinking establishment (Class A4 use) and hot food takeaways (Class A5 use) will be permitted provided that:*

*a) the proposed use would not result in the number of units in non shop (non-Class A1) use exceeding the proportion of 35%; or*

*b) the proposed use would not result in a concentration of more than three consecutive units in non shop (non-Class A1) use."*

13.31 The table below sets out the Use Class composition of Romsey, based on the Council Audit dated October 2017.

**Table 13.2 – Romsey PSA Use Class Composition**

LOCATION	A1 USE	A2 USE	A3 USE	A4 USE	A5 USE	Other	TOTAL	Vacant
Primary Shopping Frontage								
Number	102	21	11	4	3	27	168	6
%	61%	13%	7%	2%	2%	16%	100%	
<b>% of Non Class A1</b>		<b>39%</b>						
Secondary Shopping Frontage								
Number	7	4	1	0	1	5	18	2
%	39%	22%	6%	0%	6%	28%	100%	

Source: Test Valley Council's survey of Romsey Town Centre, October 2017

13.32 Within the Primary Shopping Frontage (PSF), the non-A1 uses currently account for 39% of all the uses at ground floor. As such, in line the criteria (a) of Policy LE12, planning applications for financial and professional services (Class A2 use), restaurant and cafes (Class A3 use), drinking establishment (Class A4 use) and hot food takeaways (Class A5 use) would currently be refused.

13.33 One of the key findings from the health check of Romsey (Section 9) and the survey results is that the town's leisure services could be improved by introducing more evening economy uses and an offer that appeals more to the younger generation (such as a cinema etc.).

13.34 As such, we consider that Policy LE12, as currently worded, prohibits the establishment of better leisure facilities (primarily in A3 and A4, and some D2), which could improve the appeal of the centre. We would, therefore, recommend that the policy is amended so that it allows more flexibility. For example, the number of leisure units and their concentration could be assessed against a list of set criteria that seeks which uses that maintain and enhance the vitality of the centre are encouraged.

## 14 TOWN CENTRE STRATEGIES: SUMMARY OF KEY FINDINGS AND RECOMMENDATIONS

- 14.1 This section provides a summary of the relative health, role and function of the Council's main centres based on the survey evidence and health check assessments, along with the forecast quantitative/qualitative need for new retail floorspace and leisure uses across the Borough and the main centres of Andover and Romsey to 2036. We also set out a summary of the key recommendations to help inform plan-making and decision-taking in compliance with the NPPF and other key material considerations.

### Needs Assessment

- 14.2 This evidence-based study has forecast the quantitative and qualitative need for new retail (convenience and comparison) floorspace and leisure uses over the plan period, to 2036, in compliance with the NPPF.

#### *Convenience Floorspace*

- 14.3 Our assessment shows there will be 'residual' convenience goods expenditure capacity for £25.3m by 2036, after taking into account all known retail commitments. In order to translate this potential expenditure capacity into sales floorspace we have tested the following two different trading scenarios.
- 14.4 The first "**superstore format**" trading scenario assumes that the residual expenditure can support the higher average 'benchmark' turnover levels of the leading foodstore operators (i.e. Tesco, Sainsbury's, Asda, Morrison's, Waitrose and Marks & Spencer). Under this scenario the forecasts show limited capacity for new convenience goods floorspace in the Council Area between 2021 and 2026. The Council-wide capacity increases thereafter to **2,093 sqm net in 2036**. For the main centres in the Borough area, the majority of the capacity is forecast for Romsey Town Centre (633 sqm net by 2036), and Andover Town Centre (529 sqm net). This capacity could potentially be met through the take-up of vacant units, change of use applications, extensions to existing stores or by new development. There is no capacity for new convenience goods floorspace in the Borough's Key Service Centres and Rural Villages.
- 14.5 The alternative "**supermarket/discounter**" trading scenario assumes that the forecast residual expenditure capacity can be supported by a supermarket (e.g. Co-op, Budgen's, etc.) and/or 'discount' retailer (principally Aldi and Lidl) trading at lower average turnover levels than assumed for the larger grocery stores. Under this scenario the forecasts show no capacity at 2021, increasing to **3,349 sqm net at 2036**. For the main centres in the Borough the majority of the capacity is forecast for Romsey Town Centre (1,013 sqm net by 2036), and Andover Town Centre (846 sqm net by 2036). This is equivalent to one additional supermarket/discounter in each centre. The need could be met through the conversion of existing buildings, or more likely through new development. There is no capacity for new convenience goods floorspace in the Borough's Key Service Centres and Rural Villages.
- 14.6 The existing out-of-centre foodstores generate capacity for 1,467 sqm at 2036 under the "*superstore format*" scenario, increasing to 2,347 sqm net for new "*supermarket/discounter*" floorspace.
- 14.7 The Framework is clear that all needs should be met in full and should not be compromised by limited site availability (paragraph 23). It is recommended that local authorities should seek to identify and allocate sites within their main centres first, followed by edge of centre sites that are well connected to the town centre where suitable and viable town centre sites are not available. If sufficient edge of centre sites cannot be identified, local authorities are required to set policies for meeting the identified needs in other accessible locations that are well connected to the town centre. We therefore advise the Council that it will need to identify and allocate potential sites to accommodate the forecast need for new convenience goods floorspace over the plan period.



### Comparison Floorspace

- 14.8 Our assessment shows that by 2036 there will be forecast 'residual' comparison goods capacity of £112m for the Borough area, after taking account of all known commitments. This translates into a Council-wide capacity for **12,487 sqm net** of new comparison goods floorspace by 2036. The capacity for new floorspace over the short to medium term is more limited' forecast at 909 sqm in 2021 and increasing to 4,134 sqm by 2026.
- 14.9 In **Andover** there is a potential need for 1,749 sqm net in 2026, increasing to **4,938 sqm net** by 2036. In **Romsey**, there is a potential need for 762 sqm net in 2026, increasing to **2,207 sqm net** by 2036. In our view, without undertaking a detailed assessment of the availability and suitability of potential development site opportunities in both centres, we nevertheless consider that this need could potentially be met over the short (up to 2021) to medium term (up to 2026) through the take-up of vacant floorspace, infill development and/or change of use applications. However, given the scale of need forecast up to 2036, we advise that the Council will need to identify a site or sites in and/or on the edge of Andover to meet the forecast need in full in compliance with the NPPF (paragraph 23).
- 14.10 The biggest forecast capacity for new comparison floorspace in the Borough is being generated by existing out of centre shopping facilities. In the short term (up to 2026) we forecast that there is a potential need for 1,543 sqm, increasing to **5,121 sqm** by 2036. In line with the "town centre first" approach, the local planning authority should be seeking to allocate sites to accommodate the identified capacity within their existing centres.

### Leisure Uses

- 14.11 Our review of the Council's existing commercial leisure offer has been informed by the results of the household survey, the health check assessment and wider stakeholder engagement.
- 14.12 In summary the evidence shows that across the Borough area there is an adequate provision of leisure facilities, although there are qualitative and quantitative gaps in provision that should be addressed over the plan period. The key forecasts and findings are summarised below:
- There is not quantitative need/capacity for additional **cinema** screens in the Borough. However, in qualitative terms Romsey lacks a cinema. If market demand from operators should arise over the plan period, this should be directed to Romsey (and other centres first) in accordance with the NPPF and local plan policy objectives.
  - Within both Andover and Romsey there is need for a qualitative and quantitative improvement in the **food and beverage sector**. The quantitative assessment shows that across the Borough there is capacity for new food and beverage floors for between 464 sqm gross in 2021 increasing to 6,804 sqm gross by 2036. In compliance with the objectives of the NPPF, this forecast need should be directed to the Borough's main centres first to help increase competition and choice, and to help underpin their daytime/evening economies. However, the prospect for new facilities will ultimately be determined by the level of market demand and interest for representation in the area and its main centres.
  - Our assessment of the **health and fitness facilities** across the Council Area shows that, whilst Andover has a good provision there is a qualitative need for health and fitness facilities in Romsey.
  - There is a gap in **family entertainment** facilities in both Andover and Romsey. In terms of addressing future needs, the Borough would benefit from a wider choice of family entertainment venues and activities. Such facilities should be directed towards the main town centres where demand and suitable sites exist.

- There is a potential gap in provision of **historical and cultural attractions** in Andover, and a definite need to increase the number/quality of such attractions in Romsey where the potential exists. Romsey also has a limited theatre provision.

## Ensuring the Vitality of Town Centres

14.13 Further to our assessment of the likely forecast need for new retail floorspace and leisure uses in the Borough and its main centres, the following provides a summary of the key issues and challenges facing Andover and Romsey Town Centres, and our recommendations on how to maintain and enhance their overall vitality and viability, and their respective roles and functions in the network and hierarchy of centres.

### *Andover Town Centre*

14.14 Drawing on the research findings and evidence we consider that the health of Andover Town Centre over the plan period could be improved by addressing the following matters:

- Whilst Andover as a whole has a strong convenience provision, it is mainly concentrated outside the town's primary shopping area. This is confirmed by the household survey results which show that the out-of-centre stores are drawing approximately two-thirds (66.5%) of expenditure in the Andover Primary Catchment Area (PCA) compared to the 21.9% market share for town centre stores. In our view further out-of-centre food store development could therefore be detrimental to the town centre's overall vitality and viability, and any new floorspace should be directed to the Borough's centres first in compliance with the NPPF; subject to market demand and the identification of suitable sites to accommodate the forecast need.
- The comparison offer faces significant competition from the following:
  - online shopping, which has a market share of 36.3% within the PCA;
  - retail facilities outside of the Test Valley Council Area (such as Basingstoke, Salisbury, Southampton, and Winchester), with a 23.9% market share in the PCA; and
  - immediate out-of-centre facilities (such as Churchill Retail Park and Enham Arch Retail Park), which are achieving a 18.1% market share of all available comparison expenditure in the PCA.
- This market share patterns indicate that there is a gap in Andover Town Centre's comparison floorspace provision. Opportunities to improve this situation should therefore be explored to help 'claw back' some shoppers and trade from out-of-centre shops and stores, and competing centres. Further out-of-centre comparison floorspace development should be therefore resisted as we consider that it would harmful to the town centre's overall vitality and viability.
- Whilst the evidence shows there is a high representation of national multiples and the overall comparison provision is adequate, in qualitative terms we consider there is potential for more high street mid-range fashion brands. This would help to raise the attraction and draw of the centre. However, this will be subject to market demand from potential retailers for representation in the town, and the availability and suitability of premises in terms of format and scale to meet any forecast needs and demand.
- In order to establish its Unique Selling Proposition (USP), Andover will need adapt to current trends and the changing role of retailing by introducing more high quality and 'niche' independent shops to build on Andover's character and attraction.



- There are two areas in Andover with a high concentration of vacant units, which detract from the quality of the environment: the Chantry Shopping Centre and The Bridge Street Mall. These locations represent potential opportunities to increase activity (for example by redeveloping the sites, and/or by seeking operators to locate here).
- The Chantry Shopping Centre is rather dated in terms of its layout and the scale and type of retail premises it offers. It does not present a modern shopping environment, either for occupiers or customers in our view. As such, we consider that more investment is needed in the shopping centre to create modern larger format shopping premises to attract retailers, with a prominent anchor.
- Andover's daytime and evening leisure economy needs to be improved. The existing leisure facilities are currently scattered around the centre, and we consider that the town would benefit from establishing a leisure 'hub' or 'quarter', principally focussed on improving the food and beverage offer. The health checks and surveys have identified that the centre lacks family-friendly restaurants; and there is a potential gap in the choice of higher quality of family entertainment venues and activities. It is considered that the High Street, focussed to the south of the Guildhall building, represents a prime location for establishing a leisure 'hub' / 'quarter'. In our view it has the environment and physical space to allow for alfresco dining to help animate the market place.
- There is a vision to establish a *Cultural Quarter* around The Lights Theatre and Andover Leisure Centre (located within the Town Centre Boundary, but outside the Primary Shopping Area). Taking this into account we recommend that a Masterplan is drawn up to guide the planning and development of this area, covering the appropriate uses, the legibility of the area, and the need to improve the wider connections/linkages to the PSA. The Cultural Quarter should also be designed and curated in a manner that complements and encourages the establishment of a leisure 'quarter' in the PSA.
- Andover hosts a number of events and promotions that help to draw new visitors to the area and town. These should be encouraged and marketing should be afforded priority. A better utilisation of the market square should also be promoted, focussed on more cafés and quality restaurants, to create interest and increase footfall.
- It is recommended that the regular Andover Street Market should be significantly improved by raising the quality of goods sold, and by establishing more holistic management and marketing. The market would help to complement the promotion of more places to eat and drink focussed on the market square, attracting new shoppers and visitors to the town.
- Andover would benefit from partnerships with local retailers to promote and improve the Town Centre. It is noted that Andover BID has recently been set up to progress towards a BID ballot. If this ballot is held and is successful, a future BID will be established. The main strategies aim to improve the Town Centre through marketing and enhancing the environment.
- Andover Town Centre would benefit from public realm improvements. For example, the centre could benefit from more seating, green landscaping (e.g. trees), and a well-integrated recreational space. A public realm enhancement scheme could help create an appealing town centre environment which attracts both visitors and residents to the centre.
- The parking management system should be improved (such as incorporating payment on exit).

### ***Romsey Town Centre***

14.15 Based on the survey evidence and health checks assessments we consider that the health and vitality of Romsey Town Centre could be improved through the following actions and initiatives:

- Whilst Romsey Town Centre in general has a good convenience offer (based on the current market shares), it would appear that there is a potential 'gap' in foodstore provision. For example, the key competition comes from locations outside the Borough, such as Eastleigh and Southampton (which draw 55.4% with the Primary Catchment Area – albeit this is not entirely surprising given the geographical location of Romsey). As such, we consider that there is potential to improve the quality and scale of the town's convenience offer. This can be achieved by introducing a mid-range supermarket, subject to market demand. It is noted that Romsey does not have any significant out-of-centre supermarkets/ superstores, which has helped to maintain its overall vitality and viability for food shopping purchases by local residents.
- In terms of its comparison provision Romsey Town centre has a good representation of key multiple retailers as well as independent stores. However, based on the current market shares, it would appear that there is a gap in the comparison retail provision (even after taking account of Romsey's geographic position and its role and function as a market town). The retention of expenditure is relatively low within its PCA (with a 12.7% market share). The key competition comes from retail facilities outside the Test Valley Council Area (there is 58.6% leakage of comparison expenditure to locations such as Eastleigh, Hedge End and Southampton) and online shopping (which is achieving a 24.8% market share, compared with the national average of 19.7%). Further out-of-centre comparison floorspace development could therefore be detrimental to the town centre. In qualitative terms, the centre lacks fashion stores for men, and teenagers/young adults. Based on our observations, we recommended that Romsey should seek to host more higher-end fashion retailers to raise its profile, as well as to continue to build and improve its independent niche and boutique offer. However the will dependent on future market demand and trends in the retail sector.
- In qualitative terms, the leisure services in Romsey Town Centre could be improved by introducing more evening economy uses and uses that appeal more to a younger population profile (such as a cinema etc.). There also appears to be a potential gap in the health and fitness provision, as well as the potential for a wider range and higher quality of family entertainment venues and activities.
- It is considered that better marketing of the centre would also be highly beneficial to the centre.
- The parking management system should also be improved (such as incorporating payment on exit, and incorporating better car park signage and capacity).

### **Retail Hierarchy Recommendations**

14.16 Based on the findings of the household survey, centre health checks and quantitative need assessment, we have also undertaken a high level review of the retail hierarchy.

14.17 In the first instance it should be noted the Test Valley currently does not benefit from a policy that clearly sets out the Town Centre hierarchy. The centres are defined through a combination of policies, namely Policies COM2, LE11 and LE15 (which confirm Andover as a Town Centre, Romsey as a Town Centre and Stockbridge as a Local Centre). This is a somewhat fragmented approach. We also note that a that "Key Service Centres" and "Rural Villages", as mentioned by Policy COM2, currently do not form part the retail hierarchy.

14.18 As such we would recommend that in the first instance, and in order to achieve consistency with the NPPF, that the Council adopts a policy that sets out the retail hierarchy in the following manner:

- 1) City Centre – not applicable to Test Valley.
- 2) Town Centres – Andover and Romsey.
- 3) District Centres, and Local Centres – Whilst Stockbridge is currently defined as a “Local Centre”, it has not been assessed as part of this Study and hence we are unable to comment on its rightful position in the retail hierarchy. Nor we are able to comment on whether any of the “Key Service Centres” or “Rural Villages” should be part of the hierarchy. We recommend that Council, as part of the emerging Local Plan clearly defines the District and Local Centres in line with paragraph 23 of the NPPF (i.e. “define the extent of town centres and primary shopping areas, based on a clear definition of primary and secondary frontages in designated centres, and set policies that make clear which uses will be permitted in such locations”). It may be the case that the Council may wish to undertake a separate study to identify such centres and review their health.

14.19 As part of reviewing the retail and town centre hierarchy, we have also necessarily examined the role and function of existing out-of-centre retail and leisure locations in the local authority area. It is clear that these existing out-of-centre facilities do not have the range or choice of retail, leisure and other uses normally associated with City, Town, Local and District Centres. We therefore advise the Council that these out-of-centre shopping and leisure destinations should not be classified as ‘town centres’ in the emerging development plan, and should not be afforded any policy protection. This is because the main thrust of national and local plan policy is to direct new retail, leisure and wider town centre uses and investment to town centres first, ahead of edge and out of centre locations. If some or all of the existing out-of-centre facilities were designated as ‘centres’ in this case it would, in our judgement, have a significant adverse impact on the delivery of existing, planned and committed investment in the main centres, as well as any future proposals for new public and private sector development. Therefore any proposals for new retail, commercial leisure and town centre uses in out-of-centre locations should necessarily be assessed against the key sequential and impact tests set out in the NPPF under paragraphs 24-27.

## Recommendations on Frontages

14.20 We have reviewed the adopted frontage policies and the associated Proposals Map, in relation to Andover and Romsey Town Centres.

14.21 In general terms, in accordance with the NPPF the Proposals Map sets out the four key components of town central Town Centre Boundary, Primary Shopping Area (PSAs), Primary Shopping Frontages (PSFs), and Secondary Shopping Frontages (SSFs). We recommend that the Council formulates policies that reflect and elaborate on these designations, and which incorporate the trends and key shortcomings of the centres, outlined above. The Council may wish to create overarching policies for the four elements, or set out such policies on a centre-by-centre basis. We must highlight at this stage that frontage policies should be treated differently from site-specific policies.

14.22 To assist the Council in the plan-making, below we provide our initial key recommendations on potential changes to the current Proposals Map Boundaries, and the associate policies.

### **Andover**

- 14.23 Looking at the current Proposals Map Boundary, we consider that based on the research evidence, no changes are necessary. However, we would recommend that the boundaries are reviewed as part of the exercise where the Council considers the appropriate sites to accommodate the identified retail capacity.
- 14.24 We consider that Policy LE13, as currently worded, prohibits the establishment of better leisure facilities (primarily A3 and A4), which could improve the appeal of the centre. We would, therefore, recommend that the policy is amended so that it allows more flexibility. For example, this could be done by setting a policy specifically to the High Street (south of Guildhall), that will encourage leisure uses and allow flexibility, as well as the appropriate concentration of A3 (cafes and restaurants) and A4 (pubs and bars) uses in this area (for example, by looking at the wider effect it would have on the Town Centre).
- 14.25 We consider that that current wording of the Policy LE13 could continue to apply to the rest of the PSA, but with the addition of an “exception” element, where uses that maintain and enhance the vitality of the centre are encouraged, subject to passing a set of criteria. For example, Policy LE13 currently does not allow any D2 uses in the PSA. Uses such a gyms, cinemas, exhibition halls and galleries could acts as great footfall generators.

### **Romsey**

- 14.26 Looking at the current Proposals Map Boundary we set out our recommended changes based on the research evidence as follows:
- The currently defined **Town Centre Boundary** and **Primary Shopping Area (PSAs)** should be retained.
  - The currently defined **Primary Shopping Frontages (PSFs)** should be reduced to exclude Latimer Street and Latimer Walk
  - The currently defined **Secondary Shopping Frontages (SSFs)** should be extended to include Latimer Street and Latimer Walk
- 14.27 We would also recommend that the boundaries are reviewed as part of the exercise where the Council considers the appropriate sites to accommodate the identified retail capacity.
- 14.28 We consider that Policy LE12, as currently worded, prohibits the establishment of better leisure facilities (primarily in A3 and A4, and some D2), which could improve the appeal of the centre. We would, therefore, recommend that the policy is amended so that it allows more flexibility. For example, the number of leisure units and their concentration could be assessed against a list of set criteria which encourages uses that maintain and enhance the vitality of the centre.

### **Local Impact Threshold: Recommendations**

- 14.29 We have also assessed whether there is a requirement for the local planning authority to set a local (floorspace-based) impact threshold, rather than use the default of 2,500 sqm gross identified by the NPPF (paragraph 26). This is important as it will determine whether applicants should carry out an impact assessment for new retail, leisure and office development outside of Town Centres that are not in accordance with an up-to-date Local Plan.
- 14.30 In summary the Planning Practice Guidance (PPG) published in March 2014 provides advice in setting a locally appropriate threshold and states that it will be important to consider the:
- 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.

- 14.31 While the quantitative and qualitative research evidence indicates that the majority of centres appear to be vital and viable, they are nevertheless vulnerable to increased competition from out-of-centre retailing and the growth of internet shopping.
- 14.32 Our assessment of retail trends in **Section 3** has highlighted the 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. 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.
- 14.33 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. 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 are also unlikely to trade as a purely local facility.
- 14.34 We therefore conclude in this case that it is reasonable for applicants proposing developments for new comparison and convenience goods retailing of 350 sqm gross 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 on any defined centre within the Council Area.
- 14.35 In our judgement **350 sqm** is a reasonable impact threshold as it will provide the local planning authority with sufficient flexibility to assess the merits and implications of edge and out-of-centre foodstore applications that could potentially have significant implications for the viability and delivery of new or extended floorspace in these existing centres. We also advise that this threshold should be applied, where relevant, to change of use applications and applications seeking variations of conditions.
- 14.36 A 350 sqm gross impact threshold is also reasonable based on our experience of advising other local planning authorities, and also drawing on the minimum impact thresholds identified in recently adopted local plans (including, for example, Richmondshire District Council, Rother District Council, Rotherham Metropolitan Council, Stafford Borough Council, Warrington Borough Council and Norwich City Council).
- 14.37 Notwithstanding the above, 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.

### **Sequential Test Threshold: Recommendations**

14.38 Policy LE11: Main Town Centre Uses of the currently states:

“Development for main town centre uses and extensions, with a gross floorspace exceeding 280sqm, outside of Andover and Romsey town centre will not be permitted if following a Sequential Assessment they could be accommodated firstly within a town centre, or then secondly, an edge of centre location.”

14.39 This policy essentially suggests that any development for main town centre uses outside of the town centres below 280 sqm do not need to pass the sequential test.

14.40 Paragraphs 24, 25 and 27 of the NPPF sets out the application of the sequential test:

“24. Local planning authorities should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan. They should require applications for main town centre uses to be located in town centres, then in edge of centre locations and only if suitable sites are not available should out of centre sites be considered. When considering edge of centre and out of centre proposals, preference should be given to accessible sites that are well connected to the town centre. Applicants and local planning authorities should demonstrate flexibility on issues such as format and scale.

25. This sequential approach should not be applied to applications for small scale rural offices or other small scale rural development.

27. Where an application fails to satisfy the sequential test ... it should be refused.”

14.41 Unlike in the Impact Test (paragraph 26 of the NPPF), the NPPF ( and the NPPG) does not set a threshold for applying the sequential test, nor does it make provision for the Local Planning Authorities to set their own threshold. As such, it is considered that adopting a general floorspace threshold for undertaking a sequential test would not be NPPF-compliant.

14.42 It is however noted that, in line with the paragraph 25 of the NPPF, that the sequential approach should not be applied to applications for small scale rural offices or other small scale rural development. The Council may wish to adopt further policy wording to elaborate on this matter, and establish parameters on what may be considered as “small scale” and “rural” within the Test Valley context. We would advise that appropriate evidence is gathered to support any such wording. It is noted that the Sunday Trading law defines “small shops” as those under 280 sqm gross.



## 15 GLOSSARY

<b>TOWN CENTRES:</b>	Town are the principal centre or centres in a local authority's area. In planning the future of town centres, local planning authorities should consider the function of different parts of the centre and how these contribute to its overall vitality and viability.
<b>MAJOR CENTRES</b>	Major centres are typically found in Inner London and often have a borough wide catchment. They generally contain over 50,000sqm of retail, leisure and service floorspace with a higher proportion of comparison over convenience goods; and potentially significant employment, service and civic functions.
<b>DISTRICT CENTRES:</b>	District centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library. These centres generally contain between 10,000-50,000sqm of retail, leisure and service floorspace; and provide a higher proportion of convenience over comparison goods.
<b>LOCAL CENTRES:</b>	Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office, a pharmacy or a launderette.
<b>TOWN CENTRE USES:</b>	As defined in the NPPF, main town centre uses are retail development (including warehouse clubs and factory outlet centres); leisure, entertainment facilities the more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres, and bingo halls); offices; and arts, cultural and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).
<b>TOWN CENTRE BOUNDARY:</b>	Defined area, including the primary shopping area and areas of predominantly leisure, business and other main town centre uses within or adjacent to the primary shopping area. The extent of the town centre should be defined in Local Plans and on the policies map.
<b>PRIMARY SHOPPING AREA (PSA)</b>	Defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are adjoining and closely related to the primary shopping frontage).
<b>PRIMARY &amp; SECONDARY FRONTAGES</b>	Primary frontages are likely to include a high proportion of retail uses which may include food, drinks, clothing and household goods. Secondary frontages provide greater opportunities for a diversity of uses, such as restaurants, cinemas and businesses.
<b>EDGE-OF-CENTRE</b>	As defined in the NPPF, For retail purposes a location that is well connected 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.
<b>OUT-OF-CENTRE</b>	A location which is not in or on the edge of a town centre. Out-of-centre locations are at the bottom of the retail hierarchy and any application for retail development in an out-of-centre location must fully assess impacts and rule out potential for locating in a more sequentially preferable location.
<b>CONVENIENCE SHOPPING</b>	Convenience retailing is the provision of everyday essential items, including food, drinks, newspapers/magazines and confectionery.
<b>COMPARISON SHOPPING</b>	Comparison retailing is the provision of items not obtained on a frequent basis. These include clothing, footwear, household and recreational goods.
<b>SUPERMARKETS</b>	Self-service stores selling mainly food, with a trading floorspace less than 2,500 square metres, often with car parking.
<b>SUPERSTORES</b>	Self-service stores selling mainly food, or food and non-food goods, usually with more than 2,500 square metres trading floorspace, with supporting car parking.
<b>RETAIL WAREHOUSES</b>	Large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering mainly for car-borne customers.
<b>RETAIL PARKS</b>	An agglomeration of at least 3 retail warehouses
<b>WAREHOUSE CLUBS</b>	Large businesses specialising in volume sales of reduced priced goods. The operator may limit access to businesses, organisations or classes of individual.
<b>FACTORY OUTLET CENTRES</b>	Groups of shops specialising in selling seconds and end-of-line goods at discounted prices.
<b>LEISURE PARKS</b>	Leisure parks often feature a mix of leisure facilities, such as a multi-screen cinema, indoor bowling centres, night club, restaurants, bars and fast-food outlets, with car parking.
<b>CONVENIENCE GOODS EXPENDITURE</b>	Expenditure (including VAT as applicable) on goods in COICOP categories: Food and non-alcoholic beverages, Tobacco, Alcoholic beverages (off-trade), Newspapers and periodicals, Non-durable household goods.

<b>COMPARISON GOODS EXPENDITURE</b>	Expenditure (including VAT as applicable) on goods in COICOP Categories: Clothing materials & garments, Shoes & other footwear, Materials for maintenance & repair of dwellings, Furniture & furnishings; carpets & other floor coverings, Household textiles, Major household appliances, whether electric or not, Small electric household appliances, Tools & miscellaneous accessories, Glassware, tableware & household utensils, Medical goods & other pharmaceutical products, Therapeutic appliances & equipment, Bicycles, Recording media, Games, toys & hobbies; sport & camping equipment; musical instruments, Gardens, plants & flowers, Pets & related products, Books & stationery, Audio-visual, photographic and information processing equipment, Appliances for personal care, Jewellery, watches & clocks, Other personal effects.
<b>SPECIAL FORMS OF TRADING</b>	All retail sales not in shops and stores; including sales via the internet, mail order, TV shopping, party plan, vending machines, door-to-door and temporary open market stalls.
<b>GROSS GROUND FLOOR FOOTPRINT FLOORSPEACE</b>	The area shown on the Ordnance Survey map or other plans as being occupied by buildings and covered areas measured externally.
<b>GROSS RETAIL FLOORSPEACE</b>	The total built floor area measured externally which is occupied exclusively by a retailer or retailers; excluding open areas used for the storage, display or sale of goods.
<b>NET RETAIL SALES AREA</b>	The sales area within a building (i.e. all internal areas accessible to the customer), but excluding checkouts, lobbies, concessions, restaurants, customer toilets and walkways behind the checkouts.
<b>RETAIL SALES DENSITY</b>	Convenience goods, comparison goods or all goods retail sales (stated as including or excluding VAT) for a specified year on the price basis indicated, divided by the net retail sales area generating those sales.
<b>QUANTITATIVE NEED</b>	Is conventionally measured as expenditure capacity (i.e. the balance between the turnover capacity of existing facilities and available expenditure in any given area). Expenditure capacity, or 'quantitative need' can arise as a result of forecast expenditure growth (either through population growth or increase in spending), or by identification of an imbalance between the existing facilities and current level of expenditure available in an area.
<b>QUALITATIVE NEED</b>	Includes more subjective measures such as, for example, consumer choice; the appropriate distribution of facilities; and the needs of those living in deprived areas. 'Over trading' is also identified as a measure of qualitative need, although evidence of significant over-crowding, etc., may also be an indicator of quantitative need.
<b>OVERTRADING</b>	The extent to which the turnover of existing stores significantly exceeds benchmark turnovers may be a qualitative indicator of need, and in some cases inform quantitative need considerations. For example it may be an expression of the poor range of existing facilities or limited choice of stores and a lack of new floorspace within a locality. In certain cases 'overtrading' occurs when there is an imbalance between demand (i.e. available spend) and supply (i.e. existing floorspace capacity).
<b>BENCHMARK TURNOVER</b>	In the case of specific types of provision (such as foodstores) company average turnover figures are widely available and can provide an indication of a 'benchmark' turnover for existing facilities. However, turnover benchmarks should not be used prescriptively or in isolation to indicate a measure of 'need'. It is important to recognise that a range of factors (such as rental levels and other operating costs) mean that operators are likely to trade at a wide range of turnover levels. Given the inherent margins of error involved in this type of exercise, the use of company averages as benchmarks should be treated with caution unless they are corroborated by other independent evidence of under-performance, or strong trading. Examples might include the results of in-centre health checks, or the extent of congestion in stores and queuing at checkouts.