



Eastleigh Borough Local Plan 2016-2036



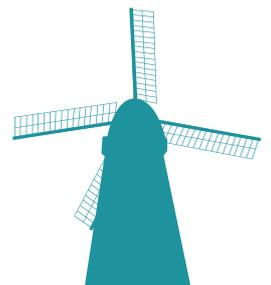
# Eastleigh Borough Local Plan 2016-2036

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## Retail Floorspace Provision Background Paper

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June 2018



This background paper supports the Eastleigh Borough Local Plan and provides background information on the need for retail floorspace in the Strategic Growth Option and across the borough. This document is not on deposit for consultation and is background evidence.

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## Retail Floorspace Provision

1. Government policy in the NPPF identifies, as a core planning principle, that local authorities should make every effort to objectively identify and then meet the housing, business and other development needs of an area. Needs for retail, leisure and other town centre uses should be met in full and should not be compromised by limited site availability.
2. In 2017 Eastleigh Borough Council commissioned consultancy Carter Jonas to undertake a Retail and Leisure Needs Assessment (RLNA) in support of the emerging Eastleigh Borough Local Plan 2016 to 2036 (EBLP).<sup>1</sup>
3. In terms of retail floorspace the RLNA identified the following needs by type of retail floorspace and in approximately 5-year bands to the end of the plan period. More detailed tables which break these need figures down by area are attached at Appendix 1 to this paper.

<b>Table 1: Floorspace needs by type and year</b>				
<b>Type / Year</b>	<b>2022</b>	<b>2027</b>	<b>2032</b>	<b>2036</b>
Convenience	-729m <sup>2</sup>	454m <sup>2</sup>	1,500m <sup>2</sup>	2,345m <sup>2</sup>
Comparison	94m <sup>2</sup>	6,360m <sup>2</sup>	12,935m <sup>2</sup>	18,564m <sup>2</sup>

4. The RLNA caveats its floorspace needs assessment very heavily throughout the report that, although the forecasts are considered to be robust and draw on the most up to date survey evidence and research, it is advised that forecasts beyond five years should be treated with caution. This is because (paragraph 13.33) the retail sector is dynamic and the various assumptions and forecasts that underpin the assessment are subject to year on year changes. The growing role of internet and multi-channel shopping is identified as a particular factor which could reduce the future demand and so need for new physical space for retailing over the long term.
5. This seems to have been borne out in the months since the RLNA was carried out with huge changes in the retail sector nationally in the space of the last 12 months:
  - the collapse of Toys r Us and Maplin;
  - financial difficulties and store closures at Multiyork, Mothercare, Carpetright, Prezzo, New Look, M&S, House of Fraser etc;
  - increasing competition for the big 4 supermarkets from German bulk discount competitors;
  - struggling department store retailers; and

<sup>1</sup> <https://www.eastleigh.gov.uk/media/1649/retail-and-leisure-needs-assessment-july-2017.pdf>

- growth in the internet-only retailers such as Amazon and delivery firms such as Uber and Deliveroo
6. These all indicate a retail sector in turmoil as traditional retailers fundamentally change their business and trading models to reflect the new economic reality of consumers (young consumers in particular) with less disposable income and less inclination to spend in the traditional ways.
  7. In view of this rapid change and uncertainty it adds weight to the RLNA caveat that the longer term (beyond 5 years) floorspace need forecasts should be treated with even more caution than might normally have been the case. While there is a requirement to plan for longer term needs, this has to be balanced against making provision for retail space now which proves to be not needed and/or may actually be counter-productive if it undermines and creates increasing competition for existing centres in the borough.
  8. Taking the 2027 forecasts for the mid-point of the plan period these indicate a need for 454m<sup>2</sup> of new convenience floorspace. The majority of this is identified in the RLNA as either a potential extension to the existing Tesco store at Bursledon, a new 'deep discounter' store or a number of smaller convenience stores throughout the borough. The role of the Strategic Growth Option (SGO) and the North of Bishopstoke and North & East of Fair Oak will also generate its own additional need for additional convenience floorspace which the RLNA estimates at 1,228m<sup>2</sup> (para 11.26/Table 11.8).
  9. If the earlier 2022 forecast is taken as a more reliable short term indicator then there is already a surplus of 729m<sup>2</sup> of convenience floorspace.
  10. Turning to comparison floorspace, the 2027 local plan mid-point needs estimate is for 6,360m<sup>2</sup> of floorspace the majority of which is identified as capacity for further out of centre retailing at Hedge End. However, in accordance with the 'sequential approach' set out at paragraph 24 of the NPPF this need should be met primarily within Eastleigh town centre or other district centres. The RLNA notes that there is the capacity for the SGO to deliver 1,995m<sup>2</sup> of comparison floorspace.
  11. If the earlier 2022 forecast is taken as a more reliable short term indicator then there is only a shortfall of 94m<sup>2</sup> at that date.
  12. Regardless of the precise figure, there is acknowledged to be a shortage of suitable space for additional comparison or convenience floorspace within or adjacent to the town of district centres which could be allocated for new retail floorspace without potentially adversely affecting the vitality and viability of those centres; particularly in view of the radically changing nature of the retail sector as described above. The only real scope for new additional retail floorspace to be provided through the local plan is at the SGO.
  13. It is worth noting that, regardless of the RLNA floorspace need assessments, the master-planning and transport planning work underpinning the development of the SGO scheme is actually suggesting a need for a higher

level of retail floorspace provision than indicated by the RLNA (see Table 2 below).

<b>Table 2: SGO Retail Floorspace Estimates (by 2036)</b>			
	RLNA	EBC Master-planning	Difference
Convenience	1,228m <sup>2</sup>	4,700m <sup>2</sup>	3,472m <sup>2</sup>
Comparison	1,995m <sup>2</sup>	2,100m <sup>2</sup>	105m <sup>2</sup>
<b>Total</b>	<b>3,223m<sup>2</sup></b>	<b>6,800m<sup>2</sup></b>	<b>3,577m<sup>2</sup></b>

14. Whilst work on the justification for this is still evolving as work on the masterplan continues, the main reason for the higher floorspace now being planned at the SGO is that it is being planned as two separate but linked communities rather than as a single entity; each of these communities will need to be supported by their own retail provision. The masterplan is proposing two new local centres (one of 1,000m<sup>2</sup> and another of 1,200m<sup>2</sup> making 2,200m<sup>2</sup> in total) reflecting the size and role of the two proposed communities and the nature of existing retail provision in the existing local centres and parades. In addition it is proposing a new district centre (4,600m<sup>2</sup> of which approximately 2,500m<sup>2</sup> is anticipated to be convenience and 2,100m<sup>2</sup> comparison). While the evolving masterplanning work is proposing approximately double the amount of new floorspace compared to the RLNA assessment there are a number of further reasons for this.
15. Firstly, the key rationale for selecting a wholly new SGO is the opportunity to secure more new facilities than would be possible through an alternative distribution strategy. This applies not just to the retail offer but also to the provision of a new link road and other social and community infrastructure which will benefit from the 'economies of scale' of a new SGO rather than numerous smaller developments dotted around the borough.
16. Secondly, securing a new critical mass of development building on the communities of Fair Oak and Bishopstoke provides the opportunity to wholly re-plan the retail offer of the existing communities. Both Bishopstoke and Fair Oak are both currently served by a small village centres and then one or more modest local shopping parades. As acknowledged in the RLNA, all are fairly lacklustre and dated and not fully meeting the needs of the local population.
17. Thirdly, this limited offer (in terms of both scale and quality) means that the current retail spend of existing communities in Bishopstoke and Fair Oak is not retained locally but dissipated across other stores and retail centres in the borough. This does little to either boost local trade or to achieve wider sustainability objectives.
18. Appendix 10b to the RLNA notes that, of those living in the Bishopstoke & Fair Oak area (Zone 2 in the RLNA) over 99% of people normally did the main food and grocery shopping for their households outside of the Fair Oak and Bishopstoke area. Only 0.6% shopped within the Bishopstoke / Fair Oak area (see Table 3 below).

<b>Table 3: Main convenience shopping within the Bishopstoke / Fair Oak area</b>	
<b>Q01. In which store or shopping centre do you normally shop for all your household's main food and grocery shopping needs?</b>	<b>A Responses for Zone 2 (Bishopstoke – which also includes Fair Oak &amp; Horton Heath)</b>
<b>Store / Shopping Centre</b>	<b>Percent Selected</b>
Asda, Bournemouth Road, Chandlers Ford	18.4%
Iceland, High Street, Eastleigh	0.6%
Lidl, Station Hill, Eastleigh	16.6%
M&S, Tollbar Way, Hedge End	2.1%
Sainsburys, Badger Farm, Winchester	2.8%
Sainsburys, Leigh Road, Eastleigh	7.6%
Sainsburys, Portswood	0.6%
Sainsburys, Tollbar Way, Hedge End	28.7%
<b>Tesco Express, Bishopstoke Road</b>	<b>0.6%</b>
Tesco Extra, Bursledon	2.1%
Tesco Metro, Swan Centre, Eastleigh	7.6%
Tesco, Winnall, Winchester	2.5%
Waitrose, Oakmount Road, Chandlers Ford	1.9%
Internet Collection (click & collect)	0.9%
Internet Delivered	5.3%
Asda, High Street, West End	1.9%
<b>Total</b>	<b>100%</b>

*Note: Totals may not tally exactly due to rounding*

19. The RLNA recorded (Question 7 of the survey – Appendix 10b) that for small-scale top-up shopping, residents did use local stores within the Bishopstoke / Fair Oak area to a much greater degree. Stores identified included:
- Co-op stores in;
    - o Spring Lane, Bishopstoke (2.2%)
    - o Fair Oak Road, Bishopstoke (1.8%) and in
    - o Fair Oak (10.2%);
  - Tesco Express stores in;
    - o Bishopstoke Road (9.7%) and
    - o Fair Oak (10.2%)
  - Other local shops in Bishopstoke (1.8%) and
  - Other local shops in Fair Oak (9.0%).

20. So, even for small-scale top-up shopping, this means more than half (55.1%) of spending went to stores outside of the Zone 2 area.
21. A key aim of providing a higher amount of floorspace at the SGO than estimated in the RLNA, therefore, is to seek to claw back at least a proportion of this convenience spend locally. There is also the opportunity to provide additional retail floorspace in a new development in a sustainable and sequentially preferable location where such opportunities do not exist elsewhere in the borough.
22. The latter principle also applies in respect of comparison floorspace provision (even though the level of need identified in the RLNA and what is currently being planned for in the SGO are broadly in balance – see Table 2); namely that the only sequentially preferable and sustainable location for new retail development which will enhance rather than potentially undermine the borough's retail offer is to provide that new floorspace as part of the SGO rather than on other new out-of-centre sites.
23. It is accepted that new provision at the SGO will be unlikely to be sufficient to meet the targets identified in the RLNA (set out in Table 1 above) as those are 2027 targets and the new retail development at the SGO may not have come on stream by then (or, at least may not have been delivered in their entirety). Nonetheless, taken together as a broad strategy for new retail development and reflecting on the range of factors identified in this paper – not just the numerical targets which are far from certain – it is considered that the EBLP sets out a cogent, reasonable and deliverable approach to planning for new retail development in the borough.

## Appendix 1 – Summary Table Extracts from Carter Jonas Retail and Leisure Needs Assessment 2017

Table 13.1 Main Shopping Locations: Capacity for Foodstore-Format Floorspace (net sq m)

Convenience Floorspace Need by Location and Year (m <sup>2</sup> )			2022	2027	2032	2036
Eastleigh	Town Centre		104	221	324	408
	Out of Centre		-647	-572	-505	-452
		Eastleigh Sub-Total	-543	-351	-181	-44
Chandlers Ford	Town Centre		106	225	440	415
	Out of Centre		-601	-392	-207	-58
		Chandlers Ford Sub-Total	-495	-167	123	357
Hedge End	Town Centre		50	105	154	194
	Out of Centre		-37	239	482	679
		Hedge End Sub-Total	13	344	637	873
Local Neighbourhoods & Parades		77	163	240	301	
Rest of Borough		219	465	682	857	
<b>Total</b>			<b>-729</b>	<b>454</b>	<b>1,500</b>	<b>2,345</b>

Table 11.5 Capacity Forecasts by Centre – Assuming ‘Equilibrium’ at 2017 (net sqm)

Comparison Floorspace Need by Location and Year (m <sup>2</sup> )			2022	2027	2032	2036
Eastleigh	Town Centre		-215	1,252	2,775	4,103
	Out of Centre		-481	-229	34	262
		Eastleigh Sub-Total	-696	1,023	2,809	4,365
Chandlers Ford	Town Centre		124	388	673	915
	Out of Centre		134	409	695	942
		Chandlers Ford Sub-Total	258	797	1,368	1,857
Hedge End	Town Centre		112	340	583	789
	Out of Centre		367	3,536	6,866	9,693
		Hedge End Sub-Total	479	3,876	7,449	10,482
Local Neighbourhoods & Parades		-8	321	669	966	
Rest of Borough		61	342	640	894	
<b>Total</b>			<b>94</b>	<b>6,360</b>	<b>12,935</b>	<b>18,564</b>

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